

White Paper on GTIN

Introduction

According to a new independent capacity study commissioned by the Uniform Code Council, Inc. (UCC), the organization will deplete its supply of new company prefixes for the 12-digit Universal Product Code (U.P.C.) numbers by the year 2005. To provide for continued expansion of the code system and the inclusion of new companies in the future, the UCC has established a sunrise date for its membership to accept the 13-digit EAN-13 code as well as the U.P.C. at the point of sale no later than January 1, 2005.

Who will be affected?

Different members of the Supply/Demand Chain will be impacted differently. Most manufacturers and suppliers are also receivers of product (raw materials, components, etc.). In this receiving capacity, the manufacturers and suppliers must enable capture of the full 14-digit structure. Retailers, non-retail end users, and other receivers of product ID numbers in the supply chain should enable the scanning of EAN-13 bar codes and the processing and storage of EAN-13 numbers in a 14 digit numeric field. Whether the retailers are UCC members or not, the implication is that they should be able to scan, process and store the EAN-13 symbol and coding structure. Additionally, they should consider assigning a field length of 14 digits to the fields on their database files containing "primary product ID". This primary product ID might be a U.P.C. number with two leading zeroes, an EAN-13 number with a single leading zero, or an SCC-14 number.

There are three categories of retailers who will be unaffected:

1. Those who do not, and will not use U.P.C./GTIN identifiers in any transactions.

2. Those who currently, and in the future, will exclusively use the in house number.
3. Those who have already embraced the GTIN standard, through use of U.P.C. and EAN codes.

GTIN

The Global Trade Item Number (GTIN) is the EAN/UCC system standard for product identification. GTIN is the most broadly implemented standard in the world. Globally the pool of numbers is extremely large and very carefully managed. GTIN is a globally unique fourteen-digit number assigned to each packaging level of a product/service. The GTIN is used when communicating with other trading partners. This means that sellers and manufacturers can preserve their internal part number nomenclatures. GTIN (Global Trade Item Number) is defined as the numbering scheme used to uniquely identify products/services for reference among all participants of the supply chain. More simply put, it is the one number used by all members in the IT and Component supply chains to reference a particular product/service.

The new GTIN format has been selected, approved, and will join the U.P.C. on the January 1, 2005 Sunrise date. The new number format is different in two ways. First, the length of the number that must be processed and stored will be 14 digits (though the 12 digit or 8 digit U.P.C. will be on the consumer product). And secondly, the length of the company number prefix (formerly the 12345 shown above) will become variable. This is important because it will eliminate the practice of parsing out the company prefix or item reference.

Therefore, any files, transactions, or data storage which a retailer, supplier, or wholesaler has currently defined as a 12 digit field will need to be upgraded to accommodate 12, 13, and 14 digit intermingled non-fixed numbers.

Benefits of GTIN implementation

The major benefits of implementing GTIN are:

- Facilitates seamless information flow along the supply chain
- Guarantees unique identification
- Provides a common language for manufacturers, exporters, importers, wholesalers, retailers and healthcare service providers to communicate information on their goods or services
- Implementation will overcome inefficiencies of existing databases, which accept only 12 digit UPCs.
- Is an integral part of point-of-sale, point-of-consumption, CRP and CAO processes
- Barcode scanning for electronic retrieval of data is still possible

GTIN implementation – the US Technology approach

The main objective should be to enable all existing applications to accept up to 14 digit GTIN data. For this, the US Technology approach generally consists of the following steps:

- To conduct an impact analysis of the existing system
- Identify impacted programs
- Identify impacted tables and databases
- Formulate a conversion strategy based on our proprietary AMUST methodology
- Use our AMUST methodology for implementing the solution

US Technology can help you!

Being the fastest company in the world to achieve CMM Level 5, US Technology can provide top quality solutions to our customers by leveraging our extensive expertise in the retail industry domain. To find out how US Technology can help you implement GTIN in a cost-effective manner, or to know more about our proprietary AMUST methodology, call us at 949-425-9300, or contact us at:

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