

jay duret

RIDING SIDECAR

SINCE MOVING TO SAN FRANCISCO, I have become a loyal Über fan. Über is a car service based on a smartphone application. You download the app on your iPhone and create an account with your credit card number and personal information. When you want a car, you open the app. It finds your location through a geo-locator and shows where the closest driver is. You press a button, and in 3 or 5 or 8 minutes — never more than 10, at least in San Francisco — a car shows up to get you. When you reach your destination — usually the airport for me — you jump out and go. No paperwork. The tip is already included. In a few minutes, you get an email receipt. You are asked to rate your driver.

Compared to the world of taxicabs, particularly in Philadelphia where I lived before San Francisco, Über is a dream. It is pricey, so I mostly use it for business travel. One day I heard about a business called Sidecar, the “People’s Über.” I decided to try it the next time I needed to go to the airport.

A few days later, I downloaded the Sidecar app and found it works the same way as Über. I was set up and ready to go in seconds. I opened the app; the closest Sidecar driver was 13 minutes away. That was a little further than I was used to, but fine. I had allowed a little extra time so I wasn’t worried. I had to input my destination — that was different than Über, too, but not a problem. I typed in the airport as my destination.

I finished packing. I brought the bags to the door. My cell phone rang.

“Hello.” I said.

“Is this Jay?”

“Who’s this?”

“This is Mickey. I just got a call for a Sidecar.”

“Oh yeah. That’s me,” I said.

“I can see here that you are going somewhere down in the South Bay.”

“Yeah. I am going to the airport.”

“That’s a long way.”

“Is that a problem?”

“No just wanted to make sure it was on the up and up.”

“Yup. Up and Up.”

“Glad to hear it, I’ll see you shortly.”

Five minutes later, a grey Honda Civic pulled up. A young, athletic-looking fellow bounded out, wearing a grey t-shirt that said STATE in big letters.

“I am Mickey.” He said. “Here let me get your bags.”



A few days after my first Sidecar trip, I received an email from a gentleman with the name Sunil Paul who said he needed my help. Turns out he’s the head of Sidecar. He reports:

Earlier this week, SideCar, along with Über and Lyft, received a citation from the California Public Utilities Commission (CPUC) imposing fines of \$20,000 and asserting that we are illegally operating a charter-party transportation carrier.

When we launched SideCar we imagined a world with transportation options that are more sustainable, more social, safer, and more affordable than today’s solutions. SideCar is not just a company, but part of a large movement to use smartphones to enable owners of assets to share and collaborate with others for greater efficiency.

These technologies and ideas are new to government, so it’s no surprise that early reactions are to force us into a box that is convenient for regulators to understand. SideCar will continue operations, and our community will continue to grow, but we need your help.

I’ve helped lots of less worthy causes and movements in my time so I’m willing. When I get back to San Francisco I will see what I can do. But the part of the email that really grabs me is the sentence that says, “*SideCar is not just a company, but part of a large movement to use smartphones to enable owners of assets to share and collaborate with others for greater efficiency.*”

I do a little research on that idea. I literally paste the key words into Google and in seconds I am learning about “collaborative consumption,” which isn’t a social disease but a movement based on sharing. So I have a car, a bedroom, an *asset* that I don’t use all the time or I use it but I don’t use *all* of it when I do use it. *You* need a car or a bedroom or an asset, but you don’t need it all of the time or you don’t need to use all of it when you are using it. We’re both stuck: I with my wasted possessions, destined for ill or inefficient use. You with your dilemma: either going without altogether or, worse,

Collaborative consumption is coming next. Really, it's no different than what's happened so far, but now it's so much more efficient.

having to buy a possession that you don't fully need or won't fully use.

This is a problem with a solution. The Internet has provided the solution in so many ways already. In any industry with an inefficient market — where salespeople, brokers, agents, and middlemen, ply their trades by knowledgeably connecting seller to buyer, lessor to lessee, owner to collector — the Internet is capable of interceding, of replacing the salesperson, the broker, the agent, the middleman with an *app* that puts together — efficiently, instantaneously, effortlessly — the parties seeking each other *just like that*. No wonder the Internet is the greatest destroyer

of human wealth in history. For more than twenty years we have watched as industry after industry has been eaten by the locusts of the Internet. Stock-brokering, real estate agenting, matchmaking. Once, machines replaced jobs. Now apps do.

Looking back, it seems as if people who made their livings in the middle of transactions have gone by the wayside, but now I realize that we have seen only the first *stage* of change. *Collaborative consumption* is coming next. Really, it's no different than what's happened so far, but now it's so much more efficient. Now it's on smartphones, it's mobile; the transactions can be shorter, smaller, faster, even more casual. *I am driving over the Golden Gate*, I have three empty seats. That's an asset going to waste. I can use it, I can take advantage of it. To borrow the business idea, I can monetize it. I just need the app that connects riders with drivers for that route and time. I have a couch in my living room. I'm not going to be sitting on it tomorrow night and for sure there is somebody who would love to kip there. I just need the app. This is the sharing economy. This is collaborating on consumption.

When I rode to the airport in Sidecar, I missed half of the story. I focused on me — the consumer — and mostly noticed how the commercial product was being delivered to me. I didn't see the Mickey side of the equation. Mickey is just a guy with a car that wasn't being used efficiently. His Honda is parked at his house or being driven

half empty. Sidecar uses the app to connect the Mickey market —under-used, under-efficient cars — and links them with the Jay market — driverless sods needing to go somewhere. Sidecar isn't just a way to compete with taxis by using cheap labor; it's a way to use what's being wasted by Mickey.

Seen that way, the fight to save Sidecar is a moral fight. Who wants to shut down Sidecar? The forces that feast and profit on inefficiency! The Man! The Middleman! The Suits! And in the grand American tradition, how do they protect their fortress? They use the Government! They use the Law, they use *Regulation*.



Mickey wrestled my bags into the trunk. I squeezed into the rear of the cleanish Honda.

“I am going to the airport,” I said, just to be clear.

“Got it.”

“How do you like Sidecar?”

“Love it. Really great. I am out of work, and then I heard about Sidecar and I started driving.”

“Keep you busy?”

“Mornings are great. I get going about 6:30 am, and then I'm generally busy 'til noon. Afternoons are very slow but then the evenings are really busy though I don't like the party people. And weekends are great all day.”

“Party people?”

“You know. Drunks. Coming home after a night of drinking. Don't want them in my car.”

“Yeah. You ever get someone puking?”

“No and I don't want to.”

“I rode in a cab the other day back on the east coast,” I said, “and they had a \$250 charge on the tariff for ‘vomit clean up’.”

“Gross. I just do the weekend days. They are busy all day.”

“Nice.”

“Yeah. It's good. You're my longest.”

“Longest?”

“Pick up.”

“Oh.”

“Sidecar is cool,” Mickey said. “They keep trying to say it is commercial service and shut it down.”

“Isn’t it a commercial service? I have to pay a fare, don’t I?”

“No, it’s just a recommended amount for a donation. You could pay more or less. There is a slider button on the screen when you get out of the car and you can raise it up or lower it. It’s a donation. We’re a donation-based arrangement. That way they can’t make any law apply to us.”



I do a little research on Sidecar and Über and learn that in Washington D.C., just after Über started service in that city, Ron Linton, the Chair of the DC Taxicab Commission, booked Über for a ride to the Mayflower Hotel. When the driver arrived at the hotel with Mr. Linton, two enforcement officers of the DCTC were waiting. They cited the driver for operating a taxi service without a license and impounded his vehicle. Turns out the operation was a sting designed to shut down Über in D.C. It took six months and a grass-roots user campaign to get D.C. City Council to legalize Über services.



I find a website of an organization called SPUR that writes quite entertainingly on the obstacles to collaborative consumption. In a piece titled “A Policy Agenda for the Sharing Economy” SPUR points out that:

*For example, when the automobile debuted on American roads, it came into conflict with the horse, and early regulations tended to prioritize the horse. As Kenneth Jackson detailed in his book *Crabgrass Frontier: The Suburbanization of the United States*, “On the theory that lumbering automobiles frightened horses and raised dust, many states followed British precedent and passed laws limiting self-propelled vehicles to four miles per hour and requiring that each be preceded by a man on foot carrying a red flag.”*

Our economic history is littered with regulations insisting that human beings remain in jobs long after technology has made those jobs obsolete. Mandatory operators of automatic elevators. Toll-takers on the highway watching drivers streak by with EZPasses. The hidebound forces of the status quo who want to regulate against improvement and change and efficiency, all for the preservation of profits for the moneybags in the middle.

Who's sticking it to Sidecar? The taxi drivers. The limo operators. They're the ones whose oxen are being gored. But they are not alone — don't forget the Regulators of those oxen! They wield the regulatory apparatus that was created to ... well, *regulate*, damnit! And if Sidecar can just use a stinking *app* to hook up Mickey's world with Jay's world, what will happen to permits and licenses and medallions and fees? The naysayers insist we need that stuff. That we can't just rely on an app. It isn't safe! It isn't reliable! How does Jay know Mickey isn't an axe murderer? How does Jay know he's going to get a cleanish car? With a big trunk? And a fair price? We have to protect the Jays from the Mickeys! No app can do that, thank you. Sure it might work once or twice. It might seem really awesome, but when it goes wrong, Jay will be sniveling and whining and finger-pointing because he wasn't being *watched out for*. Jay needs us to protect him from the Mickeys, even if Jay doesn't know it. Jay needs us to regulate.



We reached the airport and Mickey pulled up to the curb. I pulled out my iPhone. Sure enough, the screen said, in large letters “Recommended Donation \$49”.

“Mickey,” I asked, “is the tip included, like on Über?”

“Nah, it's a recommended donation. You can raise it up for a tip if you want. It isn't in the 25%”.

“What 25%?”

“That's what they get.”

“Sidecar?”

“Sidecar.”

Mickey came over to my side to make sure I could find the slider on the screen.

“Well,” I said. “Let's see. I pay Über \$65, how about I pay you \$55? Would that be okay?”

“That would be great! Of course, I'll give you a five.”

“Five what?”

“Stars.”

“Five stars?”

“Yeah. Of course.”

“You mean you rate the customers?”

“Oh yeah. You never know. Don't want to drive around any crazies.”

“So true. So true.”



Truth is, I don't want to think too much about the sharing economy. If you press the ideas to the conclusion you'd be imagining how every scrap of your surplus inefficiency could be identified, inventoried, published, promoted, transferred, paid for, and ultimately used by someone else. I had the unsettling visual of my first floor toilet being frequently flushed by drop-in crappers. My crap and their crap being harvested for compost. The compost planted in pots along the sidewalk. The sprouting vegetables collected by the City offsetting my tax bill. And my closet. All those jeans hanging there. The t-shirts. The shoes. What an opportunity to put those threads into use by some Jay with long legs, big feet, and a bad sense of style.

While I didn't want to think about how I could wring every little inefficiency out of my life, I am increasingly conscious of thousands — maybe tens of thousands - of smart young people in San Francisco (and, when I look on the web, all over the world) thinking of nothing else. They looked at me and they didn't see a man driving himself where he needed to go; they saw a man in a car with an empty seat, just begging to be filled.



When I was coming of age we had our own version of collaborative consumption. It was called hitchhiking. In 1969, my girlfriend dropped me off at the Howard Johnson's on the Pennsylvania Turnpike, just by the Valley Forge exit. After a tearful goodbye, I crossed the employee parking lot and took my position on the long sloping runway that cars used to depart HoJo's and pick up speed getting to the Turnpike.

I had a tan backpack — Boy Scout issue — on my shoulders and a copy of *On the Road* in the back pocket of my Levi's. I was off to an epic hitchhiking trip to San Francisco. I started from HoJo's because it was too easy to get busted hitching at turnpike entrances. If you hitched from rest stops you didn't get hassled by the police and it was a great spot to get a nice long ride. No one stopped at a restaurant on the turnpike if they were close to their destination. And when the drivers left the rest stop, they were not impatiently beginning their journey, they were in the midst of it, at that point when a conversation with a fellow traveller would be a welcome distraction, not just another barrier to getting under way. Or so I thought.

I had it so wrong. I should have recognized one Mickey after another coming along the road, each car brimming with inefficiency, chock-full of wasteful consumption.

The X gallons of gas in those cars could each divided by just one Mickey. They could have been divided by a Mickey *and a Jay*, and that way there would be twice as much! Literally. A doubling of capacity. A halving of consumption. A car that got about 15 MPG (pretty good in those days) could get 30 MPG with another person in it. The simple act of sticking out my thumb could solve the energy crisis. And not just me. There were other Jays out there. If Mickey picked up three of them — and me — that would be the same as 75 miles per people-gallon.

Imagine boosting that up another level. If you had four hitchhikers per vehicle, you'd cut the country's gas guzzling by 80%. The Middle East would become irrelevant. The country would be energy independent. We wouldn't need solar, or hydro, or wind, or fracking. We'd just need our freaking thumbs.

For some reason, it didn't work out that way. I hitchhiked my way back and forth across the country for three or four years, but somewhere along the way, hitchhiking began to die. It wasn't just me getting older and more cautious. It wasn't having more to lose. The country turned away from collaborative consumption. The Man! He was out there regulating. Arresting hitchhikers. Giving out citations. Checking your backpack's content on the humiliating roadside.

I never really understood it, but I didn't question it. Of course hitchhiking was against the law; so many things we wanted to do in those days were against the law. From this vantage point, many years later, it's obvious we missed the boat. There is no reason why hitchhiking should have become extinct. Had it continued — had we seized its potential as a form of collaborative consumption — we could have changed the course of world events. We could have prevented our endless national drama over oil. We didn't need to have Operation Desert Storm or OPEC or gasless Sundays or any of the oil-centric policies that have driven America's interaction with our global neighbors. We could have had abundant energy. It was there for the taking.

All we needed was a good app. 📱