



**Statement of Woody Scal  
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**Disrupter Series: Health Care Apps  
Subcommittee on Commerce, Manufacturing, and Trade  
Committee on Energy and Commerce  
U.S. House of Representatives  
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Mr. Chairman, Ranking Member Schakowsky, members of the Subcommittee, thank you for the opportunity to share some important information regarding how Fitbit and the broader wearables industry are empowering people around the world to better manage their overall health and wellness. As Fitbit Inc.'s 11th employee and Chief Business Officer, I'm thrilled to have the opportunity to share with you some of the important work we are doing, and the critical role that data security and privacy play in what we do both at a company and industry level.

Fitbit's mission is to empower people to lead healthier, more active lives by providing them with data, inspiration and guidance to reach their goals. Around the world, individuals and businesses are looking for solutions to improve overall health and wellness. At the same time, high rates of chronic conditions such as obesity, diabetes and hypertension are driving individuals and healthcare providers to look for innovative ways to reinforce healthier habits. Fitbit believes a healthier, more active lifestyle is within everyone's reach.

When someone starts their journey with us, they're not just getting a fitness tracker. They are getting a solution that helps them manage their overall health and wellness, which includes connected health and fitness devices, the app experience, and personalized content and insights – all aimed at helping them reach their health and fitness goals. All of this combines to help people be more active, get more exercise, eat smarter, sleep better, and manage their weight – key components in living a healthier life. Just as important, these are the very lifestyle changes that many chronic disease management programs are trying to encourage people to sustain. And our wide variety of products and tools aim to serve people across the health and fitness spectrum, from people just getting started all the way through performance athletes.

After nearly a decade of building and leading this emerging industry, we have a deep understanding of what consumers want in a health and fitness device and we've maintained a strict focus on that segment. During that time, we've sold more than 43 million devices, and in the process established a brand that is both loved and trusted by millions of users around the world, becoming the brand of choice for consumers seeking a fitness-focused wearable device.

#### Digital Health

Fitbit's success as a consumer brand is helping to drive our longer-term vision and evolution into a leading Digital Health platform that helps people live healthier lives, with the goal of integrating more deeply into the healthcare ecosystem to improve healthcare research, outcomes, costs and reach. With a well-recognized and trusted global brand that is strongly associated with health and fitness, we believe that a focus on a healthy lifestyle – including daily activity, a healthy diet and plenty of sleep – is critical to promote individual and population-based health, and may even prevent the onset or advancement of chronic disease.

There's no simple answer for how to solve the growing problem of chronic diseases like obesity, diabetes and cardiovascular disease. While there are many initiatives to manage these diseases, there is not enough effort being placed on prevention today. What we do know, is that the majority of the healthcare costs today are being driven by poor lifestyle choices. According to the Chief Medical Officer for the Wellness Institute at the Cleveland Clinic, 87 percent of the total health care expenditure is for the management of chronic disease<sup>1</sup>. Chronic diseases also account for almost 90 percent of all hospital admissions, and over 90 percent of prescription costs are for the treatment of chronic disease. An astonishing 76 percent of all visits to a physician involve the treatment of chronic illness. Fortunately, almost 75 percent of chronic illnesses can be improved or cured by changing these major lifestyle choices and this is where we see an enormous opportunity to help engage the healthcare system. At Fitbit, we believe we can do more to help consumers take a more proactive role when it comes to their health and wellness. By providing them with more data and information about their history and behaviors, we have more opportunities to find and develop a personalized approach to health and wellness. Access to this type of data can empower consumers to take a more proactive role in their health, monitor and track their health metrics, motivate themselves to be healthier and more active, and take appropriate preventive measures that can help prevent the onslaught of chronic diseases.

Everything begins with the data. Data not only provides key insights into an individual's health and helps drive behavior changes that lead to better health outcomes, but, at a macro level, it can also provide much larger insights about population health.

The advent of wearable devices has revolutionized our ability to collect and monitor health data on a much larger scale. What could once only be collected in the lab can now be tracked 24/7, which is both powerful and motivating, and has longer term potential around medical screening and diagnostic capabilities. Before wearables, to obtain data on your sleep, you would have had to go to a sleep lab or wear a specialized device. Now, you can get it from an everyday wearable device. To know your heart rate, you would have had to wear an uncomfortable chest strap or go to the doctor. Today you can track trends on your wrist in real-time. We have reached a point where advanced technology and biometrics provide us with the opportunity to track critical health information in new and more accessible ways, and what we're seeing today is just the beginning of what's possible. Connected device platforms like ours can serve as a means for better patient engagement and deeper clinical collaboration, and hopefully lead to better health outcomes, fewer hospital visits, and reduced healthcare costs.

Fitbit has been used in over 100 research studies to date with academic and clinical research institutions, such as the Mayo Clinic and Johns Hopkins Medicine. Most recently, the company announced a partnership with the Dana-Farber Cancer Institute to support a study that looks at the impact of physical activity and weight loss on breast cancer recurrence by having study participants track their activity and weight loss to share with health coaches using Fitbit Charge HR activity trackers, Aria Wi-Fi Smart Scale, and a subscription to FitStar by Fitbit.

Hopefully this helps you better understand the power of what we are doing and the critical role our technology and those like it can play in helping to improve the health and wellness of those around the world.

#### Data Protection and Privacy

As I described above, our brand is loved and trusted by millions of people around the world and this is no accident. The trust of our users is paramount, and this is reflected by the robust privacy and security measures we have in place.

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<sup>1</sup> Dr. Roizen is the chief medical officer for the Wellness Institute at the Cleveland clinic:  
<http://www.dailyherald.com/article/20131216/entlife/712129592/>

As the leader in the connected health and fitness category, Fitbit has always been committed to protecting consumer privacy and keeping data safe. Fitbit users are in full control of when or if they share their data with other parties and whether they choose to export it. Furthermore, it has always been our policy not to sell personal user data; we have never sold it and do not share it unless a user specifically directs us to do so, or under the limited exceptions described in our privacy policy (<http://www.fitbit.com/privacy>).

We have used privacy by design principles to make sure transparency, consumer choice, and security are prioritized in the design of all Fitbit products and services. Fitbit is investing heavily in security measures to protect consumer privacy and keep data safe:

- We have assembled an experienced information security team and continue to educate our engineers about product security.
- We carefully design security measures for our new products and systems, continuously assess our existing products and systems for their resilience against new threats, and rapidly respond to any identified issues, making improvements where needed.
- We also welcome feedback from the community, and encourage individuals to report any security concerns with Fitbit products or online services to [security@fitbit.com](mailto:security@fitbit.com).

In addition to our company-specific policies, as the leader in the category, we actively work with the wearables industry to help keep this important topic at the forefront of industry and stakeholder discussions, and provide guidelines and best practices where appropriate, serving as an example to other companies in the space.

In 2015, as chair of the Consumer Electronics Association's (now Consumer Technology Association's) Health and Fitness Technology Board, I was heavily involved in developing CTA's "The Guiding Principles on Privacy," which provides recommendations for voluntary best practices that mitigate risks that consumers may perceive with respect to personal wellness data.

The Principles are baseline, voluntary guidelines for companies that handle personal wellness data. They're a response to consumers' desire for more privacy. They demonstrate consensus among CTA's members that there are key steps companies should take to address tangible privacy risks and consumer preferences.

These Principles are the first of their kind with respect to personal wellness data. They demonstrate consensus among health and fitness technology companies that there are certain privacy risks that arise when personal wellness data is collected, used, or transferred from consumers to companies and between companies. Consensus helps companies respond more effectively to consumer preferences and regulators. Additionally, these Principles can help companies foster consumer trust in health and fitness devices.

More recently, we worked with the Center for Democracy & Technology (CDT), a leading advocacy group dedicated to protecting global online civil liberties, inviting the CDT into our research labs to explore how privacy and ethics come into play in the research and development (R&D) process. The result of this collaboration was a report that offers guidance on privacy-protective and ethical internal research procedures for wearable technology companies.

The report recommends that wearable companies invest in employees with privacy and ethics backgrounds, empower researchers with embedded tools for data stewardship, set clear security protocols for use of user data, and establish formal accountability measures.

Fitbit has also announced compliant capabilities under the Health Insurance Portability and Accountability Act (HIPAA), which will enable Fitbit Group Health to serve a broader market and, in certain cases, integrate more effectively with HIPAA-covered entities, including health plans and self-insured employers. With this initiative, Fitbit will be able to meet the applicable requirements of the security and privacy regulations under HIPAA.

Thank you for inviting me to share with the Subcommittee the important work we are doing at Fitbit and the critical role that data protection and privacy play in that journey. We greatly appreciate the opportunity to submit this testimony and look forward to working with members of the Subcommittee to provide more clarity on anything referenced above.