

T-Mobile sues Chinese telecom giant Huawei

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T-Mobile USA claims Chinese telecom giant Huawei Technologies stole its software, specifications and other secrets for a cellphone-testing robot nicknamed "Tappy" - and it's not happy.

In a lawsuit filed Sept. 2 in federal court in Seattle, T-Mobile says [employees](#) of the world's third-largest mobile-phone supplier illicitly photographed the device, tried to smuggle components out of T-Mobile's lab, and - when banned from the Seattle-area facility - tried to sneak back in.

Huawei, which is no longer a T-Mobile phone supplier, utilized the information to build its own testing robot, and now is "using T-Mobile's stolen [robot technology](#) to test non-T-Mobile handsets and improve return rates for handsets developed and sold to other carriers," says the suit.

A Huawei spokesman acknowledged some inappropriate actions by two company employees and said they'd been fired. Huawei rejects the broader claims in the suit, however.

T-Mobile claims that in 2007 it was the first to debut a robot to test cellphone handsets "by performing touches on the phone the same way a human being would - only much more frequently in a shorter period of time." By reducing the cost of testing and improving the diagnostic data, the device has helped T-Mobile get more reliable handsets from its suppliers, the company says.

The suit offers a detailed chronology of the claimed spying in 2012 and 2013, including a Huawei engineer allegedly slipping into his laptop bag one of the robot's simulated fingertips. The company "ultimately admitted that its employees misappropriated parts and information about T-Mobile's robot," says the suit.

T-Mobile doesn't specify the damages it is seeking, but claims that because of Huawei's

industrial espionage, it had to spend "at least tens of millions of dollars" switching to other handsets. The suit also claims Huawei profited from using the robot testing technology to improve its phones, "gains that are estimated to benefit Huawei by hundreds of millions of dollars."

Huawei spokesman William Plummer said the company regrets the episode has turned into a lawsuit.

"There is some truth to the complaint in terms of two Huawei employees acting inappropriately in their zeal to better understand the customer's quality testing requirements," he said. "As a result, those employees were terminated for violating our business conduct guidelines. As for the rest of the complaint, Huawei respects T-Mobile's right to file suit and we will cooperate fully with any investigation or court proceeding to protect our rights and interests."

A statement from the company says its employees had been trying to resolve discrepancies in results between T-Mobile's testing and its own [robot](#) tester, which T-Mobile knew Huawei had built.

Huawei has been dogged by allegations of [intellectual property theft](#), and in 2012 a U.S. congressional panel recommended telephone companies avoid doing business with it, citing concerns about its links to the Chinese government. In most of the world, however, its products are widely deployed by major telecommunications companies.

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