

# Uber & Lyft

Though often called Ride Share services, Uber and Lyft drivers essentially operate as private taxis. Uber and Lyft passengers are not sharing a ride with someone who owns a car and is going in the same direction. Instead, Uber and Lyft drivers provide **fee-for-service transportation**. Uber and Lyft are both **for-profit, publicly traded companies**.

## Profit-Based Model

Uber processes over 14 million rides per day across the United States and leads all ridesharing companies with a staggering \$62 billion net worth. Lyft's estimated value is \$23 billion.

### Uber & Lyft Pros

Since Uber and Lyft don't have to maintain fleet cars or pay for commercial insurance, their rates can be cheaper than a taxi.

Uber and Lyft, where available, operate 24/7.

### Uber & Lyft Cons

During "surge" pricing (when ride demand is high) Uber and Lyft rides can cost as much or more than a city taxi.

These apps do not have drivers available in all locations.

Finding accessible vehicles in Uber or Lyft can be difficult.

## The Bottom Line

Average trip cost is \$2 per mile.

The minimum fare ranges from \$4-\$7.

Short trips are more expensive per mile than longer trips.

A rider traveling just a few blocks will pay the same minimum as one riding three to four miles.