

Price war over taxi apps

(02 :00)

A price war has broken out across the world among taxi companies. There is increasing competition for passengers because of the different apps that can order taxis. Some taxi companies are cutting their fares by more than half to beat competitor companies. The world's biggest taxi-booking app is called Uber. It was founded in 2009 and now operates in over 200 cities across the globe. Many drivers of London's traditional black taxis are unhappy with taxi apps. They argue that drivers of app cabs are too inexperienced to drive taxis in London. Black cab drivers must pass a difficult test on their knowledge of London's streets to get their taxi-driving license. They have slashed some of their fares from \$45 to \$7.50.

The U.K. boss of Uber said the price war would benefit his company and result in higher profits, saying: "There's a lot of competition over the app makers and, to a certain degree, you need to think of things that you can do to stand out from the crowd." London black cab driver Anthony Street says business remains good despite the app companies. He said: "There are lots of technologies that are changing things for us, but it's up to drivers." One of New York's biggest taxi companies has called for Uber to have its license suspended. It says Uber is illegally using data collected from passengers. In Singapore, the government has just announced that it would start regulating taxi app companies.