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1 relief, rescission or reformation of contracts, restitution, the refund of monies paid, disgorgement
2 of ill-gotten monies, and other equitable relief for Defendant’s acts or practices in violation of
3 Section 5(a) of the FTC Act, 15 U.S.C. § 45(a), in connection with its false, misleading, or
4 unsubstantiated claims regarding driver earnings and its Vehicle Solutions Program.

5 **JURISDICTION AND VENUE**

6 2. This Court has subject matter jurisdiction pursuant to 28 U.S.C. §§ 1331, 1337(a),
7 and 1345, and 15 U.S.C. §§ 45(a) and 53(b).

8 3. Venue is proper in this district under 28 U.S.C. § 1391(b)(1), (b)(2), (c)(2), and
9 (d), and 15 U.S.C. § 53(b).

10 **INTRADISTRICT ASSIGNMENT**

11 4. Defendant markets its services throughout the United States, including throughout
12 the county of San Francisco.

13 **PLAINTIFF**

14 5. The FTC is an independent agency of the United States Government created by
15 statute. 15 U.S.C. §§ 41-58. The FTC enforces Section 5(a) of the FTC Act, 15 U.S.C. § 45(a),
16 which prohibits unfair or deceptive acts or practices in or affecting commerce.

17 6. The FTC is authorized to initiate federal district court proceedings, by its own
18 attorneys, to enjoin violations of the FTC Act and to secure such equitable relief as may be
19 appropriate in each case, including rescission or reformation of contracts, restitution, the refund
20 of monies paid, and the disgorgement of ill-gotten monies. 15 U.S.C. §§ 53(b) and 56(a)(2)(A).

21 **DEFENDANT**

22 7. Defendant Uber Technologies Inc. (“Uber” or “Defendant”) is a Delaware
23 corporation with its principal place of business in San Francisco, California. Defendant is a
24 mobile ride-hailing business and transacts or has transacted business in this district and
25 throughout the United States.

1 **COMMERCE**

2 8. At all times material to this Complaint, Defendant has maintained a substantial
3 course of trade in or affecting commerce, as “commerce” is defined in Section 4 of the FTC Act,
4 15 U.S.C. § 44.

5 **UBER’S BUSINESS ACTIVITIES**

6 **Overview**

7 9. Uber distributes a mobile software application (the “App”) that connects
8 entrepreneurial consumers who are transportation providers (hereinafter “Uber Drivers” or
9 “Drivers”) with consumers seeking those services (hereinafter “passengers” or “customers”).
10 Uber recruits and approves consumers to become Uber Drivers, sets the rates that Drivers charge
11 for providing transportation, and collects a portion of the fares that Drivers charge for each ride.
12 To maximize its revenue, Uber must amass a sufficient supply of Drivers to meet passengers’
13 transportation demands.

14 10. Since at least May 2014, to recruit consumers to drive for Uber, Uber has
15 disseminated or caused to be disseminated advertisements encouraging consumers to become
16 Uber Drivers on various websites, including but not limited to Craigslist.com and Uber’s own
17 website. In its advertisements, Uber claims that Uber Drivers can earn specific high hourly and
18 yearly earnings. Notwithstanding these representations, in many instances Drivers have not
19 earned the high earnings touted by Uber.

20 11. Since at least November 2013, to further recruit Drivers, the company has offered
21 an auto program, known as Uber’s “Vehicle Solutions Program,” which connects prospective
22 Drivers with auto companies to buy or lease a vehicle they can use to drive for Uber. Uber has
23 made numerous claims touting the low cost and unlimited mileage of its auto program, even
24 though Uber has had no basis with which to make these claims. Indeed, the company has had no
25 oversight of, nor has the company monitored, the terms and conditions of its Drivers’ auto
26 agreements through the Vehicle Solutions Program. Further, Drivers in Uber’s Vehicle
27 Solutions Program – which has connected Drivers with subprime auto companies and dealers –
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1 have in many instances received worse than industry average rates, made payments for hundreds
2 of dollars more per month than advertised, and entered into leases imposing costs for mileage.

3 12. Uber's earnings and auto claims have enticed numerous consumers to become
4 Uber Drivers and purchase or lease vehicles through Uber's Vehicle Solutions Program. Based
5 on Uber's representations, consumers have paid at least \$1,000 to enter into leases or retail
6 installment contracts for new or used vehicles at higher costs and worse terms than those
7 advertised. When Uber's promised earnings have not materialized, and Drivers have attempted
8 to cancel their auto agreements, they have incurred significant monetary harm. Uber has
9 collected significant revenues from its Drivers' fares, including tens of millions of dollars from
10 Drivers participating in the Vehicle Solutions Program. Uber's practices have caused its Drivers
11 to suffer millions of dollars of injury.

12 **How Uber Works**

13 13. Passengers book transportation services from an Uber Driver using a publicly
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1 less annually than Uber claimed in its website post when Drivers' hours are standardized to a 40-
2 hour work week. Moreover, less than 10 percent of all Drivers in New York and San Francisco

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Defendant's Auto Finance Representations

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2 27. Uber has made a number of claims about the terms and conditions of its Vehicle
3 Solutions Program.

4 28. For example, Uber has disseminated or caused to be disseminated advertisements
5 touting the low cost of using its Vehicle Solutions Program to obtain a vehicle. For example,
6 Uber has stated that consumers could “own a car for as little as \$20/day” (\$140/week); or lease a
7 car with “payments as low as \$17 per day” (\$119/week), and “starting at \$119/week,” with the
8 ability to purchase the vehicle for only \$1 at the end of the lease period. Further, Uber has
9 claimed in marketing materials directed at prospective and current Drivers that it “connects
10 drivers with any kind of credit history to the best financing options available.” Uber has
11 described these “financing options” to include financing contracts as well as a “lease-to-own
12 financing option.”

13 29. Uber also has represented in its marketing material that Drivers opting to lease
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Dated: 1/19/2017
