

## Uber drops forced arbitration for sexual-assault victims

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Facing another wave of damaging publicity, Uber said today that it will no longer require mandatory arbitration for claims of sexual assault involving the company's drivers and employees.

The ride-hail giant, whose new CEO, Dara Khosrowshahi, has sought to rehabilitate its image, has come under attack over its enforcement of the arbitration clause and its confidentiality provision, buried in the terms of service on the Uber app. The clause kicks in when a victim claims the company bears some responsibility for the crime.

From now on, however, individual victims—but still not a class—will be able to choose between open court and arbitration. Those who choose arbitration can opt to settle their claim without submitting to the confidentiality provision or to nondisclosure agreements, Uber's chief legal officer, Tony West, wrote [in a blog post](#).

"Enabling survivors to make this choice will help to end the culture of silence that surrounds sexual violence," he wrote.

Rival ride-hail service Lyft also saw the light today, following Uber's announcement with one of its own—and taking a shot at its rival in the process.

"Today, 48 hours prior to an impending lawsuit against their company, Uber made the good decision to adjust their policies," Lyft said in a statement, referencing a [class-action suit](#) New York employment-litigation firm Wigdor filed in federal court in California in November. "We agree with the changes and have removed the confidentiality requirement for sexual-assault victims as well as ended mandatory arbitration for those individuals so that they can choose which venue is best for them."

The pressure on Uber to change its policy included an [open letter](#) that the 14 women in the class-action suit sent to the company's board of directors last month. The women asked to be released from the arbitration provision and described attacks that took place in multiple locales, including Brooklyn, Miami and Los Angeles.

Jeanne Christensen, the Wigdor lawyer working on the class-action suit, told Reuters the move was "one step toward making a change," but that "just bringing the issue into the open doesn't solve the problem."

In fact, Uber's new policy might not help her clients: The changes apply only to individuals. Both companies have preserved their ability to compel arbitration in the class-action context—which is the more likely way for suits to be brought, legal experts say.

"They're giving away snow in the wintertime," said Manhattan attorney Michael Barasch, managing partner of Barasch McGarry, who has been involved in transportation-related suits. "If an individual wants to sue for sexual harassment or assault, they have to prove that Uber is on notice that this driver had prior complaints and they allowed the driver to continue to work. Uber knows that most people can't afford to hire attorneys and that it's much easier for an individual to go to arbitration."