**Case Study**

**Noritz (China) Investment Co., Ltd.**

**Hitachi’s JP1 software was introduced to achieve automatic and unmanned batch processing at night, which also plays an important role in comprehensively managing the scheduling of related system operations. Noritz is also considering applying JP1 in the fields of asset management, safety management, etc. in the future.**

**Customer Overview:**
Products from Noritz cover a wide range of gas water heaters, heating equipments, kitchen-toilet electric appliances, etc., among which the sales of gas water heaters has been leading in Japan for over 20 years. In 1993, Noritz established a joint venture in Shanghai, which realized local production and started exporting to Japan. In the mid-90s, Noritz began to sell products in China. In 2000, Noritz deregistered the joint venture while setting up Shanghai Noritz Co., Ltd. as a wholly-foreign-funded enterprise. In 2007, in order to meet the rapidly increasing demands from both home and abroad, Noritz built up a new manufacturing base - Noritz (Shanghai) Home Appliance Co., Ltd., as well as Noritz (China) Investment Co., Ltd., responsible for the comprehensive management of the whole process from production to sales in China.

To build up the new factory, Noritz (Shanghai) Home Appliance Co., Ltd. has earmarked around 4 billion Yen for the purchase of land with an occupation of 160,000 square meters. The first-phase construction of Noritz’s biggest overseas factory has covered an area reaching 54,000 square meters. A production output of 1.3 million units is expected of the factory in 2010.

**“Approved JP1 Performance”**
With the establishments of Noritz (Shanghai) Home Appliance Co., Ltd. and Noritz (China) Investment Co., Ltd., the comprehensive integration of the former trunk system as well as financial and human resource systems of the three companies was requested for the purpose of general control as well as data transmission and batch processing at night. A series of discussions and research were carried out by the preparatory office for the construction of new factory in order to find out the optimal application system.

Before the adoption of the current system, Noritz had tried Windows Task – a solution suggested by its developing partner, which made unmanned operation possible, but failed to detect abnormal situation in time since track record was still needed in the process of task monitoring. Hiroki Inoue, counsellor of the trunk system team, Opening Office of Noritz (China) Investment Co., Ltd., said, “We were convinced that JP1 was the best even at the discussion and research period. Noritz in Japan had compared many softwares before choosing JP1. This empirical result from our parent company, together with JP1’s available support and assistance, and its reputation of commanding the highest market share in Japan has led to a consensus of opinion within the company.”

Besides, operations for the three companies can be scheduled within one JP1 interface instead of their respective systems, thus assuring a proper operation scheduling. Mr. Inoue explained, “It’s not difficult to deal with JP1 system from failure detected, system halt to reboot. In a society lacking of IT experts, JP1 is a wise choice since even employees without professional knowledge of information processing can handle it.”

**Labor Saving**
The installment of JP1 system was undergone smoothly and completed in July, 2007, three months after the application decision was made. JP1 is applied in “the automatic and unmanned night batch processing” as well as “the comprehensive management of related system operation schedules”. Mr. Inoue said, “As expected, the system is easy to operate with its user-friendly scree. Abnormal situations happen so seldom that we hardly need to watch the operation interface.”
In case of emergency, including a power failure or communication fault, JP1’s additional function in its options can “notify by sending sms”, so that related measures can be taken immediately. When system failures occur, GUI can quickly find out the reason and re-implement the commands.

In Shanghai Noritz Co., Ltd., batch processing used to be carried out during daytime, monitored by technicians. “Since JP1 was applied, we no longer need to assign employee to process track records. In other words, labor is saved,” Mr. Inoue said. Since the two new companies were established, production at night is requested. Otherwise, a suspension of production will create great risks during daytime batch processing. Besides, as the system processes data alternatively, batch processing at daytime can lead to the problem of date changing, which had happened before. “Actually we prefer real-time processing,” Mr. Inoue said frankly. However, since real-time processing will put a huge burden on the network and bring more risks, Noritz has chosen batch processing in consideration of the unstable communication condition in China.

Application in Asset Management
JP1 is not only introduced for the purpose of realizing automatic and unmanned batch processing at night, but also for the comprehensive management of related system operation schedules. Mr. Inoue explained, “JP1 is able to make schedules for every routine program like stocktaking or annual processing. Besides, this software can improve the integration and accuracy of scheduling, including defining the month-end process to be executed at the end of each month. JP1 can also avoid set-up mistakes of operations.” At the moment, the company is making research to adopt JP1’s "asset management" module. According to Mr. Inoue, “There’re a lot of pirate products in China which cannot be totally rooted out simply through human control. We hope to manage our assets by means of professional management software. ”

In the future, the team of trunk system of Noritz’s Opening Office will concentrate on infrastructure and safety construction as well as protecting key data including design information, sales information, etc. The application of JP1 modules has also become an alternative for Noritz’s safety management.

Since we are sharing one environment in this global village, natural gas has been widely used due to its low burden on the environment. Noritz centralizes on the US, China, Europe and Australia, all having an increasing demand for environment protection, offers high-quality, good-performance products to the whole world, aiming at becoming the world’s No.1 water heater producer. Meanwhile, JP1 will also keep contributing to the stable system operation in Noritz.