

The Economic Club of New York

112th Year
518th Meeting

Dara Khosrowshahi
Chief Executive Officer
Uber

December 4, 2019
New York City

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Trustee, The Economic Club of New York
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Introduction

Chairman Marie-Josée Kravis

...Marie-Josée Kravis, the Chair of the Economic Club of New York and a Senior Fellow at the Hudson Institute. And I'm happy to welcome you to our 518th event of the Economic Club. As you know, we really strive to be a nonpartisan platform for discussing social, economic, political issues. And we try to do so, not only based on U.S. issues, but also on global economic and geopolitical issues. So I want to thank those of you who make this possible – all of you, our members – but notably our 298 members of the Centennial Society, many of whom are attending today. And it's your financial contributions and steadfast support that make our program possible. So I thank you for all of your support over the years.

I'd also like to welcome attending members of the 2019 Class of Economic Club Fellows. It's a select group of next-generation thought leaders sponsored by members of the Club for our year-long program. So, welcome to all of you and thank you for being here.

It's my pleasure today to introduce our guest this afternoon, the Chief Executive Officer of Uber, and also a good friend and a former colleague at IAC...Dara...Dara Khosrowshahi. There you go. Dara's been the CEO of Uber and he, as CEO, he

manages the business in 63 countries and he leads a global team of 22,000 employees. And, as I just said, previously Dara was CEO of Expedia, which he grew into one of the world's largest online travel companies.

Dara is a seasoned executive with a background in both engineering and finance. And at Expedia, he oversaw several acquisitions that bolstered Expedia's offerings and he aggressively invested in mobile, which now accounts for more than half of Expedia's traffic. Prior to his role as CEO of Expedia, he was CEO of AIC Travel, and that's when I had the pleasure of benefitting from his insights and his collaboration. He currently serves on the Board of Directors of Expedia and he was previously on the board of the New York Times Company.

Dara is a passionate advocate for refugees in crisis around the world, having himself left Iran during the Iranian Revolution at the age of 9. Dara grew up in Tarrytown, New York, and he received his bachelor's degree in engineering from Brown University.

Today, the format of our discussion is a conversation. And we're fortunate to have an Economic Club of New York board member, and I guess it's a 90-day old Chief Executive Officer of Accenture, Julie Sweet. So, if I can invite both Julie and Dara Khosrowshahi to join us. And I thank you.

Conversation with Dara Khosrowshahi, Chief Executive Officer, Uber

JULIE SWEET: Hello. Thank you very much.

DARA KHOSROWSHAHI: Thank you very much.

JULIE SWEET: Great. So, let's start with you, Dara, not Uber. Let's start with Dara. And you have an incredibly powerful story about how you came to the U.S. and the importance of family and education. I'd love if you could share a little bit of that story and how it's shaped who you are today.

DARA KHOSROWSHAHI: Sure. I'm happy to. And again, thank you very much for having me. It's an honor to be here. The personal story that I've got is a story of a lot of immigrants and certainly really my whole family. We grew up in Iran and had a family business, we were very well off obviously. And it was during a time when Iran really had a lot of promise and was modernizing. Unfortunately, I think that modernization went too quickly and really left some folks behind. It's maybe a theme that is resonant now in a lot of countries out there. And the Islamic Revolution happened in Iran in 1978. My family, it wasn't safe for my family to stay in Iran and we were lucky enough to have an uncle who lived in Irvington, New York. And the whole family, we went to Irvington and we settled in, and we rebuilt our lives. It was really a devastating blow for my family, for

my parents especially. I think kids are much more resilient to change. So, for me, we went from 13 channels to 35 cable channels which was pretty cool. I didn't speak the language that well. So I had to learn the lesson which is when you don't understand what someone is saying, don't say yes, say no. (Laughter) And in business I try to say yes actually. It's a better answer. But I think the way that, there are many, many ways in which the experience shaped my family, immigrants as a whole. But I think two areas that have affected me, the one is that the constant for me has always been family. You know, with all of the change and all of the chaos around us and losing everything monetarily and having to build back up, the one constant we always had was family was always around us and that was what was valued. And for me the effect that it's had on my life is I like operating as part of a larger collective. I like, you know, I've always been in team sports. You know, I wasn't in individual sports, etc. When I first started my career in New York, I started with an investment bank, Allen & Company, which was amazing. But ultimately, for me, the definition of success was always succeeding with a team, succeeding broadly. Not being a winner, but the winning being collective. And for me, the Uber platform and the challenge that it represents, but also the opportunity, is one where Uber wins as a business and Uber has lots of challenges as a business, but also the collective – our drivers, the societies in which we operate – the win is not an individual win, but it's a collective win as well. And that's something super important to me and it's just, I'm deeply satisfied winning with others and seeing others win with me versus just winning. I think that's one. And the second one is just my, you know, the

immigrant background, building back up. I've, for me, travel when I was at Expedia it was a way of bringing societies together and different people together and that connectivity, you know, very much creates positive energy in the world. And for Uber, we create that connection millions of times every day. And a significant amount of the folks who use Uber as a platform to earn are immigrants, are earning on our platform because of needing that earning opportunity and often use our platform as a stepping stone. And that very much brings me back to kind of the stepping stone that we had as a family and providing that stepping stone to others as well.

JULIE SWEET: Great. So let's go back to, let's go forward to 2017. You're a seasoned CEO. And I want to go back to that first day at Uber. So, even for a seasoned CEO, right, you're facing headlines...

DARA KHOSROWSHAHI: This adjective of seasoned is being used way too much, but I'll take it. I'm feeling old now.

JULIE SWEET: You know, headlines every day about a toxic culture. Travis had stepped down, was on the board. Drivers complaining about not earning enough, being sued by the taxi drivers. I mean you're in a room full of leaders, and I think almost everyone here would say that was a big leadership opportunity, or challenge, however you want to look at it. So let's take us back to that very first day. You know, what was it

like? How did you set your priorities? How did you think about how you were going to approach this? And then, what have you learned over the last, we were talking about just like how much this job is always constantly, but what have you learned from that first day?

DARA KHOSROWSHAHI: Yes, absolutely. So, for me, the priorities, the early priorities, first day priority, first week, first month were really in three categories, I'd say. One is governance. The board was essentially at war with each other. So we had to resolve the board and get the board to be aligned in a direction and focus not on control of the company, but the success of the company. And that was something that we had to work to do. And part of, for example, a step, a really important step that we took in that direction is to go from a high vote, you know, a ten-vote subset of shareholders who had a louder voice than other shareholders to really first-class, best in breed governance, which is one share, one vote, every shareholder is equal in the eyes of the company decision and ultimately a board that's now aligned and is betting on the success of the company, than struggling for control of the company. So that was one angle. We had to make sure at the very, very senior level, the company had a chance to succeed. For me, second was culture. And there's an old saying, culture eats strategy for breakfast. And the culture of the company was tuned based on an incredibly high growth kind of ecosystem, based on a place where the company came from, which was a disruptor. But I think the disruptor found itself as an incumbent and didn't realize it. And so we had

to change the culture internally with the company. One of our leading norms – it's all over the place – is do the right thing, period. We've got to do the right thing, period. And that does require judgment, but that's the expectation of every single employee of the company. And then culture as it relates to the third area where we were focused on which is which was our stakeholders. You know, one of the first things that I did was go out and meet with our drivers, in the very first week on our job, because there was significant unhappiness as it relates to our drivers. They didn't feel like, you know, we called them partners, but we didn't treat them as partners. Now, actually when we build out product, we bring drivers into the fold. We talk about what we build. We get their feedback. And then based on their feedback, actually go out and release product. But that initial, kind of, first week was getting out there, meeting with them, hearing from them. I didn't have answers. But I wanted to hear from them without any kind of editorial kind of leveling between me, without a filter. I think sometimes the unfiltered truth is something that a lot of folks in our position kind of miss. And so all of, all the information that you start getting at a high level becomes like filtered and polite. And I think sometimes getting the feedback unfiltered is really important and I wanted that feedback from our drivers. And we have now changed how we fundamentally work and how we think about our future so that we take all stakeholders into consideration as well. The job is not done. I've been at the role for two years and I still think – while we have made strides as a company – we still have a long way to go.

JULIE SWEET: As part of that culture focus, you know, you've talked a lot about how trust and safety has to be a part of the culture, which is different than a strategic priority.

DARA KHOSROWSHAHI: Yes, absolutely.

JULIE SWEET: And obviously just, you had this big event in London last week. You talk a lot about trust and safety. So before we kind of, maybe first talk about the cultural piece. And then I think it would be helpful to also talk about what you're tangibly doing because when we think about technology and the way it can really change lives, you know certainly I'm an Uber customer a lot and, you know, I had no idea actually until I started sort of really researching all the things, of what Uber is actually doing. So maybe the cultural aspect and then really helping us understand what it means to be an innovative company who can use technology to help, you know, to provide safety.

DARA KHOSROWSHAHI: Absolutely. And I'll start off on a tangent as far as trust goes. I think a precursor of trust is transparency. And one of the first things – it was funny – the first all-hands that I had with the company, there was an initial all-hands to introduce me. And then there was like, that was a ceremonial kind of handing over the baton. There was, Travis was there, you know, it was an important moment for the company. And then in my first all-hands with the company – we have one every week – I actually took the presentation that I made to the board of Uber that got me the job, and I made

the same presentation to the employees of the company. And it was my way of saying that I am going to be transparent with you. I expect the same thing from you back to me. I think, again, a theme that I see with companies is the higher up you go in a company, the less you really know what's going on. And the first step to understanding what's going on is actually being transparent back down. So, we've taken that same view internally and we are now moving it externally. We have to be transparent with our stakeholders, society. We, for example, share traffic data anonymized to make sure that we protect data, etc., with our cities. That's data that we can keep to ourselves or data that we could share with our cities to actually help them shape how they think about traffic, etc. So, I think trust first comes with transparency. As a company, we are being much more transparent. And I think there's a demand of society for companies that, especially digital companies that I think in the past had kind of a data advantage, to be transparent and put their data out there. That's step one. And you will see more from us as it relates to this theme of transparency, kind of opening up and telling the world, hey, this is how we see the world internally. We're going to put that same exact picture externally and we're not going to hide anything. So I think there's more to come there. The second, as it relates to safety, is, you know, there's a lot of digital companies out there. You see the Facebooks of the world. You see Twitter, etc. There's been this whole controversy around data on platforms and content on the platform and making sure that the content on these platforms is being safe. Our content is people. Right? It's the people that we put in the cars. And we have to make sure that the driver and the

rider both are safe, acting in the best manner, etc. And then what we're doing is we're investing very aggressively in features to make sure that your ride is safe, period, and getting safer as time goes on. So, you know, a lot of people don't know, we're doing continuous background checks on our driver partners. We introduced – there was a real discussion – we have a safety center on the app where you can, one click, dial to 911. We're doing texts to 911. All the information is sent to the provider. You can call us and immediately you will get a response. We have technology now called Ride Check technology where if there's a stop, a really, really long stop or if you go to a place where you're not supposed to go, we will proactively call you. If we detect a crash or what could be a crash, we will contact you, etc. We have features now – I use it with my daughter – which is Track Your Ride, track your loved one. She may not like the fact that I know, you know, she's out at 2 am, which she is way too often. I'm just kidding. She's not. She's wonderful. But I get, you know, she knows that there's someone watching her in a constructive way and I get that comfort with her riding as well. So there's a whole host of features that we are rolling out. We believe we are far ahead of the competition. We're being pretty open about it. And I think that it's not something that we communicate as well as we should. And that communication over a period of time hopefully is something that people will see. The platform is getting safer when we look at our incident rates, and from that standpoint, we know that the technology is working.

JULIE SWEET: So you said something interesting earlier. You said, well, you know, we

were an incumbent and we didn't know it. So, Uber is 21 years old now. Is that right?

DARA KHOSROWSHAHI: No, we're much younger. I think we're nine years old.

JULIE SWEET: Nine years? I don't know where I got 21.

DARA KHOSROWSHAHI: I think Expedia might be 21 years old.

JULIE SWEET: Oh, that was where it was. I was just mixing them. So, nine years, and yet you felt like an incumbent and didn't know it.

DARA KHOSROWSHAHI: I think we still, we were operating with a disruptor mentality. And actually we were, in some ways, an incumbent. And again, I wouldn't use the word incumbent literally. But we had gotten to a scale where we were really important to society, where we had to take a different level of care in the decisions that we made. That we weren't scratching and clawing for survival every single second of the day. We are, we're not a profitable company at this point. But a greater level of care had to go into our decision making. How does this affect us? How does this affect employees? How does this affect our drivers? How does this affect the cities in which we operate? We had to think through all of those things versus saying it's us versus the world. Because now it's us and the world. And you've got to think differently when it's us and

the world together. And, you know, we affect, we are constantly affecting real lives. So the responsibility there, we're not a little kind of go-at-it company anymore. The level of responsibility and care that we have to take and our responsibility to all these stakeholders is enormous.

JULIE SWEET: And how do you, in that environment, keep being such an innovative company?

DARA KHOSROWSHAH: It's a great question and there's always a tradeoff. So what we try to, there are certain innovations and features that we roll out that are, you know, constructive in every way and really can't have any complaints one way or the other. We will, the safety center, for example, one discussion that we had internally that we got over very quickly is if you have kind of a safety center on your map, you may be reminding users that you could be unsafe. Do we want to do on your map? We're like, yes, we're going to take that risk. There are certain features that we will roll out to our driver partners that affect how they earn – what the app looks like, etc. We take more care with those features and that's where we actually have driver forums that they come in, they tell us how they feel about a feature. And based on that feedback, we roll out a feature in a very limited way locally, get feedback from our drivers, and then, to the extent that the feedback is positive and the feature is working as planned, then we start expanding those features globally. So you have different rates and different ways of

operating depending on the sensitivity and the effect of the stuff that you're building. And then what you also have to do as a big company is you have to build startups within your own business. So we have a business called, you know, we have a transit group, a group that is building out transit functionality. On the Uber app, you see the New York subway system. You see London Metro, etc. on the app. There's a small team that's like the transit team there that is kind of, it's almost a startup within the ecosystem. So they get to run very, very fast without having to necessarily have all the checks and balances of a larger part of the organization.

JULIE SWEET: My daughter, who is 11, was recently telling me that her older sister was talking about how she wanted my car because she's 13 and soon to be 16. And she's like, Mom, you take Uber all the time, literally, and, you know, so why don't you just let me have that car, you know, soon. And it's a very nice car. And my 11-year old said, I don't mind, Mom, because by the time I'm driving, you know, we're going to have flying cars, right? That's what I want. And I laughed. I actually said to her, you mean like the Jetsons? And she look at me like...who are the Jetsons? And yet, by 2023, it sounds like we might have a flying car. So talk about Uber Air.

DARA KHOSROWSHAHI: Yes, absolutely. So, this is, we have a group called Elevate that's working on Uber Air. And our firm belief is that the battery technology and battery density is getting to a point where batteries can essentially lift their own weights and lift

the weights of passengers as well. So that's one technology that's coming into play that's necessary. The second issue that you've got to solve with VTOL is the noise issue. We don't want VTOL, we're not building these VTOLs to be kind of a...

JULIE SWEET: Can you talk about VTOL...

DARA KHOSROWSHAHI: Vertical Takeoff and Landing, thank you, vehicles. We are aiming, you know Uber is a mass market product and we want to make these vehicles available for everybody. So we want them to be electric. We want them to be shared. Noise level is a real issue so you need rotors to be, you need the unit to have multiple rotors, just not one rotor as you have with helicopters as well. Fly-by-wire technology is coming together so that flying one of these things is going to feel like playing a video game. And we think all of that and the regulatory environment is going to come together where in 2023 you are going to have these vehicles in field in a limited way. We are focused on building out the network and bringing demand to these vehicles so that they can be built in a mass market way. We think that we want these vehicles to be built more like cars than airlines because we do think this can be a mass market product as well. And ultimately, where you're going to be with Uber is, we're just going to be an app that is going to, if you want to get from point A to B, we're going to tell you the smartest way for you to get from point A to B. And we're doing it in little ways, you know, it takes huge amounts of data to actually figure this out. If you're in New York City, if you

happen to be, usually now south of 42nd Street, and you're going to JFK, and you look to hire an Uber Black, we may tell you to take an Uber copter. That technology is being built right now and all you need to do is imagine a world where the copter is actually replaced by VTOL. That vehicle will be safer. It'll be quieter. We're going to make sure that it's shared. And it will be affordable for middle class to upper-middle class people. So we're super excited. It is also a solution for congestion in cities. And, you know, we think that we have to play, we have to be active participants in investing in technologies and/or data that are a congestion relief versus the other way. And, you know, living in New York I'm sure you can appreciate that.

JULIE SWEET: So, flying cars in our future, right, 2023. So, sitting here today, let's talk about what your vision of Uber is, right? Where are you taking the company? And, as you talk about that, maybe bringing in the idea of the partnerships, right? Because we've got flying cars here. And then you, in September – I believe – announced that you have a partnership with Rachael Ray.

DARA KHOSROWSHAHI: Yes, absolutely. So, two themes here. When we think about Uber, we essentially want to build out the operating system for your daily life. Anywhere that you want to get to in a city, if you want to get from point A to B, we want to take you there. And anything that you want in your city, we want to deliver it to you. So what you're going to see is a transformation of Uber from a ride share to mobility on demand,

as far as the ride's app goes. And if you take a VTOL or you take a subway or you take a taxi, or you take an Uber or you take a Pool, all of it is going to be available within the app, or you take a bike or a scooter. And, as opposed to your trying to figure out what's the best way for me to get from point A to B, we will be making that information available for you, allowing you to make the tradeoff decision between price, availability, convenience, etc., and offering you the best answers in a personal way. That's so, just any way you want to get from point A to B, we want to be there. And then we're going to transform our food business from partnerships with Rachael Ray, etc., but essentially food to local commerce. We bought a company called Cornershop, for example. And if you think about a restaurant, a restaurant is a local box that has 30 SKUs where the inventory never runs out typically. We can extend, and we are getting stuff from that box to you within 30 minutes every single time. We're really nailing that every single time, predictability. You can imagine that we can extend that model to essentially every single local retailer here so that anything you want in your city, we can deliver to you hopefully in under 30 minutes. There may be some folks who say I don't care if it's 30 minutes or 60 minutes or get it to me in the next six hours. So that ultimately, we become that trusted helper to you to bring your time back. And ultimately in order for us to build both services, we have to be an amalgamation of our own first-party services and third-party services. Whether it's Lime scooters or VTOLs that are manufactured by other partners or we have taxi on our app in many, many countries, or a content provider like Rachael Ray where she can get you her food without being dependent on a particular restaurant,

but it becomes about the food versus the restaurant in that case.

JULIE SWEET: What I loved about the Rachael Ray is that this is the first time she's ever actually made food that you can buy, other than if you're on her show. I mean it's really, it's a very different business model now for her as well.

DARA KHOSROWSHAHI: It is. And there is this potential, you know, I think that the vast majority of our, in the food space, we're partnering with restaurants everywhere, we have hundreds of thousands of restaurants on our app, but if you think about it, like there's this transformation that has been made on cable where you used to think about the cable channel and then you thought about the show within the cable channel within kind of a theme of, you know, well, if I want to watch a sci-fi show, I'll go to Sci-Fi and check out what's on. Two things have happened. One is obviously that entertainment has gone on-demand. But people are now thinking about the show versus the delivery mechanism. The food from the restaurant is the thing, especially if you experience it at home. Rachael Ray is a content provider. And the restaurant is a very important delivery mechanism, but there is a potential as it relates to where food is going, where we connect content and, you know, the best content with Rachael Ray directly with users on an on-demand basis without the user having to make a calculation of how do I get it. You could see a world where you see dark kitchens that are providing different kinds of food depending on your wants and restaurants being there for one part of your

intake but then ultimately there being a completely different industrialization of food that's based on content and not channel.

JULIE SWEET: And we talk to a lot of companies about this importance of partnerships and you're building a whole business, a whole new, extending the Uber platform around it. What's your advice around how to think about partnerships? How do you approach it? How did you build the skill set as you're doing this?

DARA KHOSROWSHAHI: It's a step by step process. And, you know, I'll be honest with you, it is much easier for us to essentially build out the services ourselves and go end-to-end than to work with partners. But I think it's a commitment that you have to make to build out an open ecosystem, and that's a commitment that we made as a company. I look at what Amazon did which is they kind of had a vertical model and then they built out this marketplace model. It requires a lot of very, very structured and disciplined technology work in order to externalize a bunch of the technologies that you're building yourself. And then it does take a different attitude as it relates to building out relationships, business development, etc. So this is, for us it's a journey. I mean our, the marketplace – kind of muscles – that we are building as a company because ultimately, I want every single form of transportation in the app, it takes time and it takes investment and it takes trust. So, there are countries, like in Japan, the private hire vehicle business in Japan is actually very small. And we are building – the Japan taxi

market is the largest market in the whole world – and our business in Japan is tiny. So whereas our previous approach might have been, well, let's try to build private hire vehicles, make it bigger, etc., which we are, now we're going out and saying let's go out and partner with the Japanese taxi companies. There are tens of thousands of, kind of, individual companies that have taxi licenses. We're in ten cities now and we are step-by-step going out there building relationships with these taxi companies, bringing the taxis online. It takes longer, but that kind of activity ultimately is worth it over a long period of time.

JULIE SWEET: So let's switch gears. You're at the center of a lot that's happening in technology. You're leading. So let's get out our crystal ball. When you're thinking about where technology is going, how it's affecting your business or how it's affecting your customers, right, what's top of mind now?

DARA KHOSROWSHAHI: I think for me there's a ton that's top of mind. But I do think that customer data and companies – all companies – being more transparent about the data that they collect and how they use that data is something that is increasingly at the forefront of technology in general and ourselves as well. We have a mix of, we have payment data but we also have location data and that's incredibly sensitive. So we're investing huge amounts of money in terms of security, etc. But we are very much focused on essentially using the customer data for the customer. And I think that this

next step in the next five to ten years, how customers think about their identity, how they think about their data, how they allow other companies to monetize their data or use their data one way or the other is incredibly important. And I do think transparency is the name of the game and I think it's something that's just getting started.

JULIE SWEET: What do you think, what's new on the horizon that you're sort of, not necessarily about your investing in, we're not talking about that, but just what new sort of – go around the world – are you seeing things differently from the pace of change, the types of technology that you think will be adopted? You know, how do we think about, because we talk so much about disruption and pace of change, but as you kind of go around the globe, in addition to the different, you know, way people are using your service, anything that's coming to mind in terms of how things might develop differently?

DARA KHOSROWSHAHI: I think that where we are very focused on and the changes that we see personally, and what's different about our company is that the first wave of technological change was truly digital. It was digital change for digital. You know, Google essentially went out and organized all the world's information. Right? So it was organization of essentially digital or digitization of information, organization of that information. Where we are fundamentally different from almost any other technology company is that we operate at the intersection of the digital and the physical. To some extent, we're digitizing the physical world. You know you push a button and a car shows

up. You push a button and your Big Mac shows up in 30 minutes or less. The challenges inherent in the digitization of physical world activities are the next frontier. And the challenges of dealing with the physical world and then digitizing the physical world in ways that are, that's responsible to all stakeholders and is ultimately profitable is really, really hard. And, for example, freight for us, right, we are going out there and in the olden days you would call for a taxi, there would be a taxi dispatcher who would call a taxi. Those olden days are still true in the freight world. A shipper calls a freight broker. The broker calls their 20 truckers, finds a trucker, etc. All of that can be digitized. But that's kind of step one of that digitization. How you think about scheduling pickups and drop-offs, how you think about deadheads for freight, how you think about just creating this fulfillment ecosystem that is much, much more efficient, using data as a real driver in the real world, that's another example of this digitization of the real world. And it's something that ourselves and many, many other companies are working on. And it really is something that is emergent at this point. But it's a ten-year journey. These are very, very hard yards on the ground, but it's something that we think we're uniquely suited to. And I think there's going to be a whole lot of successful companies in this area.

JULIE SWEET: So maybe switching gears for a moment now, you and I first met at the World Economic Forum on a panel talking about purpose, right, and how as CEOs, we think about purpose, delivering for our shareholders. And you've talked today, you've

touched on the importance of data, the jobs you create, responsibility. When you're talking to your young recruits, when you're talking to your board, how do you think about the purpose of Uber? And how do you make that real?

DARA KHOSROWSHAHI: So our mission statement is igniting opportunity by setting the world in motion. And for us, our purpose is two-fold. The movement in transportation, which is setting the world in motion, represents opportunity and freedom in itself. So, on the one hand, we do want to make the ability to move, the ability to get to wherever you want to get to in an affordable and convenient way. We want to make it available to everybody. And because that is, for example, a purpose statement, we will do so in ways that are not profitable for us. You know our building out a whole system on making city transit available to an Uber user can be cannibalistic of someone taking an Uber, but we think it's the right thing to do. We think long-term, building that trust with our brand is smart, but it also fits into our purpose as well. And we will be tireless in going and building out this movement opportunity and making sure that it's available to everybody, including people who are lucky like us and get to live in city centers and people who are less fortunate and don't live in city centers, and especially live in transportation deserts as well. So I think that's one. The second for us is that movement, etc., is very much linked with opportunity. Like we, because my family was mobile, we got to leave a really dangerous situation in Iran, build ourselves a new life. You know that freedom of movement is fundamental to humanity. But along with that

freedom, we are a huge opportunity engine. We have almost 4 million drivers and couriers on our platform now earning, you know, tens of billions of dollars on our platform, when they want, how they want, etc. And again, extending those earning opportunities is something that's really important for us. So we started with driving. Now we're with, you know, couriers, etc. We've extended that. There's a new business that we've launched which is Uber Works, which is other kinds of work, essentially on-demand work that is available to you that is yet another earnings extension as well. So I think if we're true to those two causes, you know, create as many earning opportunities for as many people out there, create an opportunity to move for as many people out there, making sure that that movement opportunity is for everyone in society, I think good things will happen for us over a long period of time.

JULIE SWEET: One of the things I found fascinating was the different profiles of Uber drivers depending on the country. Can you talk a little bit about that?

DARA KHOSROWSHAHI: Yes, so in the U.S. the vast majority of our Uber drivers are actually part-time drivers. Ninety-plus percent of our drivers drive less than 40 hours. And Uber is a very, you know, as flexible an earnings opportunity as you can have, and we have drivers who earn when they want to and, you know, many of them are students. Many of them are retirees. Some of them need a side gig, etc. So that actually makes up the majority of the profile of our drivers. There is a subset of our drivers who

drive full-time and we built out a loyalty program for them where, for example, they then have the opportunity to get an education at the University of Phoenix, either for themselves or their family. So if you're doing it full-time, there's an opportunity for it to be a stepping stone. In many other countries out there, in India, for example, or Brazil or Mexico, driving an Uber is most typically a full-time job and a job that is very much respected and an opportunity for these folks to get out of poverty in many ways and to provide an education for their kids. So it is really interesting to see what it means to be an Uber driver here and what it means to be an Uber driver in a lot of developing countries. And as a labor creator, as an earning creator, a lot of these, a lot of these countries need help. And I think what's unique about Uber is that the money flow, and especially in a lot of these developing markets, the money stays inside the country, right. There's a criticism of some internet companies, which is, you know, if you click on a blue link, a local business may be getting business but if you click on a blue link the margin essentially flows out of the country. For us, when you take an Uber ride, the vast majority of the funds not only stay within the country, but actually stay in the city and usually go from someone who can afford a ride to someone who needs to earn a living. So it's actually, you know, a pretty strong – we think – driver in terms of money flows in local markets and local cities as well.

JULIE SWEET: How are you thinking about sustainability and the movement to electric vehicles?

DARA KHOSROWSHAHI: Well, ultimately, we think that we want more and more of our fleet to essentially be, one, shared, and two, electric. You think about a car now and cars are used about 5% of the time, 95% of the time cars are not utilized at all. And the waste that that represents in terms of assets that are lying fallow, in terms of parking spaces that are committed in buildings where people work or cities, etc., is extraordinary. So, the first kind of drive to sustainability is this enormous amounts of assets on earth right now, let's make sure that the utilization of these cars goes up, which we think is very much along the lines of sustainability. So that's number one. Number two is we are investing hundreds of millions of dollars every year in building out our shared rides product and that includes UberPool, but it also includes products like UberBus that we have launched in Cairo and in other markets. It's essentially, not only do we want the car utilized, but we want more than one person in a car at a time. It's good for congestion in cities, but it's also good for the government as well. So that's number two. Number three for us is looking at electrifying the fleet. A much higher percentage of Uber cars are hybrid cars. There will be a transition to electric. At this point a driver buying an electric car, kind of the economics don't stone pencil out, hybrid definitely pencils out. Electric doesn't pencil out. We are starting to, for example, in London where it doesn't pencil out, we are taking a certain percentage of rides today, putting them in a pool and having that pool essentially fund drivers to switch from gas-powered cars to electric cars. And then the last area that we're focused on is personal, electric, individual vehicles. We don't think it's a good idea if you're going from, if you're

going 20 blocks in Manhattan to use a, you know, a 4,000 lb. box to do so. We think that there is a new generation, you know, they're scooters right now, but we have e-Bike, scooters, and there will be a new generation of vehicles that come out there. They will be electric. They will be individual. You will drive them yourselves. It's a much better way of getting around and we're making early investments there. It's a long path, but we absolutely believe that we've got to play a part in sustainability and in congestion, because congestion is a bigger and bigger problem in every single city out there.

JULIE SWEET: So, graduating high school senior...

DARA KHOSROWSHAH: Many moons ago. I'm very seasoned so...(Laughter)...

JULIE SWEET: So, what would you today say to a graduating high school senior that they should go study?

DARA KHOSROWSHAH: I'm biased. I was an engineer in school and I just think that it, even though I went from engineering to finance to begin with, engineering taught me how to break down problems and how to build them back up again. And for me, just that's, to take these complex problems, business problems, societal problems, and take the complexity and break them down into their component parts and then rebuild them, it's part of the engineering mind set. It's part of the computer science mind set. And I

think that it can help, not only if that becomes your specialty, but it can also help, you know, in anything that you do in life. So, I'd say go study CS and engineering and then apply to work at Uber when you're done. (Laughter)

JULIE SWEET: Okay, well, that answers my next question, which is what should you do after you graduate from college?

DARA KHOSROWSHAHI: Absolutely. Come work for us.

JULIE SWEET: Exactly. Well, maybe we'll fast-forward then to leadership advice today. What was the best advice that you've received? And what's your best advice?

DARA KHOSROWSHAHI: So, one great piece of advice that I received when I was young and I didn't appreciate it, and I appreciate it more and more, was actually from Herbert Allen who runs Allen & Company. And he just had a simple saying, which was "Hey, I bet on people, I don't bet on companies." And I was a 20-something-year old and I was like, "Yes, sir, Mr. Allen, that sounds great." I didn't appreciate it. But in a world where so much is changing, businesses change, environments change, you know, countries, you look at what's going on in the world, the one constant is that good people stay good. Good people adjust, etc. So more and more, and I saw this with Barry Diller. Barry gave me a shot to go work for him when he gave me a shot to go run

Expedia. I had no experience whatsoever, and he was betting on a person. And I just think, you know, people, like they build relationships with numbers, some people. Or people care about things. I think when you care about people, it's not only like good business advice, it's also like good life advice. It's just a better way. So that was great advice that was given for me a long time ago. I didn't appreciate it at the time. Now I do. I think for me it's pretty simple. I tell people to, when you're looking at what you're, one is don't over-plan your life. I see people make, young people make decisions, wrong decisions, all the time because they have a picture in terms of where their career is going to be. And usually when you have a picture of where you want to go or what life should be, there's a confirmation bias, which is anything that leads you to that point is something that you kind of latch on to, and anything that disagrees with that point like, you know what, trying to gun for that VP position is not a good idea, you ignore it. So I see people make mistakes all the wrong time because they're over-planning. And when you over-plan in an increasingly volatile world, you stop looking for opportunities. I was not looking for this Uber opportunity and I'm so glad it came to me. And I'm so glad that I was open to it. So I think that's number one. And then number two is pretty simple advice which is work at a place where you can make a difference and work at a place that is making a difference in the world. And, you know, when the Uber opportunity came to me, once in a while you have to take your own advice and I did and I'm damn glad I did.

JULIE SWEET: Good. Alright, well, thank you very much for joining us today. It's been exciting to have you here.

DARA KHOSROWSHAHI: Thank you very much.

JULIE SWEET: And we should start meeting in warm places – Davos, New York in winter, so, you know, we'll have to figure that out next.

CHAIRMAN MARIE-JOSEE KRAVIS: Well, you can come back to New York in the summer. We'd love to have you.

DARA KHOSROWSHAHI: Thank you for having me.

(Applause)

CHAIRMAN MARIE-JOSEE KRAVIS: So, thank you Julie and Dara. And Dara, thank you for sharing with us the complexity and all the different layers of Uber. It's really been a very inspiring conversation. And I want to remind everyone that our last event of this year, this calendar year, will be Larry Fink, who will join us for dinner on December 10. So I hope as many of you as possible can attend. Enjoy your lunch. (Applause)