The Wayback Machine - https://web.archive.org/web/20211124173451/https://oag.dc.gov/release/ags-racine-shapiro-announce-uber-eats-provide-new

OAG OPERATING STATUS: OAG is teleworking until further notice. <u>Click to visit our COVID-19 Information Page to access virtual events and resources during the pandemic.</u> (/web/20211124173451/https://oag.dc.gov/node/1805)



(/web/20211124173451/https://oag.dc.gov/)

## MENU =

#### Office of the Attorney General for the District of Columbia

(/web/20211124173451/https://oag.dc.gov/)

# AGs Racine & Shapiro Announce Uber Eats To Provide New In-App Transparency Disclosures on its Prices

(HTTPS://WEBX.
(HTTPS://SARBBRAZENS
U=HTAPPS://BARBBRAZENS
RACINACINACINE-CINESHABIRABIRAPIROANNANNOEINOEINC
UBERJBERJBEREATS-ATS-ATSPROVINGEVINGEVIDENEWNEWNEW

June 22, 2021

AGs Call For Food Delivery Apps to Provide Clearer Information for Consumers

**WASHINGTON, D.C.**— Attorney General Karl A. Racine and Pennsylvania Attorney General Josh Shapiro today announced they successfully collaborated with online food delivery platform Uber Eats to secure better disclosures about the price discrepancy between in-app purchases and orders placed directly with restaurants.

"Food delivery apps provide convenience, safety, and ease for so many consumers – especially during the pandemic," said AG Racine. "As more and more consumers use apps like Uber Eats, it's critical that these companies are transparent about their pricing and the fact that getting food directly from a restaurant is often cheaper. We appreciate Uber Eats immediately addressing our concerns. Going forward, Uber Eats' delivery app will make clear that its prices may be more expensive than those charged by the restaurants themselves. We strongly encourage other delivery apps to follow in Uber Eats' footsteps. Those that do not risk investigation and scrutiny by our offices. Consumers deserve clear information so they can make informed decisions that work best for them."

"Online food delivery platforms can be very convenient, but hidden fees have driven up costs for consumers and hurt struggling neighborhood restaurants at the worst time. You deserve to know where your money is going and I'm pleased that by working together Uber Eats made their pricing more transparent," said AG Shapiro. "This is another step towards making the marketplace more fair for restaurants and consumers — and I call on all food-delivery platform companies to provide this same information as soon as possible."

At the request of AGs Racine and Shapiro, Uber Eats made new disclosures on its app that prices on the platform may be higher than in the restaurant. That disclosure is now included at the stage of the ordering process when consumers are reviewing the subtotal, tax, delivery fee, and total cost of their order, right before the consumer agrees to place the order.

In addition, the attorneys general want consumers to be aware that:

- Items are often more expensive in the app: When you place an order for groceries or order food from a restaurant through a delivery app, the price you are charged for each item may be higher than it would be if you bought the item in the store or restaurant. The higher item prices are charged in addition to the delivery app fees, discussed below.
- Fees are charged by delivery apps: Consumers should be aware of fees and charges related to any orders made on a delivery app, in addition to any applicable taxes. Fees will generally always include service fees, delivery charges, and any tip that the consumer allocates for the delivery driver.
   Other fees that may be charged include: a "heavy" fee if the order includes heavy items, a "small order" fee for orders below a minimum subtotal, and "surge" fees when there is high customer demand. Consumers can find more information by checking the terms and conditions of the platform's service.
- Restaurants pay commissions to the delivery apps: Restaurants pay a percentage of each order in commission to the delivery apps, in addition to the fees that customers pay to the delivery apps. Consumers who want all of their payment to be paid to the restaurant can order and pick up directly from the restaurant.

AG Racine separately sued food delivery service DoorDash in 2019 for its practice of misleading and encouraging consumers to tip for food deliveries, and then pocketing those tips instead of passing them along to workers. In its lawsuit, OAG alleged that DoorDash led consumers to believe that any tips would go directly to food delivery workers, while instead effectively treating this money as extra profit for the company. OAG recovered \$1.5 million

(https://web.archive.org/web/20211124173451/https://oag.dc.gov/release/ag-racine-reaches-25-million-agreement-doordash) in restitution that was returned to DoorDash drivers to replace tips the company pocketed for itself.

Back to the Newsroom Main Page (/web/20211124173451/https://oag.dc.gov/newsroom)
--

#### Media Contacts

 $\underline{oagpress@dc.gov\ (https://web.archive.org/web/20211124173451/mailto:oagpress@dc.gov)\ |\ (202)\ 442-8919\ (https://web.archive.org/web/20211124173451/tel:202-442-8919)}$ 

Search By Keyword
press, community, lawsuits
Start Date
mm/dd/yyyy
End Date
mm/dd/yyyy
Categories  Article Blog Press Release Remarks Testimony
Topics  Child Support Civil Rights Community Resources Consumer Protection Elder Justice Environmental Protection Immigration Public Corruption Public Safety Tenant Rights Worker Rights

#### Apply

#### **Recent Articles**

November 23, 2021

AG Racine Leads Coalition of 17 AGs Urging Supreme Court Not to Restrict Resentencing Under First Step Act (/web/20211124173451/https://oag.dc.gov/release/ag-racine-leads-coalition-17-ags-urging-supreme)

November 22, 2021

Consumer Alert: Attorney General Racine Advises Consumers to Watch Out for Phishing Scam Attempts Using Uber (/web/20211124173451/https://oag.dc.gov/release/consumer-alert-attorney-general-racine-advises)

November 17, 2021

AG Racine's Brief: Reforms at the DC Jail are Long Overdue (/web/20211124173451/https://oag.dc.gov/release/ag-racines-brief-reformsdc-jail-are-long-overdue)

November 17, 2021

AG Racine Announces Chief Deputy AG Jason Downs' Departure from OAG (/web/20211124173451/https://oag.dc.gov/release/agracine-announces-chief-deputy-ag-jason-downs)

#### Connect With Us



(https://web.archive.org/web/20211124173451/https://twitter.com/AGKarlRacine)



(https://web.archive.org/web/2<u>0211124173451/https://www.facebook.com/dcoag</u>)



(https://web.archive.org/web/20211124173451/https://www.youtube.com/channel/UCS7jvdmgiAcICbHYwRqAhdg)



https://web.archive.org/web/2021<u>1124173451/https://www.instagram.com/agkarlracine/</u>)



(https://web.archive.org/web/20211124173451/https://www.linkedin.com/company/office-of-the-attorney-

general-for-the-district-of-columbia/)



### **Attorney General Karl A.** Racine

<u>(/web/20211124173451/https://oag.de.qov/)</u>51/https://oag.dc.gov/)

#### **Office Hours**

Monday to Friday, 8:30 a.m. to 5:00 p.m.

400 6th Street, NW, Washington, DC 20001

Phone: (202) 727-3400

(https://web.archive.org/web/20211124173451/tel:(202) 7273400)

Fax: (202) 347-8922

TTY: (202) 727-3400 (https://web.archive.org/web/20211124173451/tel:

(202) 7273400) Email: oag@dc.gov Newsroom (/web/20211124173451/https://oag.dc.gov/newsroom)

About OAG (/web/20211124173451/https://oag.dc.gov/about-oag)

Consumer Protection

(/web/20211124173451/https://oag.dc.gov/consumer-protection)

Child Support (/web/20211124173451/https://oag.dc.gov/child-support-

services)

Public Safety (/web/20211124173451/https://oag.dc.gov/public-safety)

Tenant Resources (/web/20211124173451/https://oag.dc.gov/tenant-

resources)

Worker Rights (/web/20211124173451/https://oag.dc.gov/worker-rights)

Job & Partner Opportunities

(/web/20211124173451/https://oag.dc.gov/jobs-partner-opportunities)



An official website of the District of Columbia government © 2021 OAG DC. All rights reserved.

Powered by I.F.

(https://web.archive.org/web/20211124173451/https://ifsight.com/)