

Opening Statement of the Honorable Fred Upton
Subcommittee on Commerce, Manufacturing, and Trade
Hearing on “Where the Jobs Are: There’s an App for That”
September 12, 2012
(As Prepared for Delivery)

There are too few bright spots creating jobs in our economy right now, but surely one of the brightest is the birth and growth of the app marketplace. This is one of the most exciting areas of technology, with tremendous growth in recent years – growth that experts agree we can expect to continue.

It’s hard to imagine life before the iPhone appeared five years ago, or the iPad which debuted just two years ago. Now, these devices – and the apps we use – are an essential part of our daily lives. The Apple store launched with only 500 apps in 2008 but now offers over 600,000, while the Android store (Google Play) offers over 600,000 apps as well. That’s growth of 240,000 percent, and folks continue buying these apps in staggering numbers. According to one industry group, there were nearly 11 billion downloads of mobile apps in 2010 with projections that downloads will grow to nearly 77 billion worth \$35 billion by 2014.

What’s more exciting than the explosive proliferation of these apps are the jobs that are being created. Everyone from large companies, to small businesses, to the stay-at-home mom are developing these apps and generating income. Furthermore, the wealth being generated by apps isn’t locked into one or two particular geographic areas. The highest concentrations of app developers are in California and New York, but there is an app developer in nearly every town in between with approximately two-thirds of app-related employment falling outside of these two regions. If you have the talent and you have a computer, you can develop an app and compete in the marketplace.

Without doubt this is an area of exceptional promise, but it is not without fragility. Innovation and job creation can be as easily stifled by regulations in this field as any other – if not more so. It is in that vein that I look forward to hearing from our witnesses today. Are there any policies you would like Congress to consider? Are there any policies currently in place or under consideration that are stumbling blocks to further growth and innovation? How can we as policymakers best maintain an environment that fosters the innovation, creativity, growth, and economic success that this sector currently enjoys?

I thank the witnesses for their time today, and look forward to their testimony.

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