Uber Agrees to Let Sexual Assault Victims Sue the Company in Court

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Eric Newcomer

Uber Technologies Inc. said it will let sexual assault and harassment victims sue the company in court and plans to release data on sexual violence and other dangerous incidents that occur on its ride-hailing service.

Previously, Uber's terms of service barred sexual assault victims—and other potential litigants—from pursuing their claims against Uber in open court, redirecting their cases to private arbitration. Now, in the U.S., Uber is waiving the requirement for these victims. They will still be free to opt for arbitration or mediation if they prefer to resolve the matter privately.

Uber will still seek to enforce other types of litigants to engage behind closed doors. And like other complainants, sexual assault victims will continue to be barred by the terms of service from banding together to bring class-action lawsuits against the company.

The move comes amid the #MeToo movement, in which women have come forward with accounts of sexual harassment, assault and workplace mistreatment. Uber faced a reckoning of its own last year after former software engineer Susan Fowler wrote a poignant blog post documenting harassment she faced there.

"There's no question that Uber has a unique relationship to the issue of sexual harassment in particular because of Susan Fowler's blog," said Tony West, Uber's chief legal officer. West and Chief Executive Officer Dara Khosrowshahi took over late last year and have attempted to turn the company around. "This is an issue that is much much bigger than Uber."

Fourteen women are attempting to sue Uber over sexual assaults and harassment they faced from drivers. The women, represented by law firm Wigdor LLP, made a <u>direct appeal</u> to Uber's board in a letter last month, asking directors to waive the company's mandatory arbitration and anti-class action provisions. Uber board member Arianna Huffington told Bloomberg TV this month that Uber board was <u>weighing</u> how to respond.

The company's new rules allow victims to fight their cases in court but only one at a time. If this approach survives court challenges, it could limit the potential payout for lawyers and damages that Uber could face. Despite the company's change in position, the move won't necessarily deter class-action suits.

"Congratulations to Uber for choosing not to silence survivors," said Jeanne Christensen, a partner at Wigdor. "Uber has made a critical step" toward reducing future suffering by women passengers, "but preventing victims from proceeding together, on a class basis, shows that

Uber is not fully committed to meaningful change." She said this is the "beginning of a longer process needed to meaningfully improve safety."

Uber has faced questions about how often its drivers assault or harass passengers. In April, a <u>CNN investigation</u> identified more than 100 Uber drivers accused of sexually assaulting or abusing passengers in the past four years. The company said on Tuesday it will release data on the number of sexual assaults on its service. Uber expects to publish both total figures and the number of incidents as a percentage of total trips.

"I do expect these numbers to be numbers that people will be rightly upset by and will rightly be able to take concrete action against," said Uber's West, a former top Justice Department official. "We think they're going to be disturbing because it is never easy to report sexual assault."

The data might not be released until early next year. Uber is working with experts focused on sexual violence to come up with reporting standards.

"There is not much precedent for this," said Kristen Houser, chief public affairs officer at Raliance, a sexual assault prevention group that's working with Uber. "It is difficult even to get companies to say the words sexual assault or rape, let alone incorporate them into the culture and the priorities of the company."

Uber hopes to recruit other corporations to release data, too. "Because we are involved in so many millions of lives, everyday, we have a particular ability to move the needle on this issue," West said. "It is not something we will be able to solve on our own."