



Dissemination of GDSN Data to 3rd Parties - FAQ

A. *Scope of change*

GDSN Certified Data Pools need flexibility in offering services to their customers that use GDSN data. Currently the GDSN Data Pool contracts do not explicitly allow Data Pools to facilitate the dissemination of GDSN data outside of the network. *The GDS network consists of GS1 Standard XML messages containing trade item information that is exchanged between GDSN Certified Data Pools and the Global Registry®. This trade item information can only be communicated inside of the network by certified Data Pools.* GDSN Inc. has recognized this as an impediment to opportunities for trading partners and Data Pools that use the network. In order to facilitate these new products and services, GDSN Inc. has determined a way to allow GDSN Certified Data Pools to send trading partner GDSN data to any recipients outside of GDSN that a trading partner specifies.

B. *Changes implemented*

GDSN Inc. has issued a new Trading Partner Terms of Participation (ToP) that all GDSN Trading Partners are required to sign.

C. *Origin of the change and change process followed*

1. **Who submitted the request for this change? Which company or companies were involved?**

Work Request (WR) 10-284, SA2 WorldSYNC, Grant Kille on behalf of GDSN users in Germany submitted the request on 04 October 2010 (the topic was researched by GDSN, Inc., and introduced to the GDSN Board for actions in February 2011). Several user requests for policy clarity were received in Jan/Feb/March. WR 10-284 was withdrawn by submitter on 10 May 2011, after determination of this being a policy/governance matter (GDSN Board) versus standards development (GSMP).

2. **How did this happen ?**

This policy change was handled through the governing body of the GDSN, the GDSN Board of Directors. The discussions took place over months and the decision was handled transparently and deliberately. The GDSN Data Pools were charged with communications to their respective communities

3. **Why was the GSMP process not followed?**

GSMP process was followed. The solution to this WR did not involve standards development. It required the GDSN Inc board to review and form a position.

4. **Why did GDSN state that change request 10-284 initiated this change if the GSMP process was not followed?**

It is true this WR initiated work, however as noted above the GSMP process is not the appropriate forum for governance changes of the GDSN network.



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D. Impact of new terms

5. Can the GDSN Data that is being sent to a 3rd party outside of the network be used in a catalog?

Any data that is authorized by the Brand Owner can be used however they specify. A founding principle of the GDSN is that the source of the data is the owner and can determine with whom they sync/provide data.

6. How does a company know who received their information outside of GDSN?

The Brand Owner has the authority to determine to who and where their data is sent. GDSN Certified Data Pools have permission only to send data to parties by specified by the Brand Owner. The position of GDSN Inc is that the Trading Partner/Brand Owner has full control over the recipient of the data. If a source does not wish to publish to a certain recipient (party GLN), the pub / sub model supports this. If a Data Pool sends the data to a party other than who the Brand Owner identifies then it is a breach of certification and GDSN, Inc. can take appropriate actions. Once a Brand Owner gives permission to send the data outside of the GDSN network it is the responsibility of that Brand Owner to ensure appropriate agreements/contracts are in place to dictate how and where that information should be used.

7. How can a manufacturer be sure the 3rd party receives any changes?

From a GDSN perspective 3rd parties are outside of the network and do not participate in publication and subscription of GDSN data. Therefore there is no network visibility to activities of the 3rd party that is receiving the data. It was never the intention of the recent policy change to accommodate synchronization outside of the GDSN network. Rather this change was to clarify and clearly state GDSN Inc. position in the event that some trading partners may wish to send some of their data outside of the network. If trading partners do not wish their data to be sent outside of the network then no activities are required outside beyond signing the new Trading Partners Terms of Participation clarifying this position.

8. Is there any issue with specific industries, such as foodservice, sending a message out re-confirming a commitment to share product information only within the GDSN network?

As noted it is solely the decision of the Brand Owner to make the determination to send their GDSN data outside of the network. Any industry/sector is encouraged to create best practices that promote the value of in network communications.

9. Why allow “data aggregators” as part of the GDSN?

GDSN Inc. is comprised of the Global Registry and the GDSN Certified Data Pools. The “touch point” GDSN has with the users is outlined in the Trading Partner Services Agreement (TPSA). Some GDSN Certified Data Pool recipient subscribers may be aggregate data for use internally or externally with third parties. In this case, suppliers should approve this distribution outside of the network as stated above. Any participant in the GDSN should not misrepresent the data they are providing (e.g. in a catalog) as being GDSN synchronized data if it is, in fact, not.



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10. Is there a rationale for which a Data Pools Can address the future market dilution?

From a DP perspective this could be seen as dilution since there could be fewer recipients joining a DP if they are able to get information from a catalog provider of synchronized data. However, Data Pools add greater value than solely providing the mechanism for sync. There are services to ensure quality of data at source and maintaining that level of quality at recipient, just to name one service. Secondly, not all small companies can put the necessary infrastructure in place to do data sync. If a DP can demonstrate an easy, affordable, value added data sync service, this could be more attractive and provide more benefit than referencing a static catalogue. Once data is sent outside of the GDSN, sync of that data cannot occur and one runs the risk of the data no longer being current. Lastly, this as an opportunity for GDSN and DPs to educate the suppliers that they have ultimate control over their data and they should always have a legitimate business need for publishing their data to a recipient both inside and outside of the network.

E. Contractual relationships and policies

11. Are the 3rd parties governed by GDSN Inc legal terms and conditions ?

No.

12. Are there terms of participation for the 3rd parties?

No. Third parties are outside of the network. Terms of Participation only pertain to those inside of the network with the purpose being to protect those inside of the network.

13. Will each data pool have their own policies, procedures, and guidelines in addition to cost structures?

Each GDSN Certified Data Pool should have its own policies, procedures and guidelines. Certified DPs must comply with GDSN Certification Criteria (business and technical).

14. Who is the contractual relationship between for 3rd parties?

As noted above, 3rd parties are outside of the network and have no contractual relationship with GDSN, Inc. or Data Pools for the purposes of synchronizing in the GDSN. Therefore the contractual responsibility lies with the Brand Owner, if they elect to share their information with any 3rd party outside of the network.

15. How does GDSN Inc expect data pools to promote the data aggregator role?

GDSN Inc. does not promote the data aggregator role. We promote data synchronization within the network between network customers of certified Data Pools. The contractual changes made recently clarify the role of suppliers with their data and authority.

16. How will GDSN, Inc support data pools, and or police the policy against the data aggregators. Will GDSN Inc provide the process (including timelines, actors, penalties and such) for which an improper use of GDSN data would be processed?

If a supplier has instructed their Data Pool to send data outside of the network to a 'data aggregator' then it is the responsibility of the supplier. Their data pool can assist in transacting according to their business needs. If a Data Pool sends data to another party without the supplier's permission inside or outside of the network, then GDSN Inc. can call upon the legal agreements with Data Pools to cease that activity. As per our



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GDSN Certification Criteria Document, any formal complaint received regarding a DP will be expediently addressed by GDSN, Inc. These processes and policies have not changed.

F. Impact on funding model

17. How does this impact the GDSN Inc. financial model?

There is no financial model associated with this change for GDSN, Inc. Each individual Data Pool has its particular financial model that is not governed by GDSN, Inc.

18. Can a legal subscriber of a certified data pool repurpose GDSN data (any or all) for a fee?

Synchronization of GDSN data is based on targeted publication to a specific GLN in the network. By publishing GDSN data to a recipient it is implied that the supplier has a relationship with that recipient that requires the publication of the data. In other words, synchronization is a relationship driven agreement between supplier and recipient. GDSN Inc. does not make 'rules' for what that data can be used for once it is synchronized. GDSN Inc contracts state that if an authorized recipient of the data wishes to disseminate the data to a third party, the supplier must have agreed. Further, GDSN Inc. has no jurisdiction over any fees that data pools or trading partners charge.

19. If Question 18 is Yes, how can the model be sustained?

GDSN has further clarified the relationship between recipient and supplier which is what drives the need for synchronization. Suppliers should have an understanding of whether the data they are sending is ultimately used for recipient supply chain activities or for third party distribution. As the owner of the data, if the supplier does not concur with the usage, then they can address this with the recipient.

20. Will this result in a new GDSN pricing model?

There is no new pricing model from GDSN Inc. associated with the dissemination of data to 3rd parties outside of the network. GDSN remains neutral in matters of DP business models and pricing. Data Pools determine pricing with their end users. Data Pools can provide value add to their customers as they can now contractually facilitate the business needs of suppliers with regards to dissemination of data outside of the GDSN. The GDSN Board wanted to ensure that there was clarity around what conditions and who had the ability to authorize a GDSN CDP to send data to a third party outside the network. The contracts now reflect this.

21. How does the pricing model work for Data Pools as more data aggregators appear?

GDSN remains neutral in matter of Data Pool business models and pricing.