

Case Study

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Chengxi Intelligent Technology Scales AI-Powered Manufacturing Software with **Thales Sentinel**

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Case Study Overview

Chengxi Intelligent Technology (CXIST), founded in 2017, is a leading China-based provider of AI-powered manufacturing solutions for industrial enterprises. Its portfolio combines deep learning, machine vision, and industry-specific large language models to support intelligent manufacturing, inspection automation, and enterprise-wide quality management across sectors including power and energy, equipment manufacturing, and public utilities. CXIST began using Thales Sentinel in 2023 to strengthen software protection, support flexible monetization models, and scale licensing across its expanding product portfolio and customer base.

The Need for a Commercial Software Licensing Platform

CXIST developed several product families, including AI-powered industrial applications, the Linglong AI Digital Employee platform, and the FlashTable form development solution, all of which serve more than a thousand industry leaders. As its software product portfolio and customer base continued to grow, CXIST's internally developed licensing system could no longer meet the company's evolving business requirements. They needed an enterprise-grade solution to strengthen intellectual property protection, support new software monetization models, and enable sustainable growth, leading to the adoption of Thales Sentinel.

The Challenge: Transformation to Monetizing Software at Scale

CXIST transformed its business from customized projects to standardized software, at which time the company faced a critical challenge familiar to many growing software vendors: how to scale revenue while maintaining control over software usage and intellectual property. Their homegrown licensing approach became increasingly difficult to manage as they expanded their product portfolio and customer requirements multiplied. They encountered the following problems:

- 1. Operational complexity.** The lack of a unified licensing framework made it difficult to support multiple software offerings efficiently.
- 2. Licensing control levels could have led to revenue leakage.** While unintentional, users may have been able to overuse the product beyond its licensing expiration, and the company wanted robust control to ensure all usage was paid.

Benefits for CXIST

Using Sentinel SL (Software Licensing) and Sentinel HL (Hardware-Key Licenses, also known as dongles) for offline usage, CXIST has:

- **Flexible licensing controls** across multiple software products
- **Streamlined management** of software usage and customer entitlements
- **Quicker time to market** with faster and more consistent license provisioning
- **Reduced manual effort** associated with licensing administration
- **Usage-based licensing** capabilities tied to platform consumption for future roadmap

3. Manual customizations could delay delivery. Diverse and complex customer licensing requirements were managed through semi-manual provisioning workflows, which limited operational agility and impacted the speed of digital onboarding for new clients.

As CXIST prepared to introduce new products and explore emerging monetization models, the company needed a licensing platform that could enable it to scale accordingly.



“ Sentinel enabled us to transform software licensing from a basic operational requirement into a strategic business capability.”

– Huang Hua, CEO, CXIST

Why Sentinel

When evaluating solutions, CXIST sought a licensing platform that could support a wide range of licensing models while providing strong control over software usage. The leadership team, including the CEO, product management, and engineering stakeholders, recognized that licensing flexibility would be essential to future growth. Sentinel distinguished itself through its ability to provide:

1. Reliable software protection
2. Scalable licensing management
3. Flexibility needed to support evolving customer requirements
4. Future proofing for further monetization with code-free, configurable licensing and entitlement strategies

The company uses Sentinel SL (Software Licensing) as well as Sentinel HL (Hardware-Key Licenses, also known as dongles) for offline usage. Key benefits include:

- Flexible licensing controls across multiple software products
- Streamlined management of software usage and customer entitlements
- Faster and more consistent license provisioning, quickening time to market
- Reduced manual effort associated with licensing administration
- Usage-based licensing capabilities tied to platform consumption for future roadmap

The result was a more scalable software business capable of supporting both current growth and long-term strategic objectives.

Operational and Business Impact

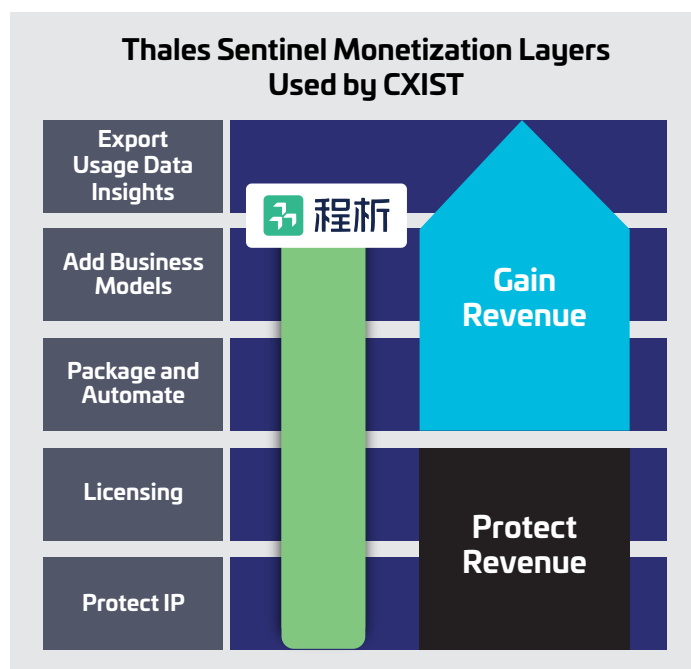
CXIST's transition from project-based services to standardized software products exposed limitations in its internally developed licensing system. While the homegrown solution had supported the company's early growth, it lacked the flexibility and scalability required to support an expanding software business.

Following Sentinel's implementation, CXIST streamlined licensing operations and reduced the administrative burden on internal teams. Licensing requests that previously required significant manual intervention could now be handled more efficiently through a unified licensing framework. Provisioning became faster, customer onboarding improved, and the company gained greater consistency in how software entitlements were managed across products.

The new licensing infrastructure also enabled CXIST to bring new offerings to market quicker than in the past. One example is Flash Table, an intelligent form development tool that enables users to rapidly build and deploy forms through a simple Ctrl+C /Ctrl+V workflow. Sentinel's licensing capabilities helped support the introduction of this new product by enabling more flexible deployment and monetization approaches.

From a business perspective, the company strengthened its ability to protect software revenue by reducing the risk of overuse and improving visibility into consumption. It also expanded beyond traditional software purchase and maintenance models, introducing greater flexibility through basic packages.

Customers benefited from a more flexible and streamlined experience, gaining easier access to software and licensing options that better aligned with their operational requirements. These improvements contributed to stronger adoption and higher overall satisfaction.



User-Based and Usage (Token)-Based Licensing

As CXIST continues to expand its software business, Sentinel remains a strategic component of its growth strategy. CXIST intends to further optimize its licensing strategy to support business growth, expand software monetization opportunities, and enable **broader adoption of SaaS with user-based licensing**. In addition, a particularly important benefit of Sentinel was the ability to support **usage-based monetization**. CXIST plans to leverage Sentinel to measure token consumption within its AI-powered platform, allowing software usage to be aligned with the most recent customer preferences.

Summary

With Sentinel's scalable licensing foundation now in place, CXIST is well positioned to introduce new products to the market faster, protect software and revenue, and enhance partner and customer satisfaction.

CXIST's CEO Huang Hua concludes: "Sentinel enabled us to transform software licensing from a basic operational requirement into a strategic business capability. By unifying licensing across our products, we gained the flexibility to introduce new monetization models, improve revenue, and significantly reduce manual licensing efforts. This allowed us to **respond to our clients' diverse deployment and compliance requirements with unprecedented agility, ensuring maximum service continuity for our enterprise partners**. As we continue expanding our AI software portfolio, Sentinel provides the foundation we need to scale efficiently and support future SaaS and usage-based business models."

About Thales Sentinel

Thales Sentinel is the leading platform for software licensing, protection, and monetization. Our solutions enable software providers to generate new revenue streams, improve operational efficiency, increase customer satisfaction, and gain valuable business insights. Based on award-winning technology, Sentinel has a strong global customer base with thousands of customers in 100+ countries spanning 30+ industries.

About Thales

Thales is a global leader in cybersecurity, helping the most trusted organizations protect critical applications, data, identities, and software anywhere, at scale. Through Thales' integrated platforms, customers achieve better visibility of risks, defend against cyber threats, close compliance gaps, and deliver trusted digital experiences for billions of consumers every day.