

TAXIS IN TRANSIT

Yellow 
 *Cab*

Why Use Taxis?

Flexibility:

- Taxi drivers are all over metro area.
- Their only obligation is per trip, no minimum hours.
- Ready on short notice.

Why Use Taxis?

- Wheelchair accessible taxis are available in most cities.
- Image of “normality” is greater compared to a large bus with a prominent lift.
- Cost savings of as much as 30% per passenger.

Obstacles:

- Independent contractor drivers are “independent”. They need to find the trips desirable.
- Retail demand due to weather and special events CAN affect supply

Obstacles:

- Automobile liability insurance levels lower than transit is used to.
- General Liability insurance often is strictly premises coverage.
- Fraud

Obstacles:

- Quality Control
- Training [paying a driver to train indicates employee status]
- Customer Service

Solutions:

- Full service taxicab companies have higher levels of insurance and genuine certificates: [\$500k is about standard, off-premises GL].
- Set trip prices at attractive levels [cost savings allow for the margins] such that drivers are being reimbursed for their investment.

Solutions

- Transit trips need to be seen as equal or better than retail.
- ADA prevents passengers from paying more, but transit can.
- Cash flow to cab companies.

Solutions

- Cab companies need to “sell” the value of transit trips to their drivers.
- If they want this reliable supply of trips on slow days, have to take care of them on busy days!

Solutions

- Full integration of transit & taxi companies on:
 - Training
 - Customer Service
 - Quality Control

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