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Hello, and welcome to this first edition of GS1 digest.

With this newsletter, we hope to help you better understand GS1 and its activities.

For example, did you know that GS1 has 108 Member Organisations? Did you know that more than a million companies, both multinationals and SMEs, use our standards to do business in 150 countries? Did you know that GS1 standards are used in dozens of sectors including healthcare, transportation and logistics, chemicals, high tech, and the retail supply chain?

GS1 standards provide a framework that allows products, services, and information about them to move efficiently and securely for the benefit of businesses and the improvement of people's lives, everyday, everywhere.

Thank you for your interest in our activities. We look forward to your feedback: How can we benefit your business? How can we improve your life?



Eric Decroix
Chief Marketing Officer
GS1 Global Office

FROM THE GS1 GLOBAL OFFICE

GS1 DataBar will start with fresh foods

GS1 DataBar™ offers many opportunities for suppliers and retailers alike, but certainly one of the greatest opportunities is the ability to now capture a GS1 Global Trade Item Number (GTIN) on fresh variable measure trade items such as meat, poultry and loose produce at retail point-of-sale (POS). What's more, in addition to carrying GTIN, GS1 DataBar can also carry expiration dates, lot numbers and country of origin, enhancing consumer safety and food traceability at POS.

Today, GS1 DataBar can be found on loose produce in North America and the UK, and fresh food pilots are live in Europe and Asia.



Based on reports conducted in 2008 to determine Top 100 retailer readiness to use GS1 DataBar technology, the GS1 Advisory Council and the Executive Committee of the GS1 Management Board agreed to a new plan for GS1 DataBar adoption:

- By **2010**, GS1 DataBar standards will be available for use for all trade items when there is bilateral agreement between trading partners. The specific focus will be on **fresh food products** scanned at POS.
- By the target date of **2014**, GS1 DataBar standards, including attribute information (using GS1 Application Identifiers), can be used globally by all trading partners in an open environment and on any product. At a minimum, all retailers in all markets should be able to scan a GS1 DataBar and process GTIN to their databases.

Retailers who have started GS1 DataBar programs, especially fresh food pilots, can continue with no interruption and, in 2010, can conduct bilateral trading with their trading partners. As new retailers upgrade their hardware and software so they can scan and process GS1 DataBar, they too can begin bilateral trade with their suppliers. Early adopters are already reaping benefits such as reducing product shrink, optimising product replenishment and category management while setting the stage for industry advances in consumer safety and traceability.

GS1 Member Organisations around the world will be working with their local retail communities to determine the date when GS1 DataBar can be used on any product (an open standard) in their nation. The dates for national use on all products, between 2010 and 2014, will be reported to the GS1 Global Office. Country-by-country adoption dates allow early adopter nations to move forward, but provide additional time for other nations to get ready. For example, GS1 US has announced plans to maintain 2010 as the open sunrise date. Read about it at <http://www.gs1us.org/Default.aspx?tabid=244>.

The plan adopted by GS1 supports both the needs of medium/large retailers, who wish to benefit quickly from GS1 DataBar investments, and those of small/medium retailers, who may require more time to make the transition. Furthermore, reporting national readiness decisions by the GS1 Global Office will allow brand managers to know when they can use GS1 DataBar on their products in a given country or countries, where cross-border trade takes place.

It is important that **retailers and suppliers ensure that all their hardware and software systems can support GS1 DataBar and GTIN** as systems are upgraded according to these national dates. However, suppliers using the current EAN/UPC bar code will not need to change anything.

With food safety concerns on the rise as well as difficult economic times, retailers and suppliers can realize great

advantages from GS1 DataBar: it's a low-cost technology which advances efficiency, consumer safety, and traceability at the point-of-sale.

For more information on GS1 DataBar, contact your local GS1 Member Organisation or visit <http://www.gs1.org/databar>.

Global Traceability Standard for Healthcare approved

The GS1 Global Office has announced the approval by the GS1 Global Healthcare User Group of the Global Traceability Standard for Healthcare (GTSH).

The GTSH provides a foundational framework which describes the traceability process and defines the minimum requirements for all stakeholders, independent from technologies, organization size or operational sophistication. The GTSH will enable maximum interoperability between traceability systems across the healthcare supply chain and across borders.



Security, traceability and efficiency in healthcare are currently at the forefront of government regulations and industry concerns around the world: some key related issues include counterfeiting, product recalls, adverse event reporting, medication errors, and efficient logistics management. Unfortunately, many proprietary and often irreconcilably incompatible solutions are being (or have already been) proposed to national and international supply chain stakeholders. Global and open standards provide an effective and efficient way to properly meet these diverse demands. As a global open standard, the Global Traceability Standard for Healthcare (GTSH) was defined and adopted to counter such costly and inefficient non-standard solutions.

More than 100 representatives from all stakeholder groups hailing from more than 30 different countries worked on the GTSH since the Traceability in Healthcare Work Team was established in December 2007. The work team was co-chaired by Frédérique Frémont (C.H.I. Robert Ballanger Hospital, France) and Tim Marsh (Pfizer) and facilitated by GS1 Global Office.

Now that they have successfully approved the GTSH via the GS1 Global Standards Management Process (GSMP), the work team is currently developing implementation guidelines to assist users in the implementation of traceability across healthcare supply chains.

Download the Global Traceability Standard for Healthcare from http://www.gs1.org/docs/gsmpt/traceability/Global_Traceability_Standard_Healthcare.pdf

Read all about GS1 Healthcare at <http://www.gs1.org/healthcare>

Read all about GS1 Traceability at <http://www.gs1.org/traceability>

GS1 MobileCom: Extended packaging pilots planned for 2009

With over four billion users in the world, mobile phones are becoming an important channel for businesses and consumers to interact. Today mobile phones can “scan” bar codes, read Radio Frequency Identification (RFID) tags and access the internet. By pointing and clicking at a product or magazine, mobile phones bring information and services linked to a product closer to the consumer and as a result, bring the consumer closer to the brand.



In February 2008, the GS1 MobileCom workgroup published a white paper called “Mobile Commerce: Opportunities and challenges.” The white paper outlined six mobile applications most relevant to the supply and demand chain and gave recommendations about how to best use the GS1 System to fulfil the needs of our users in this new area.

Over the course of 2008, the workgroup focused on one of these applications: **Extended Packaging**. Extended Packaging means giving consumers access to additional information or services about products through their mobile phone.

Through conference calls and physical meetings led by GS1 Global Office, the workgroup developed use cases showing how consumers and businesses will use Extended Packaging, and identified a number of considerations and business requirements related to packaging, consumer experience, information exchange and information storage.

Over 50 members of the workgroup met at GS1 Germany in November 2008 to further develop the guidelines. A study tour to the METRO Future Store showed a well-developed self-scanning application in action using existing GS1 standards.

The workgroup’s Extended Packaging Pilot Guideline was published in February 2009. Download the Guideline from <http://www.gs1.org/mobile/>

Over the first half of 2009, the GS1 Global Office will be supporting local GS1 offices as they use the Guideline to run pilot projects with their users. Today 34 local GS1 offices are planning to run pilots based on the 3 scenarios described in the handbook.

Interested in organizing a pilot for Extended Packaging? Simply visit <http://www.gs1.org/productsolutions/mobile/ep.html> for more information. For further information about GS1 MobileCom, contact Joe Horwood at joe.horwood@gs1.org or visit <http://www.gs1.org/mobile/>.

GS1 STANDARDS IN ACTION

GS1 Spain presents revolutionary interactive shopping cart

With the goal of improving efficiency within the supply chain and retail business, in January 2009 GS1 Spain presented for the first time in that country The Grocer, an “intelligent” shopping cart developed with European funds. This Radio Frequency Identification equipment, under the EPC standard, can provide consumers with an authentic and yet original shopping experience.

The cart is equipped with an RFID reader, an antenna and a touch-screen that allows the shopper to interact with the system, both sending and receiving information.

The Grocer presents advantages for both consumers and companies. A consumer can always know the exact price of any product that has been placed inside the cart, as well as the total cost of his or her purchases; he or she can also receive information about promotions, access receipts, see a list of the ingredients needed for a particular recipe, or just to find the fastest way inside the shop to something they need to buy. The Grocer allows companies to offer more information

and a much more customized service to the consumer, and enables inventory optimisation, a more effective marketing strategy and increased consumer fidelity.

The cart's premiere in the EPC Competence Centre of GS1 Spain was accompanied by demonstrations of other RFID applications for warehouse, retail and home use.

More about GS1 Spain and its EPC Competence Centre at <http://www.gs1es.org/>

Benefits of 'Upstream Initiative' confirmed by Danish company

Denmark-based Novozymes A/S, a leading producer of enzymes, microorganisms and biopharma products, has had good results in applying the GS1/GCI (Global Commerce Initiative) Global Upstream Supply Initiative (GUSI) standard.



This application of GUSI in a vendor-driven environment clearly demonstrates the benefits that can be achieved when

collaborating with GCI, GS1 and of course the users who adopt standards.



The case study was significant in a number of ways. It clearly showed how collaboratively-developed standards, when applied in a

vendor managed scenario, result in improved financial, services, operations and administration processes. These improved processes are not simply best practices, but also an opportunity for the companies which implement them to create a competitive advantage for themselves.

Because it has such global operations, Novozymes needed to implement truly global standards in its value chain in order to maximise their supply and logistics efficiency.

Thanks to the efficiencies they saw, Novozymes has, over the last 4 years, been extremely active in driving the adoption of GUSI in a supplier-driven model, using the vendor managed inventory (VMI) process.

Read the complete Novozymes case study at http://www.gs1.org/docs/upstream/casestudy_novozymes.pdf

Read about the GCI Global Upstream Supply Initiative (GUSI) at <http://www.gs1.org/productssolutions/upstream/gusi.html>

French retailers and suppliers take the Data Quality 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 of the data management process used within their trading relation. **Suppliers** execute a self-assessment process as described in the DQF link to http://www.gs1.org/docs/gdsn/gdsn_data_quality_framework.pdf 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 the first half of 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

Read all about the GS1 Data Quality Challenge at <http://www.gs1.org/productssolutions/gdsn/dqf/challenge/about.html>

Experts from 17 countries launch "RACE Network RFID"

"RACE Network RFID" is a federating platform for all key European stakeholders in the development and use of RFID technology and applications. It was designed to raise awareness of RFID across Europe.

Whilst the USA and China are presently the biggest RFID spenders, it is confidently anticipated that the European



market will show significant growth over the next ten years. "Race Network RFID" partners say their vision is to provide an RFID network of excellence that creates opportunities and increases the competitiveness of European Member States in the area of RFID thought

leadership, development and implementation. At the same time it will position RFID technology within the mainstream of information and communications technology (ICT).

Through the European Commission, the EU has made a substantial investment in research, standards and regulatory developments and public consultation concerning RFID and the emergent concept of the 'Internet of Things'. Research initiatives will continue, of course, but the EU now sees a pressing need for generating greater awareness and encouraging the take-up of RFID technology and the exploitation of user-facing opportunities for innovation and enterprise.

GS1 in Europe, a collaboration of 45 GS1 member organisations, is responsible for Business Monitoring, Policy Liaison and Collaboration (known as 'Work Package 1') within the network.

Stephane Pique, European Director EPC/RFID of GS1 in Europe says: "We are very proud to be a founding partner and management board member of this network, as we are convinced that this initiative will help all stakeholders in better understanding the applications, business and collaboration opportunities this technology brings. Furthermore the network will help us all to further identify and reduce the barriers involved in the adoption of the RFID technology in Europe."

Marisa Jimenez, Public Policy Director Europe at GS1 EPCglobal added: "This project opens up great opportunities to collaboratively expand the understanding of RFID technology within EU Member states and SMEs; clearly the

community is mobilising to share experiences and boost confidence and we are convinced that this will have a great impact on policy decisions in the near future."

Viviane Reding, EU Commissioner for Information, Society and Media, has forecast that RFID will enable many new applications to generate both economic growth and meet social needs. Commending the RFID in Europe project, she added: "RFID will form the basis of better and safer healthcare, drastically improved supply chain management, low cost environmental monitoring for a cleaner, more sustainable future. We need a pro-active European approach so that we can benefit from the advantages of RFID while giving citizens, consumers and businesses choice, transparency and control."

"Race Network RFID" already involves 25 partners from 17 Member States and now it is officially launched, many more relevant stakeholders are expected to join as associate partners, gathering a critical mass across all EU Member States and across a wide array of application sectors.

For more information about "Race Network RFID", please contact Stephane Pique at stephane.pique@gs1eu.org or Marisa Jimenez at marisa.jimenez@gs1.org

Improving healthcare data quality in Korea

GS1 Korea signed a Memorandum of Understanding with HIRA (Health Insurance Review & Assessment Service), a governmental institution administrating the Healthcare Information System, the Korean national healthcare product catalogue. The two organisations agreed on the necessity of product information exchange for efficient management of the pharmaceutical supply chain by minimizing data errors and reducing cost for all supply chain partners.



This collaboration agreement focuses on **data synchronisation** between HIRA's Healthcare Information System and KoREANnet, an e-catalogue with over a million registered items, developed and managed by GS1 Korea.

In Korea, pharmaceutical manufacturers and suppliers are required to register basic product information in the Healthcare Information System. Also, Korean healthcare regulations mandate that all drugs carry a GS1 BarCode.

This policy has been in effect for less than a year and many pharmaceutical companies face difficulties in properly using barcodes. In fact, a healthcare barcode usage survey conducted by HIRA last year revealed a 17.6% rate of barcode errors.

Through system integration between GS1 Korea and HIRA, the two organisations will interchange product data and minimise all errors by deploying the following process:

- GS1 Korea will receive product information from the Healthcare Information System.
- A barcode verification service will be provided by GS1 Korea to validate data accuracy.
- The resulting verified and if necessary updated product information will be sent directly to HIRA Healthcare Information System without any delay or human intervention.

This joint action is expected to promote the implementation of GS1 standards within pharmaceutical companies and contribute to reliable data management.

GS1 Korea will expand cooperation with HIRA to facilitate healthcare supply chain management and improve patient safety by adoption and implementation of GS1 standards.

Visit GS1 Korea's website at <http://www.gs1kr.org/>

EPC/RFID in high fashion in Sweden

Menswear store Taracci in the Forum Nacka shopping mall on the outskirts of Stockholm is the first retail outlet in Sweden to use RFID/EPC.



Customers only need to put their bags of goods on the counter and payment is made in a moment. But the big advantage for the store is all the time-consuming administrative work which disappears. The company's estimate is that their investment in RFID/EPC has a payback period of less than one year.

When a customer is ready to pay for an item at Taracci and places it on the counter, it is automatically scanned by an RFID reader under the counter which can read RFID tags at a distance of up to two metres. A customer buying several items gets help from the staff to pack them in a bag. The assistant only needs to press a button on the cash register screen and all items are rung up and the customer can pay.

Many customers are amazed, scratch their heads and ask "how did you do that?"

"Our RFID system makes customer payments much faster than a regular cash register, but this is not the most important reason for our investment in RFID. The idea is to have everything under control in order to make the administrative work simpler and more efficient," says Mats Tornard, part-owner of Taracci.

SMALL PRODUCTION VOLUMES

As well as the store in Forum Nacka, Taracci AB has a further three stores, one in downtown Stockholm and two in Brussels. The company has three owners: Feyo Taracci, Mats Tornard and Jens Fleischanderl, who runs the Forum Nacka store. Feyo Taracci is responsible for the collection. He has a background as a third-generation tailor. Production is mainly in Italy and Turkey. The company's business concept is to offer customers high-quality at reasonable prices.

"Our hope is that those who wear the clothes should feel well-dressed without being dressed up," says Mats Tornard. We only get raw materials from the best suppliers and use small tailors who make jackets and shirts in small volumes. For example, Taracci's various styles of shirts are produced with a maximum of 20 items."

In the downtown store there was previously a completely mechanical manual cash register without even a barcode reader. Traditional price tags were stuck on the clothes.

RFID PART OF THE IMAGE

"When we planned the store in Forum Nacka, we had a choice of investing in a conventional checkout system or an RFID system. One reason we chose RFID is that we didn't just want to appear innovative with clothes, but in everything else, too." The store in Forum Nacka was opened on 23 October 2008, the same day as the shopping mall opened. Subsequently the RFID/EPC system has been installed in the downtown store. The company's contractor for RFID is RFID Constructors AB.

"The checkout system itself is a standard product which has been modified to get information on article numbers and each item's identity from the RFID reader," says Mats Tornard.

COUNTS 2,000 ITEMS IN FIVE MINUTES

One of the big gains with an RFID solution is that an inventory can be taken simply and quickly and that's much more often than previously. This allows the store to rapidly solve various problems, for example update the stock balance. The risk of missing a sale because an item is out of stock is reduced. There are between 1,500 and 2,000 individual items in the store at any one time and these all have to be counted when doing an inventory. "Previously, in the downtown store, we counted everything manually and use pencil and paper for inventories. That way it would take a whole day to inventory this store. And there's a big risk of getting it wrong. Now an inventory takes five minutes at the most -- and the risk of error is minimal. We make a circuit of the store using a handheld computer with an RFID reader. We don't even need to see the items, they get scanned anyway."

WEEKLY INVENTORIES

"Our ambition is to take an inventory every week. Previously we did it once a year, which is the legal minimum." By installing RFID readers in all the shelves it would be possible to automatically take an inventory of the whole store. "But we won't be doing that in these tiny premises of 70 m². Here are handheld computer works just fine."

The RFID/EPC system also greatly improves the management of deliveries.

REDUCED TIED-UP CAPITAL

"The stock level in the store can be reduced, which saves a good deal. The stock value in the store is between SEK 400,000 and 800,000 depending on the season. We reckoned to be able to reduce tied up capital by at least 20%. Over time we can get it down even further." The company hopes to set up a separate central warehouse for all stores. Currently stock is held at the downtown store. "We can pack a consignment and quickly scan it. This checks that it is correct. If it isn't, we can quickly fix it. It's easy to reconcile what we send with what we stand at the receiving store. "It's also easy to send an item downtown from this store if it is needed. To make a delivery with just a single press of a button we put the item in a box and scan it with a handheld computer. The stock balance in the store is then updated. The RFID system saves us time and money at every stage." When a carton of new items arrived at the store the contents can be scanned without even opening the box. Previously every item had to be taken out of the box and counted by style, size and colour.

SURVEILLANCE THROWN IN

The RFID system also works as a theft alarm. "We are also installing an alarm which automatically checks if the item has been paid for. If it hasn't, the alarm sounds. Since we don't need to install a conventional surveillance system, we save a lot of money." The company estimates that its RFID/EPC investment has a payback period of less than one

year. "Of course, RFID is more expensive than traditional checkout system, but the difference is not that dramatic. The advantages of RFID mean that the technology is well worth the extra cost. Tags only cost a few crowns each. As more companies start to use them they'll become even cheaper."

There are plans to extend the use of the RFID/EPC system in several ways. One example is to give the customer detailed information in the fitting room by installing an RFID reader behind the mirror which has an integrated display. "When the customer stands in front of the mirror and tries on a shirt the display will automatically show where it was made, what it's made of, what other colours are available, similar styles, and so on." This sort of functionality can also be used to analyse customer behaviour and choices. "And RFID reader in the fitting room could gather statistics on which items customers try on and which they buy. Maybe they try some which they don't buy. We also find out which clothes never make it to the fitting room. This helps us create a collection which is even more appreciated by our customers.

HELPS EXPANSION

One factor for the investment in RFID was the company's plans to continue expanding. "We hope to be able to continue opening new stores. Our intention is that all new stores will use the RFID system. This store will be the model for all our new stores so we won't have to reinvent the wheel. We use GS1 standards to make sure that we don't get locked into a home-made solution."

Mats Tornard thinks that it is exciting to be a pioneer with RFID/EPC. "Now we are tuning the system and handling the challenges that pop up. The RFID/EPC solution has such enormous potential. It will help us in many ways that we haven't even thought of yet. We will be well in the lead when our competitors start using the technology – but I guess it won't be too long," says Mats Tornard.

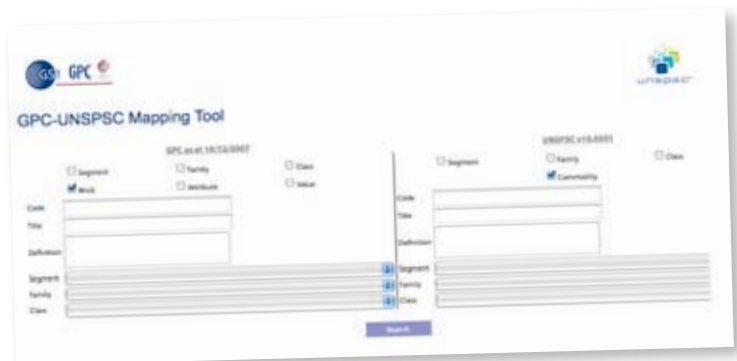
GS1 Sweden's website is <http://www.gs1.se/sv/>

FOR YOUR INFORMATION

GPC-UNSPSC Mapping Tool Now Live

GS1 GPC (Global Product Classification) and UNSPSC® (United Nations Standard Products and Services Code®) are two alternative classification systems:

- UNSPSC is a global, multi-sector classification system primarily supporting spend analysis and procurement, owned by the United Nations Development Programme (UNDP) and code-managed by GS1 US.
- GPC is also a global, multi-sector classification that provides more granularity providing a generic, global language for category management through modular and contextual categorisation made possible by defining attribute/value levels. GPC is a key enabler of the GDSN.



GS1 has made available a **GPC-UNSPSC Mapping Tool**, a powerful web-based engine that allows users to search one classification system and find the equivalent code(s) (if they exist) in the other system.

The GPC-UNSPSC Mapping Tool can be used to determine where data alignment exists between the two classification systems. Users can search at different levels (segment, family, etc.) in one classification system or browse simultaneously in both classification systems.

The current mapping tool is based on GPC as at December 12, 2007 and UNSPSC v. 10.0501. GS1 will keep this tool up to date.

Access the GPC-UNSPSC Mapping Tool at <http://www.gs1.org/productssolutions/gdsn/gpc/gpc-unspsc/index.html>

2009 GS1 General Specifications now available



The GS1 General Specifications are the core standards document describing how barcodes and identification keys should be used to comply with GS1 standards. These GS1 General Specifications are used throughout the GS1 System.

The 2009 edition of the GS1 General Specifications is now available. All changes from the previous version have been approved through the GS1 GSMP (Global Standard Management Process) in line with documented business requirements.

Contact your local GS1 Member Organisation to access the GS1 General Specifications.

Find out more about the GS1 General Specifications at <http://www.gs1.org/productssolutions/barcodes/technical/genspecs/>

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GS1 Healthcare Conference

16 Jun 2009 - 18 Jun 2009
Washington D.C., United States
More information at
www.gs1.org/healthcare



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GS1 Joint GSMP-JAG Meeting 2009

26 Oct 2009 - 30 Oct 2009
Lille, France



OT Lille / © Don Muschter

WANT TO KNOW MORE ABOUT GS1?

It's not always easy to explain what GS1 does in simple terms. That's why we've created this brochure. It provides an overview of our activities and the important role that global standards play today. Download it now from http://www.gs1.org/docs/what_is_gs1.pdf



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