

Uber drops mandatory arbitration in sex assault cases

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Uber is scrapping mandatory arbitration for people who bring sexual assault or harassment allegations against the company, in its latest move to overhaul its culture.

The car-booking company also said it would report more about such incidents, part of a wider rethink of its approach to sexual misconduct under chief executive Dara Khosrowshahi's new mantra to "do the right thing, period".

It follows pressure from critics over claims of an internal culture rife with sexism and a spate of accusations of assault by its drivers.

Customers, drivers and employees will be able to take their legal claims to open court as an alternative to confidential mediation or arbitration proceedings, if they wish. Alleged victims will no longer be required to sign confidentiality or non-disclosure agreements that prevent them from speaking about their claims, although settlement terms and amounts will remain confidential.

The company also said it would commit to publish a "safety transparency report" that will include and categorise data on sexual assault and other incidents that occur across its services.

"It's important to give sexual assault and harassment survivors control of how they pursue their claims," Tony West, Uber's chief legal officer, wrote in a [blog post](#) detailing the changes. "Whatever they decide, they will be free to tell their story wherever and however they see fit."

In terms of the public report, the company hopes to "open-source this methodology so we can encourage others in the ride-sharing, transportation and travel industries, both private and public, to join us in taking this step", Mr West said.

The changes apply only to claims of sexual assault and harassment, and only to individual cases, not class-action lawsuits. They also apply only in the US. Uber will conduct further reviews of its global policies on responding to assault and harassment on a country by country basis.

"Congratulations to Uber for choosing not to silence survivors," said Jeanne Christensen, partner at Wigdor LLP, which filed a class action suit last year on behalf of women who claimed assault or rape by Uber drivers. "Our hope is that Uber ending forced arbitration for victims of sexual assault will begin a process to reduce future suffering by women passengers."

She added: “Uber has made a critical step in this direction, but preventing victims from proceeding together, on a class basis, shows that Uber is not fully committed to meaningful change. Victims are more likely to come forward knowing they can proceed as a group. This is the beginning of a longer process needed to meaningfully improve safety.”

Uber has had a longstanding policy of mandatory arbitration for employees and customers involved in harassment and assault allegations. Such policies are common in corporate America, with more than 60m people subject to mandatory arbitration under their employment contracts, according to a study from the Economic Policy Institute, a think-tank.

But the clauses have come under the spotlight with the rise of the #MeToo movement, with critics arguing they can be used by companies to keep victims silent. In December, Microsoft ended forced arbitration for sexual harassment claims and endorsed a proposed federal law that would make such agreements unenforceable.

Mr West, who was associate attorney-general during the Obama administration, told CBS on Tuesday morning: “We want to try and resolve these claims that are best for the survivor . . . You are dealing with a situation where control and agency has been stripped away from them.”