Developer tells Apple:

Dan Grigsby of Apple Valley is shutting down his business coaching others on making iPhone applications. He's keeping his iPhone, though.

• Some local developers are concerned about Apple's increasingly restrictive policy for iPhone application development.

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Tech entrepreneur Dan Grigsby said his faith in Apple's iPhone is slipping and he's calling it quits. Two years after opening popular Mobile Orchard, an iPhone podcast and development website, Grigsby is shutting it down. He is among the developers worldwide who say they are fed up with the growing restrictions Apple is placing on developing iPhone applications.

"I made a pragmatic decision to leave," Grigsby said. "I felt like I was constrained and things I wanted to be able to do.... Apple stood in the way."

Apple Inc. recently announced it would further limit the programming tools that developers are allowed to use for the new iPhone OS 4 and iPad, among other changes. The changes sparked controversy in the tech community because they shut out software maker Adobe Labs from bringing its Flash platform to the iPhone.

As a result, developers say, it can take longer to launch an iPhone application compared with those on other smart phones because it must meet Apple's stricter standards. Disgruntled developers say the latest restrictions will hamper Apple's abilities to compete against Google's Android operating system, which allows developers to immediately sell applications instead of going through Apple's sometimes lengthy approval process.

But analysts said the restrictions make sense, given Apple's corporate culture. The Cupertino, Calif.-based company has a history of wanting to make its programs adhere to the company's style, from MP3s sold at its iTunes store to its computers, analysts said.

"Apple is betting that consumers prefer the iTunes model. [It] is a very controlled model, yet at the same time, it seems to be

Developer to Apple: Bye

winning in the marketplace," said George John, chairman of the Marketing Department at University of Minnesota's Carlson School of Management. "It's a bet Apple is taking, that uniformity achieved through control will overcome the variety that comes from lack of control."

Apple did not respond to a request for comment.

For Grigsby, the restrictions hampered any excitement he felt about the new iPad.

"I was soul-searching," Grigsby said about his ultimate decision to leave iPhone application development. "I needed to do work in a space where I don't always need to ask permission first."

A longtime developer and digital entrepreneur, Grigsby oversaw the sale of two e-commerce start-ups — Merchant Planet and PayMe.com — and co-founded two of Minnesota's largest events in the tech and Web community. A year ago, he spent a couple of months on a slot machine game for the iPhone that Apple rejected. The game would have spun images of various iPhone app icons and give users a free application if the icons lined up. The rejection and frustration almost caused him to quit, but then he decided to stick it out.

His company, Mobile Orchard, an iPhone developer news site and podcast, was founded in 2008. It was a profitable company, earning the bulk of its sales by selling on average $1,000 in-per-son training sessions on how to become an iPhone application developer, Grigsby said. He declined to state annual sales.

Others stick with Apple

Other local software developers said even though they aren't happy with some aspects of the new policy, they are still moving forward with plans to create future applications for the iPhone.

"At the end of the day, if you want to play on their platform, you have to follow their rules," said Sam Schroeder, co-founder of Minneapolis-based Recursive Awesome, which builds iPhone and Android applications for companies such as Best Buy Co. Inc.

Schroeder said one of the changes in Apple's policy is not allowing third-party programs that can track how consumers use the iPhone applications. Schroeder said that change could potentially cause his company to spend time removing such programs from about half of its 10 iPhone applications.

Schroeder said he wished Apple's policies were less restrictive. Developers have to wait for approval from Apple until their applications are available for sale to users, unlike other platforms, such as the Android.

"In the Android market, you are innocent until proven guilty," Schroeder said. "At Apple, you are guilty until they decide you are innocent."

"There's a lot of competition for people who develop apps," said Michael McGrath, CEO of the Thomas Group, an operations management consulting firm in Irving, Texas. "If someone wants to not work with Apple, hopefully they will have other business opportunities, but they won't affect Apple at all."

Grigsby insists he's leaving iPhone application development for good, although he will still use his MacBook and iPhone for personal use.

On his blog (www.mobile orchard.com), Grigsby said he didn't expect Google to pay him to make a community website for the Android, but suggested he is interested in doing so.

Days later, Google sent him two Android phones.

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