

PortlandTribune

Rules aim to soften cab, town car fight

Town cars must get permit to serve riders who don't reserve

BY PETER KORN

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The long-simmering dispute between Portland taxicab drivers and operators of town cars begins a new chapter June 20 when revised city regulations take effect. Some cab operators say the changes may be coming just in time.

Cab and town car operators have been battling over people who want a ride from downtown to the airport. City regulations intended to maintain a distinction between the two types of transportation have required town car operators to pick up only downtown riders with a reservation made at least an hour in advance.

In addition, town cars have been required by city code to charge customers a minimum of \$50 for a ride from downtown to the airport. Taxis, subject to more regulation from the city, charge about \$35 for an airport fare.

The new administrative rules, passed May 13 by Portland's City Council, will allow town car operators to pick up customers without a prior reservation – provided that the town car operators obtain a special \$2,500 permit from the city (with a \$1,000 per vehicle charge for additional town cars). A standard annual town car permit costs operators \$180.

Town car companies that take out the new permit must show that they have a written agreement with a hotel to pick up their customers on demand.

Chris Whalen, owner of Entourage International, which runs town cars and limousines in Portland, says it is likely at least one town car operator will opt for the new, more expensive permit. But they will be taking a risk, Whalen says.

“If you're going to operate on that business model, your margins are so thin, if you miss one thing or have a mechanical breakdown, you're done,” Whalen said. “You cannot make that up.”

But it may be another addition to the city rules that becomes more controversial in coming months.

Cab drivers have complained that town car operators have been stealing their airport-bound customers by paying off hotel valets, who then steer customers to town cars, rather than cabs. Cab drivers complain that town car operators pay valets \$10 or \$15 for each fare, and a sting conducted by city workers last year verified the practice. But town car operators have couched the payoffs as tips for services rendered by the valets, not kickbacks.

Terminology aside, as of June 20, hotels can be fined \$500 every time one of their valets puts a guest into a town car without the required 60-minute reservation, unless the town car operator has the new permit and a contract with the hotel.

Bob Wagner, who drives for Radio Cab Co. and sits on that company's board of directors, says he likes the idea of the fines but is skeptical the city will actually enforce the rule.

Wagner said the turf battle between cabs and town cars has deteriorated to the point that some hotel valets won't help hotel guests load and unload luggage from cabs, preferring instead to deal exclusively



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Radio Cab driver Bob Wagner waits for his next fare outside of The Benson on Southwest Broadway. Wagner says some valets have refused to help customers who choose taxis.

Wagner said that two weeks ago, passengers he took from the downtown Westin Portland hotel to the airport told him that they had asked the Westin doorman for a cab, but the doorman refused to help them find one. When he arrived across the street from the hotel, Wagner said, the guests had to carry their own luggage to his cab.

“They want the \$15 they get from the town car,” Wagner said. “That’s what drives all of this. The kickback they get.”

Chris Lorino, general manager of The Westin Portland, said he questions Wagner’s account, and said most likely his valets were busy with other customers. Lorino said the Westin employs five valets and they will stop accepting money from town car drivers because “they’re not going to lose their jobs over this.”

But Lorino said he hopes the new policy governing town cars works, because the old regulations were simply too restrictive.

“This is a four-diamond hotel,” Lorino said. “There are some people who, given the option, they’re not going to take a taxi. We just want to give our guests as many options as possible.”

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