



WR #		Effective Date
21-000402	Clarification on allocation standards and rules	Oct 2022

Associated Work Request (WR) Number:

N/A

Background:

Cross-sector industry stakeholders have raised questions and concerns relating to core GS1 allocation standards and rules. Requirements gathered from industry determined that Section 1.5 and 1.6 of the GS1 General Specifications requires updates to reflect modernised terminology, more holistic inclusion of single issuance GS1 identification keys and expanded references beyond those that heavily focus on GTIN/trade items. As is, the section has limited value to users looking to understand the standards and rules relating to allocation and issuance.

Note that this GSCN began development in the GLN Modernisation MSWG but was halted once it became apparent that more changes were needed than the MSWG sub-group efforts were scoped for.

GS1 General Specification Change:



1.5 **GS1 identification licensing** ~~Company Prefix allocation~~

~~A GS1 Company Prefix gives access to all the applications using GS1 system identification standards:~~

~~The GS1 Company Prefix identification licence, GS1 Company Prefix, or individual GS1 identification key SHALL ~~may~~NOT ~~not~~ be sold, leased, or given, in whole or in part, for use by any other company. This restriction applies to all GS1 identification keys even those which are constructed without a GS1 Company Prefix. This requirement applies to:~~

- ~~■ GS1 Company Prefix licences, including any GS1 identification keys issued from the GS1 Company Prefix~~
- ~~■ Individual GS1 Identification key licences which have been assigned individually by a GS1 Member Organisation to an individual user company.~~


~~As the GS1 Company Prefix varies in length, the issuance of a GS1 Company Prefix excludes all longer strings that start with the same digits from being issued as GS1 Company Prefixes. Note that GS1's EPC Tag Data Standard (TDS) supports only GS1 Company Prefixes between six and twelve digits in length (inclusive), a four- or five-digit GS1 Company Prefix SHALL be treated as a block of consecutive six-digit values for the purposes of EPC/RFID tag encoding and EPC-URI generation.~~

~~See section 1.6 for additional guidelines that apply when a company changes legal status as a result of an acquisition, merger, partial purchase, split, or "spin-off."~~

~~A GS1 Company Prefix assigned/licensed to a member of any from a GS1 Member Organisation entitles that member the GS1 identification licensee to allocate/create any of the GS1 identification keys:~~

- ~~■ Global Trade Item Number (GTIN)~~
- ~~■ Global Location Number (GLN)~~
- ~~■ Serial Shipping Container Code (SSCC)~~
- ~~■ Global Returnable Asset Identifier (GRAI)~~
- ~~■ Global Individual Asset Identifier (GIAI)~~
- ~~■ Global Service Relation Number (GSRN)~~
- ~~■ Global Document Type Identifier (GDTI)~~
- ~~■ Global Shipment Identification Number (GSIN)~~
- ~~■ Global Identification Number for Consignment (GINC)~~
- ~~■ Global Coupon Number (GCN)~~
- ~~■ Component/Part Identifier (CPID)~~
- ~~■ Global Model Number (GMN)~~

~~An individual GS1 identification key licence SHALL only be used as defined by the licensing GS1 Member Organisation.~~

 **Note:** ~~If a company holds licences for multiple GS1 Company Prefixes, it may have GS1 identification keys of any type issued from all of them.~~

1.6 **Allocation** ~~Licence management~~

~~GS1 Member Organisations licence GS1 Company Prefixes and in some cases also licence individual GS1 identification keys (e.g., GTINs and GLNs) to companies.~~

~~A company, when licensing a GS1 Company Prefix, has access to all applications using the GS1 system of identification (e.g., logistic unit, service, or asset identification). An individually licenced GS1 identification key provides limited access to the GS1 system.~~

~~Regardless of the way whether a the GS1 number Company Prefix or individual GS1 identification key has been issued by the GS1 Member Organisation, the standards requirements on the use and~~



reuse of GS1 identification keys apply ~~to all organisations~~ at all times. See section 4 for the reuse rules that apply to GS1 identification keys.

Additional guidelines in the following sections apply when ~~an organisation company~~ changes legal status ~~as a result of due to~~ an acquisition, merger, partial purchase, split, or "spin-off."

GS1 Member Organisations may adapt the following guidelines if ~~local the laws of the country makes it absolutely necessary require modifications.~~

GS1 identification licensees Companies SHOULD notify their GS1 Member Organisation of any legal status change within one year of that change. ~~to facilitate a smooth transition.~~



Important: When the company responsible for a GS1 Company Prefix or individual GS1 Identification key changes, all parties involved in the transaction SHOULD maintain records of all GS1 identification keys used to identify objects and ensure all GS1 allocation and non-reuse rules are followed.

1.6.1 Acquisitions and mergers

During an acquisition or merger, a company may assume responsibility for the acquired company's GS1 Company Prefix and/or individual GS1 identification key licences. In the situations where the licences transfer, the acquiring company can:

- Use the acquired company's GS1 Company Prefix(es) and GS1 identification key(s)
- Issue GS1 identification keys using the newly acquired GS1 Company Prefix(es)

For example, products that the acquired company identified using its GS1 Company Prefix or individual GS1 identification key licences can still be produced using the same GTINs after the merger. Additionally, parties, locations, assets, and other objects identified with GS1 identification keys can continue to use those keys after the merger.

If a partial purchase occurs, where only a segment of a larger entity is acquired, the involved companies must determine whether GS1 identification licences are transferred based on their specific business requirements.

If a company is being acquired by or merged with another company and has stock on hand, the stock's existing Global Trade Item Numbers (GTINs) SHOULD be kept. Products that are produced after the acquisition or merger may keep the GTIN allocated before the acquisition if the acquiring company maintains the licence with the GS1 Member Organisation to use the applicable GS1 Company Prefix or GS1 identification keys.

1.6.2 Split or spin-off

When a company splits into two or more separate companies, it is necessary for each GS1 Company Prefix or individual GS1 identification key licence of the original company to be transferred to only one of the new companies. If a company is left without a GS1 identification licence and has a requirement to identify products, locations, assets, etc., it will need to follow GS1 Member Organisation processes to apply for new GS1 Company Prefixes or individual GS1 identification key licences.


The decision on whether the new companies will take the original licences SHOULD minimise the impact on existing GS1 identification keys. The decision SHOULD be part of the legal arrangements of the new companies.

~~1.6.2~~ 1.6.3 GS1 identification keys transferred to an acquiring, partial purchase, or spin-off company


If a company is being acquired by, merged or split from another company and has stock on hand, the stock's existing Global Trade Item Numbers (GTINs) SHOULD be kept. Products that are produced after the acquisition or merger may keep the GTIN allocated before the acquisition if the

acquiring company maintains the licence with the GS1 Member Organisation to use the applicable GS1 Company Prefix or GS1 identification key.

An acquisition or merger often implies that a company has taken over another company and has assumed responsibility for the acquired company's GS1 Company Prefixes and any individually assigned GS1 identification keys. For example, products that the acquired company identified using its GS1 Company Prefix or individually assigned GS1 identification keys can still be produced using the same keys after the merger, since the acquiring company now has the licence to use the acquired company's GS1 Company Prefix(es) and GS1 identification keys. The acquiring company can also choose to identify the products using their own GS1 Company Prefix.

 **Note:** A company should be careful when centralising the allocation of all numbers under one GS1 Company Prefix, for example resulting in a change of the GTIN of existing products, which are otherwise unchanged. Centralising the allocation of all numbers under a single GS1 Company Prefix should be an exception, as it may result in additional work and data file maintenance for customers.

The importance of ensuring trading partners are informed of any changes in a timely manner cannot be overemphasised.


 **Important:** See section 4 for the reuse rules that apply to the party that acquires the GS1 identification keys, in particular the GTIN non-reuse rules in section 4.3.5.


1.6.2.1.6.3.1 GS1 identification keys not transferred to acquiring, partial purchase or spin-off company

If a company acquires a division or portioned another company or splits, but the its GS1 Company Prefixes continue to be used in other divisions not acquired are not transferred, then the receiving acquiring company must SHOULD change the GS1 identification keys associated with Global Trade Item Numbers (GTINs) and Global Location Numbers (GLNs) for the acquired division objects within one year.

It is not necessary for existing stocks of trade items or assets to be re-identified, unless legally required or agreed upon by the companies. However, when any of the acquired, partial purchase, split, or spin-off companies have items that are identified using GS1 identification keys allocated from a GS1 Company Prefix that it no longer holds, the company SHOULD re-identify those items using its own GS1 Company Prefix or GS1 identification key licences when new labelling or packaging is produced. Stakeholders SHOULD be notified well in advance of the changes.

At the earliest opportunity, the acquiring company SHOULD transition to new GS1 identification keys for all identified objects.

 **Note:** The rules concerning the use of the seller's GTINs and other GS1 identification keys should SHOULD be taken into consideration when drawing up the purchase contract.

 **Important:** See section 4 for the reuse rules that apply to the party that retains the GS1 identification keys, in particular the GTIN non-reuse rules in section 4.3.5.

At the earliest opportunity, the acquiring company SHOULD phase in new numbers from its own range of numbers for items whose brand name it has acquired. The acquiring company will be able to do this, for example, when packaging is redesigned or reprinted.

If a company sells an asset to another company, then the asset identifier SHOULD ideally be replaced by another Global Individual Asset Identifier (GIAI) or Global Returnable Asset Identifier (GRAI) within one year or be removed from the asset.



1.6.3 Split or spin-off

When a company splits into two or more separate companies, it is necessary for each GS1 Company Prefix of the original company to be transferred to only one of the new companies. Individually assigned keys also need to be transferred to only one of the new companies. If a company is left without a GS1 Company Prefix or individually assigned keys and has a requirement to identify products, locations, or assets etc., it will need to apply to a GS1 Member Organisation to obtain a new GS1 Company Prefix or individual GS1 identification keys as appropriate.

The decision about which of the new companies should take the original GS1 Company Prefixes should be made in such a way as to minimise the impact on existing GS1 identification keys, in particular existing Global Trade Item Numbers (GTINs). The decision should be part of the legal arrangements of the new companies.

It is not necessary for existing stocks of trade items to be renumbered. However, when any of the split or spin-off companies has trade items that are numbered with a GS1 Company Prefix that it no longer holds, the company SHOULD renumber those items using its own GS1 Company Prefix when new labelling or packaging is produced. Customers should be notified well in advance of the changes.

Split or spin-off companies that retain a GS1 Company Prefix or individually assigned GTINs must keep a record of the GTINs that have been allocated to items they no longer own and must adhere to the standards surrounding the use of the GS1 identification keys.



Important: See section 4 for the reuse rules that apply to the party that retains the GS1 identification keys, in particular the GTIN non-reuse rules in section 4.3.5.

1.7 Sunrise and sunset dates

Expansion of both the breadth and reach of the GS1 system requires the introduction of new data carrier technologies and messaging techniques. While these are potentially disruptive, their use in GS1 global, open standards requires an agreed date at which they are globally accepted for use. This date is referred to as a sunrise date. Its use is accompanied by associated rules that may be unique to the circumstances. A sunrise date is agreed by users/members and approved by the GS1 Management Board.

Conversely, as a data carrier or messaging standard is no longer cost effective as determined by users and approved by the GS1 Management Board, it may be declared obsolete and removed from the *GS1 General Specifications*. This is termed the sunset date. It is accompanied by associated rules that may be unique to the circumstances.