The Use of "Rogue" Apps for Ordering Taxi Services at Airports

At first blush, the issue of rogue phone apps to arrange local taxi services may seem to be an issue impacting only local taxi regulatory authorities. However the primary market being targeted by such technologies is that of the airport taxi and limousine market. As such, it behooves the members of the Airport Ground Transportation Association to become involved and to understand the issues surrounding these apps in order to determine what issues or actions(s) if any might be appropriate.

Rogue taxi apps are simply defined as web-based and/or cell phone based sites that electronically connect the user seeking a taxi ride to the closest taxi driver that has signed up to be on their network. Using this operational methodology, these *rogue* apps information providers are able to avoid compliance with local regulations as they dispatch cabs or limousines. In essence, they are operating as taxi and limousine dispatch companies without bothering to obtain a license or comply with any requirements of the local ground transportation agency.

The primary firm involved in this activity at this time is UBER. In current litigation, this firm is challenging traditional city taxi and limousine regulatory authorities, arguing as a defendant that they not dispatch companies, and therefore do not fall under local regulations. Their primary argument is that they are using new technology to assist taxi drivers to secure more business. Under their contention, they are similar to other travel internet firms such as Expedia or Travelocity, and are merely providing information to the potential customer and accepting payment as service to their customers.

These types of transportation apps have the potential to become extremely popular and cities, and to a more limited extent airports, need to be prepared to respond appropriately to this new technology and its implications for the public. Instead of electronically connecting the user with a taxi or limousine (sedan) dispatch system which uses its automatic GPS based system to offer the trip to the closest or next in the zone for pickup, these rogue apps connect directly to the taxi or sedan driver.

Basically, local regulators need to determine whether the public's interest is being served by these rogue apps. For airports, however, there are at least two serious questions to address. One is the need to determine how this rogue app is different from an individual taxi driver giving his contact information to a user or using his own web site on the internet to ask users to call him directly. The other, is the rogue app provider conducting a business from the airport when a customer is in the airport and requests a taxi or sedan ride?

Local taxi and sedan regulators, as well as operators, have vocally protested these rogue apps as not being in the public's interest, arguing that they will cherry-pick the best fares (i.e. airport trips), leaving local operators with the obligation to serve the transportation dependent users -- often poorer inner city residents. Secondly, these local groups further contend that these apps are not the same as Expedia/Travelocity-type internet sites, but rather, taxi or sedan dispatch companies and should follow the same local regulations as the local companies.

It is the position of AGTA (the Airport Ground Transportation Association) that airports and their ground transportation operators should support the position of local regulators -- that these rogue apps companies are dispatch companies. Furthermore, when such apps are utilized to arrange trips from the airport, they are essentially conducting a business from the airport and therefore, should be required to apply for an airport business license to do so -- taking full legal responsibility for airport trips.