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Save the date!

The next GDSN User Group Meeting will be hosted by PepsiCo in Dallas, Texas (USA) from 26-28 January 2009.

Register for it today

GDSN IN ACTION

Nestlé's DOs and DON'Ts for successful data synchronisation



With sales of CHF 107.5 billion (about US\$ 95 billion) in 2007 and 276,000 employees worldwide, Nestlé is a leading nutrition, health & wellness company.

Nestlé has long felt that GDS is a fundamental building block for collaboration along the value chain and will ultimately generate benefits for all supply chain partners. The company is striving for width, depth and height in its GDS programme:

- Width: implementation across many countries;
- Depth: implementation with all the major customers in a country;
- Height: the highest data quality possible.

"Our objective is to align complete and accurate product data with our trading partners," **Robin Kidd**, External Standards Manager at Nestlé told at the GSMP Fall Event in October, "Nestlé collaborates with its customers and partners, as well as with GS1 and GDSN-certified data pools, to promote data synchronisation through the GS1 GDSN."

With this objective in mind, Robin Kidd shared a few "do's" and "don'ts" for companies who are getting started on a data synchronisation programme.



DO...

- Build a solid foundation by complying with GS1 standards, ensuring the sustained quality of critical data, and aligning systems and people in your organisation to the GCI vision for GDS
- Strive for effective implementation by starting small, in terms of attributes, partners and products
- Drive interoperability with data pools, from your chosen "home data pool" to others used by your trading partners
- Adopt GS1 Global Product Classification
- Use GS1 processes to request changes to the standards
- Collaborate with your customers and communicate your GDS strategy clearly with your trading partners

DON'T ...

- Don't consider GDS as being the solution to all problems: the purpose and scope of GDS is the synchronisation of relevant master data. It can be the basis for a multitude of further collaborative projects, of course; but that is not its primary function.
- Don't let service providers drive costs into the system: Don't support connections to non-compliant data pools. Don't subscribe to local data pools nor finance their development.
- Don't underestimate resource requirements: GDSN implementations are not purely technical projects. Success requires collaboration at the commercial level, and efforts must be put into data cleansing to ensure a high level of data quality.

Nestlé often points out that the G in GDSN means Global: GDSN is a global approach to master data alignment. In a world of international, often even multi-lingual products, with an increase of intra-group international supplies and a full set of global and regional customers and suppliers, a global approach is necessary.

Yet despite this evidence, Nestlé finds that there are still many local "standards" and "rules," whether it be different usage of standard attributes, firms not accepting standard attributes, or demands for additional unnecessary steps (such as a "local registry").

"While standards are voluntary, we must remember that every time we choose to deviate from the global standard, we add complexity, which adds costs and creates uncertainty and even a loss of trust," notes Robin Kidd.

That's why Nestlé says "Adopt not Adapt" and strongly encourages its suppliers and customers to stick to the standards, be pragmatic in resolving deviations, and work now to devise a roadmap to move to full compliance with GS1 standards.

"Every time we choose to deviate from the global standard, we add complexity."

of the data management process used within their trading relation. **Suppliers** execute a self-assessment process as described in the DQF using a questionnaire. **Retailers** validate the requirements for a data quality management system that applies to their specific business. In every pairing, partners define the scope of the self-assessment so any improvements and opportunities found benefit both sides.

GS1 France is currently working with suppliers and retailers in France to perform a Data Quality Challenge with pairs of retailers and suppliers.

Auchan and Carrefour (on the retailer side) and L'Oréal, Sara Lee and Kambly, an SME (on the supplier side) have already begun to self-assess, and the early results are expected in Q1 2009.

The expected deliverables include improved documentation (DQF, Scorecards and guides for users) that will facilitate the use of these tools by a broader audience.

The efforts to create this challenge in France have been quite successful. Olivier Mouton, Standards & Knowledge Manager of the Carrefour Group, feels there are several reasons to this success:

- Good involvement from the retailer community
- The "collaborative climate" maintained by GS1 France within the French GDS Steering Committee
- Local language support: All support materials were translated into French to facilitate the usage and adoption
- Good coordination of the overall project by GS1 France
- Strong communication, both within the project and externally, to explain and update

Watch this newsletter in 2009 for a summary of the results of the French Challenge, and read all about the Data Quality Challenge at <http://www.gs1.org/productssolutions/gdsn/dqf/challenge/about.html>

French retailers and suppliers take the challenge



In the last months of 2007 and the first months of 2008, the GS1 Data Quality Steering Committee launched a new programme to boost data quality and support the Data Quality Framework (DQF). This **Data Quality Challenge** aims to increase adoption of the DQF, gather feedback for its improvement, and most importantly, create success stories.

The Data Quality Challenge brings together pairings of retailers and suppliers to work on the assessment

Country Range and 3663 Foodservice provide health information with GS1 UK data pool

Increasing customer demand for food product information relating to health and diet, such as the ingredients and sources of food products, has prompted the foodservice industry to respond with improved product information for consumers, retailers, caterers, NGOs and government agencies. Country Range Group and 3663 First for Foodservice have risen to this challenge by using the GS1 UK data pool to provide quality assured and validated product information to its customers.



The 3663 team has already been using the GS1 UK data pool for four years and collaborated with other leading food companies to develop global standards for the exchange of food related information. Earlier this year, Country Range also joined the growing group of foodservice companies that receive data from their suppliers through the GS1 UK data pool. Both companies are keen to provide their customers with complete and accurate information, including allergy, dietary and nutritional properties.

"As a major supplier to caterers servicing the public sector such as schools and hospitals, it is crucial that we are able to supply our customers with the vital health and nutritional product information they need," says **Martin Grant**, Product Management Manager at 3663. "We have taken this approach because we appreciate the importance of standardised data and working collaboratively with our suppliers and other leading companies to ensure that we have up to date and accurate product information. We use the GS1 UK data pool so that we can verify and exchange data with our suppliers quickly and effectively."

"With 16 independent food wholesalers operating out of over 20 depots, the challenge is potentially greater to ensure that the Country Range group has access to consistent data in order to provide our customers with accurate product information," says **Dr. Colin Birchall**, Country Range Group. "We recently signed up to the GS1 UK data pool to improve our data quality and are currently working with GS1 UK to get our suppliers on board so that we can pass on the benefits to our customers by providing them with vital information to cater to their specific needs as well as to comply with increasing legislation."

The foodservice industry has recognised the importance of quality data in their businesses. Companies in the UK are looking to GS1 UK to improve the flow of accurate product information to meet customer requirements and to comply with legislation and industry standards.

Makro: The data challenge

With 50,000 product lines across 544 stores in 30 different countries, collecting and managing data from suppliers was a serious challenge for METRO. Makro, a chain of self-service "cash and carry" stores, is part of the global METRO Group.

Makro found that approximately 3.2% of their invoices contained invalid product codes or GTINs that have caused failures in their systems — costing them over £700,000 per year! Errors in the critically important product data also give rise to problems in store planning, on-shelf availability and warehouse and distribution.

In 2003, Metro Group started implementing Global Data Synchronisation (GDS) for all its divisions worldwide. Makro UK turned to GS1 UK to support the roll out of

their GDS programme. METRO Group and Makro use **SINFOS**, a GDSN-certified data pool based in Germany, as a single point of access to support data synchronisation throughout Europe.

"As GDSN operates to global standards, implementation of a GDSN-certified data pool will mean that suppliers only have to set up core data once for all of their customers," explains **Philip Steedman**, E-commerce Manager, Makro.

Makro has started to use GDS to align all supplier product data between themselves and their suppliers, to ensure that one version of this data is used in the supply chain. The store plans to use GDS for both branded and private label suppliers.

Many benefits are expected, including:

- **Faster speed to market, better on-shelf availability for new products:** Currently it takes an average of one week for a new line form to be completed by a Makro supplier and an additional three weeks for the form to be accurate and complete for use within the business. With GDS, a new line can take as little as 24 hours to be set up and ready for orders.
- **Fewer invoice errors and mismatches, improved error reconciliation.**
- **More accurate product dimension information, better planogram management:** In the past, Makro had been experiencing problems with missing or inaccurate dimension values, with an estimated 500 active open product orders being queried a year. GDS will enable Makro to drastically reduce dimension issues due to its standardised reporting system and accuracy checks.
- **Improved productivity:** By ensuring that all of Makro's suppliers provide accurate GTINs, GDS can lead to improved productivity, as staff will not need to waste time resolving GTIN errors.

Makro, with the support of GS1 UK, is today continuing its efforts to engage and inform suppliers about the GDS implementation programme and its benefits. Suppliers are already starting to align their product data with Makro to reap these benefits.

Once the data cleansing activity and initial implementation is complete by all suppliers, Makro will move on to synchronizing all changes to product data and eventually use GDSN to synchronise new product lines.



"Implementing a GDSN-certified data pool means that suppliers only have to set up core data once for all of their customers."

NEWS FROM GDSN-CERTIFIED DATA POOLS

A Year of growth and learning for CABASnet (GS1 Colombia)

2008 was a year of growth and important progress at the national as well as the international level for CABASnet, the electronic catalogue developed and managed by GS1 Colombia. Currently, CABASnet provides services in Colombia, Costa Rica, El Salvador, Guatemala, Honduras, Nicaragua and Peru. Recently, GS1 Colombia and GS1 Chile have signed an agreement through which CABASnet will provide its services for Chile's business community.

CABASnet has had considerable impact in the reduction of hidden costs in the supply chain and in the optimisation of

commercial relations between the top chains in the country, such as Almacenes Éxito, Cafam, Carrefour, Carulla Vivero, Colsubsidio and Olimpica, and 2,340 other users.

"For Kimberly Clark, experience opens the way to change and continuous improvement, allowing for better guidance and development of relationships with our customers", said **Melissa Arce**, Customer Facing Implementator, Kimberly Clark Costa Rica. "Innovation has led us to enriching knowledge; aligning our data base and having the opportunity to speed the product registration process with our clients saves us a lot of productive time, in addition to millions of dollars in reprocess-

ing, both on the administrative side, as well as in the logistics for both companies. Trying to move down the most efficient path possible with our customers has helped us look for better tools each day, which, as CABASnet, allow us to speed many of our processes."

Visit GS1 Colombia website at www.gs1co.org (in Spanish)

GS1 UK's "New Lines Forms" are another step toward GDS

GS1 UK held a data quality workshop this summer that could ultimately transform the way retailers' "New Lines Forms" are designed and used. The event was the first step of an initiative to help develop practical solutions for industry to improve its data quality and create a plan to migrate the industry towards standard data sharing.

The GS1 UK Data Quality Initiative has 26 group members,

with two co-chairmen:

John Hall of Sainsbury's on the retail side, and representing suppliers, Nick Richards of Britvic.

Those taking part in the summer workshop included a mix of companies

including Deloitte,

Cadbury's, Sainsbury's, MasterFoods, Makro,

L'Oreal, Unilever, Reckitt Benckiser, Compass, Mitchells & Butlers, Britvic, Whitbread, Ardo, and Morrisons.



GS1 UK believes it is critical for the UK supply chain to have a standard approach to sharing common product information, which ultimately is Global Data Synchronisation (GDS). But it also recognises that getting to GDS is a significant move for many organisations. In the short to medium-term there is an urgent need to offer a means such as the Data Quality Initiative, to consider how data quality can be improved today while subsequently looking at the wider issue of how to implement GDS tomorrow.

The Data Quality Initiative can deliver significant progress with a realistic deliverable being the creation of a New Lines Form which could be used by two retailers on a daily basis within their businesses sometime early in 2009.

Read a full article about this data quality workshop in the Autumn 2008 edition of **GSQ, the Quarterly Magazine from GS1 UK**, at http://www.gs1uk.org/news/GSQ/Autumn_08.html

SYNCFONIA: Harmony for data in Mexico



GS1 Mexico's **SYNCFONIA** data pool is the result of ten years of work by GS1 Mexico and trading partners in the Mexican market. Currently more than 75,000 GTINs are already being synchronised between trading partners. One major milestone in 2008 was the agreement of the main Mexican retailers to use SYNCFONIA.

For SYNCFONIA, the year 2008 was devoted to implementation, focusing first on categories covering the highest number of products within the retail distribution model in Mexico and the readiness level of some key participants. The on-boarding process was defined by establishing different dates regarding the category of the products, ranging from 1 July 2008 to 15 February 2009.

In Mexico a particular effort has been made around the implementation and widespread usage of the GTIN-14 as the main identification standard for identifying logistic units through the supply chain. The number of items published in SYNCFONIA increased from 47,943 in September 2008 to 78,181 in November 2008. About 50% of these items have already gone through a rigorous audit process, supported by GS1 Mexico, ensuring precise and concise item data.

The main challenge for SYNCFONIA in 2009 will be to continue to promote and support implementation in existing sectors and to extend to other sectors, including for example pharmaceuticals and beverages.

Visit GS1 Mexico's website at <http://www.gs1mexico.org.mx/>

1SYNC's 2008 highlights in the US



A review of the past year shows that 1SYNC now adds an average of 30,000 Global Trade Item Numbers (GTINs) to the GS1 Global Registry each month. With over 5,000 users, 21,000 connections, and more than 2,500,000 registered items, 1SYNC is dedicated to providing a variety of solutions and services to support user needs.

While a dedicated team of professionals supports current customers, the 1SYNC Business Development team is focused on expansion into new industries, such as Government, Healthcare, Petroleum/Convenience and Publishing, while continuing growth in Alcohol Beverage, Consumer Packaged Goods, Electronics, Grocery and Hardlines. Recognising the global nature of business, 1SYNC has already connected with over 30 countries worldwide, and expects to add more connections next year.

Recent solutions provided to the 1SYNC community include Price and Promotion Management (PM) for GDSN, the PCATS Gateway to support the data synchronisation needs of the Petroleum/Convenience channel, and 1SYNC Brand Identity, a secure, consistent method to protect item brand information while multiple sources synchronise the item's master data in the GDSN.

Data quality has also been a focus during 2008. 1SYNC launched the GS1 US Data Quality Solution to help companies establish and maintain accurate product data in the GDSN. This successful launch included a series of educational

web seminars covering the importance of data quality and accurate package measurements.

Following a successful pilot this year, plans for 2009 include the full launch of the 1SYNC Imaging Solution, to provide customers with the capability to synchronise image attributes in a standardised manner via the GDSN. In the pilot, data sources sent external file attributes from a data source to a data recipient, demonstrating one possible option for the distribution of images through the GDSN. As explained in the white paper that is expected to be available on the 1SYNC website by the end of the month, image providers were able to make images available and recipients were able to retrieve images with little to no difficulty.

Visit 1SYNC's website at www.1SYNC.org

Successful Etoile meeting held in Spain

On September 16th, GS1 Spain hosted a face-to-face **Project Etoile** meeting in Barcelona, with the goal of boosting GDSN in the Spanish market. Project Etoile is the premier GDSN adoption programme, backed by the Boards of GDSN, GCI and GS1.



Local and global representatives from a variety of major retailers and suppliers attended the meeting, including Carrefour, El Corte Inglés, Consum and Alcampo (Auchan) Colgate Palmolive, Danone, Henkel, Johnson & Johnson, Kimberly Clark, Kraft, L'Oreal, Mars, Nestlé, Pepsico, Procter & Gamble, Reckitt Benckiser and Unilever. SA2 Worldsync and 1SYNC, two GDSN-certified data pools, also joined the meeting.

The expectations from all participants were high: Everyone is eager to boost data synchronisation in Spain.

GS1 Spain began with an overview of the history of data synchronisation in Spain, which is tightly linked to the history of **aecocdata**, the GS1 Spain data pool.

Then the retailers presented their GDSN activities. A key theme in their presentations was a strong desire to see suppliers begin or increase their synchronisation activity in the Spanish market. For example, Alcampo, Carrefour, Consum and El Corte Ingles are ready to receive data from suppliers through the GDSN; they are live today with several suppliers, and in test with others. Spanish retailers have worked hard during last year to have a clear scenario of requirements; there is a strong commitment to use GDSN standards, and of course a true belief in the benefits GDSN will provide to all companies involved.

Next, suppliers shared their plans and their roadmaps for beginning GDSN activity in Spain, or for expanding their data synchronisation activities.

The meeting closed on a note of satisfaction and an expressed desire to pursue collaboration in Spain by continuing to share experiences in the future, with GS1 Spain in the role of coordinator. There was a very positive spirit from all attendees and high commitment to continue to work together on GDSN.

Visit GS1 Spain / aecoc's website at www.aecoc.es (in Spanish)

SA2 Worldsynchron participates in GDSN-project in the Czech Republic

At a GDSN project team meeting held in November in Prague, more than 30 leading retailer and supplier trading partners kicked off the deployment of Global Data Synchronisation Network (GDSN) in the Czech Republic.

The project is managed by GS1 Czech Republic, under the auspices of ECR Czech Republic. The objective of this project is to gather practical experience with GDSN implementation and usage and to provide the whole Czech user community with best practice guides. "This should ensure a quick rollout throughout the Czech user community", says **Pavla Cihlářová**, CEO of GS1 Czech Republic. "We strongly believe that now is the right time to establish GDSN within the Czech Republic."

SA2 Worldsynchron – a global GS1 GDSN-certified data pool solution provider with more than 2,700 user companies worldwide – supports this national GDSN adoption initiative by providing access to the SA2 data pool system and additional services.



The Czech retail industry is pushing the GDSN adoption significantly: "We look forward to being the first mover and to helping other retailers and suppliers to remove workload and costs from our supply chain", comments **Jan Dadík**, Supply Chain Manager, Globus Czech Republic. "We regard such activities as a collaborative approach together with all trading partners", adds **Jan Čejka**, Head of Supply Chain Management, MAKRO Cash & Carry ČR. "Suppliers and retailers are invited to convince themselves of the tangible benefits of this collaborative initiative reflecting the objectives of Efficient Consumer Response."

Visit SA2 Worldsynchron's website at <http://www.sa2worldsync.com/> and GS1 Czech republic's website at <http://www.gs1cz.org/>

STATUS UPDATES & ACCOMPLISHMENTS

GS1 Global Registry reaches 3 million GTINs

In just nine months, more than one million new items have been added to the GS1 Global Registry, bringing the total number of GTINs in it up to the milestone figure of 3 million! Such phenomenal growth of registered items is a direct result of the increased adoption and use of the GS1 Global Data Synchronisation Network around the world.

Global GDSN Healthcare pilot a success

The Global GDSN Healthcare pilot team has presented its report on the global GDSN Healthcare pilot, which was successfully completed earlier this year.

National GDSN pilots in the U.S. and a production GDSN rollout in Australia had already demonstrated that the GDSN meets the minimum criteria needed by the Healthcare sector within their national boundaries.

To ensure a smooth and planned cross-border implementation of the GDSN in Healthcare, GS1 Healthcare organised a global pilot. Baxter, B. Braun and Becton Dickinson participated in the global pilot from the supply side in Australia. Amerinet, Ascension Health, Mayo, Premier and Sisters of Mercy Health System represented the demand side in the U.S. GS1net (GS1 Australia's GDSN-certified data pool), 1SYNC (GS1 US's GDSN-certified data pool), and Ontuet enabled the global data synchronisation through the GDSN. More than 2,500 Global Trade Item Numbers (GTINs) were exchanged amongst the pilot participants.



The pilot clearly demonstrated that the GDSN provides the infrastructure to exchange data between data pools across

international borders and facilitates synchronisation across the entire length of the supply chain.

As a next step, the U.S. is developing plans to migrate users into GDSN production whilst Australia will continue the production roll out of the National Product Catalogue (NPC) which is now also being endorsed by the Private Healthcare sector. GS1 is also working with additional GS1 Member Organisations to determine future pilot expansion needs for other countries.

Download the complete report at http://www.gs1.org/docs/healthcare/Global_GDSN_Healthcare_Pilot.pdf



Independent report on foundation data

Forrester Research is a technology and market research company that provides pragmatic advice to global leaders in business and technology, with a focus on the business implications of technology change. On October 31, 2008, the firm published a 16-page report entitled **"Retail Foundation Data"**,

a report designed for Business Process and Applications Professionals. The report was researched and written by George Lawrie with Sharyn Leaver and Varun Sedov. Lawrie and his team interviewed 23 companies, including GS1, to write their report.

"Given the vastly expanded choice and market transparency," writes Lawrie, "retailers are becoming increasingly dependent on merchandise data to add value to their unique selling proposition. Retailers need to hone their ability to move full truckloads and to exploit new technologies, such as location-specific merchandise and price optimisation. The first step is to fix their rickety foundation of data about merchandise and locations. How? Retail process and applications professionals should undertake a data quality assessment exercise to prioritize investment opportunities and establish continuous data quality monitoring and improvement processes."

The report lists ways to assess the quality of foundation data and prioritize corrective actions, including:

- Get up to date on data synchronisation standards
- Assess the quality of your master data
- Establish a process for continuous improvement
- Engage suppliers closely and continuously

All sections are illustrated with specific examples and input from the companies that were interviewed.

Download the complete report at www.forrester.com/go?docid=46445

(Non-Forrester clients can buy the report at US \$379)

New Charter for GDSN User Group

GDSN recently published a new charter for the GDSN User Group. The roles and responsibilities of User Group members have been clarified, as has the objective of the User Group itself. The User Group also decided to extend the term of Advisory Group Members to 2 years, instead of the current one year. Read all about the GDSN User Group and download a copy of the new charter at http://www.gs1.org/productssolutions/gdsn/user_groups/

Please join the GDSN User Group! Wide and active participation is critical to ensure GDSN continues to meet the needs of its users. To join the GDSN User Group, please contact Alan Hyler, Director Programme Management, by email at ahyler@gs1gdsn.org

GPC Update

The latest GPC release — which will be called **"As at June 30 2008"** — will be in GDSN production as of December 13, 2008. The **GPC UNSPSC mapping tool** will also be available in December 2008. A decision has been made to run GPC and UNSPSC in parallel and separately, while maintaining interoperability. GPC will remain in place providing the necessary classification depth required for GDSN. Both user communities have access to the other system without having to invest effort in their own mapping. GS1 will release a web-accessible mapping tool in English (and possibly later in several other languages), and remains committed to maintaining this alignment into the future to meet the needs of our global community.



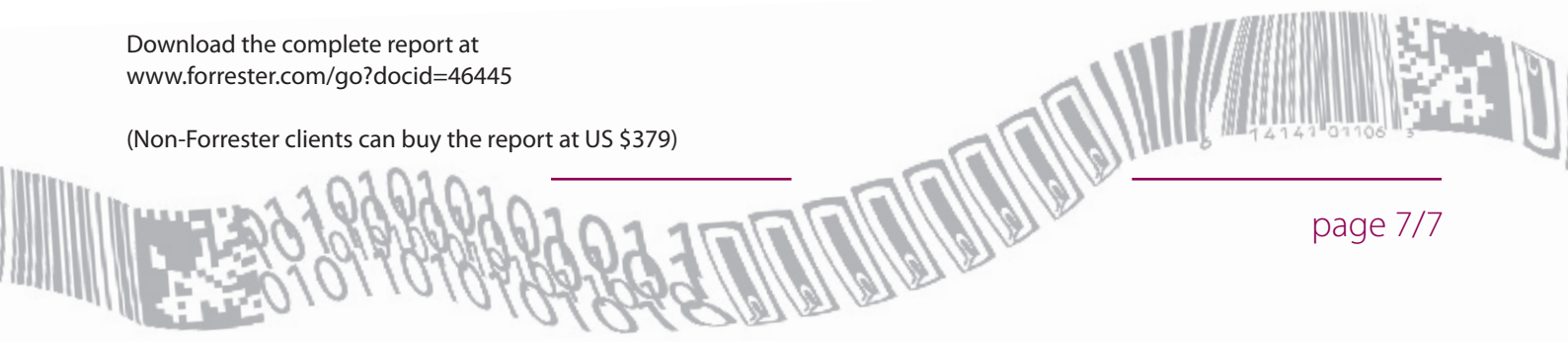
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