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

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CONSUMERS

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

HARRISBURG—Pennsylvania Attorney General Josh Shapiro and District of Columbia Attorney General Karl Racine today ar successfully collaborated with online food delivery platform Uber Eats to secure better disclosures about the price discrepa purchases and orders placed directly with restaurants.

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

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

At the request of AGs Shapiro and Racine, Uber Eats made additional disclosures on its app that prices on the platform may the restaurant. That disclosure is now included at the stage of the ordering process when consumers are reviewing the subtotal, tan, derivery 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:

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.

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 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.

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