Uber says no to class action lawsuits in rider assault cases -- but it's up to court to decide

by Sara Ashley O'Brien CNNMoney (New York)

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Uber said it will now allow survivors of sexual assault and harassment by its drivers to seek justice however they choose, whether that's arbitration, mediation or open court. But there's a catch.

Survivors can't band together as a part of a class action lawsuit, the company said on Tuesday.

But the lawyer representing nine women who allege they've been assaulted by Uber drivers in proposed class action lawsuit is pushing back.

"That's for the court to decide -- not Uber," Jeanne Christensen, attorney at Wigdor LLP, told CNN.

"We are not fooled by Uber's slick attempt to divert attention away from its true goal of isolating women and shaming them one by one in litigation by talking about lawyers trying to make money in class actions," Christensen said in a previously issued statement.

In the wake of a CNN investigation into sexual assaults and abuse by ridesharing drivers, Uber said it will no longer force passengers who allege that they have been sexually assaulted or harassed by drivers into arbitration -- something Uber previously required under its terms of service. The change also applies to its employees and drivers.

The company also said it will not require confidentiality clauses as part of settlements for survivors and committed to release data on assaults and other incidents. Lyft, an Uber competitor, announced hours later it would make the same changes.

Advocates against forced arbitration applauded the move amid a broader push to cut back on the practice commonly used by employers.

But the announcement stopped short of giving survivors the opportunity to pursue class action. The news came one day before Uber faced a court deadline to respond to the proposed class action lawsuit represented by Christensen's clients.

On Tuesday, Uber formally responded in court to Christensen's proposed class action case, which it had previously tried to force into arbitration. The new filing seeks to compel two of the claims -- unfair business practices and consumer legal remedies claims -- to an arbitrator. Their assault related claims need to be dealt with individually, Uber says.

"What's most important is for individual survivors to be able to tell their individual stories," Uber's chief legal officer Tony West told CNN earlier this week.

The company cited stats that class action lawsuits tend to support lawyers' pockets -- and not plaintiffs.

Christensen said Uber's effort is a step in the right direction, but she plans to oppose its motion and will proceed to pursue a class certification in the coming weeks.

Fatima Goss Graves, president and CEO of the National Women's Law Center, said it's common for employers to require arbitration of employees and customers, and that employees waive any rights to bring

Page 1 of 2 May 17, 2018 07:28:48AM MDT

a class action.

Graves said the changes Uber made are "important and survivor-driven policies" but "they didn't go far enough," said Graves, citing the class action waiver.

"We have a long history in this country of people binding together to change institutions and structures that aren't working for them," she said.

Graves said she and other advocates are paying close attention to the outcome of a lawsuit filed against Epic Systems Corporation which is currently before the US Supreme Court. The case looks at whether employees have a right to band together as part of the National Labor Relations Act, or whether employers are protected by forcing employees into arbitration under the Federal Arbitration Act.

-- CNN's Nelli Black contributed reporting