

23.07.2024 - 17:30 Uh

# 50 percent of all smartphones expected to be affected: Lenses of smartphone cameras manufactured under illegal conditions



- Many consumers are unaware that they are using products that were manufactured under illegal conditions.
- Software used illegally is a well-known issue, but the perpetrators and victims are rarely named.
- The Taiwan-based company Largan illegally uses software to gain a competitive advantage. Software developer MVTec is making the case public.

Consumers who use high-end mobile phones trust that their smartphones have been manufactured fairly from an environmental, social, and economic point of view. However, for the majority of smartphones this is not the case. Whistleblowers have revealed that Largan, by far the largest manufacturer of camera lenses for smartphones, manufactures its products using illegal practices. The Taiwanese company uses various software products without paying, thereby gaining an illegal competitive advantage. The software manufacturers, but also competitors, and ultimately the customers are harmed. One of the affected companies, MVTec Software GmbH, a leading manufacturer of standard software for machine vision, has a subsidiary in Quincy, Massachusetts, is now making the case public and demands that Largan recognizes its intellectual property.

#### Illegal use of software: A major and well-known issue, but victims and perpetrators are rarely named

It is difficult for premium smartphone manufacturers to ensure that the components they use in their smartphones are produced under fair conditions, including the treatment of partners and suppliers. In particular, respecting the intellectual property is a recurring issue in the tech industry. For the companies that are affected, the damage however is enormous as they often have made significant investments and put their heart and soul into innovations and suddenly find themselves betrayed. It also undermines the principles of fair entrepreneurship.

This specific case, which now has become public, started with the initiation of criminal proceedings (criminal indictment) by a prosecutor's office in Taiwan against the company Largan, listed on the Taiwan Stock Exchange under No. 3008, and its employees. To clarify the facts of the case, MVTec is working closely with the authorities in Taiwan to find a fair solution for all parties. So far, Largan has refused to reach a fair and amicable settlement. The criminal proceedings against Largan and its employees are still ongoing.

"There are clear indications that Largan has massively, willfully, and systematically used our software products illegally and thus infringed upon our intellectual property and continues to do so. As a result, both we and our fair-minded customers are being harmed and put at a competitive disadvantage. Smartphone manufacturers are also harmed, as they trust their suppliers to work legally, flawlessly, and comply with contracts. It is therefore our duty to take action against those unfair practices," says Dr. Olaf Munkelt, CEO of MVTec Software GmbH. "We will use all legal provisions available to our company, including the confiscation or destruction of all products manufactured through or containing illegal copies of our software, no matter which country. "If Largan's customers are impacted by these measures, then Largan's continued refusal to compensate for its own legal infringements will lead to an even bigger loss for them."

## MVTec collaborates with hundreds of partner companies and thousands of customers

MVTec was founded in 1996 in Munich, Germany. Since then, the family-owned and -operated company has worked continuously to provide its customers with the best possible product. The software products for machine vision offered by MVTec are now used in almost all sectors of industry thanks to their flexibility and high technical standards. Having its headquarters located in Munich, MVTec has subsidiaries in the United States, France, China, and Taiwan. It currently employs more than 270 people across its various locations. In addition, the company relies on close partnerships with numerous other companies in the machine vision and automation industry. To this end, MVTec maintains several partner programs with a total of around 220 companies. Moreover, its customer portfolio includes more than 4,500 companies worldwide, many of them being well established multinational companies.

## About MVTec Software GmbH

MVTec is a leading manufacturer of standard software for machine vision. MVTec products are used in a wide range of industries, such as semiconductor and electronics manufacturing, battery production, agriculture and food, as well as logistics. They enable applications like surface inspection, optical quality control, robot guidance, identification, measurement, classification, and more. By providing modern technologies such as 3D vision, deep learning, and embedded vision, software by MVTec also enables new automation solutions for the Industrial Internet of Things aka Industry 4.0. With locations in Germany, the USA, France, China, and Taiwan, as well as an established network of international distributors, MVTec is represented in more than 35 countries worldwide. <a href="https://www.mvtec.com">www.mvtec.com</a>

#### Contact:

MVTec Software GmbH Christoph Ruchlak Press Requests Arnulfstraße 205 D-80634 München Tel.: +49 (0)89-457695-0

E-mail: press@mvtec.com Web: www.mvtec.com]



Olaf Munkelt, Managing Director, MVTec Software GmbH / More information via ots and www.presseportal.de/en/nr/175748 / The use of this image for editorial purposes is permitted and free of charge provided that all conditions of use are complied with. Publication must include image credits.

Original content of: MVTec Software GmbH, transmitted by news aktuell
Diese Meldung kann unter <a href="https://www.presseportal.de/en/pm/175748/5829351">https://www.presseportal.de/en/pm/175748/5829351</a> abgerufen werden.