



The Perfect Storm?

KARHOO

Backed by  **RCI** BANK AND SERVICES

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Mike Galvin Bio

Licensed Black Taxi Driver

Computer Cab

LTDA

Cabcharge

Go Skills

Transport for London

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Survival From Now Until Digitalisation

An almost daily onslaught

- Regulatory reviews,
- Driver training, residency requirements, qualifications
- VC backed companies operating at way below cost,
- New business models (e.g. corner to corner, pooling),
- Customer buying habit changes (Duty of care? Usership),
- Migration to electric vehicles with no viable rapid charging network,
- Reducing fares and increasing costs,
- Congestion charging and potentially road pricing,
- Reduced carriageway widths,
- Legislative change, (employment, taxi/PH, environmental, cross border, GDPR),
- External environment (e.g. Brexit, full employment),
- More pedestrianisation,
- Competition from public transport,

And many more.....



Is It All Doom and Gloom?

VC Companies have 'invested' (sic) >\$50m



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The industry has grown – London Private Hire has doubled in four years

Incumbents still have;

- 90% of the customers
- 90% of the drivers
- Most are still profitable

Many businesses/industries would swap places with us

The last four years have proven the resilience of the industry



Is The Industry At a Tipping Point?

- Are people tiring of the battle?
- 10% may not be fatal but it is serious
- How long before we 'get back to normal'?
- Where do we go from here?



A Brave New World

Electric cars
Digitalisation/MaaS
Autonomous cars



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Questions

- What will good look like?
- Winners/losers?
- Where do I fit in?
- When?
- How?
- Why?



Surviving The Storm.....many may not

Why do taxis and Private Hire exist?

Convenience

Privacy

Entertainment

Luxury and distress purchase

Do buyers still want/need these things?

Can the taxi/PH industry still provide these things?

Are customers still willing to pay for these things?



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If the answer is yes – then how do incumbents adjust to the radically changing environment ?



Surviving and Thriving

- **Consolidation**
- **Cooperation**
- **Collaboration**



Surviving and Thriving

➤ **Consolidation**

- Small is beautiful but this industry has become a bigger play

➤ **Cooperation**

- Regulators, legislators and the industry

➤ **Collaboration**

- Take business from everyone
- Off load business to everyone
- Keep the customer happy



There are no guarantees but.....

The sector is not thriving currently

The rate of change is increasing and the industry is weakening

Political sentiment is not with sole traders and small bricks and mortar businesses

Holding back the inevitable takes lots of energy, a lot of money and is ultimately futile

KARHOO

Thank You