China's Huawei says to keep investing in US despite setback

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Chinese telecoms giant Huawei says it will continue to invest in the United States despite recent setbacks in its efforts to boost sales there.

Xu Qingsong, also known as Jim Xu, Huawei's head of sales and marketing, told reporters in Shenzhen he was "confident" Huawei smartphone sales would triple this year in the U.S. from last year.

News reports in January said Huawei appeared to be on the verge of cracking the lucrative American market when it signed a deal with AT&T, but the agreement fell through under U.S. government pressure.

In the past, Huawei officials have rejected U.S. security complaints as politically motivated or possibly an attempt by competitors to keep it out of the market.

"I don't know why they're so nervous," Xu said Tuesday, referring to the U.S. "They're too nervous."

Huawei sells some models in U.S. electronics stores and online but has a minimal share of an American market in which most sales are through carriers. Globally, the company trails Samsung and Apple in handset shipments but leads in China, the biggest market, and says it expects to ship a total of 150 million this year.

Huawei, the world's biggest maker of network gear used by phone companies, suffered earlier setbacks in the American market when a congressional report in October 2013 said it was a security risk and warned telecom carriers not to use its equipment.

More recently, a new global struggle for influence over next-generation "5G" communications technology has brought Huawei under increasing scrutiny by the U.S. government. Many American officials are concerned that Chinese companies such as Huawei could take a larger, or even a dominant, role in setting 5G technology and standards and practices.

Kevin Ho, president of Huawei's handset product line, said they'll instead focus on Europe and developing markets in Asia, especially India, where Huawei sees opportunities to expand the Shenzhen-based company's market share.

"There are still some big countries where our market share is very, very low," Ho said. "This is a hint of where we can raise our market share globally."

On Tuesday, U.S. President Donald Trump blocked Singapore chipmaker Broadcom from pursuing a hostile takeover of prominent U.S. rival Qualcomm, a deal which officials believed could have hobbled the U.S.'s ability to make a quick transition to 5G.

When asked about the blocked deal, Xu declined to comment.

Separately, lawmakers in the U.S. House of Representatives introduced a bill on Jan. 9 that would prohibit government purchases of telecoms equipment from Huawei Technologies and smaller rival ZTE, citing their ties to the Chinese military and backing from the ruling Communist Party.