Bsteel Establishes Global IT Integration Platform

GXS Enterprise Gateway and Trading Grid® Messaging Service Solutions Provide a Unified Platform for Integrating Internal Business Units, Customers and Suppliers Across the World.

Corporate Profile

Leading Chinese Steel Manufacturer

Bsteel is the IT business unit of Shanghai-based Baosteel Group and they are responsible for deploying and managing Baosteel’s global B2B e-commerce strategies. Baosteel is the largest iron and steel producer in China and has operations in construction, finance, IT, international trade, real estate and transportation.

The Business Challenge

Establish an Integrated Global Business Platform

Baosteel Group has a number of diverse business units operating across China and many different countries around the world. Due to increased competitive pressure and in order to reduce costs and rationalise their IT infrastructure, they established the ‘Centralisation & Internationalisation Transforming Strategy’. This strategy will be used to support data gathering, translation and integration into their forecast-to-payment supply chain execution process. The infrastructure used to manage this strategy is called the ‘Unified Enterprise Collaboration Platform’ (UECP).

Baosteel’s customers and suppliers around the world have very different business requirements, they operate different business models, different e-commerce standards and even their EDI standards are implemented in a different way. Baosteel’s challenge was to try to provide an IT infrastructure that would allow all their business units, customers and suppliers to work seamlessly on one integrated trading platform.

The Solution

Enterprise Gateway and Trading Grid Messaging Service Solutions

The platform proposed for UECP is based on GXS Integration Broker and Trading Grid Messaging Service solutions. GXS Integration Broker products are behind the firewall software applications that connect systems together so they can exchange information without human intervention. Integration Broker gathers internal information and shares it with Baosteel’s external business partners. As a result, data from manufacturing, transportation, warehouse, accounting and operations systems can be aggregated and easily exchanged with their customers, suppliers, financial institutions or logistics providers. Integration Broker provides seamless integration with enterprise applications from Oracle, SAP and Microsoft. Featuring a high-performance translator, Integration Broker allows Baosteel to rapidly map data from any source to any destination, perform high-speed EDI/XML translations, enhance productivity, and improve the responsiveness of its many business units. The Enterprise Gateway
solution allows Baosteel’s global customers such as Ford Europe and GM to link directly with Baosteel’s internal ERP application, SAP, as well as other internal applications such as Capacity Planning through IBM MQ Series gateway.

GXS Trading Grid Messaging Service enables Baosteel to link with trading partners throughout the world and to exchange business documents in an easy, fast, secure and reliable fashion. It shields the communication complexity and provides visibility and process controls. Baosteel can monitor their order, logistics, inventory and payment activities across their value chain. Trading Grid Messaging Service detects critical supply chain signals, such as shipment or manufacturing delays and demand signals including sudden increases in sales or potential stock shortages. Track-and-trace capabilities enable Baosteel to determine whether an order has been acknowledged, shipped, received, invoiced or paid. Inventory monitoring services detect out-of-stock situations then provide updated details on goods in transit or on-order. GXS Trading Grid Messaging Service solutions have allowed Baosteel to optimise their inventory levels and receive real-time status information.

The Results

Reduced Costs, Seamless IT Infrastructure, Improved Competitiveness

The new UECP Integration platform has allowed Baosteel to establish a number of new key OEM partnerships around the world plus many large automotive Tier 1 customers based in the Greater China Region. The platform has allowed Baosteel to significantly grow the number of online transactions, both internally and externally, which has improved operational efficiencies across their extended enterprise. GXS Integration Broker and Trading Grid Messaging Service solutions have helped to improve the competitive position of Baosteel in an increasingly tough economic environment.