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War With Uber Hurt de Blasio With Allies

Aides to the mayor say they weren't prepared for the force of Uber's campaign-style attack of TV ads



New York City Mayor Bill de Blasio *PHOTO: GREGORIO BORGIA/ASSOCIATED PRESS*

By **JOSH DAWSEY**

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Mayor Bill de Blasio's summertime battle with Uber exposed vulnerabilities in his political operation and has given rise to resentment among many of the allies he will need to advance his agenda at City Hall.

The mayor's office was caught flat-footed by the car service's potent blend of local politicking and multimedia ad buys that aimed to kill a City Council bill to constrain the growth of the city's for-hire car fleet, according to City Council members, City Hall aides, business leaders and longtime political observers. Many council members were drawn into a fight they considered unwinnable and unnecessary.

And Mr. de Blasio alienated one of his important liberal allies, Council Speaker Melissa Mark-Viverito, who lashed out at him for suggesting he could unilaterally put the Uber

cap back on the table.

“City Hall had a deep miscalculation on this issue,” said Mitchell Moss, a professor of urban policy and planning at New York University. “What this showed you was the power of an intelligent, sophisticated campaign. You never see a business take on City Hall like this.”

It all ended July 22 when the mayor’s aides dropped the proposed cap on the service for now. Uber, in turn, agreed to participate in a traffic study and discuss other issues.

“Despite a \$10 million surprise attack campaign launched by Uber as good faith negotiations were still under way, the city won significant concessions that Uber has refused to provide to other cities,” said Karen Hinton, a spokeswoman for the mayor.

The city said Uber will now share data it previously hasn’t and will be part of a larger conversation on drivers’ wages and accessibility for disabled riders.

Aides to the mayor said they weren’t prepared for the force of Uber’s campaign-style attack of television ads, which began to air on July 14, the day after they met with Uber officials to negotiate.

Uber also ran a sophisticated digital strategy, with more than 40,000 people emailing the mayor and almost 20,000 sending him twitter messages.

City Hall repeatedly stumbled when it tried to fight back.

Aides managed to send emails to thousands of Uber users, saying they were only trying to slow the car service’s expansion—while studying the issue—but were flooded by many people incorrectly accusing them of trying to totally ban the service.

When the mayor’s office stopped talking to Uber for several days, company officials continued talks with Ms. Mark-Viverito. They also huddled with state officials and many members of the council, who were supportive of the company, according to people familiar with the matter.

By July 17, aides inside City Hall realized they had to shift their message. After initially arguing the cap was largely about congestion, they began to portray Uber as a corporate behemoth that didn’t want to play by the rules. While some of the new arguments seemed to work, the changing messages allowed Uber to advance its contention that City Hall had no real reason for banning them.

City Hall's arguments were largely lost in the noise, said Brooklyn Councilman Steve Levin, who sponsored the bill.

“By the end, it was like, why the hell are we doing this,” said a liberal City Council member and ally of the mayor. “The messaging was just all over the place.”

Another council member said he decided to vote against the bill because City Hall couldn't articulate why he should support it after a series of meetings. Neither council member would discuss the mayor's political operation on the record.

After Uber staged several large rallies, the mayor's office aggressively tried to find supporters. But a rally on City Hall steps had fewer than 200 people, and many other officials didn't want to enter the fray.

Many of the city's influential black leaders were already backing Uber and had appeared at a July 14 news conference. Aides to the mayor were furious. “It was the African-American ministers that turned this fight,” said Kathy Wylde, president and CEO of the Partnership for New York City, a pro-business group.

By last Tuesday, Mr. de Blasio's aides had at least 27 votes, according to City Council members—enough to win approval from the 51-member council—and had said the council vote would happen two days later.

Many on the council said they would vote for the bill but thought a vote was unnecessary and wanted to slow the process. Many also already disappointed in the mayor for picking other fights that hurt them politically, such as his proposed ban on horse carriages.

Ms. Mark-Viverito, frustrated at how the mayor's office had handled the situation and in a difficult position with her members, decided last Tuesday a vote wasn't worth it. So when Uber and the mayor had a final conversation Wednesday, the mayor's office had no choice but to offer a deal Uber liked far more. The company quickly accepted.

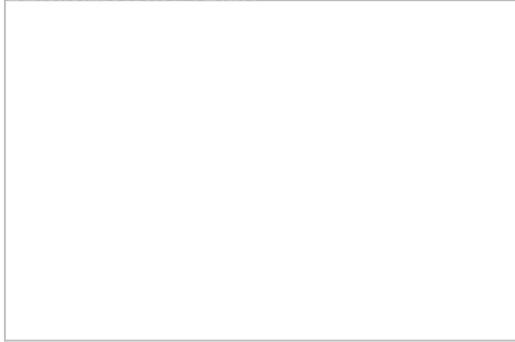
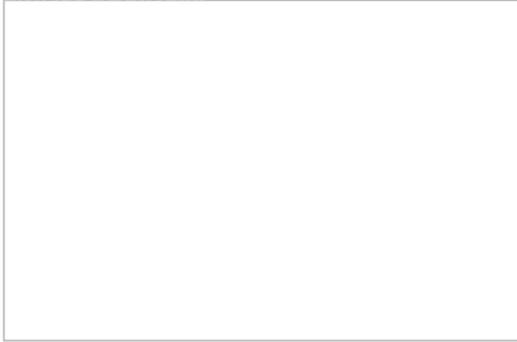
“No one comes out of this looking good, neither the mayor's office or the council,” said Bronx Councilman Ritchie Torres.

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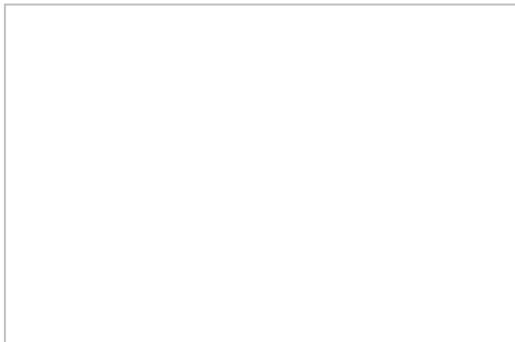


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