



Congress of the United States
House of Representatives
Washington, DC 20515-1403

January 30, 2019

Chairman Joseph Simons
Federal Trade Commission
600 Pennsylvania Avenue
Washington, DC 20580

Dear Chairman Simons:

I write today out of concern for our national security and the threat that foreign adversaries pose to our regulatory system. Of specific concern is Huawei Technologies Co. Ltd, and the Federal Trade Commission (FTC) calling Nanfen Yu, Senior Counsel for Huawei, as a key witness for its case against Qualcomm in January.

As you may know, Congress warned in a 2012 report that Huawei "cannot be trusted to be free of foreign state influence and thus pose a security threat to the United States and our systems." A "national champion" of the People's Republic of China, Huawei has been accused of intellectual property theft and espionage. In Poland, a Huawei executive has been arrested for espionage. In 2018, Congress banned the U.S. government, or those wanting to work with the U.S. government, from using components or systems by Huawei and other Chinese telecommunications companies. Included in the Fiscal Year 2019 National Defense Authorization Act (NDAA), the ban is in effect for the next two years.

Additionally, the U.S. Intelligence Community (IC) has issued warnings against the telecommunications firm for years. Most recently, Christopher Wray, Director of the Federal Bureau of Investigation (FBI), testified to the Senate Select Committee on Intelligence in February 2018 about how it is necessary to "view the China threat as not just a whole of government threat, but a whole of society threat on their end. I think it's going to take a whole of society response by us."

In reviewing the FTC's actions through the 'whole of government' lens, it is alarming to see one part of our government utilize a Huawei executive as a key witness in a case against an American company in our regulatory and court systems, while other portions of our government have issued warnings and bans against this company.

With these concerns, please explain what, if any, mechanisms exist internally to aid the FTC in keeping a 'whole of government' approach in its interactions with U.S. adversaries? Does the FTC receive briefings or updates from the IC about companies against which the U.S. government has issued warnings?

I look forward to your response.

Sincerely,

A handwritten signature in blue ink that reads "Jim Banks".

JIM BANKS
Member of Congress