

In his words: Huawei CEO says company will not be crushed

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Huawei's founder Ren Zhengfei, speaks during an interview at the Huawei campus in Shenzhen in Southern China's Guangdong province on Tuesday, Aug. 20, 2019. Ren said he expects no relief from U.S. export curbs due to the political climate in Washington but expresses confidence the company will thrive with its own technology. (AP Photo/Ng Han Guan)

Huawei founder and CEO Ren Zhengfei said that U.S. restrictions on access to technology would not defeat the Chinese telecom equipment maker and that the United States and Australia should hold off on buying Huawei's 5G network gear if they fear it is a security risk.

The U.S. has put Huawei Technologies Ltd. on its entity list, restricting American companies from supplying it, though it granted a second 90-day reprieve Monday. It also has asked Canada to hold Ren's daughter, a Huawei executive, to face U.S. charges related to sanctions on Iran.

In a wide-ranging interview with The Associated Press, the 74-year-old Ren said he doesn't want relief for his company or his daughter to be linked to the U.S.-China trade dispute, as President Donald Trump has suggested.

Here are some key points that Ren made in the interview:

HUAWEI WILL NOT BE CRUSHED

"The entity list will not crush us as the U.S. hopes. By adding Huawei to the entity list, the U.S. wanted to kill off Huawei. But we are not dead; in fact, we are doing even better than before. ... The entity list has not affected us as much as it has affected our U.S. partners. They used to supply us with billions of dollars' worth of components and were suddenly not allowed to do so. Their short-term financial results will surely be significantly impacted and their losses will be felt. After all, [stock prices](#) matter a lot to Wall Street."

5G DOESN'T NEED AMERICAN HELP

"Whether the (deadline for enforcing the) entity list is extended or not, that will not have a substantial impact on Huawei's business, because if you look at connectivity products, such as 5G or core products, we can do well without relying on American companies."

"The biggest impact of the entity list would be on our consumer business. There are billions of Android system users around the world. Banning Huawei from using this system will not ensure America's national security. If the U.S. still wants to ban us from Android, we may need to work on our own backup plan."

NO TO RELIEF FOR TRADE DEAL

"Many people in China still are very poor. I couldn't take it if those poor people sacrificed their own interests for the benefit of Huawei."

"I am not approaching this issue purely from my family's perspective. But we are not asking for a favor from the government to allow the United States to go easier on Huawei. If this whole thing continues, Huawei might grow more slowly and (my daughter) Meng Wanzhou might have to stay in Canada and suffer more. But I would rather take that instead of having the Chinese people, most of whom are poorer than we are, sacrifice for Huawei."

ENTITY LIST DESIGNATION TO STAY

"We think the U.S. government's entity list cannot possibly be revoked, because it isn't possible that someone from the United States will step up to revoke the entity list designation. Right now, attacking Huawei in the

United States is politically correct, while helping Huawei even once would put (that person) under significant pressure. So to us, the entity list will be there for quite some time."

SECURITY RISK FEARS

"If people in the United States say your 5G technology poses a national security threat to the United States, then I am open to the possibility of a paid transfer of 5G technology and production techniques to U.S. companies so they can build upon it and develop 6G to speed up their own development."

If the U.S. and Australia "still have security concerns, I think they had best not buy Huawei's 5G or related products. Let other countries first use Huawei's systems and technologies, test it to see whether it is secure or there are security threats first. To me personally, 5G is just a tool in support of future widespread artificial intelligence adoption. So the tool itself is not the most important part when we talk about security."

U.S. PRESSURE MADE HUAWEI MORE FOCUSED

"At a strategic level, the U.S. entity list is helpful to Huawei, because there are some marginal, unimportant businesses or products in our portfolio. Now, with the pressure coming from the United States, we cut off those products or businesses and take the resources to work on major products."

HUAWEI LIKES AMERICAN TECHNOLOGY

"We hope we can and we will continue to be able to buy American components. Even though we may have the ability to turn out our own components or products, we would choose to reduce our own capacity so as to use more American components in order to contribute together to share the prosperity of society."

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