

China's Huawei wins injunction against Motorola

February 23 2011, By JOE McDONALD , AP Business Writer

(AP) -- Chinese telecom equipment maker Huawei has won a preliminary injunction from a U.S. court barring Motorola Inc. from transferring business secrets in a planned deal with Nokia Siemens Networks.

The order by a federal judge in Chicago on Tuesday prohibits [Motorola](#), which is a vendor of [Huawei](#) equipment, from transferring any confidential information about the Chinese company pending resolution of the dispute.

Huawei Technologies Ltd. filed a lawsuit last month saying Motorola's proposed \$1.2 billion sale of its network equipment business to [Nokia Siemens Networks](#), a Finnish-German joint venture, would improperly transfer those secrets to a competitor.

The case highlights the growing global presence of Chinese companies and their efforts to compete in technology markets. Huawei is one of the world's biggest makers of telecom gear, with sales of \$28 billion last year, but has struggled to gain a foothold in the U.S. market against rivals such as [Cisco Systems](#) Inc.

Motorola agreed last year to sell its network equipment division to Nokia Siemens Networks but completion of the acquisition has been delayed while Chinese anti-monopoly regulators review it.

The ruling by U.S. [District Judge](#) Sharon Johnson Coleman noted that

Motorola proposed providing former employees who transfer to Nokia Siemens Networks with access to confidential Huawei information. It was not a final decision but the judge said Huawei had a "reasonable likelihood of success" in showing its business would be harmed.

A Huawei spokesman welcomed the decision and said it hoped to resolve the dispute so the Motorola sale could proceed.

"We have no interest in stopping the transaction between Motorola and our direct competitor," said spokesman Ross Gan in a statement. "We will, however, do whatever is required to protect the product of our company's many years of innovation."

Last week, Huawei agreed to scrap its purchase of a small U.S. computer company, 3Leaf Systems, after a government security panel refused to approve the deal.

In July, Motorola filed a lawsuit accusing Huawei of trying to steal trade secrets. Huawei denied the allegations.

More information: Huawei Technologies Ltd.:
<http://www.huawei.com>

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Citation: China's Huawei wins injunction against Motorola (2011, February 23) retrieved 25 April 2024 from <https://phys.org/news/2011-02-china-huawei-injunction-motorola.html>

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