

INTERNATIONAL ARTICLE NUMBERING ASSOCIATION E.A.N.



ANNUAL REPORT 1984

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ANNUAL REPORT 1984

In 1984, EAN's objective of worldwide expansion became a reality. Israel and Hungary joined EAN at the turn of the year 1983/1984, Iceland became a member in December 1984 and the membership of three more countries: Argentina, Cyprus and Greece was approved by the General Assembly in December, to become effective from early 1985 onwards. With the inclusion of these latter three organizations, EAN spans 27 nations: 25 as fully affiliated organizations and 2 through links with neighbouring countries.

1984 also saw a continuing consolidation of consumer unit identification and scanning as well as major progress in other applications of article numbering.

Special attention was given to the closer collaboration between EAN and UPC (or UCC as it became during the year).

In 1984 the majority of EAN numbering organizations saw a rapidly increasing membership. The symbol marking rate and number of scanning stores also grew significantly around the world. By the end of the year a total of about 7.000 stores in EAN countries were using scanning at the point of sale. In general, consumer reactions were very favourable.

Several EAN countries were active in the development of communications systems and of arrangements for the exchange of sales data between trade and industry.

A synopsis of the year's activities in each member country is given in the appendix.

GENERAL ASSEMBLY

The Annual General Meeting of EAN was held in Wiesbaden on 25 May 1984 under the chairmanship of Mr. A. HEIJN.

The General Assembly approved the annual report and the accounts of 1983, as well as the budget and fees of 1984. It was informed of the activities of the Executive Committee, of the implementation of the system in the member countries and of the liaison between EAN and UCC.

Messrs. A. HEIJN and J. COLLIN were unanimously re-elected as president and vice president of EAN.

The significant matters progressed at the Assembly were:

- According to the decision of the General Meeting of December 1983 to have the audit of the EAN operations carried out by a certified public accountant, this General Meeting appointed the audit company CAMPS OBERG & CO, Pvbba, Antwerp.
- The General Assembly approved the new statutes, thereby making them more appropriate to the present situation and needs. The Articles concerning the object of the Association, the quorum and majority rules in the General Assembly and the composition of the Executive Committee were particularly affected. As regards this last point, the General Assembly decided that the Executive Committee shall have a maximum of 25 members as from the Ordinary General Meeting in 1987. The method of selecting members will be subject of an internal regulation. The Belgian Ministry of Justice approved the new statutes in October 1984.
- The internal regulations for the activity of the Coordinating Committee were approved. This body, set up for a two-year period, assists the General Secretariat in its various tasks. Messrs. A. HUSI, G. MERCIER and A.T. OSBORNE were unanimously elected members of this Committee.
- The General Assembly approved the Internal Regulation for the activity of the Executive Committee.
- It was decided to change the accounting year, to start henceforth on 1st July, with effect from 1 January 1985.
- The working Parties «General Merchandise», «Harmonization of the Communication Systems» and «Asia/Pacific Development» presented reports to the Assembly.

Beside this Ordinary General Meeting, the postal vote procedure was used twice in 1984. In September, the General Assembly was requested to vote on the application for membership of the ICELAND EAN-COMMITTEE, while in December a similar procedure was used to accept three more organizations: CODIGO (Argentina), CYPRUS CCI (Cyprus) and HELCAN (Greece). Thanks to the unanimous vote

of the General Assembly members on all four applications, these organizations benefit from EAN membership from 1985 onwards.

EXECUTIVE COMMITTEE

The Executive Committee met three times:

- in Brussels on 1 March 1984
- in Copenhagen on 13 September 1984
- in London on 7 December 1984.

As in previous years, the main task of the Executive Committee was to examine the reports of the Working Parties and to propose guidelines based on their conclusions.

The following points were also treated by the Executive Committee in the course of 1984:

- Preparation of matters to be dealt with by the General Assembly.
- Examination of new applications for EAN membership and allocation of prefixes to new member countries.
- Flow of information and communication within the Association.
- Approval of specifications for variable quantity despatch units. The General Assembly delegated its power of decision in this respect to the Executive Committee.
- Requests for add-ons on all types of unit. Examination of a global approach to add-ons.
- Transitional provisions for budget and fees due to the modification of the accounting year. Proposals for a draft budget for the first half of 1985.
- Transformation of the working party «Worldstructure» into Working Party «New Membership». The «Working Party on Asia/Pacific development» was reconstituted as a regional «Task Force» of the Working Party «New Membership».
- Future organization of ESTAC and its collaboration with STAC.
- EAN/UPC liaison.
- Preparation of an EAN leaflet to inform and interest companies in non-member countries.
- Updating the EAN Vade-Mecum.
- Protection of the EAN system.
- Exchange of information on access to sales data.
- The German 18 digit FAN-system.
- Presentation of videos produced by Numbering Organizations.

WORKING PARTIES

*** Despatch Units**

Members: Messrs. A. HUSI - Chairman
E. BOONET - EAN
D.A. CLAUS - UAC
B.C. ENGBERG - CCG
M. LAPLANE - ESTAC
O.E. MARTZ - SACV
G. MERCIER - GM CONSULTANTS
B. PASSAD - SWEDISH EAN COMMITTEE
A.T. OSBORNE - ANA
T. WILSON - UPC

The full working party met in January 1984. A smaller group met several times to discuss specific problems.

The proceedings in 1984 were dedicated to following subjects:

- Drafting of the final version of Module 12 «Variable quantity despatch units». Thorough investigations were required to examine under what conditions it was possible to use the consumer unit product number in the construction of a variable quantity despatch unit number. The Working Party held comprehensive discussions on how to cope with units of measurement in variable quantity despatch units. In December 1984, the Executive Committee approved the draft Module 12 specification but agreed at the same time that this specification might be amended later when EAN/UPC have defined a global approach to add-ons.
- Inquiry into the potential needs for add-ons on consumer and on despatch units. This inquiry amongst the membership was designed to create a complete catalogue of all possible requests for add-ons. In the meantime, a document «Proposal of an approach concerning add-ons and additional symbols» was drafted and discussed.
- Proposal of a position on the usage of in-store numbers for fixed weight despatch units.
- Proposal of a position on EAN symbols with magnification factors between 2 and 4.
- Reply to specific questions raised by Numbering Organizations and users, concerning Despatch Units identification.

*** General Merchandise**

Members: Mr. B. PASSAD - Chairman
Mrs. T. ANGUE - GENCOD
Mr. E. BOONET - EAN
Mrs. E.M. BRAUNSTORFER - EAN-AUSTRIA

Messrs. K.H. HAGEN - CCG
J. KROESEN - UAC
L. LAGUESSE - ICODIF
M. LAPLANE - ESTAC
O.E. MARTZ - SACV
A.T. OSBORNE - ANA

The Working Party met once in 1984.

The main conclusion of the Working Party was that a unique EAN article number should be assigned to every product variant in general merchandise, just as in numbering grocery items. It was also agreed that Numbering Organizations should treat general merchandise manufacturers and traders as equivalent to grocery manufacturers whenever possible.

It was further recognized that EAN and the Numbering Organizations should design public relation programmes to ensure that all sectors of trade and industry are aware of the existence of EAN and are educated into the appropriateness of adopting the standard.

The Working Party gave initial consideration to the design of a price add-on. However the need for such an add-on continued to be questioned by several EAN members. Ultimately this is a political decision to be taken by the General Assembly. In the meantime, the Executive Committee decided not to investigate price add-ons separately but to coordinate the total add-on issue within the working party «despatch units».

At the end of 1984, Mr. A.T. OSBORNE was entrusted with drafting the final report of the Working Party, to be submitted to the General Meeting of 1985.

*** Worldstructure**

Members: Messrs. R. LIEBY - Chairman
E. BOONET
K.H. HAGEN
A. HEIJN
A. HUSI
R. SHAW

The working party met twice in 1984 and held a common meeting with the Working Party «Asia/Pacific development». Its proceedings mainly concentrated on the preparation of several issues for submission to the General Meeting of 25 May 1984, i.e.:

- Project on revised statutes.
- Internal regulation for the activity of the Executive Committee.
- Internal regulation for the activity of the Coordinating Committee and proposal of nominations for membership of this Committee.

- Proposal for the future organization of ESTAC.
- Budget approval procedure.

In September 1984, the Executive Committee decided to dissolve this working party since it had achieved its initial objectives and to set up another working party «New Membership» with a new programme of work, comprising promotional activity to encourage countries all over the world to become EAN members. This working party will have a number of regional task forces.

*** Asia/Pacific development**

Members: Messrs. K. ASANO, Chairman
 E. BOONET - EAN
 R. SHAW - APNA
 B. SMITH - NZPNA

This new working party, set up by the General Assembly in its meeting of December 1983, met twice: in February 1984 in Singapore and in September 1984 in Tokyo.

The main objectives of this working party were the following:

- Preparation of a seminar for all interested companies and organizations in the Asia/Pacific region. During this seminar, participants will be informed about the EAN system and Association. Arguments will be developed to encourage Asian/Pacific countries to set up their own EAN numbering organizations. The seminar is planned for 23 March 1985.
- Provisional number allocation by EAN to companies in non-member countries.

In September 1984, the Executive Committee decided to rename this Working Party to «Asia/Pacific Task Force».

*** Harmonization of the communication systems**

Members: Mr. J.P. Chr. DE VRIES - Chairman
 Mrs. T. ANGUE - GENCOD
 Mrs. E.M. BRAUNSTORFER - EAN-AUSTRIA
 Messrs. E. BOONET - EAN
 P. DOBIAS - CCCI
 H.P. JUCKETT - UPCC
 O.E. MARTZ - SACV
 A.T. OSBORNE - ANA
 B. PASSAD - SWEDISH EAN COMMITTEE
 K. SCHULTE - CCG

This working party met twice in 1984. Members of the Working Party exchanged information on progress in introducing national communication systems and on the national legislative situations regarding paperless communication.

After a first report to the Executive Committee, the Working Party reviewed its programme of work and agreed that it should not aim at the harmonization of existing communication systems. The new starting points of the work were defined as follows:

- there are basic differences in approach in existing communication systems. Therefore the existence of different national communication systems has to be accepted.
- the working party should restrict itself to finding the possible bridges and translations which could be made between the systems, the aim being to avoid new developments and new communication systems which could create further divergence from the present situation.
- the final aim of the work could be to define one common interface which could be used and understood by all partners on an international basis.

The Working Party suggested to entrust a consultant with this work. The terms of reference were submitted to two Consultants. After examination of their suggested programmes of professional assistance, it appeared that:

- the cost for such a programme would be very high.
- several countries questioned the potential benefits of an international common interface, considering that their volume of international transaction is almost insignificant.

Taking these conclusions into consideration, the General Assembly agreed:

- not to use a consultant at the present time.
- that the working party should carry on its examination of further harmonization between communication systems, step by step. A first step could be to contact the companies in every country that are most involved in direct international communication so that they would inform EAN about their experiences and difficulties related to international communication.
- to inquire further about the possibilities of external co-financing of EAN's project (e.g. in the framework of the EEC «Esprit» programme).
- that EAN should investigate whether it would be worthwhile to follow up the proceedings of the Working Party on the Facilitation of International Trade Procedures of the Economic Commission for Europe of the United Nations and investigate whether some form of permanent participation in their proceedings could be established.

ESTAC

Plans for the future organization of ESTAC were discussed by the Executive Committee. It was stated that EAN requires a basis of technical knowledge in order to be in a position to define and to defend its needs. In parallel, there has been a very strong movement towards a closer collaboration between STAC and ESTAC. Mr. M. LAPLANE, chairman of ESTAC, was invited to attend a STAC meeting in November 1984 where the re-organization of STAC and the future collaboration between STAC and ESTAC were discussed. A decision will have to be taken as soon as the analysis of the needs and possibilities had lead to a conclusion.

SECRETARIAT

In 1984, the permanent staff of the Secretariat was as following:

Mr. E. BOONET, General Secretary

Ms. D. VERTROOST, Executive Officer

Mrs. L. DE BELDER - DE CAT, Secretary

Ms. L. VAN ROOSBROECK, Secretary.

In September 1984, the Executive Committee appointed

Ms. D. VERTROOST Executive Officer of EAN.

The Secretariat executed the following tasks:

- Every day administration of the Association:
 - Correspondence and bookkeeping
 - Contacts and provision of information
 - Sale of publications.
- Contacts with and information to the new member countries. Contacts with potential member countries.
- Preparation of all EAN meetings:
 - Preparatory contacts and practical organization
 - Agendas and calling letters
 - Circulation of information related to the agendas
 - Elaboration and forwarding of working papers
 - Translation of documents whenever required.
- Writing and forwarding the reports of the General Assembly, of the Executive Committee and of the Working Parties.
- Organization of surveys within the membership.
- Writing and publishing the EAN Newsletters.

During the General Meeting of 25 May 1984, a Coordinating Committee was appointed for a two-year period to assist the permanent staff members of the Secretariat. Messrs. G. MERCIER, A. HUSI and A.T. OSBORNE were elected members of this Committee. The Coor-

ordinating Committee started its activity in July and met three times in 1984. These meetings, held in conjunction with Executive Committee meetings, were mainly dedicated to the preparation of the items to be dealt with by the Executive Committee. The Coordinating Committee also set up its rules of procedures, allotted functions and responsibilities to every member and established a catalogue of pending matters which needed immediate treatment. A meeting was held with the chairmen of the working parties and the chairman of ESTAC in order to set up an inventory of problems remaining to be dealt with by the several working parties. Every member was entrusted with tasks and reports relating to his responsibilities.

LIAISON WITH UCC

Liaison with UCC was a most important topic in 1984 (UPC changed its name to UCC, Uniform Code Council, Inc., during 1984).

As in previous years, there were regular contacts between EAN and UCC in the course of 1984 by exchanging numerous documents and letters. UCC attended two of the three EAN Executive Committee meetings while EAN was represented in the meetings of the UCC Board of Governors.

During 1984, UCC issued new Shipping Container specifications and undertook to change its prefix for random weight shipping containers to fall in line with the EAN Despatch Units specifications.

The first steps towards closer collaboration between EAN and UCC in the future were taken. It seems obvious that the long-term objective of complete compatibility and worldwide acceptance can only be achieved if future development of the systems is carried out jointly. The main objectives of the cooperation will be:

- to create full system awareness and increased accuracy on both sides.
- to work towards common EAN/UPC specifications.
- to improve alignment of US software with the total UPC/EAN needs.

EAN and UPC experts will begin by jointly establishing an inventory of the UPC system and comparing the findings with the EAN specifications and principles.

Already, STAC and ESTAC have started consulting together on how to achieve closer collaboration and will proceed with these discussions in 1985.

CONTACTS WITH NON-MEMBER ORGANIZATIONS

Companies and organizations in Argentina, Barbados, Brazil, China, Colombia, Cyprus, Ghana, Greece, Iceland, Morocco, Papua/New Guinea, Portugal, Taiwan and Venezuela contacted the secretariat seeking either EAN membership, or information on symbol marking their products for export to EAN countries.

EAN had regular contacts with the EEC. The possibility that EAN could be considered for Community financial aid in the framework of the «Esprit» programme for its project on «Harmonization of the Communication systems» was investigated.

Also in connection with the proceedings on Harmonization of communication systems, EAN exchanged information with the working party on Facilitation of International Trade Procedures of the Economic Committee for Europe of the United Nations.

PUBLICATIONS

During 1984, EAN published two EAN NEWSLETTERS, comprising listings of the EAN scanning stores in the member countries. 2000 copies of each NEWSLETTER were circulated.

EAN prepared a general information leaflet for use by companies in non-member countries. This leaflet will be available from early 1985 onwards in English, French, German and Spanish.

PARTICIPATION IN INFORMATION DAYS

EAN was represented at several information meetings and gave several lectures. During Scan Tech Europe '84, Mr. A. HEIJN won the Scan Tech/Scan Newsletter Industry Achievement Award. This award was presented to Mr. A. HEIJN in recognition of his pioneering work for article numbering worldwide.

APPENDIX

SYNOPSIS OF THE ACTIVITIES IN 1984 IN THE EAN MEMBER COUNTRIES

For each of the EAN member countries, a synopsis of the activities has been prepared, based on a survey organized by the Secretariat General.

AUSTRALIA

At the end of 1984, the AUSTRALIAN PRODUCT NUMBER ASSOCIATION had 1.217 manufacturer, 18 distributor and 8 other members. The symbol marking rate exceeded 90 %.

The EAN system in Australia enjoyed substantial progress in 1984. The number of scanstores more than doubled and more than 130 scanstores were operating by the end of 1984. In some local market areas, such as Melton in Victoria, several scanstores were in direct competition. It seems quite likely that 1985 will see a further doubling of the number of scanstores.

The system continued its evolution beyond the narrow initial focus of the front end scanning of grocery consumer units. For example, during 1984 the APNA «Trade Unit Numbering and Symbol-Marking Operating Manual» was released, and substantial discussion occurred within industry regarding the implementation of the trade unit system. Similarly, the APNA «Book Numbering and Symbol-Marking Operating Manual» was released and 20 publishers joined the book category of APNA which will lead to the progressive appearance of EAN symbols on books published in Australia. A further diversification of the EAN system in Australia was the introduction of in-store symbol-marking by a leading discount department store retailer.

Additional areas of research and development were pursued by APNA including scandata, trading data communications, and standard product numbers for variable weight products. APNA received two comprehensive reports from independent consultants on both the international and Australian aspects of scandata. These reports were referred to representatives of the industry for further examination. APNA working parties were established to look at the place of the EAN system in trading data communications, particularly the possibilities for the electronic exchange of commercial information. A further

working party considered the feasibility and desirability of constructing a standard set of product numbers to be used for the source-marking of variable weight products such as poultry.

As in past years, APNA devoted substantial resources to the conduct of consumer research, particularly in relation to the practical trials of the consumer protection Code of Practice in four stores in three states. Additional research was commissioned in response to an inquiry into scanning conducted by the Tasmanian Consumer Affairs Council. In line with past results, the reported consumer response to scanning in general and the issue of item price-marking in particular, was generally favorable. The continuing conclusion seems clear, that is, that there is wide community acceptance of scanning and virtually no community movement in support of mandatory item price-marking legislation. This last aspect was amply demonstrated in Victoria where the Bill proposed by the Consumer Affairs Minister was amended in the Legislative Council, where the sensible compromise approach of legislating to enforce the Code of Practice was adopted. The final outcome of this continuing saga in Victoria is yet to be seen.

AUSTRIA

The Austrian Numbering Organization EAN-AUSTRIA had 934 manufacturer, 106 distributor and 95 other members by the end of the year.

The Austrian law on price-marking was voted in May 1984, for a 4 year period. This law does not impose item price-marking: shelf labelling is considered to be sufficient and in case of scanning a printed consumer receipt is requested. There are no negative consumer reactions in Austria. By the end of the year, there were 80 scanning stores, from which 56 were EAN-based.

A national working party on variable weight products dealt with a system of standard numbers for dairy products, meat, vegetables and fruit. Another working party dealt with the «Access to sales data» issue.

Conferences and seminars were held around the country. According to the requests, EAN-AUSTRIA held either regional seminars or seminars for specific industry-sectors like wine-dealers (export to USA), grocers, the pharmaceutical sector and drugstores. EAN-AUSTRIA is specially investigating the symbol-marking of brand products in the cosmetic sector, where very few has been achieved yet.

Austria will further progress in the symbol-marking of despatch units, especially for the Cash & Carry stores and will set up a Committee on «Order clearing».

BELGIUM AND THE GRAND DUCHY OF LUXEMBURG

At the end of 1984, ICOF, the Manufacturers' part of the Numbering Organization had 635 members and ICOD, the Distributors' part of the Numbering Organization had 20 members distributors and distributor associations. In the Grand Duchy of Luxemburg, about 25 companies are members.

The installation of scanning stores continued to progress in 1984. At the end of the year, Belgium and the Grand Duchy of Luxemburg totalled 145 scanning stores. 85 % of all food products are symbol-marked.

The working party on communication finalized the basic principles of the future Belgian communication system, «ICODIF SYSTEM». Rather than introducing the total system with the full membership, it was decided to start trials for the ordering and delivering information and to involve only 10 to 20 companies in a first period. These trials will also aim at testing the possibilities and difficulties encountered with electronic data transmission, both bilateral and with a central clearing house.

Although manufacturers and distributors signed a declaration of intent concerning the exchange of sales data and agreed to start trials for a limited number of products and stores, little progress was achieved in 1984. Many scanning stores were not able, for technical reasons, to store and to communicate their sales data as required.

A bi-monthly newsletter was circulated to all member companies. A pamphlet on «EAN numbering and promotions» was set up and widely distributed.

CZECHOSLOVAKIA

The CZECHOSLOVAK CHAMBER OF COMMERCE AND INDUSTRY had, at the end of 1984, 525 manufacturer, 73 distributor and 217 other members. 22 manufacturer numbers were allocated. A first scanning store was installed.

The EAN activity substantially progressed in 1984. One of CCCI's main task was the drafting of the national EAN specifications. The issue of this document is expected by early 1985.

During 1984, the CCCI held a series of seminars and conferences on the questions of the introduction of EAN in the Czechoslovak economy. These conferences were attended by representatives of the Czechoslovak industry and by foreign trade companies. On the other hand, seminars were prepared in cooperation with foreign companies. CCCI will continue this activity in 1985.

In 1985, CCCI will carry on its attitude towards the question of «Harmonization of the communication systems» and will recall the necessity of a very close cooperation with the UNO - Economic Commission for Europe, Working Party on Facilitation of International Trade Procedures.

DENMARK

The DANSK VAREKODE ADMINISTRATION has no individual members. About 634 manufacturer and distributor numbers have already been allocated.

At the end of 1984, about 22.000 products were source-marked which means a symbol-marking rate of about 80 % by volume. 15 stores were scanning.

It is expected that many stores will be equipped for scanning in 1985. In January 1985, there were approx. 15 new scanning shops.

FINLAND

THE CENTRAL CHAMBER OF COMMERCE OF FINLAND has no individual members. At the end of 1984, 228 manufacturer numbers had been allocated (against 162 early 1984). At the end of the year, 9 retail stores and 5 ferry-supermarkets were equipped with scanners. In 1984, the symbol-marking rate increased from 40 to 63 %.

The Finnish agreement concerning exchange of sales data signed in 1982 was further specified in an Appendix consisting of:

- standards for exchanging data i.e. records and transmission rules
- rules for collecting data
- usage of these data.

National specifications were set up for numbering and symbol-marking despatch units and for magazines and periodicals.

FRANCE

At the end of 1984, 2.210 manufacturers and 195 distributors were members of GENCOD. By the end of 1984, 500 retail stores were equipped with scanners or wandreaders. The symbol marking rate reached 85 %.

In 1984, meetings were organized to inform the national Consumer Associations about the use of EAN scanning.

GENCOD set up an explanatory brochure on the EAN symbol and

scanning in the shops for use by consumers and the large public in general.

With respect to the identification of despatch units, GENCOD:

- distributed the national despatch units specifications.
- realized a programme of 18 overhead slides to be used in the GENCOD seminars on despatch units, which will be held from early 1985.
- set up an information brochure on the ITF symbol-marking and on scanning despatch units for use by production, distribution, transport companies, wholesalers, etc...
- assisted the manufacturers of corrugated cardboard when making printing tests with the H-gauge and printing the ITF symbol.

Working Party meetings were organized:

- in order to define the needs concerning add-on codes.
- to study the applications between shipping companies and distributors and to examine the use they could make of despatch unit symbol-marking.

GENCOD organized 54 seminars either on the GENCOD communication system or on the EAN numbering and symbol-marking.

GERMANY

At the end of 1984, 5.514 manufacturers and 2.639 distributors were members of CCG. 425 retail stores used scanning against 176 stores at the end of 1983. According to the latest NIELSEN report, 93 % of all food products are source-marked.

In 1984, the main objectives of CCG were the following:

- Installation of a mail box orientated ordering system according to the SEDAS Standards (SEDAS-DATA-SERVICE).
- Preparation of a system for scanning data exchange.
- Arrangements with the paper back book printers concerning the identification of their products.
- Publishing of 4 editions of the periodical COORGANISATION.
- Efforts to keep up the integrity and non-ambiguity of the EAN system.

HUNGARY

The HUNGARIAN CHAMBER OF COMMERCE - EAN BUREAU had 1 distributor and 89 manufacturer members at the end of 1984. 350 articles were symbol-marked. A first scanning shop was installed. As a new member country, Hungary took the preliminary steps to in-

introduce the EAN system. HCC concentrated its activities on the following issues:

- organization of seminars, publication of national guidelines, elaboration and introduction of standards.
- organization of the technical conditions of symbol printing and control.
- number-unification of products in specifically organized sectors, like dairy products.
- efforts to solve the problems created by the non-acceptance of EAN symbols in North-America.
- elaboration of national EAN prescriptions for the identification of despatch units.
- obtaining government promotion.

For the time being, HCC is starting to introduce EAN article numbers for all mass consumption products.

ISRAEL

During its first year of activity, ISRAEL CODING ASSOCIATION allocated 350 company identification numbers to manufacturers and 30 identification numbers to distributors. 4 scanning shops (2 in Tel-Aviv and 2 in Jerusalem) were installed.

ITALY

INDICOD had, at the end of 1984, 1.701 manufacturer, 24 distributor and 33 other members. The 24 distributor members represent more than 3.000 retail shops. The symbol-marking rate reached 80 %.

The installation of scanning shops in Italy is still suspended, pending official approval by the Ministry of Finance. This homologation is expected in the course of 1985.

In 1984, INDICOD organized regional meetings for the distribution (in Padova, Bologna, Torino and Milano) to provide the companies with information on the purposes, benefits, operational and technical aspects of the EAN numbering and symbol-marking.

Technical Working Party meetings were held in order to discuss following issues:

- Definition of solutions to be adopted in the field of despatch unit identification
- Add-on problems
- Marketing data bank

There have been contacts with the Ministry of Health concerning the identification of pharmaceutical products.

JAPAN

The DISTRIBUTION CODE CENTER has no individual members. 7.838 manufacturer numbers and 1.484 distributor numbers have already been allocated. The number of scanning stores was approx. 5000 by the end of 1984, growing at a rate of about 100 new stores a month. The symbol-marking rate reached 75 % at the end of 1984. In 1984, DCC achieved progress on following issues:

Exchange of sales data: DCC set up an EAN article file of about 100.000 items sold in Japan. This file is now available on paper and will be later on available on floppy discs and tapes. The study on the establishment of organizations for POS data exchange is taking place. According to the 4-year plan set by DCC, the final aim would be to collect, process and sell information from a total of 1.000 stores. Preparations are made to collect POS data from approx. 200 stores starting in October 1985 as a first step. The purpose of this project is to support the small and medium size companies to establish their information systems as well as to provide the feedback of the data to the manufacturers of source-marked articles. DCC will invest in this project for an experimental period of 2-3 years. Since the number of stores installing POS systems is expected to reach the 10.000-mark by the end of 1985, it will be easier to collect POS data. In the private sector, a few companies already started exchanging POS data on an experimental basis.

Since it was proposed in 1981 to standardize the protocols, the communication system has been adopted by approx. 100 retailers in their on-line ordering system. Standardization of documents and transmission formats was achieved in 1983 and is now operational. The communication system is therefore expected to expand rapidly.

Removal of item pricing: Experiments are underway to indicate the prices of individual items on the shelves by liquid-crystal displays which are linked on-line with the POS controller. This experiment has gained good acceptance and is expected to be commercialized within 2-3 years. Consumers are not against the removal of individual item pricing, but most of the POS scanning stores still follow the conventional practice of individual item pricing. Consumers shopping in POS scanning stores have a high regard for the system.

DCC took part in the proceedings of the EAN Asia/Pacific Working Party and will provide the practical organization for the seminar in March 1985.

The major issue for the future will be to develop data service operations focusing on POS data. Activities for this purpose are included in the 4-year plan which already started. Efforts are also made in the study of the EFT network system using POS credit cards (with 3 different symbols: OCR, barcode and magnetic stripe).

NETHERLANDS

799 manufacturers, 35 distributors and 63 other members have already joined the STICHTING UAC. 149 stores are equipped and the symbol-marking rate reached 85 %.

In October 1984, UAC organized its annual meeting. The theme was: «the coming developments». With regard to UAC-developments, the members were informed that 3 pilot trials of TRANSCOM will be started and that CUM (Central Exchange of Market Data) was technically feasible. Both projects will be tested in 1985. The introduction of scanning in the Netherlands progressed slowly in 1984, due to the interest of the supermarkets to build up a complete Management Information System.

In 1984, UAC published 4 UAC-Newsletters. The brochures «Streepjes, Scanners, Computers» and «Scanning voor u eraan begint» were updated. A new brochure «Transactiecommunicatie» with background information about the TRANSCOM-system, its advantages and introduction schedule was published. All brochures and other information were sent to the trade unions and consumer organizations. In October 1984, UAC informed the trade unions about TRANSCOM. For 1985, UAC expects a rapid growth in the number of scanning supermarkets. Further it is expected that in 1985 the introduction of TRANSCOM will be generalized. The general use of the TRANSCOM standards will require an enormous P.R.-campaign. UAC expects to set up in 1985 a test of the CUM-system, which will be useful for all UAC-participants.

NEW ZEALAND

At the end of 1984, the NEW ZEALAND PRODUCT NUMBER ASSOCIATION Ltd had 518 manufacturers, 82 distributors and 52 other members. 38 retail shops are equipped with scanning and the symbol-marking rate reached 75 % by volume in a typical grocery store. The introduction of scanning in New Zealand continues at a satisfactory level. Included in the scanning installations are 5 cash and carry wholesalers and a paint and wallpaper chain hopes to introduce

scanning in its retail outlets in the last quarter of 1985, using hand held wands. A similar chain will introduce a pilot store in the first half of 1985.

Consumer reaction has continued to remain favourable. Retailers have adopted the Code of Practice issued by NZPNA covering the introduction of scanning and the procedures to be followed.

Exchange of sales data is a major project and an agent will be appointed this year with a pilot scheme in place in the first half of 1986. Meetings will be held on whether trading communications standards can be established and used in New Zealand.

A major seminar on barcoding and scanning in the non-retail area is being held in New Zealand in June 1985. This seminar will include international speakers on the programme.

Workshop sessions for present and new members were held in 1984 and will also be held in 1985.

NORWAY

The Norwegian Numbering Organization NORSK VAREKODEFORENING has 5 member organizations. 454 manufacturer numbers have already been allocated. The symbol-marking rate increased from 25 to 55 %. 43 scanning stores are operational.

1984 has been an important year for NORSK VAREKODEFORENING. Both public and press took a great interest in the development of EAN in Norway. In June, NORSK VAREKODEFORENING opened a secretariat in Oslo to take care of and to manage the day-to-day business.

In 1984, 261 manufacturer numbers were allocated which is more than all previous years together. Also non-food companies are showing interest in EAN. Numerous scanning installations are expected in 1985.

SOUTH AFRICA

At the end of 1984, the SOUTH AFRICAN NUMBERING ASSOCIATION had 468 manufacturer, 43 distributor and 85 other members. The symbol-marking rate reached 25 %.

Seminars were held during May 1984 in Johannesburg, Durban and Cape Town with speakers from U.K. and Europe. The attendance was in excess of 300 delegates.

Workshop meetings of SAANA members were held during November 1984 in Johannesburg, Durban and Cape Town, to discuss topics

such as - Despatch Unit Coding, Despatch Unit vs. Consumer Unit, problems in CU identification, documentation, etc.

Sessions were successful and well attended. The SAANA Voluntary Code of Practice was finalised during 1984 and distributed to all members, media, Government bodies, Consumer Organizations and other interested parties.

The Despatch Unit specifications were finalised and the appropriate updates to the SAANA Operating Manual were distributed to all manual holders during June 1984 (the initial demand for Despatch Unit Coding was from the Manufacturer section).

SAANA decided to follow similar lines to UPC on the coding of greeting cards nationally, using Category and Price Code within the EAN-13 item number field. The 5-digit SKU add-on code and symbol are optional at the discretion of the card publisher.

During the first half of 1984, specifications and guidelines covering the use of in-store prefixes were finalised and distributed to all SAANA members. Prefixes 02 and 20 to 24 were allocated for in-store use by retailers. Prefixes 25 to 28 were reserved for future use by SAANA. Prefix 29 being used exclusively for coding of variable weight products price-marked by suppliers on behalf of the retailers - has the following structure: 5-digit item number, price check digit and 4-digit price. Item numbers are allocated by SAANA in blocks of 100 at a nominal annual subscription.

14 pilot scanning stores were installed by the end of 1984. Consumer reactions have been most favourable. Through efforts of the Working Party on Consumer Awareness, national coverage on barcoding and scanning was obtained through numerous dailies, periodicals, radio and T.V. It is anticipated that the symbol marking will exceed 70 % by item volume through check-outs by mid 1985.

SPAIN

At the end of 1984, the Spanish Numbering Organization AECOC had 853 manufacturer, 37 distributor and 43 other members (of which 405 were new affiliations in 1984). As expected, the symbol-marking rate increased from 17 to 55 % in 1984.

In 1984, AECOC initiated a study on «The productivity and benefits of scanning at the point of sale» in order to elaborate the factors relevant to the actual Spanish situation. This study will be presented during the next AECOC General Meeting on 6 March 1985.

AECOC collected the required information on communication in order to prepare its future standards in this respect.

AECOC also translated the General EAN Specifications for Num-

bering and Symbol-Marking Despatch Units.

Four newsletters «Noticias AECOC» have been published in 1984. Technical and informative documents as well as national manuals have been circulated to all member companies. Seven seminars were organized of which five were for the member companies and two for printers.

In 1984, AECOC carried out checking of filmmasters and printed symbols free of charge to its members. 2000 checks have been completed.

AECOC also participated in 3 Conventions:

- ALIMENTARIA '84 in Barcelona, where a scanning supermarket was demonstrated.
- MUNDO BELLEZA '84 in Valencia, organized by the hardware, perfumery and cosmetic sector. Again, a pilot scanning shop was demonstrated.
- TECHNO-ALIMENTARIA '84 in Barcelona, where several scanning systems were presented.

The film «Lenguaje Universal» was presented during the seminars and was offered for use by all member companies.

In 1984, the benefits of the EAN system, the application of EAN symbols and publicity of AECOC have been published in several specialized periodicals.

SWEDEN

At the end of 1984, the SWEDISH EAN COMMITTEE had allocated 678 company identification numbers. During 1984, the number of scanning stores increased from 56 to 230 and the symbol-marking rate reached 86 % by volume.

Despite symbol quality being generally satisfactory, the secretariat received quite a number of «EAN error reports» (prestamped postcards supplied to the scanning stores). 50 % reported errors in numbering, while the other 50 % referred to errors in symbol-marking. Steps are continuously taken to improve the awareness of symbol quality amongst the membership.

At the end of the year a public debate on the removal of item pricing took place. A scientific study had concluded that «a majority of consumers would accept a decreased rate of item price marking in exchange for a better information on the receipt». This fact was of little value when the major newspapers entered the scene in a campaign against removal of item price marking. Discussions held with the Swedish Consumer Authority indicated that quality of price information must be very good before dispensing with item price marking

in new scanning stores. The Consumer Authority initiated two major studies to take place in 1985. Legislation is not expected, but very firm «recommendations» on price information may come for all stores, scanning or not scanning. The final answers will be given by the end of 1985.

EAN source-marking on prepacked variable weight items dramatically increased and is still in progress. The EAN source marking of non-food products also increased.

During 1984 national standards for books and paper-backs on the one hand and for coupons on the other hand were derived from the general EAN options in this regard.

A working party on Despatch Units and Communication set the national standard as DUN-14. DAKOM, the electronic data communication system was updated to allow DUN-14 numbers. It is now optional to use UPC, EAN-8, EAN-13, DUN-14 or, as before manufacturer's article number to identify the article in communication, the choice being indicated by a special code.

Printing tests of ITF-14 on corrugated cardboard were carried out amongst leading cardboard producers. No particular problems were reported.

The question of exchange of sales data was discussed on many occasions in order to improve the lowest level of data exchange which was earlier agreed. One major chain (ICA) has offered their suppliers a bilateral form of sales data. It is expected that other chains will follow. The question of appointing a clearing house has been postponed until further experience is gained from the present situation.

Several seminars were held.

EAN in Sweden is expected to develop even further in 1985. The number of scanning stores will at least double. The department stores have asked for EAN symbol marking on General Merchandise and this request appears to meet with the suppliers approval.

SWITZERLAND

The ASSOCIATION SUISSE CODE DES ARTICLES had 436 manufacturers, 91 distributors and 64 other members by the end of 1984. 16 stores, mainly Cash & Carry stores, are now installed with scanners or wandreaders. 84 % of the articles in the supermarket range are symbol-marked.

The introduction of scanning in Switzerland is progressing very slowly. The hope however exists that next year – when the two largest distribution chains will start introducing scanning on a larger scale –

the introduction of scanning will be accelerated and extended to the whole trade.

As items are still price marked and will continue until scanning is introduced in a larger number of stores and the system is fully accepted by the consumer, no consumer reactions are expected. The legislation on price-marking is flexible. It allows price marking on the item, beside the item or on the shelf-edge.

SACV issues a bulletin twice a year containing all the necessary information on activities and new developments in the EAN system.

The technical basis for a communication system has been adapted and extended for ordering, delivery confirmation and invoicing. The first tests for its later implementation are in hand.

SACV participated in the organization of AUTOMACOM (pilot exhibition) and gave seminars on the EAN system.

The exchange of sales data is still at a stage of discussion between trade and industry. The hope exists that further progress will be made during 1985.

UNITED KINGDOM AND IRELAND

*** United Kingdom**

At the end of 1984, ANA (UK) had 2502 manufacturers, 344 distributors and other members. 185 stores are scanning.

In 1984, the ANA's membership grew by 45 %. A large proportion of the new members were companies in non food areas such as records, hardware, tools and pharmaceuticals. Several retailers in the non-food sectors announced plans to implement EPOS systems on a widespread scale in the near future.

More and more companies started to use the Association's standards for electronic data communications (TRADACOMS). During the year, trials were conducted of a major network service, operated by ICL, to facilitate the exchange of data in TRADACOMS format, using telecommunications. This service will enable users with different types of computer hardware to communicate easily and economically. Several seminars have been held around the country to give practical guidance to prospective TRADACOMS users.

ANA has also established a forum where industries with an interest in electronic data exchange can exchange news and views so as to achieve maximum harmonization of standards development. Major industries such as aerospace, motor manufacturers and pharmaceuticals have been involved in this initiative.

Trials of ANA's EPOS Sales Data service were maintained throughout the year. Whilst there are over 180 scanning stores in the UK, not

all of these are able, for technical reasons, to communicate their sales data. It is expected that this problem will be resolved in the near future, allowing a full service to be launched.

Agreement has also been reached in principle with retailers that competitive sales data can be made available as part of a separate added value service.

ANA published a revised operating manual in 1984 containing the specification for coding traded units. Two large manufacturing companies have already implemented sophisticated stock movement control systems based on scanning of traded unit symbols.

ANA also undertook a programme of research to study the problem of symbol marking shrink film, which accounts for a large proportion of traded unit packaging in the UK.

A major conference was held in April 1984. This event attracted well over 400 delegates, and presented material on all the topics described above.

A special education pack was prepared and published for use by schools wishing to teach the significance and benefits of international article numbering. This has been very well received.

* Ireland

The Article Numbering Association of Ireland had 162 manufacturers, 7 distributors and 9 other members at the end of 1984. 3 scanning stores are operational.

All major multiples are involved in the process of getting ready to install scanners. One multiple which stayed outside the Association until recently has run tests on non-food items.

Consumer reaction at the introduction of scanning has been very muted. This would be in line with the Irish Council's thinking to have scanning introduced in low-key fashion.

Auditors recently looked at national legislation to ascertain what obstacles there were to electronic exchange of trading documents including V.A.T. Actually there have been few obstacles and the Association is now looking how these can be removed.

YUGOSLAVIA

JANA, the Yugoslav Association for Article Numbering had 39 manufacturers, 8 distributors and 18 other members by the end of 1984. About 700 articles were symbol-marked, i.e. a symbol-marking rate of about 6 %.

The main activities for Yugoslavia during 1984 were the following:

- The Executive Committee and five permanent Working Groups set up the final organization of JANA.
- Promotion and Public information on TV, radio and some magazines
- Filmmaster production in Yugoslavia.
- Preparation of EAN-JANA seminars for different groups, i.e. management level, production, printing and EDP centres.
- Setting up of a project team for «Yucomsy» = Yugoslav Communication System.
- POS Specification for JANA Members - Unification.

Brussels, March 1985.

SYNOPSIS OF THE STATISTICAL DATA

A. MEMBERS AND ALLOCATED COMPANY IDENTIFICATION NUMBERS

Numbering Organization	Number of Members			Numbers allocated	
	Manu- fac- turers	Dis- tribu- tors	Others	To manu- fac- turers	To dis- tribu- tors
APNA (Australia)	1217	18	8	1204	13
EAN-AUSTRIA	934	106	95	934	95
ICODIF * Belgium	635	20	5	635	20
* G.D. of Lux.	26	3	—	26	3
CCCI (Czechoslovakia)	525	73	217	21	1
DVA (Denmark)	Organizations only			634	
CCC OF FINLAND	Organizations only			228	
GENCOD (France)	2210	195	—	2210	195
CCG (Germany)	5514	2639	—	5514	2639
HCC (Hungary)	89	1	—	89	1
INDICOD (Italy)	1701	24	33	1947	26
ISRAEL CODING ASS.	63	600	—	350	30
DCC (Japan)	7838	1484	—	7838	1323
STICHTING UAC (Netherl.)	799	35	63	758	35
NZPNA (New Zealand)	518	82	52	480	38
NORSK VAREKODEFOR.	Organizations only			454	
SAANA (South Africa)	468	43	85	468	43
AECOC (Spain)	853	37	43	845	15
SWEDISH EAN COMMITTEE	Organizations only			744	
SACV (Switzerland)	436	91	64	476	84
ANA * UK	2502	344		2930	
* Ireland	143	7	12	145	6
JANA (Yugoslavia)	39	8	18	39	8
TOTAL:				33.544	

B. NUMBER OF SCANNING STORES PER COUNTRY

Country	Number of scanning stores
JAPAN	5.000
FRANCE	500
GERMANY	425
SWEDEN	230
UK + IRELAND	188
THE NETHERLANDS	149
BELGIUM + GD OF LUXEMB.	145
AUSTRALIA	130
AUSTRIA	60
NORWAY	43
NEW ZEALAND	38
SPAIN	36
ITALY	18
SWITZERLAND	16
DENMARK	15
FINLAND	14
SOUTH AFRICA	14
ISRAEL	4
CZECHOSLOVAKIA	1
HUNGARY	1
YUGOSLAVIA	—
TOTAL:	7.027

EVOLUTION OF EAN AND UPC SCANNING STORES



