

Litigator of the Week: Robert Haslam of Covington & Burling

By David Bario

Back in January, when China's Huawei Technologies launched the trade secrets counter-offensive against former partner Motorola that ended this week with both sides lowering their arms, Motorola wasn't shy in questioning Huawei's motives.

At a hearing on Huawei's request for a temporary restraining order barring Motorola Solutions from disclosing confidential Huawei information in its planned billion-dollar acquisition by Nokia Siemens Networks, Motorola counsel from Winston & Strawn alleged that the TRO request was a strategic sham. "It doesn't take a leap of imagination to surmise that Huawei is somehow trying to use this separate dispute...as leverage... in a lawsuit by Motorola for theft of Motorola's trade secrets," Winston's Thomas Frederick told Chicago federal district court judge Sharon Coleman.

Huawei was indeed facing some incredible allegations in its underlying trade secrets case. As we've reported, in July 2010 Motorola accused Huawei of feeding secret product information from Motorola engineers to wireless network rival Lemko. Motorola claimed, among other things, that Ren Zhengfei, the former People's Liberation Army officer who founded Huawei in 1988, had conspired with renegade Motorola engineers in a plot to undermine Motorola.

Judge Coleman granted Huawei's TRO request. And though she didn't enjoin Motorola from going ahead with the NSN deal, she went on to grant Huawei and its lawyers at Covington & Burling, led by Robert Haslam, a preliminary injunction in February blocking Motorola from disclosing Huawei trade secrets to NSN as part of the planned merger.

Whether Huawei's primary motivation was leverage or not, leverage is what it got: Less than two months later, Motorola's trade secrets case against Huawei is history.

As part of Wednesday's settlement with Motorola, Huawei agreed to drop its trade secrets case against Huawei and NSN. Motorola, meanwhile, said it will drop Huawei as a defendant in its ongoing case against Lemko and will pay Huawei to transfer commercial agreements between the companies to NSN. Already, Huawei has withdrawn objections to the NSN deal it had filed with China's ministry of commerce, which must approve the acquisition, and has asked Judge Coleman to vacate the injunction it won against Motorola and NSN in February.

Covington's Haslam said Chicago federal district court judge Matthew Kennelly played a big role in pushing the parties toward an ultimate settlement. The judge, he said, helped narrow discovery in Motorola's case against Huawei to about 90 million lines of Huawei source code, which experts from Motorola examined last month in a secure "clean room" in Chicago. "Motorola could never point to anything in the code or the documents that included any Motorola trade secrets," Haslam said.

Haslam also said Michael Hartmann and David Airan at Leydig, Voit & Mayer did a "masterful job" negotiating the final settlement with Motorola. (Haslam was also involved in the settlement negotiations).

But in the end, Haslam said, the decision to aggressively assert Huawei's own intellectual property rights against Motorola and NSN was "key" to reaching a final settlement of both companies' trade secret claims. "We're happy to be rid of the Lemko lawsuit, and all the parties can now get back to doing whatever business they can do together," he said.



Robert Haslam

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