



GET ON BOARD WITH TAXIS

28 December 2017



Happy New Year

2018



With all the media uncertainty that is going around about who shall govern the State after the March 2018 election and what this shall mean for us all, everyone should keep in mind. Europe which has a population of 743 Million and consists of 50 countries, has 35 countries that are governed by Coalitions and some of these include big countries like Germany with 83 Million, France (67 M), UK (66 M) and Italy (61 M). So our beautiful little State with just 1.7 Million has really nothing to fear from any outcomes that may possibly lead to such an event, as long as the taxi industry is listed by the political contestants as an industry that must be supported just like the 125,000 people that choose to use our taxis every week.

Department of Planning, Transport and Infrastructure (DPTI) Reports

Five ride sourcing vehicles (four unaccredited and one with No PV sign on rear window) were reported to DPTI this week.

—Uber’s bridge to global domination is simply a bridge too far—
Why? LOSSES! and if you think they are the only ones so are all the other “rideshare” companies ! Its all in this ground breaking article

<https://www.forbes.com/sites/lensherman/2017/12/14/why-cant-uber-make-money/#56460dc410ec>

EXCERPT 1 “Every major ridesharing company in the world is still experiencing steep losses after five or more years of operation, including Lyft (U.S.), Ola (India), 99 (Brazil), and Didi (China)”

EXCERPT 2 “Venture capitalists were enthralled with the bold ambition of Uber’s disruptive business model, and eagerly jockeyed for the right to invest in the growing, if unprofitable enterprise.”

EXCERPT 3 “The taxi industry that Uber is seeking to disrupt was never profitable when allowed to expand in unregulated markets, reflecting the industry’s low barriers to entry, high variable costs, low economies of scale and intense price competition...”

EXCERPT 4 “From the beginning, Uber made a calculated bet that it could achieve global domination, wiping out both incumbent taxi companies and other rideshare competitors.....But it now appears Uber has lost this bet in its headlong rush into an industry that has historically exhibited low profit potential.”

EXCERPT 5 “Recent studies have indicated that Uber’s U.S. driver churn has sharply increased this year, to rates as high as 96%. Needless to say, it’s hard (and costly) to maintain double-digit growth rates, when only 4% of mission critical, de facto employees stay on the job for more than a year.”

EXCERPT 6 “But Uber’s existential challenge remains its broken business model, which is increasingly testing the patience and confidence of its investors. At its current burn rate, Uber cannot survive more than two years without additional injections of capital, which is highly improbable at anything like its current valuation.”

Taxi Council SA has been reporting the high driver churn rate to DPTI right from the start, that is why the unaccredited cars never end. The internet scam continues as more gullible people want to try their luck. Unfortunately for the taxi industry there were not enough astute economists in that horde of investors that poured \$11.5 B into Uber to warn them of the pitfalls of the quirky supply & demand economic principles of taxis, which only produce profit for taxi drivers if taxis are REGULATED. Do your self a favour and read the piece.

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