Re: Complaint against Uber’s unfair and deceptive practices

Dear Chairman Ohlhausen and Commissioner McSweeny:

I am writing on behalf of Consumer Watchdog, a national nonprofit and nonpartisan public interest group to make a formal complaint against Uber Technologies for its flagrantly unfair and deceptive practices clearly violating Section 5 of the federal Trade Commission Act.

The Commission should not be surprised by Uber’s abuses. It is a renegade technology and transportation company whose executives pride themselves on a disruptive, rule-breaking approach to business. It is long past time for the company and its CEO Travis Kalanick to be held accountable for their actions which regularly flout the law.

Our complaint focuses on Uber and the mobile app that is the backbone of the company’s business. The New York Times has reported that Uber continued to track iPhone users who had once installed the Uber app even after they believed they had deleted it from their device. A reasonable consumer would expect and believe that deleting an app removes all aspects of the app’s software. Leaving a tracking function in place is plainly deceptive.

Uber was obviously aware of the deceptive nature of its activities because it went to great efforts to hide its continued tracking from Apple. Uber “geo-fenced” the area around Apple’s headquarters so that Apple engineers there would not discover the deceptive tracking abuse. Ultimately Apple engineers working from other locations discovered the secret tracking made possible by Uber’s deceptive activities.

Apple CEO Tim Cook confronted Kalanick and threatened to remove the Uber app from iTunes unless the deceptive abuse stopped. It apparently stopped the tracking on iPhone apps for now.

But, even if Uber has complied with Apple’s request, the Commission must act to enjoin Uber from this deceitful tracking and similar deceptive activities. It is important that the Commission take a position to block this unfair and deceptive activity, for based on the company’s record it is likely to engage in the activity again. Moreover, Consumers who were tracked likely suffered actual harm and Uber should be required to disgorge the money it received as a result of its unfair and deceptive acts.
In addition, the Commission should investigate what is happening with the Uber app designed for Android devices and distributed through Google’s app store, Google Play. While Uber may have discontinued deceitful tracking on iPhones, there is no reason to believe it is not conducting the same deceptive tracking on Android phones unbeknownst to consumers.

Consumer Watchdog calls on the Commission to fully investigate both the iPhone and Android versions of Uber’s app. First, you must ensure that the unfair and deceptive tracking of users after they have deleted the Uber app does not continue to occur. The Commission should then enjoin Uber from ever engaging in this deceptive practice. Second, the Commission should carefully scrutinize the Uber app’s privacy policy to ensure that it accurately and clearly describes Uber’s actual practices to consumers. Based on Uber’s history, Consumer Watchdog believes it is extremely likely that the Uber privacy policy is not an accurate description of Uber’s activities. If this proves to be the case, the Commission must take appropriate action.

Sincerely,

John M. Simpson
Privacy Project Director

Cc: Donald Clark, Thomas Pahl, James Kohm, Meneesha Mital, Laura D. Koss