

Report on Supply Chain Compliance Volume 2, Number 3. February 21, 2019

US increases pressure on China, Huawei with federal criminal probe

The U.S. Department of Justice indicted individuals involved with a Chinese and Taiwanese company for economic espionage against Micron Technology, Inc., and has stepped up actions against other Chinese companies accused of fraud, including Huawei Technologies Co., Ltd, by pursuing criminal investigations into civil matters.

Federal investigators are reportedly looking into a case in which Huawei employees were found to have improperly accessed proprietary technology during their partnership with T-Mobile US, Inc. The matter was already partially resolved in a civil case brought in Seattle in 2017, in which a jury found that Huawei was in breach of contract, and awarded T-Mobile USD 4.8 million — far less than T-Mobile had requested in a complaint filed in 2014.

Both cases represent the U.S.'s willingness to pursue and possibly indict Chinese companies accused of economic espionage. The effort is part of a broader initiative to combat what the White House has deemed unfair and burdensome business practices by the Chinese government and Chinese companies.

This publication is only available to subscribers. To view all documents, please log in or purchase access.

[Purchase Login](#)