



COMMITTEE ON
ENERGY & COMMERCE
DEMOCRATS
RANKING MEMBER FRANK PALLONE, JR.

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Pallone Opening Remarks at Internet of Things Hearing

Washington, DC – *Energy and Commerce Ranking Member Frank Pallone, Jr. (D-NJ) delivered the following opening remarks today at a Subcommittee on Digital Commerce and Consumer Protection hearing titled, “Disrupter Series: The Internet of Things, Manufacturing and Innovation.”*

Since 2015, this Subcommittee has been examining the opportunities and challenges of the Internet of Things, from autonomous vehicles to wearable technology. But the Internet of Things extends beyond consumer products. It can be found across industries, including in the energy, healthcare, and transportation sectors. Today we will discuss how it can help make manufacturing more efficient, more productive, and more safe.

The Internet of Things is used in smart manufacturing to make real-time control of production possible. Companies report that using smart manufacturing technologies lowers their energy use, reduces waste, improves product quality, and saves money. And with more efficient manufacturing, we see less pollution, fewer health issues for our workforce, and more opportunities for good, technology-based jobs.

As with all connected technologies, strong cybersecurity is essential to successful smart manufacturing. While the Internet of Things helps ensure that a manufacturer’s monitoring, measuring, and sensing control systems work together, one weak point can affect the whole network. Imagine the potential consequences if a malicious actor brought down automated manufacturing at a pharmaceutical plant that makes vaccines, or if network disruptions affected quality control monitoring for seatbelts in an auto plant.

Experts have found that companies in the U.S. are not doing enough to address these risks, and that strong, comprehensive frameworks for cybersecurity in manufacturing are urgently needed. Also, unlike our smartphones which seem to be replaced every few years, large machinery is used for decades, adding to the difficulty of ensuring they are consistently and properly updated for security vulnerabilities.

As I have said at previous hearings on automation, we should not be scared of these new technologies, but we must realize their potential effects on jobs. To stay competitive, we must ensure that employees are prepared for the changing workplace. And we need to invest more in research and development so that the United States continues to lead the world in innovation.

For years, we have listened to experienced witnesses in industry, academia, and government tell us that federal investment is vital if we want to keep making things in America. Unfortunately, the Trump Administration proposed a budget last year that eliminates dozens of essential, successful programs that make manufacturing innovation possible and provide support for U.S. factory workers.

Moreover, industry witnesses repeatedly tell us what they really need is stability. Yet Republicans have repeatedly failed to pass final appropriations bills for the fiscal year that began on October 1 of last year. We are once again at the deadline this Friday, and it appears that Republicans are going to try once again to kick the can down the road. With this delay, Republicans are adding even more instability, ultimately hurting American manufacturers and workers. The delays must end.

Thank you and I yield back.

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