



FILED VIA ECFS

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Marlene H. Dortch
Secretary
Federal Communications Commission
445 12th Street, SW
Washington, DC 20510

Brian Hendricks
Government Relations
Nokia

Address:
601 Pennsylvania Avenue, NW
Ninth Floor
Washington, DC 20004

Email:
brian.hendricks@nokia.com

Re: *Written Ex Parte Submission of Nokia of America Corp.*, WC Docket No. 18-89

Dear Ms. Dortch:

Huawei Technologies Co., LTD and Huawei Technologies USA, Inc. (“Huawei”), through their attorneys, recently filed a fifty-page written *ex parte* document with the Commission in the above-captioned docket. By this letter, Nokia responds to the absurd comments made about Nokia in that filing. In a clear effort to avoid scrutiny of its business organization and operations, and obscure and discount the well documented concerns of every U.S. intelligence and security agency as well as those expressed in other countries ranging from Australia to the United Kingdom,¹ Huawei has made a series of allegations about Nokia and its operations in China that are at best misleading, and at their worst, blatantly dishonest.

In short, Nokia takes issue with Huawei’s characterization of our business operations in China. Huawei claims that Nokia has “deep ties” to the Chinese government and that these ties are “(at least) equally strong” to those of Huawei.² This is pure sophistry.

Nokia is a well-known, publicly traded company with a 153-year heritage of market leadership, ethical business conduct, and trustworthiness that is without peer in our industry. Nokia is headquartered in Finland, where it was founded, and has business operations in more than 120 countries. Looking across those operations, and our lengthy market tenure, it has never been alleged that Nokia is influenced inappropriately by *any* government *anywhere*. Nor has Nokia been charged with or even alleged to have participated in cyber espionage, facilitating the theft of intellectual

¹ See, e.g., UK criticizes security of Huawei products, at <https://www.bbc.co.uk/news/technology-44891913>. See also, Australia to ban Huawei from 5G rollout amid security concerns, at <https://www.cnet.com/news/australia-to-ban-huawei-from-5g-rollout-amid-security-concerns/>.

² Huawei *ex parte* at 38.

property, or evading the export controls or sanctions regimes of any country where we have done business. The same cannot be said of Huawei.

With respect to Nokia's operations in China, through Nokia Shanghai Bell, Huawei curiously omits several salient pieces of information; most notably that it is the government of China that necessitates that infrastructure suppliers establish joint ventures to operate in the market because of the significant restrictions placed on direct investment by non-domestic companies into China. In this regard, Nokia is no different than many of its peer companies including many American companies.

What is different regarding Nokia's joint venture, and contrary to what Huawei implies in its ex parte submission, is that Nokia itself remains in complete control of the decision making. Owning the majority stake, and the voting majority of all board seats, it is Nokia that makes all decisions regarding governance of the venture. And, decisions regarding governance of the joint venture are run through the same human rights, due diligence and legal and compliance processes as every other business unit of Nokia. This entire review is conducted in Finland. That our decision making, and corporate governance and compliance processes are anchored in our Finland-based headquarters is just one of the myriad ways in which we differ from Huawei despite their best efforts to apply a rhetorical sleight of hand.

It is similarly notable that Nokia's activities in China were reviewed by the intelligence and security authorities of the United States as part of our 2016 acquisition of Alcatel-Lucent. Nokia has appointed two external officers, including former Director of the National Security Agency John Michael McConnell, to interface with security and intelligence authorities in the United States on all topics related to national security, supply chain security, and our operations in other countries including China. It is quite doubtful that security and intelligence professionals in the United States would share Huawei's sentiment that our operations in China, and our relationship to governing authorities there, are in any manner comparable to Huawei's, or raise any of the concerns expressed by the security and intelligence agencies around the world about Huawei.

China remains a large and important market for telecommunications infrastructure suppliers, but one where the Chinese government has effectively reserved the bulk of the market for Huawei and other Chinese suppliers. It is curious that Huawei, itself the primary beneficiary of the market reservation policy, would suggest that the government of China is associated with our business activities. Or, that the government of China has an interest in promoting our success or directing our activities in any significant way while at the same time maintaining that Huawei's decision making is entirely free of the government's influence. This despite the myriad ways in which the policies governing the Chinese market are directly influenced for their benefit.

As a publicly traded company subject to the securities laws and regulatory oversight of multiple countries, to say nothing of the civil liability that would inure to Nokia if it were to allow governments in any country to drive our business decision making, Nokia faces a level of scrutiny and transparency requirements Huawei does not. That is an essential fact that cuts right to the heart of Huawei's specious arguments.

Nokia has not participated in this proceeding, except to respond, on two occasions now, to non-sensical suggestions that our company and our products are comparable to those of Huawei and other parties named specifically in the docket. Huawei's strategy appears to be to suggest that if their

products and processes are deemed risky, other parties should also be deemed risky. Conversely, if others are deemed trustworthy, then by association they should be as well.

Huawei is a closely held, Chinese-headquartered company, draped in secrecy, that has repeatedly failed to be forthcoming in responding to U.S. government inquiries, and that has been found on several occasions to be engaged in unlawful and unethical practices. The conclusion of all U.S. intelligence and security agencies and offices is that they therefore represent a risk to U.S. national security. Those same authorities have determined that Nokia, a well-known, and long-established supplier to the U.S. market with an exemplary compliance record, does not pose risks. That should be dispositive of the issue. Huawei's argument, and intent, in its filing are *corruptus in extremis*, an effort to deflect and obscure. It adds nothing of probative value to the Commission's inquiry and it should be given no quarter.

Please contact the undersigned with any questions in connection with this submission.

Respectfully submitted,

/s/ Brian Hendricks

Brian Hendricks
Head of Policy and Public Affairs
Nokia Americas Region

cc: Chairman Ajit Pai
Commissioner Michael O'Rielly
Commissioner Brendan Carr
Commissioner Jessica Rosenworcel