Associated Work Request (WR) Number:

21-423

Background:

The GTIN Modernisation MSWG is working to clarify the rules and guidance related to identifying non-branded trade items. These are the recommended updates and additions to aid in determining when a GTIN should be assigned and what party is responsible for assigning a GTIN to non-branded trade items. The sections in this GSCN are based on the approved changes that were made during WR21-423 work (bundles). Therefore, the starting text does not match with the General Specification, v22.

As a reminder, GS1 defines “trade item” as “any item (product or service) upon which there is a need to retrieve predefined information and that may be priced, or ordered, or invoiced at any point in any supply chain.”

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4.3.3 Responsibility for allocating the Global Trade Item Number

The established terminology of the GS1 system may not be familiar to all industries that use the GS1 system. As of v23 of the GS1 General Specifications, a broader terminology framework is used to enable industry to consistently and accurately identify the party that has the responsibility to allocate/assign the GTIN.

Note: The term GTIN allocator is used to broadly and consistently refer to the party responsible for allocation of GTINs to trade items (defined in 4.3.3.1). This term is harmonised with the historical use of the term brand owner below.

There are foundational rules for the assignment of GTINs to trade items that apply in all scenarios:
- A trade item SHALL be assigned a GTIN before there is an offer made for sale of the trade item.
- GTIN is to be assigned at the earliest point in any trade item’s lifecycle after which a GTIN allocator has been established.
- No downstream party (e.g., distributor, wholesaler, importer, merchant) may assign a different GTIN to a trade item that already has a GTIN, provided that the trade item is not changed in a way that would require a new GTIN as per GS1 standards (see GTIN Management standard).
- No party may use a GTIN assigned to a trade item by another party.

4.3.3.1 Responsibility for branded items

Allocation of a GTIN to a trade item is the responsibility of the party that warrants the trade item declarations, known as the GTIN allocator (see section 4.3.2.2 for more on trade item declarations).

Prior to v.23 of the GS1 General Specification, the party responsible for allocation of a GTIN to a trade item was referred to as the “brand owner”. In industries where the term “brand owner” is relevant and familiar, this term SHALL be considered as equivalent to the term GTIN allocator.

For branded items, the brand owner is the GTIN allocator, since the brand owner is the party that owns the specifications of the trade item, and, therefore, is the party that warrants the trade item declarations.

There are situations when the GTIN allocator is:
- The manufacturer or supplier: The party that manufactures the trade item or has it manufactured, in any country.
- The importer or wholesaler: The party that sells the trade item under its own brand name or the importer or wholesaler that changes the trade item (for example by modifying the packaging of the trade item).
- The retailer: The retailer that sells the trade item under its own brand name.
- Any party that chooses to take responsibility for the trade item declarations of a trade item that has not yet been assigned a GTIN and, in doing so, sells it under their own brand name.

Note: In ALL cases, the party who warrants the trade item declarations is the party who SHALL assign the GTIN to a trade item. With that action, the party becomes the GTIN allocator.

Note: On joining a GS1 Member Organisation, a GTIN allocator is licenced a GS1 Company Prefix and/or individual GS1 Identification Keys by a GS1 Member Organisation. GS1 Company Prefixes and individual GS1 Identification Keys are allocated by the company to which they are assigned, which are for the sole use by the GTIN allocator to which they are assigned.
4.3.3.2 Unique scenarios

There are some unique scenarios to the rules regarding responsibility for GTIN allocation described section 4.3.3.1:

- **Non-branded items**: The GTIN allocator for trade items without a brand name and generic items (not private labels) SHOULD be the manufacturer of the non-branded item. As different manufacturers and/or suppliers may supply items that appear identical to a buyer (who could be a consumer, a retailer or a manufacturer), it is possible that similar, or even identical, unbranded or generic items will have different GTINs. Different manufacturers and/or suppliers may supply non-branded items that are similar or identical to a buyer (who could be a customer, a merchant or a manufacturer). Therefore, it is possible that these non-branded items will have different GTINs. Companies that trade in these items need to organise their computer applications (e.g., replenishment programs) to cope with this eventuality. If a brand is applied to a non-branded item, the GTIN Management standard should be consulted for GTIN allocation rules. Examples of items that sometimes have no brand are plasterboard, candles and drinking glasses. Examples for trade items that sometimes have no brand and are not intended for retail include salt, fragrances and food cans.

- **Customer specific items**: If a trade item is made specifically for one trade customer (buyer) and is orderable only by this customer, then the customer (buyer) SHOULD be the GTIN allocator. The GTIN SHOULD be created from the customer’s GS1 Company Prefix or should be an individual GTIN Key from the customer (buyer) (see section 1.4.4). If the supplier (merchant) sells a trade item to more than one customer (buyer), then the merchant SHALL be the GTIN allocator.

- **Contracted parties**: If a party is contracted to act on behalf of (or to represent) a GTIN allocator, a trade item created by the contracted party for the GTIN allocator SHALL be assigned a GTIN from the GTIN allocator’s licenced GS1 Company Prefix or individual GS1 Keys. In such situations, it is critical to ensure that such contracts include language that ensures all allocated GTINs are properly registered and managed by the GTIN allocator.

- **Other exceptions**: If a trade item does not have a GTIN, a downstream party MAY choose to take responsibility for the trade item declarations and become the GTIN allocator for the trade item (subject to compliance with any relevant laws). Alternatively, a downstream party can assign an internal number (e.g., RCN) to a trade item that does not have a GTIN assigned to it, but only if the trade item is restricted for use within its own stores/platform.

4.3.4 Sector-specific rules

4.3.4.1 GTIN allocation rules for healthcare

Specific rules that apply to healthcare trade items can be found in the GS1 Healthcare GTIN Allocation Rules Standard.

4.3.4.2 GTIN allocation rules for upstream suppliers

Specific rules that apply to packaging and raw material trade items supplied to manufacturing companies can be found on https://www.gs1.org/1/gtinrules/en/tree/29/upstream.

Upstream suppliers are those companies that typically supply or manufacture trade items that are supplied to other companies for further processing. Examples of these trade items include raw ingredient and packaging materials.

A Global Trade Item Number (GTIN) must be assigned to each predefined trade item and any unit of measure used in the price, order, or invoice process.

**Note**: These rules are intended for global use. Exceptions may occur only when local regulatory or legal requirements mandate otherwise.