1 GIBSON, DUNN & CRUTCHER LLP THEODORE J. BOUTROUS, JR., SBN 132099 2 tboutrous@gibsondunn.com THEANE EVANGELIS, 243570 **ELECTRONICALLY** 3 tevangelis@gibsondunn.com FILED BLAINE H. EVANSON, 254338 Superior Court of California, County of San Francisco bevanson@gibsondunn.com 4 HEATHER L. RICHARDSON, 246517 5 hrichardson@gibsondunn.com 08/12/2020 **Clerk of the Court** 333 South Grand Avenue BY: SANDRA SCHIRO Los Angeles, CA 90071-3197 6 **Deputy Clerk** Telephone: 213.229.7000 7 Facsimile: 213.229.7520 8 Attorneys for Defendant UBER TECHNOLOGIES, INC. 9 SUPERIOR COURT OF THE STATE OF CALIFORNIA 10 FOR THE COUNTY OF SAN FRANCISCO 11 12 PEOPLE OF THE STATE OF CALIFORNIA, CASE NO. CGC-20-584402 13 Plaintiff, DECLARATION OF BRAD ROSENTHAL IN SUPPORT OF UBER'S EX PARTE 14 APPLICATION FOR STAY OF v. PRELIMINARY INJUNCTION PENDING 15 UBER TECHNOLOGIES, INC., a Delaware APPEAL Corporation; LYFT, Inc., a Delaware Corporation; and DOES 1-50, Inclusive, Judge: Honorable Ethan P. Schulman 16 Dept.: 302 17 Defendants. **HEARING:** 18 Date: August 13, 2020 11:00 a.m. Time: 19 302 Dept: 20 Action Filed: May 5, 2020 Trial Date: None Set 21 22 23 24 25 26 27 28

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DECLARATION OF BRAD ROSENTHAL

- 1. I am currently employed as Director of Strategic Operational Initiatives at Defendant Uber Technologies, Inc. ("Uber"), in which I use my previous operations and insurance team experience to create and implement new company initiatives. Before taking on my current role, I served in several different roles with Uber from January 2014 until I left the company in October 2018. I returned to Uber in my current role in November 2019.
- 2. I make this declaration in support of Uber's *Ex Parte* Application for Stay of Preliminary Injunction Pending Appeal. I am authorized to make these statements on behalf of Uber.
- 3. The information set forth herein is true and based on my own personal knowledge (unless otherwise stated). The documents and records discussed in this declaration are maintained in the regular course of Uber's business. If called as a witness, I could and would competently and truthfully testify thereto.
- 4. In my current position at Uber, I have personal knowledge of Uber's business model, Uber's software and other technology, and Uber's contracts with the users of Uber's technology.

Changes to Uber's Business Model Required to Comply with the Court's Preliminary Injunction

- 5. Uber's business model is built around operating online platforms that connect users to each other through the platforms. To comply with the Court's order requiring reclassification of drivers using the Rides platform as employees, Uber will have to entirely alter its current business model, which is not set up to onboard and manage drivers as classified employees or to provide transportation services.
- 6. Classifying drivers as employees will force Uber to dramatically restructure its entire business model and its relationships with drivers and riders. This will require various steps, all of which will require at least several months and potentially up to a year to complete.
- 7. Transitioning drivers to employees will require Uber to build a human resource information system to track and manage drivers. This includes tracking time and attendance, shifts, meal and rest break time, and wages and salaries. Building this system alone is likely to take months.
- 8. Uber will also need to hire hundreds of HR representatives, recruiters, finance and accounting staff, and management personnel to supervise drivers. That process likewise will take

months to complete.

9. Once Uber has management systems and personnel in place, it will have to onboard drivers. That process will require Uber to, among other things, train and orient the thousands of drivers who would become employees, collect and review I-9 Employment Eligibility Verification forms from each driver, prepare, issue, and update employee handbooks, manuals, and required policies, and develop and conduct formal training sessions for drivers. Just the completion of the I-9 Employment Eligibility Verification process will take months, given the individualized assessment of each driver's required identity and employment authorization documents.

- 10. Once drivers are onboarded, Uber will need to generate schedules that attempt to meet rider demand while accounting for overtime and other constraints. Uber's Rides platform cannot accommodate an immediate creation of an employed workforce. Uber will likely need to designate where drivers start each shift at a specific time in a specific location, rather than allowing them to drive whenever and wherever they want. Uber's platform is not currently set up to perform this function and will require the creation of new systems and software by Uber's engineering personnel. That process will take at least several months and potentially a year to complete.
- 11. To reclassify drivers as employees, Uber will need to limit substantially the number of drivers who access the Uber Rides platform and exert significant control over the manner and means of their performance (which it does not currently do). Uber will need to require drivers to maintain a certain minimum number of hours per week to justify the additional fixed costs. Hundreds of thousands of drivers in California who spend far less than 40 hours per week on the Uber Driver App would no longer be able to drive using Uber.
- 12. The reorganization will require many months (likely more than a year) given the magnitude of the changes to the business and, absent a stay of enforcement, Uber will almost certainly need to shut down the Rides platform in California during that period.

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1	I declare under penalty of perjury that the	foregoing is true and correct. Executed on Augus
2	2 11, 2020, at San Francisco, California.	
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