



**Production management for metals – 02/2008**

Dear all!

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Your feedback is welcome at all times. Please feel free to call me (+49 30 2801 1817) or send me an e-mail ([a.poehl@psi-bt.de](mailto:a.poehl@psi-bt.de)). Please have a look at our homepage [www.PSI metals.com](http://www.PSImetals.com) as well!

Yours sincerely

Annett Pöhl

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## On top with PSI*metals*

### **Shorter runtime and functional upgrades with the new PSI *metals* APS/ALS release**

PSI *metals* APS/ALS version 4.5 and higher is to feature the following upgrades and modifications.

Thanks to a fundamental revision of the storage and administration structures along with further enhancements (for example, in the fields of list management, sorting functions, etc.), PSI *metals* APS/ALS features significantly higher performance and achieves speed increases of 200-300% which are immediately felt by users.

The functional upgrades of the new release include the order scheduling functions presented at the PSI *metals* UserGroup, taking target inventory levels into consideration. Further upgrades concern functions for the efficient evaluation of plans and schedules via forecasts and alerts.

Inventory level management: With immediate effect, order scheduling is possible with a view to adherence to minimum and maximum target levels. This avoids scheduling results based on unrealistic inventory levels and structures. The new inventory management functionality is an integral part of the optimization model in PSI *metals* APS and combines complex algorithmic methods with hands-on knowledge of planners as to how they typically manage their factories.

KPI-Board: The new KPI-Board enables an analysis as to whether the company's essential operative targets are implemented in its plan. An overview presentation forecasts the development of inventories (total / by products), timeliness and plant utilization. Deviations from targets are communicated by alert messages. Targets and their limits are freely configurable and thereby enable a high degree of flexibility when it comes to deciding the question as to "what is in line with the company's targets?".

The new release is available to our customers within the scope of service agreements. If you are interested, please contact Mr. [Roger Becker](#).

### **Forecasting capacity booking at ArcelorMittal Eisenhüttenstadt**

Since 2006, ArcelorMittal Eisenhüttenstadt has been using PSI *metals* APS for the central scheduling of the company's production capacities for its converter steelworks and its hot and cold rolling mills.

Prior to the introduction of PSI *metals* APS, it was not possible for the employees / sales force to book free capacities of the cold rolling mill for particular product groups or customers during sales negotiations. Although their own plans in Excel were based on PSI *metals* data, available capacities were managed separately for each production line. This meant that whilst free capacity was perhaps available in the primary plant for a particular product range (for example, plastic coating line for coated products), capacity was lacking in plant sections at the upstream end of the production chain.

In order to enable the scheduling of free capacities as early as during sales talks, taking all the process stages into consideration as demands, PSI *metals* APS was supplied.

mented by the functions for creating booking orders. Up-to-date planning demands by product range group and week are entered as booking orders (without customer reference or related to customers and/or customer groups) and imported to *PSI metals* whilst capacities are considered throughout the entire cold rolling mill. In this way, it is possible to assess the feasibility of sales orders expected at short notice as well as customer orders already scheduled in an integrated scheduling model.

This functional upgrade led to enhanced delivery capability and on-time delivery – starting at the time of order placement – as well as fewer re-scheduling operations during production.

### **PSI Increases Activities in the North American Steel Market**

PSI BT is increasing its activities in the North American steel market. Dr. Harald M. Henning has been representing PSI in the North American steel market since the end of August 2008. PSI already has important steel producers such as ThyssenKrupp Stainless USA, SeverCorr LLC and ArcelorMittal Dofasco Inc. amongst its customers.

In the future Harald Henning will head project processing and customer support for PSI from the office in Brookfield, Connecticut. Prior to his move, he worked as the Director Supply Chain Solutions at the American AT&S, LLC. Before that he was employed in various positions, amongst which were as a consultant at KPMG Peat Marwick LLP. Beyond that Harald Henning possesses good knowledge of PSI products and services from previous eight years activities with PSI.



## News & Events

### **Latest Orders**

**ThyssenKrupp Stainless, USA:** *PSI metals* production management system for the stainless steel plant being built in Alabama, USA. The functional segments Advanced Planning & Scheduling (APS) and Advanced Line Sequencing (ALS) will optimize the production processes in the steel mill and cold rolling mill.

"With the introduction of *PSI metals* at the Alabama site, ThyssenKrupp Stainless is continuing the proven IT strategy", explains Klemens Bransmüller, CIO ThyssenKrupp Stainless and ThyssenKrupp Nirosta in Germany. "PSI solutions have been running successfully for more than five years at the steel and cold rolling mills in our German plants. The *PSI metals* roll-out for the Shanghai Krupp Stainless cold rolling mill in China reinforces the decision to introduce the solution at ThyssenKrupp Stainless USA as well."

**ChTPZ Group, Russia:** Together with our Russian partner, Malahit, PSI BT awarded two important follow-up orders by the ChTPZ Group.

*PSI metals* WTM as warehouse and transport management system (WTM) for the Cheyabinsk large-tube plant will manage the optimal utilization of the automatic transport devices and the warehouse of the large-tube plant as well as the optimization of the entire logistics process.

With *PSI metals* ALS and *PSI metals* PES for line sequencing and production control for the coating line within the tube welding complex the direct exchange of information between the plant control and the enterprise software will be guaranteed.

The commencement of operations for the systems is planned for the second half of 2009.

**Villares Metals S.A., Brazil:** *PSI metals* as Manufacturing Execution Systems (MES) for the company's plant in Sumaré. Villares Metals will employ the Production Execution System (PES) and Advanced Line Sequencing (ALS) components to optimize the efficiency of the production processes and the quality of the products. The start of operations is planned for mid-2009. Villares Metals is the largest Latin American producer of non-flat highly alloyed specialty steels, which, amongst other areas, are used by the automobile and aerospace industries.

**ArcelorMittal Dofasco, Canada:** *PSI metals* as a complete Manufacturing Execution System (MES) for all production areas from hot rolling to finishing at the site in Hamilton, Ontario. *PSI metals* was selected by Dofasco to replace a large component of the legacy manufacturing systems. The application will simplify the business processes by providing a fully integrated solution for the entire process from the management level to production. Start of operations for the solution is scheduled for the first half of 2010.

**Shougang Jingtang Steel, China:** *PSI metals* a comprehensive Manufacturing Execution System (MES) for the steel mill, the hot rolling mill and the cold rolling mill at its new site on the Caoheidian peninsula of the Hebei province. The solution includes the functional areas APS (Advanced Planning and Scheduling), ALS (Advanced Line Sequencing), PES (Production Execution System) and *PSI integration* for the linking of the MES to the SAP system.

The order bases on the successful implementation of *PSI metals* for the cold rolling mill at Beijing plant for which *PSI metals* has been selected as one of three solutions next to solutions from Siemens and Broner Metals. The success of the project implemented by PSI China has been led to a final decision for *PSI metals* only for the new plant in Caoheidian.

#### **Follow-up to the *PSI metals* UserGroup 2008**

More than 60 participants from Germany, Austria, France, Brasil, Russia and China have jumped at the chance to see latest *PSI metals* developments as well as to visit our customer Rasselstein in Andernach. Sunny weather, interesting discussions and presentations, an impressive site visit and tour at Rasselstein as well as a great atmosphere within a beautiful landscape - these summarize customer comments about the 6th *PSI metals* UserGroup at a glance. [More...](#)

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