



## Case Study

# AAEON Technology

## Device Maker Expands Business With Ruggedized Storage Solutions

### Company

AAEON Technology

### Location

Hazlet, New Jersey  
(U.S. office)

### Contact

[www.aeeon.com](http://www.aeeon.com)

### Primary Focus

Founded in 1992 with a focus on marketing single-board computers, AAEON Technology has grown into a global enterprise offering industrial PCs tailored to a range of sectors.

## Seagate Helps AAEON Build Customer Relationships and Penetrate New Markets

Taiwan-based AAEON Technology manufactures and markets OEM/ODM industrial PCs tailored to a range of sectors, from heavy industry to transportation to health care. Because AAEON customers depend on extremely reliable, long-lasting computers that can perform under the most challenging conditions, the company recognizes the importance of high-capacity, ruggedized storage solutions. After calculating the enormous costs associated with hard drive failures, AAEON turned to Seagate® storage solutions, specifically the Seagate EE25 Series™ hard drive, which operates

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with the highest reliability in the most extreme environments. Since investing in Seagate storage solutions, the company has achieved robust sales growth and successful penetration of new verticals.

### Hard Drive Reliability Is Mission Critical

Through the support it provides to customers worldwide, AAEON Technology has come to appreciate just how critical hard drive reliability is to operational efficiency and mission accomplishment. Whether it is a mobile patient care system, an industrial display monitor or an embedded PC for use in a vehicle, the resilience of the hard drive in each system is critical to its long-term reliability and performance.

"We're seeing more and more companies take the position that high failure rates for hard drives are just simply unacceptable because of the costs involved," says Rick Baeta, business development manager for AAEON.

The effects of a drive failure can certainly be measured in hard numbers, such as the actual cost to repair or replace the device and the resources spent troubleshooting or working around the problem. However, there are additional costs associated with the loss of critical data; missed opportunities and decline in customer satisfaction can have a significant impact on profitability and performance.

### Reducing the Total Cost of Technology Ownership

Although AAEON supplies solid evidence to support the value of installing ruggedized drives for applications that will operate in extreme environments, the higher price of these drives often raises concerns for consumers.

"Our customers point out that ruggedized drives can be up to twice as expensive as regular drives," explains Baeta. "But when they see how expensive equipment failures can be in terms of down time, missed opportunities and repair costs, the value of a ruggedized hard drive becomes clearer."

In 2003, AAEON delivered 250 embedded, single-board computers to a manufacturer based in the United States working on a transportation project in Mexico. The computers were installed in trains and buses in Mexico City. Within a short period of time, the computers began experiencing failure rates as high as 40 percent. Analysis showed that intense heat and vibration was causing the drives to fail.

When AAEON substituted ruggedized hard drives for the original regular drives, the failure rate dropped by 90 percent. "To get this situation resolved, it cost the manufacturer a huge amount in services, technical support, time and energy, which ultimately wound up being nearly twice as expensive as it would have been to purchase the ruggedized drive up front," says Baeta.

By implementing ruggedized drives to fix the problem, the manufacturer retained an important customer, met its contractual obligations and ultimately saved more than US\$40,000. Since this solution proved so successful, the manufacturer awarded AAEON a contract to deliver 2000 systems per year for five years to complete the project. This meant that AAEON secured a contract totaling more than US\$6 million dollars over five years for recommending ruggedized drives capable of performing under the most grueling conditions.

### Not All Ruggedized Drives Are Created Equal

AAEON evaluated several other storage solutions before it investigated the line of ruggedized drives from Seagate. AAEON was impressed by the fact that the Seagate EE25 Series hard drives are engineered to withstand the widest range of extreme environmental factors, including temperature, altitude, depth and vibration. Many competing drives are designed only for a few of these factors.

"We always want to make sure that any third-party components used in our machines are completely reliable in all environments, and we're convinced that the Seagate EE25 Series hard drives add the most significant value to the systems we offer," Baeta says.

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In the health care industry, where the need for optimized system performance is absolutely critical, AAEON has achieved considerable success through its use of Seagate EE25 Series 2.5-inch hard drives. For example, AAEON's customers in the health care field have been able to avoid the significant expense of having to replace hard drives that no longer meet industry requirements for longevity and performance.

"Because they're so reliable, the Seagate EE25 Series ruggedized hard drives are becoming the hard drive of choice in a lot of industries," says Baeta. "There are some major names in the healthcare industry, including companies like GE, that are now detailing the Seagate EE25 Series hard drives into their RFQs and RFPs as a minimum requirement because they're aware of its outstanding reliability."

### To Learn More:

#### Seagate EE25 Series Drives

For more information on utilizing EE25 Series drives, visit [www.seagate.com](http://www.seagate.com).

### How Seagate Has Helped AAEON Penetrate New Markets

As the digital landscape widens, the demand for high-capacity storage solutions with extreme ruggedized features is on the rise. One area in which AAEON has recognized significant growth potential is in the market for on-board navigation devices. For example many large cities in the United States will soon require taxis to be equipped with customer-accessible touchscreen computing technology.

"This isn't a market we had necessarily focused on before, but it's definitely growing. Starting in 2008, we're expecting to sell at least 1000 computers per year with the Seagate EE25 Series hard drive to a large metropolitan taxicab authority," Baeta enthuses. "The environment in a city taxi cab is probably one of the worst in the world when it comes to vibration and shock, so the performance of the Seagate EE25 ruggedized hard drive provides a big advantage in pursuing opportunities in this particular market segment."

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