Opening Statement of the Honorable Michael C. Burgess, M.D.
Subcommittee on Commerce, Manufacturing, and Trade
Hearing on "The Disrupter Series: Wearable Devices"
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(*As Prepared for Delivery*)

Good morning and welcome to another installment of our Disrupter Series hearings. Today we will examine wearable technologies and how they are disrupting traditional business processes and transforming the ways that consumers engage in commerce.

Last year we held a hearing to examine the Internet of Things – a network of Internet-connected physical objects that gather information in real-time to predict circumstances, prevent problems, and create opportunities. As that market has matured, wearable technologies, or "wearables", have come to represent a growing segment within that digital ecosystem of connected devices, applications, and platforms. The defining characteristic of wearables is that they offer consumers and businesses access to real-time, highly personalized information through products and devices that are *physically worn* by the user.

Many of us are familiar with the fitness tracking bands on the market today. They glean information about an individual's physical activity habits, and are intended to motivate users to improve their fitness, wellness, and health regimens. While inspiring better fitness habits is a positive use of wearable technology, the societal and economic benefits of these products and devices extend far beyond those applications.

We are just beginning to see the potential of wearable technology across multiple economic sectors in industries such as energy, health care, transportation, retail, professional sports, manufacturing, education, and many others.

In manufacturing, for example, wearables can provide businesses with greater insight into the daily operations of their production practices, workflows, and supply chain processes. In sports, coaches and athletic trainers can use wearables to better assess player recovery time and inform return-to-play considerations to reduce the risk of further injury. In the automotive sector, wearable technology can sense early signs of driver fatigue, prompting the wearable device or vehicle to send alerts, haptic feedback, or another type of warning to the driver. And, in the retail industry, retailers can use wearable technology to customize product offerings and better meet consumer preferences and demand.

The appeal of this technology is so pervasive because of what it can offer in terms of operational efficiencies, public safety, improved performance, and cost savings for every business type and size. The potential for wearable technology is virtually limitless.

Much of the excitement surrounding wearables is rooted in their promise to create new opportunities for economic growth, development, and job creation. Wearables create economic

opportunities by providing insights into an individual's behavior and driving changes to that behavior to improve job performance and execution. This can lead to increased productivity and efficiency, helping businesses reduce waste, optimize resources, and enhance communications. The technology also facilitates smarter decision-making, increased information sharing, and augmented interactions among workers. The productivity gains achieved through these operational advancements are fundamental to a stronger and more prosperous economy.

As with all connected technologies however there are important privacy and security considerations that should be a part of today's discussion. Unlike other connected things within the Internet of Things ecosystem, such as connected thermostats, street lights, and refrigerators, wearables are physically worn by users, and capable of extracting highly personalized information about an individual's activities. In our examination of these issues, it will be important to understand how consumers using these technologies will be protected while preserving the flexibility and ingenuity of innovators that are driving this market forward.

I thank the witnesses for taking the time to inform us about the applications and future potential of wearable technology. I look forward to a thoughtful and engaging discussion.