



Uber Japan

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15-July-20

2020 Multinational Corporations in Asia



1. Why Uber?
2. What is Uber?
3. Uber's advantages
4. Worldwide extension ①②
5. Uber's services in Japan
6. Uber's challenges in Japan
7. Fiscal report of Uber Japan
8. Uber's future ①②
9. Proposals for Uber ①②

My Three Questions about Uber:

A. Why can Uber extend its business worldwide?

2.What is Uber, 3. Uber's advantages, and 4.Uber's worldwide extension

B. How did Uber extend its business in Japan?

5. Uber Japan, 6. Uber's challenges in Japan, and 7.Uber Japan

C. Where does Uber finally want to reach?

8.Uber's future and 9.Proposals for Uber



FOUNDERS :(left) Garrett Camp; (Right) Travis Kalanick

- World famous “Unicorn” of ride-hailing application operator”

Founding Year – March 2009

Headquarters – San Francisco, U.S.A

Legal Name – Uber Technologies Inc.

Total Funding – \$24.2B (In 22 funding rounds as of Oct 2018)

Major Investors – SoftBank Vision Fund, Tencent Holdings, Toyota Motor Corporation, and others.

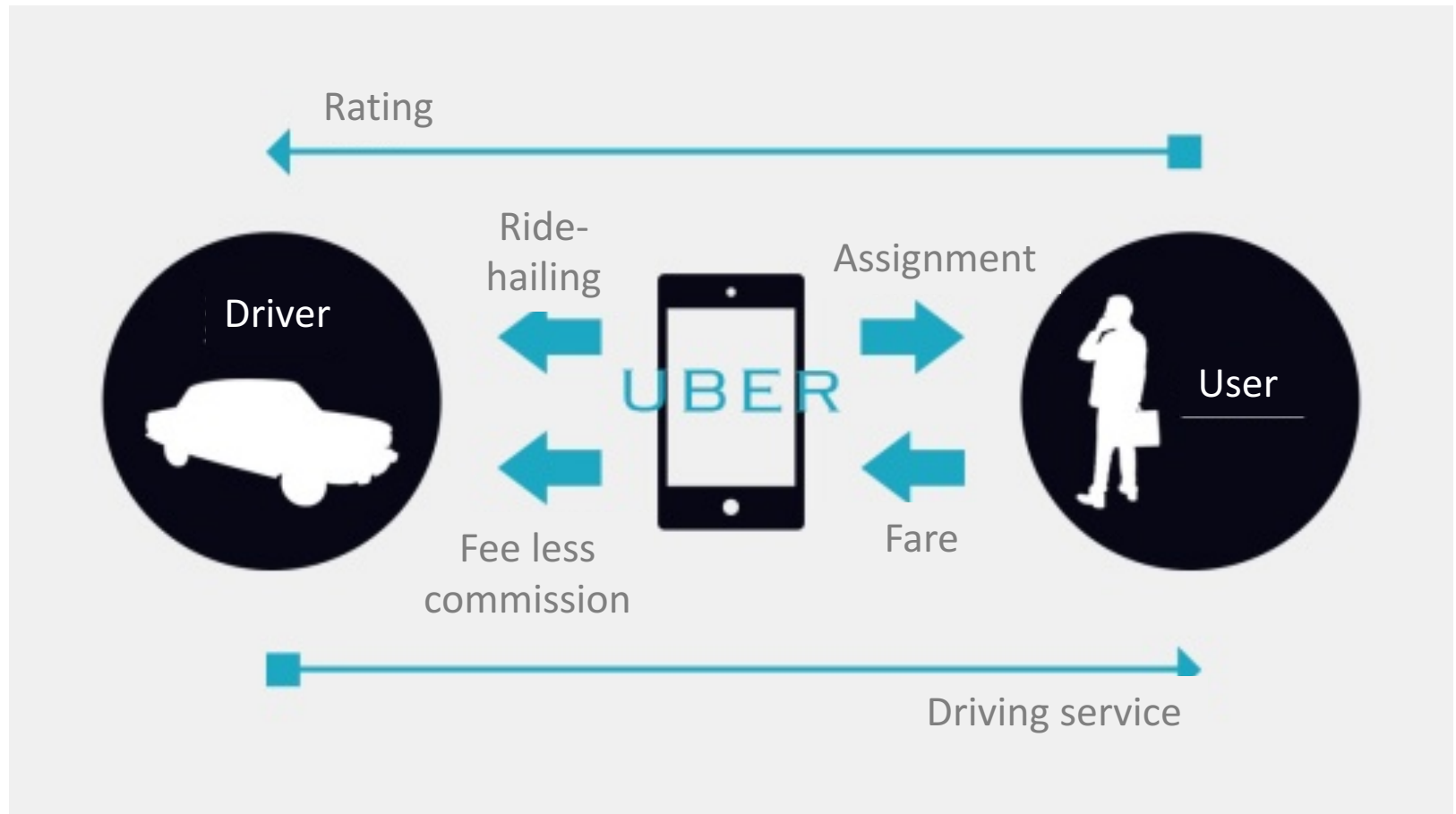
Uber’s latest figures

A global tech platform at massive scale

- **\$65 billion** in 2019 gross bookings across all platforms
- **21 million** trips a day
- **111 million** monthly active platform consumers
- **900+cities** across **69** countries where Uber is available
- **\$78 billion** paid to drivers and an additional **\$1.2 billion** in trips

Uber is a platform that opens up the world to new possibilities.

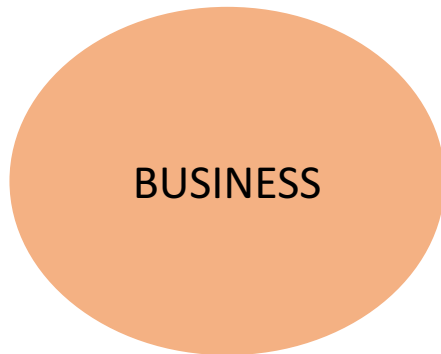
Business model



Core competence of Uber

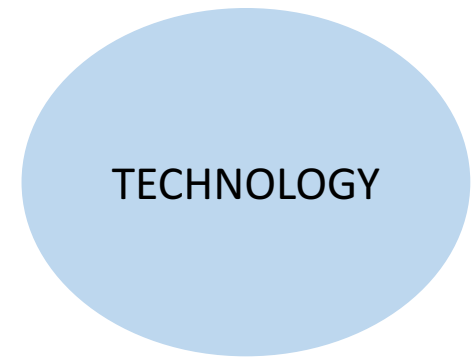
Flexible entry style

New Cultural Norms enables to create a new business depending on each country



Easy To Operate

Destination First enables to attain an economy of scale



Algorithm of Uber

Route Optimization
Dynamic Pricing etc..
enlarges its business fields without limit

EX) Route Optimization

$$L = \underbrace{O}_{\text{open}} + \underbrace{\eta \cdot Y}_{\text{en route}} + \underbrace{T \cdot Y}_{\text{on-trip}},$$

- L : Number of drivers on the Uber's platform
- O : Available drivers
- Y : Number of drivers heading for the place
(η =time for getting the destination)
- T · Y : Number of in-service drivers
(T= Time required for the destination)

4. Worldwide extension

To enhance its profitability, Uber adjusts its supply forms or adds minor modifications depending on each market.

Globalization & Localization

Uber's services provided in major countries

High ← GDP per Capita → Low

Service type	Australia	Singapore	U.S.A	Canada	Germany	U.K	France	Japan	Korea	Saudi Arabia	Taiwan	Poland	Russia	Brazil	Malaysia	Mexico	Columbia	China	South Africa	Thailand	Indonesia	Philippines	Vietnam	India
UberTAXI等	✓		✓	✓				✓	✓															
UberBlack等	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	→
UberGreen等							✓											✓						
UberAssist	✓		✓	✓		✓			✓		✓													
UberAngel																	✓							
UberEnglish														✓		✓	✓							
UberBag														✓										
UberPool等	✓	✓	✓	✓		✓	✓	✓	✓					✓	✓	✓	✓	✓				✓	✓	✓
UberHOP			✓	✓																				
UberCommute			✓															✓						✓
UberPlus			✓																					
UberMOTO																				✓	✓		✓	✓
UberCOPTER	✓		✓											✓				✓	✓	✓				
UberRush			✓															✓	✓	✓				
UberEATS	✓	✓	✓	✓		✓	✓	✓									✓		✓	✓				

Annotations:

- For Developed countries (yellow box): UberTAXI, UberAssist, UberEnglish, UberCOPTER, UberRush, UberEATS.
- For Latin America (blue box): UberAngel, UberEnglish, UberCOPTER.
- Services for Early stage of entry (yellow box): UberPlus, UberCommute.
- Emerging countries with traffic congestion (blue box): UberMOTO, UberCOPTER, UberRush, UberEATS.

5. Uber's services in Japan



- Uber Taxi

Uber do business with **Japanese taxi companies** in Japan



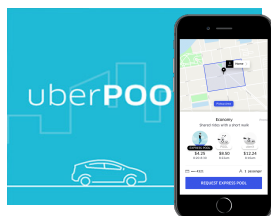
- Uber Black

The service is only available in **TOKYO** (including HANEDA & NARITA) and **KYOTO**



- Uber EATS

Start: September 2016
"Stay home" stimulate demands for delivery service by Uber EATS



- Uber Pool

- Uber JUMP



1. Uber faced **entry barriers** in Japan for its RIDE
Due to the objection by local taxi industry and regulations prohibiting RIDE from using private cars
2. Uber registered as **a travel agency** when they entered Japanese market in 2013
3. Started **Uber Taxi** in TOKYO since August 2014
TOKYO, AOMORI, SENDAI, KORIYAMA< YOKOHAMA, NAGOYA, KYOTO, KOBE, HIROSHIMA, and FUKUOA
4. Experimental **trial for RIDE** "みんなのUber" in Fukuoka (Feb 2015) was **canceled due to MLIT's order**.
In Japan, the registration is required to run a transportation service. Ride-sharing is allowed only within the National Strategic Special Zone, especially in remote areas where have insufficient transportation infrastructures due to depopulation and aging of population.

The 6th Fiscal Statement

Net Profit:

¥3.59 billion

• Retained earnings:

¥76.43 million

The 7th Fiscal Statement

Net Profit:

¥12.83 billion

• Retained earnings:

¥204.81 million

The 8th Fiscal Statement

Net Profit:

¥33.65 billion

• Retained earnings:

¥541.41 million

第6期決算公告
平成30年5月17日
東京都渋谷区恵比寿南1-1-9
岩徳ビル5F
Uber Japan株式会社
代表取締役 トッド・ハンブレッド
貸借対照表の要旨 (平成29年12月31日現在)

科	目	金額(円)
資の 産部	流動資産	970,723,070
	固定資産	60,526,722
	繰延資産	48,839,175
	資産合計	1,080,088,967
負純 債資 産の 及び び部	流動負債	334,088,060
	固定負債	651,561,376
	株主資本	94,439,531
	資本金	18,000,000
	利益剰余金	76,439,531
	その他利益剰余金 (うち当期純利益)	76,439,531 (30,595,284)
	負債・純資産合計	1,080,088,967

第7期決算公告
令和元年5月7日
東京都渋谷区神宮前六丁目12番18号
Uber Japan株式会社
代表取締役 キア・デヴォン・ガムス
貸借対照表の要旨
(平成30年12月31日現在) (単位:円)

科	目	金額
資の 産部	流動資産	1,254,737,139
	固定資産	48,946,071
	その他の資産	43,330,946
	資産合計	1,347,014,156
負純 債資 産の 及び び部	流動負債	1,124,199,443
	株主資本	222,814,713
	資本金	18,000,000
	利益剰余金	204,814,713
	その他利益剰余金 (うち当期純利益)	204,814,713 (128,375,182)
		負債・純資産合計

第8期決算公告
令和2年5月12日
東京都渋谷区神宮前六丁目12番18号
Uber Japan株式会社
代表取締役 キア・デヴォン・ガムス
貸借対照表の要旨
(令和元年12月31日現在) (単位:円)

科	目	金額
資の 産部	流動資産	7,810,913,101
	固定資産	909,664,213
	その他の資産	106,781,717
	資産合計	8,827,359,031
負純 債資 産の 及び び部	流動負債	8,267,949,842
	株主資本	559,409,189
	資本金	18,000,000
	利益剰余金	541,409,189
	その他利益剰余金 (うち当期純利益)	541,409,189 (336,594,476)
		負債・純資産合計

1. According to the 8th term financial statement,
 - **Net Profit:** ¥336.59 million, **162% increase**
 - **Retained earnings:** ¥541.41 million **Plus**Uber keeps a healthy condition, **even though RIDE service is not full-fledged.**
2. **Uber EATS largely contributes to the success**
Japanese culture has been fostering food delivery services and takeout, which largely works positive for Uber Japan's.
Introducing of “**Reduced tax rate**” also accelerates Uber EATS
3. **Without its RIDE, Uber Japan can avoid the loss due to COVID-19**

- Uber ATG (Advanced Technologies Group)



- TOYOTA, Denso, and Softbank Vision Fund invested ¥110 billion

- To realize **ride-share service** using **autonomous driving vehicle**

WIN-WIN relationship

CASE changes Business

Connected
Autonomous
Sharing
Electric



**TOYOTA will facilitate
Uber's business in
Japan**

- **Integrate**
 - 1) TOYOTA's vehicle production,
 - 2) Denso's In-Vehicle components and control software system
 - 3) Uber ATG's AI technology
- TOYOTA plans **additional investment total \$1.2 billion**

Uber Elevate with VTOL (Vertical Take-Off and Landing)



2020~Experimental trial
2023~Commercialization
At Dallas, Los Angeles, and
Melbourne

- Japan was one of candidates including Australia, Brazil, France, India.
- **TOKYO was a stronger candidate.** the **first Uber Air Event** outside the U.S., "**Uber Elevate Asia Pacific Expo**" was **held in Tokyo, August 2018.**
- Tokyo could not reply "Yes", considering the risk of crash.
- **Uber still considers to do experimental trial at TOKYO.**

In Japan, the sense of “Fairness” *tends to be controlled by Japanese government for protecting vested interests and the national interests.*

When Tokyo Disneyland was opened in 1980's,
“Room sharing” plan was existed with a concrete idea of mutual evaluation system between lenders and borrowers.

The operator of Disneyland and regional residents cooperated to utilize vacant rooms in the area like Air B&B.

However, the plan was discontinued. Because the plan allegedly conflicted with the Hotel Business Law.

9. Proposals for Uber②

Change the society step by step celebrating Cities

IT technologies and spread of smartphone

Uber's entry to Japanese Market

Freeze of Uber's trial for RIDE in Fukuoka.
Violation of "the Road Transportation Law"

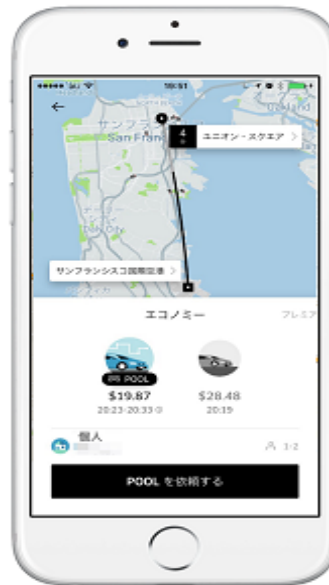
NPO's in Kyoto Tanba started the community transportation support using Uber ICT system

Breakthrough for **Sharing Economy**??

"Sharing economy" is based on "Mutual evaluation" and "Fairness", which has a power to change our society.

Thank you for your listening!

“We ignite opportunity by setting the world in motion.”



NEW CEO: Dara Khosrowshahi