



Executive summary

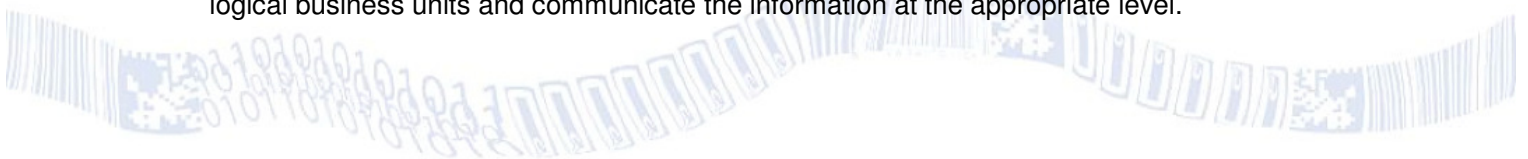
Many diverse business processes require the exchange or availability of reliable trading partner information. Currently, within the Global Data Synchronisation Network (GDSN), this is managed through “Basic Party Synchronisation”, whereby the GS1 Global Registry sends all trading partners every night to all data pools. As the GDSN continues to grow, automating these processes by fully leveraging the potential of GDSN will save implementation and operation costs for trading partners and data pools. This will result in more reliable trading partner information in a more efficient manner. “Enhanced Party Synchronisation” will allow for more explicit communication and synchronisation of the trading partner information. As such, it will also support future growth of the network in existing and new sectors and regions. GDSN Inc. recommends users and GDSN-certified data pools prepare for implementation in 2012.

The need for reliable trading partner information

Today there are many diverse business processes that require the exchange or availability of reliable trading partner information. To enable efficient supply chain practices, for example, shipment consolidation, and pickup and delivery appointment scheduling, trading partners need to be able to rely on up-to-date identification and information of third parties. Contact information maintenance today is often a very manual process. It is also cumbersome as it needs to be revisited constantly due to employee turnover, re-organizations, acquisitions, divestitures, etc. Additionally, manual processes are used to manage information on physical locations or logical business units of trading partners. These hierarchies within organisations vary greatly by organisation and include corporate levels, regional levels, distribution centers, and stores.

Some notable examples:

- One supplier estimated that the manual initial system setup and weekly maintenance of information on one retailer with 5,000 locations requires one full time employee. Another supplier also estimated that processing the changes for 50-100 new retail stores per month requires one full time employee.
- Another supplier estimated that with regular automatic updates through GDSN from their top 50 customers, it would save over US\$160,000 per year in service costs associated with manually maintaining that information today.
- One retailer estimated that the lack of organisational hierarchies in GDSN costs US\$ 350,000 in capital to support message flows. This deficiency also inhibits the implementation of item synchronization for Direct Store Delivery (DSD) items and price synchronization for both warehouse and DSD items. Messages would grow exponentially without the ability to group logical business units and communicate the information at the appropriate level.



Effectively and efficiently share and update trading partner information

More than 19,000 trading partners in over 60 countries are using the GS1 Global Data Synchronisation Network (GDSN) to synchronise product and location data and to drive unnecessary costs out of the supply chain. Almost 3.6 million item numbers have been registered in the GS1 Global Registry. These numbers represent exponential growth that is anticipated to continue due to continued adoption in existing and new sectors and regions.

A solid base of GDSN standards and guidelines is in place and allows trading partners to build a reliable Master Data Management programme. However, there is room for improvement. The current GDSN Business Message Standard (BMS) defines a process known as 'Basic Party Synchronisation'. It is the Global Registry that sends a message containing all trading partners in the network to all data pools in the GDSN - this is currently known as the "Party Dump" feature in GDSN. Although functional, the scalability of the Global Registry sending all trading partners to all data pools nightly is limited due to the ever-increasing number of trading partners and data pools in the GDSN.

Developing GDSN Enhanced Party Synchronisation

To enhance the current manual business processes and further develop GDSN Business Message Standards (BMS) for party synchronisation, the GDSN Inc. Board approved the change request to develop 'Enhanced Party Synchronisation' as part of the 2007 GDSN Standards Development Roadmap. The GDSN Enhanced Party Synchronisation Work Group was launched immediately following the approval of the roadmap in 2007. The co-chairs are Gina Tomassi (PepsiCo) and Neale Austen (GS1 Australia).

The following items are included in this work effort:

- Replace the existing GDSN "Basic Party Synchronisation" functionality (commonly referred to as 'Party Dump') using additional requirements identified as part of this work effort
- Provide for a simple, flexible, and more precise and global approach to party information
- Automatically receive accurate and up-to-date hierarchy information and organisational relationships after changes made by acquisitions, mergers and divestitures and maintain the information for all partners using a common Enhanced Party Sync command set
- Identification of third parties including but not limited to: warehouses, brokers, agents, carriers, logistics providers, and those authorized to sell and distribute products on behalf of manufacturers.
- Provide an Implementation Guide defining when and how to use party synchronisation

Enhanced Party Synchronisation functionality is considered mandatory and will require certification of all data pools in order to implement (mandatory certification event expected end 2011-early 2012).

Additionally, the project will also benefit the Healthcare GDSN project

(http://www.gs1.org/docs/healthcare/Global_GDSN_Healthcare_Pilot.pdf), EPCglobal, and Modular item

(http://www.gs1.org/docs/gdsn/GDSN_GSMP_Position_Statement_Modular_Item.pdf)