

# The 40-year Strong Brotherhood Building Promising Prospects Together

Unity is strength. Appreciating the value of helping each other and growing together is definitely one of the most precious virtues in human society.

From 1956-1961, small-scale steel rolling factories stood in great numbers in Taiwan and used scrap metal of ships for steelmaking in order to supply the domestic demand for steel. As the demand increased, the government came up with the idea of establishing a steelworks which was able to operate consistently. MIRDC was commissioned to participate in the preparatory work. In 1971, the China Steel Corporation (CSC) was established officially. Later in July 1977 the construction of CSC's steelworks was completed. At the initial stage of CSC's establishment, the production capacity of its steelworks was still insufficient to cope with the domestic demand. However, with the support of Ching-kuo Chiang, the former Vice Premier of Executive Yuan, and cooperation with MIRDC, CSC was able to lay a solid foundation at the time.

MIRDC had a different position and function from CSC. The former specialized in secondary metal processing R&D (including metal manufacturing and processing) while the latter focused on primary refining and steel production. In consideration of the lack of technologies and professionals at that time, MIRDC took the responsibility of training and providing technologies. At the same time, CSC was in charge of producing steel to cope with

the domestic demand. Taiwan's metal industry experienced prosperity under the cooperation model between MIRDC and CSC. Additionally, the fabricated metal products business expanded into the export market.

Over the past decade, however, the rise of the Chinese steel industry has forced Taiwan to face the urgent need of transformation. While CSC has managed to organize R&D alliances to support downstream manufacturers, MIRDC has joined the collaboration by devoting itself to the secondary processing technologies. This cooperative model has successfully led Taiwan's steel industry to high value-added production. In April 2013, there were 16 R&D alliances, 13 industrial technology development programs, and 38 joint research projects which combined with 79 manufacturers. Approximately NT\$50.5 billion of production value and benefit has been created through the synergy.

After all that MIRDC and CSC have been through, including the planning and establishment at the early stage, the exchange of technology and personnel, and the alliance pattern nowadays, a strong brotherhood has been generated between the two parties. Based on this relationship, MIRDC and CSC will keep supporting each other and striving together for the development of Taiwan's steel industry in the future.