CASE STUDY

CipherLab Customer Spotlight: China Steel Corporation

China Steel Improves Operating Efficiency and Security with CipherLab 8500 and 8061 Mobile Computers

Profile

Established in 1971, China Steel Corporation (CSC) has become the largest steel company in Taiwan and ranks 25th globally. Their crude steel production is over 11 million tons with consolidated 2006 sales approaching US$9 billion. CSC produces steel plate, bar, rod, hot rolled coils and sheets for a variety of industries in Taiwan and some Asian markets. China Steel contended with inventory and security efficiencies prior to deploying CipherLab mobile computers.

CSC sold 2.8 million tons of cold rolled coil steel in 2006, with an average weight of 14 tons. As coils leave the production line, bridge cranes carry them to assigned locations in the 300-meter long warehouse. Twice a month, a cycle count took three hours using four people in two teams with laptops. Both teams worked simultaneously, with one person obtaining product information and the other recording it on the laptop.

CSC's facility is located on 550 hectares. With numerous outsourcing partners and visitors every day, security is always a top concern. Manually recording visitor IDs resulted in long lines of people and vehicles waiting to clear the gates and enter the facilities, leading to dissatisfaction and inefficiency.

Deployment

To improve inventory efficiency, CSC chose CipherLab 8061 and 8500 mobile computers. The additions significantly enhanced their automated systems, reducing cycle count manpower by 50 percent.

Steel creates significant reflections of electromagnetic energy reducing Wi-Fi signal quality. CSC tested technologies and devices to find the most successful wireless connection to their mainframe systems. Even with a warehouse length of 300 meters, testing proved an 8500 with Bluetooth technology could connect without data loss anywhere in the warehouse.

To scan bar codes on the stacked rolls while standing on the floor, 8500 mobile computers with extra-long-range lasers, which can read barcodes from over 13 meters, were chosen. Using the ergonomic pistol grip, workers use the 8500s for hours without fatigue. For warehouses storing smaller coils, CSC chose 8061 mobile computers for their handy pocket size and lower cost. With the deployment of the CipherLab 8061 and 8500 mobile computers, cycle counts are completed in half the time.

To resolve the security challenges, CSC chose 8500 mobile computers with built-in RFID readers to reduce long lines at the gates and help guests and outsourcing partners reach their destinations in the facility more quickly. Prior to arrival at the gates, CSC now issues all visitors ID badges embedded with RFID tags. Walk-in visitors pass by an RFID reader that clears them for entrance. For vehicles, guards use an 8500 mobile computer to scan the driver's ID badge. The 8500 wirelessly transmits the data to the security system and displays critical information on the 8500's 3-inch screen. With RFID technology and the 8500 mobile computers, manual tracking was completely eliminated and lines reduced.

About CipherLab

CipherLab is a global leader in the design, manufacture, and marketing of Automatic Identification and Data Capture/Collection products and systems. The company's mobile computers and scanners are integrated into the networks of some of the world's best known logistics, retail, distribution, government installations, and healthcare companies, helping them run more efficiently and effectively onsite and on the road. Headquartered in Taipei, Taiwan with offices in China, Germany, UK, and USA with operations worldwide, CipherLab is publicly traded on the Taiwan stock exchange (Taiwan OTC: 6160). For more information,please visit http://cipherlab.com