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Silicon Valley Now Wary of iPhone

By Tripp Mickle January 9, 2018

A tussle this week between prominent investors and Apple Inc. over iPhone use by young people comes amid a nascent re-evaluation of the smartphone's social consequences within the industry that spawned it.

The smartphone has fueled much of Silicon Valley's soaring profits over the past decade, enriching companies in sectors from social media to games to payments. But over the past year or so, a number of industry figures have voiced concerns about the downsides of the technology's ubiquity.

They include Apple executives who helped create the iPhone and now express misgivings about how smartphones monopolize attention, and early investors and executives in Facebook Inc. who worry about social media's tendency to consume ever more user time, in part by pushing controversial content.

Those are the kinds of concerns spotlighted in a letter to Apple on Saturday from Jana Partners LLC and the California State Teachers' Retirement System, which control \$2 billion of Apple shares. The letter urged the tech giant to develop new software tools that would help parents control phone use more easily, and to study the impact of overuse on mental health.

On Monday, Tony Fadell, a former senior Apple hardware executive involved in the iPhone's creation, also called on Apple to do more, saying on Twitter that adults are struggling just as much as children with smartphone overuse. Mr. Fadell said Apple and Alphabet Inc.'s Google should add features to their mobile-phone operating systems to allow people to track device usage.

"Just like we need a scale for our weight, we need a scale for our digital lives," Mr. Fadell said in an interview. He said he became concerned about the issue in recent years as he saw families at resorts spending time with devices rather than each other.

Apple late Monday issued a statement defending its parental controls and other protections for children who use its iPhones, saying that it started offering some of them as early as 2008.

Mr. Fadell's comments echoed similar remarks last year by venture capitalists affiliated with Facebook, including Chamath Palihapitiya and Roger McNamee. Mr. Palihapitiya, a former Facebook executive, and Mr. McNamee, an early investor and adviser, have raised concerns about social media's tendency to encourage users through emails and notifications to open an app, causing people to live in front of their screens.

Facebook last year acknowledged for the first time the negative consequences of time spent on its

service, saying that passively consuming information on Facebook leads many users to report "feeling worse." Chief Executive Mark Zuckerberg pledged to spend this year working to address misuse of its products in part by "making sure time spent on Facebook is time well spent."

"There's a dawning realization of the effects these companies have had on us and a sense that we should no longer just go along with it," said Roger Kay, an analyst for Endpoint Technologies Associates.

The smartphone has transformed society. Its ability to substitute for the radio, television, computer and game console has made it so powerful that U.S. consumers now spend more than three hours a day on average on their mobile devices, according to research firm eMarketer. That is an increase of more than one hour from 2013.

A handful of developers have responded to rising smartphone use by introducing apps designed to help curtail time on devices, including Menthal, which provides a scorecard for device usage. Alex Markowetz, who co-founded Menthal, said Apple should already offer a similar time-spent measurement on the iPhone because customers increasingly want to protect their most important assets: time and intellect. "That's the one resource you should be willing to pay for to look after," Mr. Markowetz said.

Mr. Fadell, who helped develop the iPhone's hardware, said he has broken "out sometimes in cold sweats" thinking about the device's social impact. Speaking at the Computer History Museum in May, Mr. Fadell compared creating the device to Steve Martin's movie *The Jerk*. In the movie, Mr. Martin portrays an inventor who creates a bridge to hold glasses on people's noses. The bridge sells well until people go cross-eyed and sue Mr. Martin's company.

"I think about that and when the kids are looking at the digital screen and different pictures are coming up and there's grandpa, me -- am I going to be hated by them for what we created? Or are we going to be like Alexander Graham Bell?" Mr. Fadell said.