



Taiwan's leading paper manufacturing company, Cheng Loong Corp., embraces a highly efficient SAP environment on Itanium® 2-based HP Integrity servers

Cheng Loong Corp., (CLC) ranks among the top 100 paper mills worldwide and is the largest manufacturer of industrial paper and corrugated containers in Taiwan. CLC has long been recognized for its outstanding technology, quality, and services in this market.

Manufacturing paper is a continuous, knowledge-intensive process with high preparation costs. Huge losses can occur if either predictable or unexpected errors interrupt the process. To better control and manage predictable problems, CLC adopted a SAP enterprise resource planning (ERP) solution running on the Itanium® 2-based HP Integrity server running HP-UX 11i v2 as its next-generation infrastructure for both IT and operation management. The solution has significantly reduced operational costs and enhanced IT efficiency.

In 2003, CLC rolled its so-called Shanghai Initiative to meet global competition. The Initiative aims at duplicating



the advanced technologies and successful experiences of Dayuan and Houli paper mills in Taiwan. The latest technologies were shipped to Shanghai to build a production line that integrates upstream papermaking and downstream carton processing. The Shanghai Initiative will build a solid foundation for CLC to become a world-class manufacturer of industrial paper and cartons.

64-bit technology brings multiple benefits

In response to the company's development plan in Greater China as well as the evolution of the latest information technology, CLC decided to migrate its existing, proprietary, custom-developed ERP system to a SAP solution. SAP features an open architecture and, coupled with HP Integrity servers based on the latest 64-bit Explicitly Parallel Instruction Computing (EPIC)-based Intel® Itanium 2 technology, is expected to provide a more reliable and scalable IT environment to enable and support CLC's growth plan.

CLC's SAP migration plan is based on scalable, high-performance HP Integrity servers, which offer the flexibility the company needs to deploy a host of SAP solutions. CLC implemented four units of Itanium 2-based, 8-way HP Integrity rx7620-16 Servers running the HP-UX 11i v2 Operating System.

Each HP Integrity server is equipped with the HP Super-Scalable Process Chipset sx1000 and the Intel Itanium 2 processor—co-developed by HP and Intel. Several independent testing organizations have recognized the chip's exceptional computing power, and leading corporations across different sectors rely on it to power their operations.

Continuous pursuit of innovative technology to support corporate development

CLC is an industry leader in terms of advanced IT system re-engineering and migration. Now, its IT system is based on a truly open architecture, as opposed to the proprietary environment of the past. The computing power of HP Integrity servers helps unleash the maximum performance of the SAP application system. For CLC, it means more flexibility in developing new applications—and significant benefits in extending the supply chain system for Greater China in the future.

Tong-Ho Tsai, the general manager of Cheng Loong Corp. comments: "The fact that we've migrated our business operations onto HP Integrity servers demonstrates our company's continuous pursuit of innovative technology to best support critical business development."

Tsai adds, "After migrating to the open architecture of HP Integrity servers, we have greater reliability and scalability to move us from maintenance to growth. We can develop future applications with the latest Web and Java™ technologies while enhancing our IT efficiency substantially."

In addition to the price/performance of the HP Integrity servers, CLC also selected HP Integrity servers because of HP's first-hand, in-depth experience with SAP solutions. This experience, combined with HP's solid technical support and service capabilities, is accelerating CLC's migration to the SAP system on the 64-bit platform.

Customer profile

Industry sector: Manufacturing—papermaking

Company name: Cheng Loong Corporation

Revenue: NT\$18.75 billion (2003)

Core products: Industrial paper, cultural paper, corrugated cartons and boards, paper pallets, and the Andante series of household paper

Solution summary

Hardware: 4 8-way HP Integrity rx7620-16 Servers (Intel Itanium® 2 processor) running HP-UX 11i v2

Software: Oracle9i

ERP: mySAP ERP (includes FI, CO, SD, MM, and PP modules)

Contact information

Web site: www.clc.com.tw

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5982-9665ENN, 12/2004

