HULFT

CASE STUDY

HULFT
HULFT-HUB

CKD Corporation

Automation technology
for the future
CKD

Utilizing HULFT and HULFT-HUB as the infrastructure for sharing information with overseas business sites Achieve faster and more streamlined global order reception/placement

HULFT User Case Study

HULFT (Inter/intra-corporate Managed File Transfer Middleware over TCP/IP)
HULFT-HUB (Middleware for management and operation of HULFT data integration)

CKD Corporation

Utilizing HULFT and HULFT-HUB as the infrastructure for sharing information with overseas business sites
Achieve faster and more streamlined global order reception/placement

CKD manufactures and sells automatic machinery, pneumatic components, fluid control components, and other labor-saving devices. The company has proactively moved into the ASEAN region, North America, Europe, and other overseas locations, and is expanding globally.
In the past, order receiving and placement were conducted by sending order forms via e-mail or fax. However, with the increase in orders from overseas, CKD built an infrastructure for sharing information between Japan and overseas business sites in order to streamline backend work and prevent incorrect input when entering data from paper into the system. The infrastructure that was selected was HULFT-HUB. As indicated in the name, HULFT-HUB functions as a hub for each system. We spoke with Mr. Takahiro Doi (General Manager, Information Systems Division) and Hiroyuki Nishimura (Group Leader, Systems Planning Group) regarding its benefits and the key reasons for selecting it.

Information Systems Division
General Manager
Mr. Takahiro Doi

Information Systems Division
Systems Planning Group
Group Leader
Mr. Hiroyuki Nishimura

User Profile

Automation technology for the future
CKD

CKD Corporation

Establishment
April 2, 1943

Paid-in Capital
¥11,016 million

No. of Employees
[Non-consolidated] 2,012
[Consolidated] 3,294 (As of March 31, 2015)

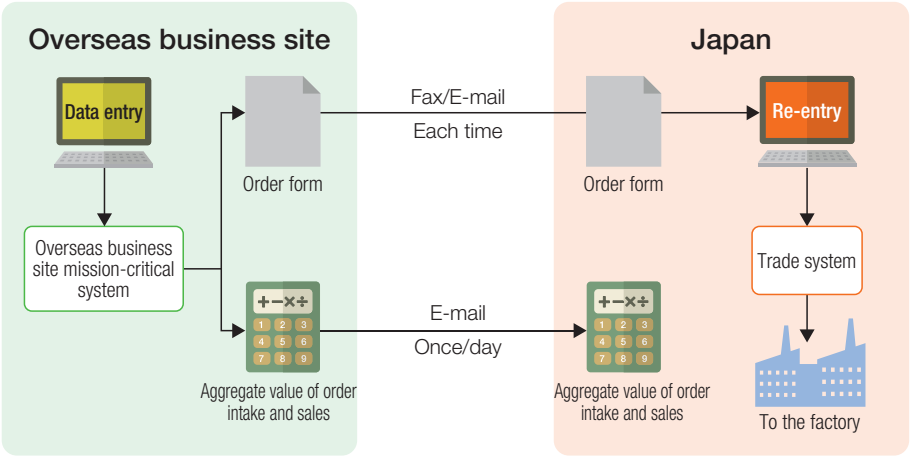
Annual Sales
[Non-consolidated] ¥72,148 million
[Consolidated] ¥83,379 million (As of March 31, 2015)

Line of Business
Development, manufacture, sale, and export of automatic machinery, labor-saving components, pneumatic control components, drive components, pneumatic auxiliary components, fine system components, fluid control components, and other functional devices.

Sending forms back and forth via e-mail and fax
Sharing information with overseas business sites becomes an issue

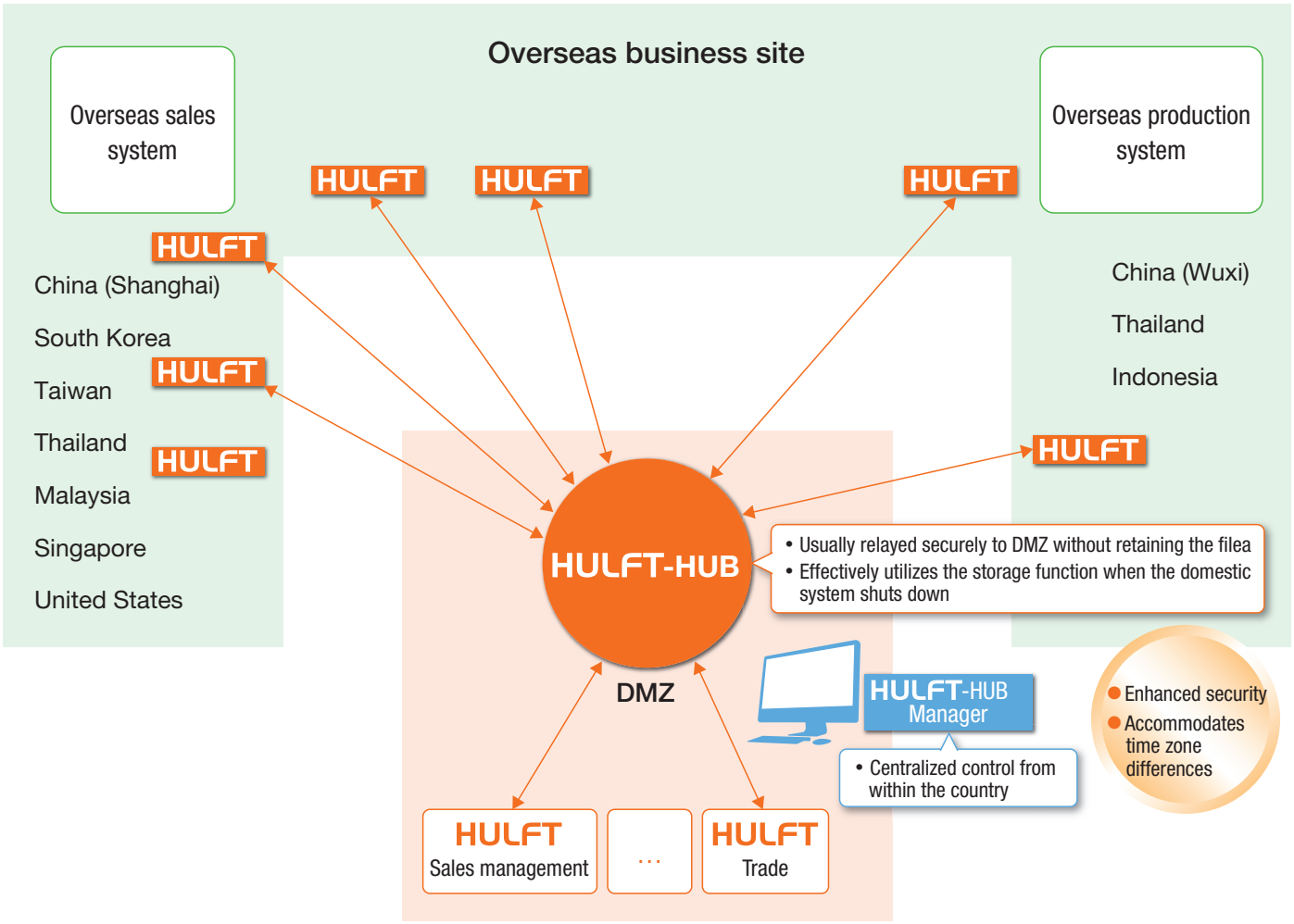
CKD is a manufacturer of automatic pharmaceutical packaging systems, lithium-ion battery winding machines, and other automatic machinery. The company holds the top domestic market share in the industry with each. In addition to automatic machinery, CKD also manufactures and sells pneumatic components, labor-saving devices, fluid control components for semiconductors, general-use fluid control components, and other equipment products, both domestically and overseas. The company has production and sales sites in 15 countries and regions, including the U.S., Europe, South Korea, China, Malaysia, Thailand, and Singapore. CKD plans to establish business sites in

[Overseas information sharing and issues in the past]



- Re-entry on the Japan side
- Data entry takes time, and a large quantity is indicated on the order form, delaying arrangements with the factory, and leading to delayed delivery to the customer
- Incorrect entry of the model number, quantity, etc., leads to incorrect shipments
- The aggregate value is the only order intake and sales information reported to Japan, so it is impossible to sufficiently analyze in terms of sales strategy

[Concept materialized with HULFT + HULFT-HUB]



many more countries and regions in the future as well.

"As we deploy business globally, it has become necessary to transfer information related to order receiving and placement between Japan and overseas business sites in an efficient manner. At that point, how we would build the infrastructure for sharing information became a significant issue," explains Mr. Takahiro Doi, General Manager of the Information Systems Division.

In CKD's case, differences in the mission-critical systems of domestic and overseas sites, problems with network quality, and other such issues resulted in no sharing of data. Order forms from overseas sales sites were being sent by e-mail or fax. Because received order forms could not be taken as-is into the system in Japan as data, a staff member in Japan would re-enter the data into the system on each occasion, then make arrangements with each factory.

In such cases, it was necessary to repeat entry of the same data throughout the entire group, so not only was it a significant burden, but there was also the problem of an increased risk of entering model numbers and quantities incorrectly. "We wanted to prevent incorrect shipments and delayed deliveries caused by incorrect entries, before they happened. Further, we believed that building an infrastructure for the sharing of information was crucial to improving productivity and data quality," reflects Mr. Hiroyuki, leader of the Systems Planning Group of the Information Systems Division.

A highly reliable tool to send information in a sure manner, without being affected by the IT infrastructure of each country, was needed

In that context, CKD began considering global information-sharing infrastructures. "We considered EDI and many other tools and solutions. Our greatest emphasis in that process was high reliability that made it possible to send and receive information without fail," explains Mr. Doi.

In CKD's case, connection with overseas business sites is a prerequisite, but there are many countries where network quality is poor due to the status of establishment of an IT infrastructure. In short, if it was not a tool that made it possible to send data in a sure manner from any business site, it would not meet CKD's requirements. That condition

alone significantly narrowed down the possible tools.

Further, in CKD's case, the environments of the mission-critical systems and vendors that built the systems differed by business site. Naturally, this meant that the information-sharing infrastructure had to be able to connect flexibly with an extremely high number of systems. "Small-scale business sites didn't have any IT staff. Because of this, we wanted to conduct operation and management of the information-sharing infrastructure from the Japan side," explains Mr. Nishimura.

In such circumstances, Saison Information Systems proposed an information-sharing infrastructure that combined HULFT, the file transfer tool that held the top share of the domestic market, and HULFT-HUB, which enables integrated management of multiple HULFTs.

HULFT has been adopted by many companies, no matter the industry or business type, and has become the de facto industry standard for the exchange of information. Its features include a variety of functions to send data in a sure manner even if the quality of the network is poor, such as intermittent transfer and delivery confirmation.

The most significant feature of HULFT-HUB is its ability to conduct integrated management of linked HULFTs. Centralized control on the Japan side is possible even if it is necessary to change HULFT settings at an overseas business site. In addition, storage and resending of relay data are also possible. Data can be stored with HULFT-HUB's storage function, even when it is impossible to send data to the business site's HULFT due to some type of problem.

"We had already been using HULFT within the company, and trusted its track record. However, as a rule, it was a one-to-one connection, and if the number of connections increased, it necessitated maintenance of each one individually, making operation and management of the system troublesome. Because of that, we decided to build an information-sharing infrastructure," explained Mr. Doi.

Construction of the information-sharing infrastructure itself went extremely smoothly. It was necessary to customize it to enable output of order information from the mission-critical systems of overseas business sites. This made it possible to obtain the needed information on each occasion once the settings were made.

"By constructing the information-sharing infrastructure, we were able to reduce the wasteful task of re-entering data, and eliminate corrections and incorrect shipments caused by incorrect entries, which had been an issue. In addition, staff members who had been entering order information could be assigned to other work, increasing productivity throughout the entire division," explains Mr. Nishimura. Further, CKD is also working to use the built information-sharing infrastructure to receive order and sales information from overseas business sites, and to analyze historic data.

"When we were first planning the system, our main focus was on sharing data from overseas business sites with Japan, but recently we are using HULFT to share data between overseas business sites and for order receiving and placement between those sites. I think that this information-sharing infrastructure has increased the scope of the work improvements that are possible throughout the group," says Mr. Nishimura.

HULFT and HULFT-HUB are vital to CKD as it accelerates its global expansion in the future. "However, HULFT cannot be procured locally in some countries. It would be of great help to us if Saison Information Systems would focus more on overseas expansion, and establish a structure that makes it possible to make purchases easily and receive support in any country," says Mr. Doi.

HULFT is absolutely critical to CKD's business. As the company accelerates its globalization, there are high expectations for the global expansion of HULFT.

SAISON INFORMATION SYSTEMS CO.,LTD.

SAISON INFORMATION SYSTEMS CO., LTD.

HULFT Division

Address : Sunshine 60 Bldg., 21st Floor, 3-1-1 Higashi-Ikebukuro
Toshima-ku, Tokyo 170-6021, Japan
TEL : +81-3-3988-5301
FAX : +81-3-3980-4830

http://www.hulft.com/en/

e-Mail : hulft@saison.co.jp

201609-1000-1