

COMPANY DEEP-DIVE

# Former Uber Executive Believes Partnerships and Waymo's Growth Are Key to Autonomous Driving Success

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19 May 2025	05 May 2025	Former	Investor-Led (Buy-Side)	UBER

## Summary

The conversation between the client and the expert delved into the engineering, partnership, and economic implications of autonomous driving for companies like Uber and Waymo. They discussed the success and challenges of partnerships between Waymo and Uber, the potential impact of Waymo's growth on Uber's market share, and the importance of partnerships in the transportation industry. The conversation also touched on the potential shift towards driverless vehicles, the impact of macroeconomic factors on ride-sharing companies, and the competition within the autonomous driving and food delivery sectors. The expert suggested holding onto Uber stock while considering investing in Waymo.





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## Expert Bio

Former Global Business Development, Autonomous Mobility and Delivery Partnerships at Uber Technologies Inc., leaving in January 2024. This expert can speak to global business development strategy, autonomous vehicle partnerships, last-mile delivery innovation, mobility-as-a-service (MaaS) models, and strategic alliances in the transportation and logistics sectors. Founder and CEO at Bubbl. Founder at Total Heliski. Former Director at a Rideshare Company, leaving in January 2024. The expert was responsible for leading global autonomous vehicle strategic partnerships for them. The expert also worked with several robotaxis and robotic delivery companies to launch services on the Uber platform. Former US Intelligent Edge IoT Scale Lead for the Industrial Sector at Intel, leaving in September 2022. The expert was responsible for creating strategic ‘whale’ partnerships for a completely new partner type for Intel to scale revenue to 350% of targets and provided thought leadership on IT/OT to industry from Intel. Driving strategic execution of digital transformational initiatives for Intel to support industrial integrator partners to scale Intel-friendly edge compute and AI solutions into the energy, oil and gas, renewables, discrete and process manufacturing, government, smart cities, transportation, and smart buildings sectors. Leading cross-functional teams to deliver these initiatives across Intel and partner organisations including sales, product, engineering, and marketing. Embraced a steep technical learning curve.

## Employment History

 <b>Bubble (Private)</b> Founder And Chief Executive Officer • January 2024 - Present • 1 yr, 4 mos	Relevant Role
 <b>Bubbl (Private)</b> Founder and CEO • January 2024 - Present • 1 yr, 4 mos	
 <b>CyberProtonics (Private)</b> Angel Investor • September 2023 - Present • 1 yr, 8 mos	
 <b>GreenTek, LLC (Private)</b> Angel Investor and Advisor • May 2023 - Present • 2 yrs	



Uber Technologies Inc. (Public)

Global Business Development, Autonomous Mobility and Delivery Partnerships • September 2022 - January 2024 • 1 yr, 4 mos



GreenVault (Private)

Angel Investor and Advisor • May 2022 - Present • 3 yrs



Intel Corporation (Public)

Assistant Executive in Residence, Intel Incubator • December 2021 - September 2022 • 9 mos



Monogram Technologies Inc. (Public)

Angel Investor • December 2021 - Present • 3 yrs, 5 mos



Intel Corporation (Public)

US Intelligent Edge IoT Scale Lead for the Industrial Sector • May 2020 - September 2022 • 2 yrs, 4 mos



Intel Corporation (Public)

Senior Partner Business Development Lead- Optane Technologies • October 2018 - May 2020 • 1 yr, 7 mos

Interview Transcript

Client ▶ 00:00:00

Hi. Thanks for taking the time to talk with me. I am interested in learning more about Uber Technologies. Starting off, how big is the autonomy and robotics team at Uber? My understanding is almost all of that, the actual hardcore engineering work, is happening at third-party companies you guys are partnering with today. There's not any hardcore engineering going on at Uber on the autonomy robotics side, obviously, of engineers.

Expert ▶ 00:00:26

There is engineering going on on the platform to integrate what they need, and there is engineering going on with respect to customizations that have to happen for an autonomous delivery or ride. There is definitely engineering at the edge. To your point, the engineering team, at least when I was there, was not that big. The product and engineering team is pretty small, pretty lean, because really what they're doing, their strategy is not to develop any vertical solutions, but just build a platform that people can plug into.

Client ▶ 00:00:59

Got it. When I say engineering, I mean strictly to autonomy and robotics, they're not doing any of that.

Expert ▶ 00:01:05

Correct.

Client ▶ 00:01:05

Integration, sure, but that's not that complicated scheme of what Waymo's doing, what Tesla's doing, for example. Having said that, there're still a lot of people like yourself and many people that work on in these divisions specifically regarding integrating new companies, new products, and services into Uber for mobility and autonomy. How big is that? How many people are specifically focusing on the future of the Uber platform and how these things might be plugged in?

Expert ▶ 00:01:34

If I was guessing, overall, it's less than 50. There's a P&L division that's the operations division. When I was there, there might have been less than 10. There's product, then there's engineering. I forget if product was in his team, it might have been in the ops team but engineering is definitely not in the ops team, it's in another team. They definitely had one dedicated person running the engineering but I'm trying to work out how many engineers there were.

I obviously didn't see them all, but meetings I was in, I got the impression it was integrated into someone's job. For example, there was a mapping guy and his job was mapping, but he spent a lot of time working on autonomous engineering.

You've got marketing and you've got business development of which wasn't part of the P&L either. It's like a service arm, which is what I was doing. It's like legal, the service arm, HR is a service arm. You had other people I guess in the business development and sales people who the AV group relied on to be able to try and sell. You can't just launch an AV service sometimes at least in food delivery. It's a three-sided marketplace. You have to get agreements with basically McDonald's and people like that. Given that this is a delivery focused call, that's worth mentioning. That was much heavier.

Client ▶ 00:02:55

I'd say this is delivery. This is also mobility. I would think I would keep the call broad. Probably less than 50 people total working on autonomous robotics across engineering, product development, and business development, you name it.

Expert ▶ 00:03:10

No one working on robotics, I would say that would be zero.

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Client ▶ 00:03:13

Yeah. It's all autonomy.

Expert ▶ 00:03:15

Yeah.

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Client ▶ 00:03:15

That makes sense. These are a couple high level questions to start with. You were director of business development. What were you really focused on?

Expert ▶ 00:03:23

I was focused on managing existing partnerships and forming new ones for AV delivery and ride. I also did some maternity coverage for rent, which was unrelated to AV, but I definitely did that as well.

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Client ▶ 00:03:36

When you say partnerships, which partners? Obviously, you guys are three-star marketplace. There's all sorts of different types of partners you have.

Expert ▶ 00:03:44

The partnerships that I was responsible for were the actual AV partners, the Waymos, the Serves, those people.

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Client ▶ 00:03:51

The actual providers of the autonomy.

Expert ▶ 00:03:53

Yes.

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Client ▶ 00:03:53

That makes a lot of sense. Just to get a lay of the land, today, my understanding is Waymo is the main partner and they have launched a slew of partners the past three or four weeks. As far as revenue generating miles, it's just Waymo is my understanding. I think Uber and Waymo are partnered today in Phoenix and Austin. I think maybe sometime next year, later this year it'll be in Atlanta as a third market. Is that accurate?

Expert ▶ 00:04:19

I think so. Didn't I read that they were going into Atlanta with Moove, which is an African company? I thought it was definitely Austin and Phoenix.

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Client ▶ 00:04:28

I think they went with Moove in Miami.

Expert ▶ 00:04:31

Sorry, Miami, yes, you're right. It was Atlanta. That's right. Correct. Thank you. They were doing Moove in Miami and Austin and Atlanta with Uber.

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Client ▶ 00:04:39  
Phoenix and Austin is where all the data is coming.

Expert ▶ 00:04:43  
That's right.

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Client ▶ 00:04:43  
Got it. As far as Uber Eats, I think that's just Phoenix?

Expert ▶ 00:04:47  
I think so, yes. Today. When I did it, it was there.

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Client ▶ 00:04:50  
Okay. Again, these are all pretty broad questions. Obviously, there's an Uber app and there is an Uber Eats app. There's about six or eight services available on the Uber app. On the Uber Eats app, there's just one service, of course. Of course, the majority of Uber Eats revenue, the GMV, comes to Uber Eats app but some portion comes on the Uber app because that's the whole point of having multiple app for lead gen. Portion of the orders or revenue of Uber Eats comes from the Uber Eats app, like Uber Eats on the Uber app versus Uber Eats on the Uber Eats app, if that makes any sense.

Expert ▶ 00:05:25  
Yeah, I don't know. That's a great question. What percentage of business comes in from someone opening the Uber Eats app versus someone opening the Uber app, not an Uber Eats? Is that what you mean?

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Client ▶ 00:05:37  
Yes, exactly.

Expert ▶ 00:05:38  
have got to be honest, that is a question I have never been asked and I do not think I have the answer to.

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Client ▶ 00:05:44  
You think it's less than 5%?

Expert ▶ 00:05:46  
Who opened Uber Eats?

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Client ▶ 00:05:47  
Yeah.

Expert ▶ 00:05:48  
I agree to my app.

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Client ▶ 00:05:49  
I just use Uber. I don't understand the point of Uber Eats.

Expert ▶ 00:05:52  
I don't either. By the way, I believe they go to the same place. I believe that once you select your breath, it goes to exactly the same place.

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Client ▶ 00:06:01  
I'm sure it does, but I have a follow-up question with that but it's not about that.



Expert 00:06:06  
Okay, what's the follow-up question? I would think it's higher than 5% go to Uber Eats.

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Client 00:06:12  
I would imagine more than 5%.

Expert 00:06:14  
I would imagine it would be like 35%. I don't know. I know what I do. I just open the Uber app.

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Client 00:06:20  
Yes. I don't know why someone ever uses Uber Eats app. What are you accomplishing?

Expert 00:06:25  
I wonder why they had it. It's a good question. By the way, the CCO of my new company is ex-Uber, and I think he was the guy behind that app, so I could ask him, but not in time for this call.

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Client 00:06:37  
Yeah. Let's just make it simple and say that the Uber app is important to Uber Eats. I don't know what portion of revenue drives, but it drives a fair amount of portion. It is important. Obviously, the Uber Eats app is important to Uber Eats too, but the Uber app is important to Uber Eats. Fair? Probably fair?

Expert 00:06:56  
Yes. The Uber app is important to the Uber Eats business, 100%. I would treat them as equally important because otherwise they would've retired one. Maybe they're worried that if someone deletes it that they'll not download the other one or something like that. They probably got too many users and they don't want to mess with it.

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Client 00:07:17  
For sure. The natural follow up of course is that in these markets where Waymo already has substantial penetration, mostly the Bay Area and Phoenix and Los Angeles, and maybe all at the same time, people are going to stop opening the Uber app and that affects both Uber and Uber Eats. For anybody who also has DoorDash, they stop getting in the habit of opening the Uber app and seeing Uber Eats next to them. They might just lose mind share. Uber Eats will lose mind share because of the effect on their sister company or their sister product in Uber.

Expert 00:07:51  
Did you just say if AV deliveries are offered only on the Uber app? What did you say, sorry?

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Client 00:07:56  
Sorry. What I'm saying is that I'm thinking about a scenario where people just obviously go right to Waymo app or any other AV app and because they're not opening the Uber app anymore, they're also going to be a lot less inclined to naturally switch over and think about Uber Eats as much because they're looking at Uber Eats the whole time or at least they're quickly glancing at or they'll be reminded of it at least. Waymo is a big threat to Uber Eats indirectly as well. Fair?

Expert 00:08:26  
Yeah, I hear what you're saying.

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Client 00:08:27  
People have a Target app, they have an Amazon app, a lot of people have Uber Eats and DoorDash apps. You start thinking about Uber less and, I'll use DoorDash, the mind share starts to fall a bit.

Expert 00:08:39  
I hear what you're saying. I think hardcore Waymo users, it would be interesting question to ask them what app they use for food delivery. What I do know is that Waymo doesn't have a loyalty program. Both Uber and Lyft have loyalty programs that align with food delivery. UberEats has Uber One to try to keep all your business on Uber. DoorDash has the credit card with Chase and Lyft. Lyft partnered with DoorDash. I think the DoorDash piece is very strong for Lyft. That was a good move because now they're

formidable against Uber. The two are paired together, but they are different brands. The question is where Waymo is stealing business from. Is it Uber or Lyft or both?

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Client ▶ 00:09:21

Yeah, it makes sense. It's not the core part of my questions, but it seems like something interesting on the margin that could affect the final usage.

Expert ▶ 00:09:30

I'll tell you one thing, that it's fairly difficult for Waymo to do Eats deliveries without Uber because they do not have that third side of the marketplace and probably do not want to build it, at least not yet. You might get those deliveries happening on Waymo, but Uber is not going to let Waymo do deliveries on their app. They'd have to do it on Uber Eats.

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Client ▶ 00:09:52

That makes sense. Hoing direct to that point, when you think about Waymo on Uber versus Uber Eats on Waymo, either way, you get my point, what do you think the feedback has been like? How do you think these partnerships have gone so far?

Expert ▶ 00:10:06

I think people who do the autonomous rides quite like them. When I was there, it was at the start. That's really an interesting question too because I know that people that use Waymo here love it and there's a lot of Waymos riding around, but I also know that Waymo is doing a huge push right now with advertising and promotional offers. They gave me a free \$15 ride the other day. I was already a user. I got offered a ride for free. I think Waymo are trying to test all the levers to grow with promotions just like Uber was doing.

With respect to how it's going on Uber, from a customer experience point of view, I think the rides were much easier to get right than delivery. From when I was there, we hadn't launched Waymo rides at that point. I think we'd only launched the other ones, Motional.

I would imagine it's going well because I think people in Phoenix were already quite used to AV rides. It's all about what people are used to. There had been a lot of operators doing rides in Phoenix for a long time. In fact, Waymo had been doing them for a long time already and I think they just brought Uber in. I can't imagine that the rides were really perceived any differently because I do think that Uber probably has done a pretty good job of the UX UI.

That being said, I personally took a Waymo ride the other day on Uber in Austin and I got frustrated, and I should have known this because I did the partnership, but I had a lot of luggage and I happened to be moving hotels but it was the one Uber ride that was not the one to offer me and I still accepted it not thinking. The thing arrived 100 ft. around the corner up a hill and I had all this luggage and I could not tell the guy to turn around and come back to me. I had to go up the hill to get it. They don't say the drop off.

What they did wrong was they should have said, "This ride is going to arrive 100 ft. from your house. Is that okay? Do you still want the Uber ride?" They didn't emphasize the difference in the ride, which was the pick up and drop off. I'm a dumbo. I worked there. I should've known this. I was laughing about it because we had all this luggage, we were taking from activating my new company. It was lots of luggage, like suitcases and suitcases. I thought to myself, "See that's a basic fundamental thing that they should've put in the U.S. by now." I don't know why I didn't.

I do think people are getting surprises but the fact is people really enjoy the ride in a Waymo and I think that's the piece that mostly they care about probably rather than the hailing with the exception of the pickup and drop off location.

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Client ▶ 00:12:50

Yeah. I use it probably once, twice a week.

Expert ▶ 00:12:53

You use Waymo?

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Client ▶ 00:12:54

They're absolutely everywhere.

Expert ▶ 00:12:55

Yeah. Are they doing the pickup drop offs close to your house or not?

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Client ▶ 00:13:00

Yeah, they do it probably within 15 yd, 20 yd. Pretty close.

Expert ▶ 00:13:04

That's really good. This was around the corner and up a street. The weird thing was I couldn't work out why. The place that stopped for me, the street we were on, there was absolutely no reason why they couldn't have stopped in front of the house. I'll be honest, that's probably why I didn't really think about it. It was weird. The pickup drop off was weird.

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Client ▶ 00:13:26

Got it. When you think about the core of this, as Uber switches from human-facilitated rides and deliveries to autonomous rides and deliveries, what is the economic uplift that you and your team are seeing and obviously using to justify all of this work in the business model? How big is the benefit? That's all this is about.

Expert ▶ 00:13:45

The biggest long-term thing is we don't want to become Kodak. That was the long-term thing. The uplift is meant to be that it's going to be cheaper to provide a ride and also people don't have to tip, that's the other thing. It's technically going to be cheaper overall to provide a ride which means it's going to upheaval car ownership and people taking more rides because it's cheaper. Basically, disrupting car ownership was the big thing in cities. I think that is playing for the whole industry. I don't think it's just Uber that's thinking this way. I think the automakers need to be thinking this way if they're not already.

We already know that the sharing economy is growing really fast with the younger people. People are used to sharing and they like sharing. Car ownership is not as heralded, it's not as needed by younger people. The flexibility to not have to have a car to sell, be locked into a lease, all that stuff. It's very viable that if you bring in autonomous rides and they become 30% cheaper because you're not paying a driver and even when you obviously amortize with the tech and everything and it's going to be overall a much more used service. That's the main crux of it. It's grow the market for Uber and it's not becoming Kodak and losing all your business to Waymo.

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Client ▶ 00:15:06

Got it. That didn't really address my question at all just to be clear.

Expert ▶ 00:15:10

It didn't? Sorry.

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Client ▶ 00:15:11

No, I don't think it was intentional. You're addressing the rationale for sure. Let's just keep it really simple. Uber's economics, it varies a lot, but you guys keep something like 40%, 30% when I talk to drivers, give or take.

Expert ▶ 00:15:25

40% or 50%, but yeah.

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Client ▶ 00:15:27

Obviously, that going up or down would change your model. The driver keeps the other 60%-50%. In a Waymo partnership or any other AV, the point is that Uber is demanding they keep their same share, presumably. Maybe they're not. You tell me. Waymo says, "We want to be paid the exact same share per human that had their own car was making before," essentially. How different is that from what's happening? I'm just guessing, of course.

Expert ▶ 00:15:53

It is very hard for me to talk about specifics of any deal. I can't talk about really that even now.

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Client ▶ 00:15:59

Just as a philosophy of Uber.



Expert 00:16:01

Let me explain the dynamics. As a principal, here's what the two parties were caring about, because when they did the deal that I did, there were a lot of unknowns, including the success of Waymo in San Francisco. What Uber cared about, could Waymo service the ride? If we offer you the ride, you've got to be able to service it and you've got to be able to be the level that you can service it. What Waymo cared about is are you going to offer us enough rides?

Both parties were like, "We can have utilization of our cars. Are our cars going to get used?" is what they cared about and Uber cared about, "If we build all this tech and put you on and everything, are you going to be able to service the rides or are you going to give us enough rides? It's not just service them, but are you going to give us enough of rides?" Both of those things, can you service them and will you give them enough of them? Obviously, apart from that, safety. Is it safe and is it going to be a good user experience?

When it came to the arrangements, whatever we did in the short term was never going to be reflective of the long term. Say, for example, one party pays the other money. This is not presidential. I think the way that Uber views all of its partnerships and it would view it with them would be ultimately a rev share. What that rev share would be would be a function of, I think market power of each party ultimately and the more successful Waymo gets, probably the more powerful they get in that negotiation, especially if we don't have any other partners.

Uber's obviously never going to do anything that is going to do two things. One, jeopardize their driver market right now because their drivers are really still the most important thing to them right now for Uber. They weren't going to do anything to jeopardize that, including in the UX UI, including the ability to flag. At least you couldn't in the old days, you couldn't flag a Waymo. I don't think you will be able to for some time.

They want to protect the drivers. They don't want their drivers to feel like they're going to lose the chance to get a Waymo. Uber, a lot of their tech is all about making sure that they can offer rides and match them, etc., and give people the experience and not let them know they're going to have it and all these things to try and consider not alienating drivers.

In terms of like rev shares and whether they would give them everything, here's the thing. Maybe there's a question about volume, "Okay, give us this city and that city and then we'll give you a better deal." I bet you it's a volume deal kind of thing, probably ongoing. A lot of these terms had not been decided by the time I was there. Both companies had to go in it with the partnership idea that knowing that they co-opposition. I think Uber realized that they had stronger market power earlier.

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Client 00:18:58

Got it. The \$64,000 question is, Los Angeles and San Francisco directly compete with Uber for Waymo obviously. The question is, will Waymo capitulate and be forced to abandon their own app and have to launch on Uber as they have in Austin? Now, the unique thing is, for some reason, in Phoenix, right now, Uber partners with Waymo and competes with Waymo, which is a fascinating market case study. They do all of it. They compete with them and they partner with them and obviously, Uber Eats is very tightly integrated and probably a really complex partnership.

In San Francisco and Los Angeles, it's much more straightforward. They're just absolute enemies, just pure competition, straight up, very black and white. The question is, will Waymo have to capitulate because they can't get the utilization high enough or they can't scale it in some way and economics don't work and so they need to pivot and just partner with Uber as they have in Austin? What do you think is going to happen?

Expert 00:20:00

I get asked usually the reverse by lots of people.

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Client 00:20:03

What's the reverse?

Expert 00:20:04

The reverse is that they build a strong thing, and they don't want to partner with Uber. They don't want to be on Uber.

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Client 00:20:11

I'm asking that too. That's all implied. Will it happen? Will they have to? Do you think they'll have to?

Expert 00:20:17

I get asked, "Are they going to have to partner with Uber?" as if Uber is going to get their scraps. No one knows. San Francisco has been, I think, more successful than I could have imagined for Waymo. I bet if I open the Waymo app now, it'll offer me some sort of deal, which is, I remember, what Uber was doing before, back in 2014. They're trying to scale, which tells me that they've got a lot of



vehicles. Maybe they've upped their vehicles and they need to fill the vehicles because they're offering a lot of good incentives, so they're taking it to the next stage.

Of course, you know that on the adoption curve, you've got early adopters and then the next people, and then the next people. It's that bell curve. They've left the first tranche. They're going to the second tranche. To grow their market, they're having to give more incentives to get those people who were less likely to do it to do it. I suspect that's where they are, and the more they invest in the vehicle. The question is, will they have to get rid of their own app and just use Uber? It's a great question, and I don't really have the answer.

I think pretty bullish, they've done a pretty good job in L.A. and in San Francisco. I think Waymo have done a remarkable job of building their own user base so why can't they do that everywhere else? They won't be able to do it as fast, though, as Uber can everywhere else. I think the Moove partnership was quite interesting, although my understanding is Moove's doing fleet operations, and in Atlanta and Austin, Uber's going to do it. I'm surprised why they went with move and not Uber in Miami.

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Client ▶ 00:21:57

Yeah, the more markets that Waymo launches, not to say independent, just independent of Uber, maybe they have other partners themselves, each new market they launch and get to breakeven, I don't know the timelines of breakeven, but gets to a line of sight to breakeven, their confidence goes up, just skyrockets like, "Oh my god, we can do this. We can do this." I don't have the numbers. I have no idea.

The one interesting thing with Waymo isn't at the mercy of in the same way, because they control that second side of the marketplace, which is the vehicle, the human is only necessary for the vehicle because the vehicle doesn't drive itself yet for Uber, is when you go from decay of network effects, which we don't see very often in the economy. One of the scary things for Uber is when you start to see drivers leave the platform in San Francisco, and then it's over. Waymo wins the entire market, and Uber doesn't exist after that.

Expert ▶ 00:22:53

That's a function of the economy, if you ask me. I think the worse the economy gets, the better it is for Uber.

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Client ▶ 00:23:00

No matter how bad the economy is, if there's no demand for Uber, who cares how bad the economy is?

Expert ▶ 00:23:06

Is that because people prefer the driverless? Is that what you mean?

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Client ▶ 00:23:10

Yes. That's my experience in Los Angeles is people don't want to use Uber anymore. They just want to use Waymo, especially women because the safety factor. It's always interesting. There are very nuanced social dynamics of having male drivers that want to talk to girl, women. Not that it's nefarious, they don't want that nonsense. They have a 15-year-old daughter going to school. There's all these social dynamics like, "I don't want to awkwardly tell the Uber driver to turn down his music." These are very nuanced things socially that you can avoid. You can avoid them at the same price because Waymo is the same price basically, or within 10%.

Expert ▶ 00:23:50

Yeah. It's funny that you say that because I can get an Uber in two minutes, and sometimes Waymo is eight, and I never take Waymo.

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Client ▶ 00:23:58

Yes, for sure. If it takes too long, it takes too long, I'm 100%. On the margin, it's definitely a better solution for the average human, I think.

Expert ▶ 00:24:07

The Waymo?

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Client ▶ 00:24:08

Yeah. Do you think that's what Uber's paying the most attention to? As you said, the driver is the most thing, and if they start to see L.A. is not big enough yet, probably but an S.F., these drivers aren't getting rides because Waymo just takes more share in these little districts, little markets and then the decay is inevitable because you can't reverse the decay. It's not possible.

Expert ▶ 00:24:32

I think definitely when there's an event on, that doesn't happen. In a regular day it probably does happen. Let's think about why drivers are driving. I get a lot of them are driving full time. There are a lot of full-time drivers. They are relying 100% on Uber and maybe Lyft as well. Don't forget they're probably using Lyft. I don't think Uber is going to lose their driver marketplace. Like I said, I think if the economy goes down, they're going to get drivers.

You raised an interesting point. In the past, I don't think Uber's had to spend as much money on user demand, consumer demand as they have on driver supply. I think they've had to invest more money on driver supply than they have on demand. It might start going the other way around if Waymo takes a big portion. I also think maybe more people are going to be likely to use it.

Most days I open up the app, I'm talking about Uber now, it doesn't matter which one, and I don't get a shock about the price unless it's New Year's Eve, meaning I find I can get a ride anywhere around the city for under \$15 which is two coffees for the convenience because that's saving my other car, my Porsche.

I think you've got to understand that also the Waymos, when there's a complication like there was with me, with my gear, I'm just saying, this did happen, I asked the Waymo to move, they literally had three people on the phone. They could not move the car 100 ft. They couldn't do it remotely at all. Couldn't do it in Austin. I just think they work like clockwork when they work, but when they don't, they don't. I just don't think they've really got that scale yet. I don't think they've worked out how to scale that yet.

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Client ▶ 00:26:17

That makes sense. I think what we didn't quite address was just the economic uplift. Yes, the TAM will increase. Yes, the price per ride or per mile will decline with autonomy. It's very straightforward how it's deflationary, but I think Dara said a number of times, and I don't know why it wouldn't be the case either, is that the business model, forget the size of the market, good businesses don't have to have big markets necessarily, gets better. It's a more profitable business when you're not managing drivers and market drivers. How much better of a business is it, do you think? Is it marginally better? Is it notable?

Expert ▶ 00:26:55

I think it's substantially better. You don't have lawsuits. You don't have insurance claims. Insurance costs are the big ones.

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Client ▶ 00:27:03

You said substantially better.

Expert ▶ 00:27:04

Okay, 20%-30%. To me, substantially better would be anything above 15% better or 10% better. Waymo just put out a thing saying it's way safer than a human driver. Of course, there's another factor here that we haven't talked about which is the price of money.

If interest rates go really up and the price of cars and there's tariffs now, although not tariffs on American cars, but there's probably tariffs on cars that are Waymo, so if the price of vehicles goes up, the price of vehicle equipment and the price of money goes up, that means the price of holding fleets goes up and the economy is bad because people are unemployed and it's high inflation, then maybe drivers are going to be cheaper. I reckon the macro economy might make an impact at least on a company like Uber ,and what its overall cost is. If you can attract a driver really easily but the cars are expensive to finance, don't you think that would change in the game?

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Client ▶ 00:28:04

Yeah. That's a good point.

Expert ▶ 00:28:05

We all know that hardware is going down, storage is going down. Waymo is lucky they've got their own cloud company. Google's now really investing heavily in nuclear and other things to power data centers and things. They're all investing in renewable energy, which probably costs more today, but over time probably won't. I was in renewable engineer at Intel before Uber. That's a huge impact, by the way, on all of this, I think, ultimately.

Client 00:28:33

Interesting. I've seen partners like Coco Robotics have partnerships. I think they've established partnerships with both DoorDash and Uber, which is great for them.

Expert 00:28:43

I don't know if Coco did. Did they?

Client 00:28:45

Yep. They have partnerships with both DoorDash and Uber now. I've used Coco in L.A. and it's pretty good frankly. How do you deal with this restructure? Do you think they're all structured in the same way that a Waymo deal is structured, in a sense? Obviously, the terms are different.

Expert 00:29:01

No, Waymo's a special deal. Waymo is the deal that we had to get done. I'm just saying Waymo is a deal that is very important.

Client 00:29:09

When was the deal? How did it do?

Expert 00:29:11

I'm just saying Waymo is a very important deal. Uber's core business is rides. No matter what they're doing and everything else, the core business is rides in the U.S. The idea of Uber building a platform is to facilitate multiple vendors of rides because if one gets too strong, then that's ultimately another Lyft in Uber's side, thorn in their side. Being able to work with Waymo is very important, I think. I'm in the mobile business too, I have been in the past, and tech companies need to work with the competition all the time.

Uber has a lot of experience with [Serve]. I know they did something with Avride as well which does both robots and cars. Uber has a lot of experience now with the little robots. The robots can be a bit slow, but there are some good use cases like on campus for Coco, for example, and in small neighborhoods. Do you use them in L.A.? They do have them in Santa Monica, don't they?

Client 00:30:07

Yeah.

Expert 00:30:08

That's right. I didn't realize that. For Uber, it would probably cost them not much more to launch any robot company. The hard work was building the user experience for the robot, but they did that with Serve. For them to launch a new robot player is probably fairly easy. I know that Japan was quite interesting because I think they launched some stuff in Japan when I was there. Asia, good markets for these sorts of robots.

Client 00:30:34

Yeah. I think you mentioned the other via a substantial improvement in the economics for Uber or Lyft or anyone when they adopt autonomy compared to their legacy methods, human-facilitated rides. Do you think that you'd see or they will see or they are seeing a similarly substantial improvement in economics on the food delivery side with Coco Robotics at scale, not necessarily at the moment, but incrementally?

Expert 00:31:00

Look, the restaurants hate the drivers in general. Restaurants don't get on with drivers. You know how there's this huge CloudKitchens business? You understand about that?

Client 00:31:11

Yeah, Travis' business.

Expert 00:31:12

It's a big deal because it means that the food's not really delivered locally like you do with a robot but obviously there's all these little local restaurants that will do it. Drones also maybe on the cards in the suburbs. The big deals, the volume deals, the McDonald's, the Chipotles of the world, they're not depending on the city, they're not always in locations that are like in the inner city.



You've got to still have the independent restaurants, which is why you need the relationships with the aggregators, like eat toast, and someone else they call. It is a very complicated business to integrate autonomous driving into delivery. It's quite complicated if you're going through these aggregators, because that's a third layer.

That's the thing that's a bit of a thorn in the side of delivery. The other thing is the standards. Even though you don't have to tip, it's a much cheaper delivery, but it's still an expensive item. People don't want to have to leave their house to go get it. I don't know if anybody's getting in the elevators right now, but usually someone delivers it to your door in a city, same with the drop off, and then the restaurant having to take the food and put it in the thing. There's just a lot of friction in the whole process.

I know that when I was there, they were looking at a runner model. For example, on Polk Street, there's all these restaurants and you couldn't really park a car on Polk Street, but you could park a car on a side street, have a runner but the robots will be too slow. Delivery is difficult but delivery is a USP for Uber, if they sell delivery to Waymo, for example. I think delivery is a strength and it's an asset that Uber have. Lyft don't own DoorDash. Uber have that as a strength over Lyft when partnering with an AV provider.

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Client ▶ 00:33:03

Yeah. That's a great segue with Lyft, which is all of these different drivers of the business model are in their very early stages and we're of course looking for certain canary in the coal mine. We're looking in terms of inflection points across these business models. At a company that has an Uber, it might take quite a long time for this to show up because you just have so much revenue being generated in markets that are not in any way addressed by Coco or Waymo or any autonomy providers. They represent the legacy business whereas Lyft, they could see the effect on their business model sooner from things like Waymo because they just don't have the diversity business model.

Expert ▶ 00:33:44

Yeah. They do have partners now with May Mobility. Lyft is going to be in a bit of trouble. It's interesting, when I was there, Lyft were on Google but Uber refused to go on Google Maps because they didn't want to be compared to Lyft.

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Client ▶ 00:33:59

Uber didn't want to go into Google Maps because they didn't want to be compared to Lyft.

Expert ▶ 00:34:04

On pricing, yeah. Uber were in there originally years ago and then they took themselves out because they didn't feel the need to be there. They didn't need to be there to get business quite frankly. They didn't need Google. I look at that and I go, "Well, but Lyft did and Lyft is still there." Because they're not there, they're not being compared to Uber but Uber would not go anywhere head-to-head against Lyft. Back to Lyft being at risk of Waymo. It's interesting. I think all these companies can all work with each other, but Waymo aren't working that way with that many partners. It's always Uber announcing it.

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Client ▶ 00:34:42

Yeah. Uber built their own Maps because of that. Is that what you're saying?

Expert ▶ 00:34:46

Did they? I don't know. They do have their own maps, don't they?

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Client ▶ 00:34:50

Maybe they use Bing or something. I thought you just said that Uber doesn't use Google Maps because they want to be compared to Lyft.

Expert ▶ 00:34:57

No, I mean you can't get an Uber on Google Maps. I'm sorry, that's what I mean by that. They never wanted to be compared. They didn't need it. They didn't want it.

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Client ▶ 00:35:07

They didn't want to be literally on Maps.

Expert ▶ 00:35:09

I don't know whose maps they use. I don't think it is Google. The relationship between Google and Uber has been tense because of past lawsuits. There's been tense relationships.



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Client ▶ 00:35:20

Levandowski and all those guys.

Expert ▶ 00:35:22

I think it's the auto thing, wasn't it?

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Client ▶ 00:35:24

Yeah, it was Travis's error.

Expert ▶ 00:35:26

Nasty lawsuits.

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Client ▶ 00:35:27

Do you think that Uber is already seeing declines in revenue in L.A. and Phoenix, in the Bay Area, from Waymo, or is Waymo just literally growing the whole market for everybody?

Expert ▶ 00:35:37

I think they've seen it. I think they have. If it's true that I've heard that they're taking up potentially 20%. I don't know if that could be true, but having lived here, I live here. I see them everywhere. Waymo vehicles are everywhere. I don't know. 20% seems like a lot. Maybe it's 20% in peak times. 20% sounds like a lot but it was reported that it was 20%. I would have thought it'd be more around 5%-10% but even that they'd notice. Even 5%-10% would be a huge impact on Uber. It would be very noticeable. Anything above 5%.

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Client ▶ 00:36:13

That's probably a combination of the market growing a little bit but on net, the market growing a little bit and taking share from Uber and Lyft. That's probably the most likely conclusion.

Expert ▶ 00:36:24

Yeah. If you look at the use cases for Uber, it's commuter to the airport. It's the airport, it's commuter and it's social. You look at what's driving those. Since COVID, I argue more people are going to the office than they were during COVID. I'm talking about recent last five years. More people are probably flying and traveling than they were. I would argue more people are socializing.

More people are commuting than during COVID but less people than before COVID. Traffic's come back, it's real, it's here and events have come back. I just think Uber has a fairly good idea of what they should expect to see. In terms of in this market, whether it's impacted anyone not buying a car or not, probably not.

What I want to share with you also, which I think is really important to say is that Uber are not just investing in this, they invested in a car share company as well and also rent. I was running rent BD and Uber very much look at their business as the whole mobility solutions, including scooters, including rental.

Rental cars wasn't very big, but the car share business I think could be very big because that is the ultimate for Uber because you take a ride when you don't want to park and you take a car share when you have to go to Tahoe for the weekend. I think you want to look holistically at Uber's business from that perspective. That might be why they did car share. They probably figure, "Even if we lose some business to Waymo, we might get the car share business."

There's one statistic that I think is important and it's I think it was in their annual report. I read it there at Q1. They have data that says that if people use two or more services, they become much more sticky to Uber. They do grocery delivery as well now.

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Client ▶ 00:38:13

Got it. Over the next five years, let's imagine you're the CEO of Uber now, what do you prioritize? Dara, for what it's worth, all he has the position that Uber's in today. All he can do is best just to accommodate for the future. From my perspective, he's moving very quickly and being very aggressive. I think that's all he can do. That's the position Uber's in. If you were him or you were in his shoes, would you be even moving faster? Maybe you think he's moving too fast. Maybe you think it's less of a risk than he thinks, or maybe you think it's more risk.

I'd love to get your perspective on what you'd be doing. Do you think this is an existential threat to the entire enterprise of Uber,

or at least maybe the mobility side, maybe not the food delivery side? Would you be doing everything you can every minute of the day to position this company because there's a non-zero, nontrivial chance that this just becomes Kodak?

Expert 00:39:08

I think that's true, the nontrivial chance. Uber's a global business, but like I said, the core market is U.S. rides. That's the thing. That's the holy grail they got to protect. I don't know how much Cruise they could have bought for if they could have bought Cruise but when Cruise went out of business, that to me was a feel because I was like, "Wow, they could have bought Cruise probably." I don't know why they didn't, but maybe they didn't because if they bought Cruise, then Waymo might have said, "No, see you later." I think Cruise has disappeared but have they disappeared? Are they going to pop up again somewhere else?

I know that Mobileye are launching with May Mobility and Uber just did this interesting move with Volkswagen with Mobileye. Here's the problem, see with just Waymo, Uber needed some other people and I think they aggressively went after Volkswagen and Mobileye, but they're very much behind schedule. Those guys are behind with respect to the technology. They're not level five yet.

You've got Zoox and you've got Cruise. Cruise have disappeared at least for now and you've got Zoox and you got Tesla. I would argue that by virtue of the fact that they've launched with VW might mean Zoox don't want to work with Uber nor Tesla. I don't think Tesla or Zoox would want to work with Uber. For that reason, I think they're up the creek.

I think he's doing the right thing trying to get as many partnerships as he can. I would be surprised he wouldn't do any more investments in some of these companies like Cruise, bring them back to life. I think Uber needs proof. What Uber needs is more competitors for Waymo, and they need to offer the best platform for that because then people are never going to want to open two apps or three apps. They're only going open two, Uber and Waymo, if it ends up being like that, or Uber and Lyft. I think Lyft have got more to worry about than Uber. By the way, if Lyft does decline, that business will go to Uber or Waymo, obviously so they'll grow from that.

Client 00:41:12

Yeah. Again, that decay and drivers can't get any revenue, they drive less. I have to drive less.

Expert 00:41:18

Putting on autonomous vehicles increases your liquidity because it increases the availability. It means that for a rider you can get a ride quicker. To your point, you might prefer the type of ride it is. The more Uber can keep their customers sticky and keep their liquidity up, the better. If that's not Waymo, that could be someone else because then Uber could become much stronger than Waymo.

If Waymo only have Waymo and if Uber plus Cruise, plus this taxi company, plus this, plus this, plus this, then Uber's got a lot more liquidity. Not to mention if you're already using them for Uber Eats, you got your Amex credit card and you're using them for food delivery.

Client 00:42:00

Got it. My final question, and thank you for your time by the way, right now Waymo is the only company in the world to my knowledge that has been able to launch at scale and do revenue-generating rides. Tesla's not too far away, but we'll see how that goes. There's a lot of people fairly close in China, but not the scale that Waymo is.

That being said, Dara and Uber, they've struck at least four or five different partnerships with Waymo equivalents in the last few months with the goal of getting partnerships live and generating revenue within the year. The partnerships are all forming very, very quickly. My bullshit detector goes off and says there's no way there's four other companies in the world that are already at Waymo's technological parity. They can just replicate Waymo on behalf of Uber in the next eight months. That seems absurd. The Volkswagen partnership.

Expert 00:42:53

I don't think Mobileye are anywhere close personally.

Client 00:42:56

You're telling me May Mobility is ahead of Tesla? Get the fuck out of there. Ahead of Waymo? What are they doing?

Expert 00:43:02

All I saw was a lot of them collapsed like Motional. Nuro went into a licensing model and then Uber invested in Wayve, which is bringing it to any car. I thought that was interesting. Cruise to me was the big upset. That's why I think Cruise are going to pop up again somewhere. I really do think they will. I think someone needs them. I was surprised but not surprised that Uber didn't buy them. Maybe Uber's trying to resurrect them somehow. It would be in Uber's interest that they get resurrected.

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Client ▶ 00:43:33

That makes sense. You need another neutral player. Anybody outside of Waymo helps Uber. Basically, anyone who's not Waymo and maybe not Tesla is good for Uber, I think. Where do you think Uber is in five years? If you had \$100,000 in stock, would you sell today and just say, "This is too hard, this is a really unknown future?" Would you hold it? Would you want to buy more? Would love to know your perspective on how you think.

Expert ▶ 00:44:00

I think Uber has a really strong brand globally and that includes Latin America, they're very big in Brazil, Australia. Uber has a very strong brand. Uber's fought hard to get where they are. They are also fat, heavy, great meals down at head office, expensive, and the drivers are pissed. They take up to 50% of what the drivers earn. I do think if there's a bad economy, I think Uber will do well.

Just say if they did launch fleets with Volkswagen, those fleets could start driving well soon. Back to the cars from Waymo, obviously, they've got to find capital and scale and launch in each market and sole fleet operations, which we haven't talked about, but fleet operations and who is going to run that?

We didn't talk about fleet operations, but I think that's a strategic component of the rides that we haven't talked about, but I think it was talked about when I was there. Should we get into it? Should we not? If I look at airports and I compare them to planes, the airport function is extremely strategic and it's obviously independently outsourced and that is what Uber could do. All the airlines operate out of the same airport, just like they could with these rides.

I think there could be a role for Uber to play in the management layer of the cars that maybe they'll be asked to do. Think about all these small players. They have to have their own fleet ops. Guess what? They're probably not going to want to pay for that. Guess what? They're probably going to need that from Uber or partnerships that Uber drivers. For Uber to become that, it's not just the act itself, it's the operations too.

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Client ▶ 00:45:39

I appreciate that. Just to keep it concise with the time I have. If you had that money, what would you do?

Expert ▶ 00:45:45

Buy or sell, you mean or just hold?

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Client ▶ 00:45:47

You feel comfortable, you hold it like, "Yeah, I'm happy having my capital at risk in this business where the next five years." You go on an island, you cannot sell those shares for five years. It's an illiquid market for five years, completely illiquid.

Expert ▶ 00:46:02

Yeah. I'd probably buy Waymo and hold my Uber.

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Client ▶ 00:46:06

You would hold the Uber? Okay, yeah, there you go.

Expert ▶ 00:46:08

I don't think Uber's going anywhere fast in five years. I think Uber could have the platform that everyone wants to be on. I think competition could enter. The other challenge is in five years there's Uber, Waymo, Tesla, and Amazon. Can the market hold four businesses? You know what? I might sell some of my Uber stock I'd say if in five years. I don't know if I'd buy Waymo with the stock I sell though.

The risk of Uber is if Tesla and or Zoox come in and don't partner with Uber, then you've got multiple players and Amazon are formidable, but they're behind as well. The only ones that are really up there is Waymo, I think right now. Then again, AI is moving so far so fast.

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Client ▶ 00:46:50

Absolutely. Thank you for taking the time to speak with me. Have a nice day.