



CHANGES OF MEMBER COMPANIES' LEGAL STATUS: MERGERS, ACQUISITIONS, SPLITS AND SPIN-OFFS

A merger, acquisition, change in company name or registration, or divestiture may affect the registration of a GS1 Company Prefix. For these reasons, it is important to notify the issuing GS1 Member Organisation of any and all changes.

1. INTRODUCTION

GS1 Company Prefixes are licensed to members of GS1 UK or other national GS1 organisations. It is essential to be clear about the rights and obligations arising from licences in the event that the legal status of a licence holder changes.

2. MERGERS AND ACQUISITIONS

GS1 UK must be notified in writing by both the buying company and selling company in the case of an acquisition and by the new company in the case of a merger. The rule is that the merged or buying company is licensed to use all the numbers of the previous companies.

There are then two available options regarding the use of the GS1 Company Prefix(es) and associated GS1 Identifiers:

- The buying company can adopt the selling company's GS1 Company Prefix, keeping the GS1 ID Keys already allocated. If the buying

company is already a member of GS1 UK an additional annual fee will apply. However, if the buying company is not a member of GS1 UK it must first become a member.

- The buying company can phase in GS1 ID Keys created from the GS1 Company Prefix to which they already held the licence, for example when packaging is redesigned or reprinted. Buying companies need to be aware that if they decide to change GS1 ID Keys instead of maintaining those used by the company they acquired, their customers will have to carry out additional administrative work and file maintenance.

Similarly, in the case of a merger, the new company may maintain existing identifiers created from existing company prefixes to which they hold licences or can rationalise numbering using one prefix (assuming they have sufficient numbering capacity to do this).

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

3. PARTIAL PURCHASE

When a company buys a division, brand name, or a range of items, there are two options regarding the use of the GS1 Company Prefix and associated GS1 ID Keys:

- The selling company may submit in writing to GS1 UK that they have sold their brand/division/range of items, and they no longer require the licence to the GS1 Company Prefix used to identify these items, therefore authorising the transfer of their GS1 Company Prefix to the buying company
- The selling company may provide written authorisation to GS1 UK stating that the buying company will exhaust all existing stock carrying the selling company's GS1 Company Prefix. At their earliest convenience the buying company must then allocate new GS1 ID Keys to the products using a GS1 Company Prefix to which they hold the licence. This would normally be done as packaging is redesigned or reprinted. Trading partners must be notified of the changes to the GS1 ID Keys in advance

If a buying company is not a member of GS1 UK and decides to allocate new GS1 ID Keys instead of acquiring the license to the selling company's GS1 Company Prefix, they will first have to become a GS1 UK member to acquire its own GS1 Company Prefix. This option will result in additional administrative work and file maintenance for customers.

4. SPLIT OR SPIN-OFF

When a company splits into two or more separate companies it is necessary for each GS1 Company Prefix assigned to the original company to be transferred to one, and only one, of the new companies. Any company left

without a GS1 Company Prefix will need to apply to GS1 UK to obtain one. The decision as to which of the new companies will take over which GS1 Company Prefixes should be made to minimise the number of changes to GS1 ID Keys that will be required. The decision should be part of the legal arrangements that set up the new companies.

It is not necessary for existing stocks of items to be renumbered. However, when any of the split or spun-off companies are using GS1 ID Keys that are created using a GS1 Company Prefix to which it no longer holds the licence, then it should re-number those GS1 ID Keys using its own GS1 Company Prefix, for example when new labelling or packaging is produced.

Customers should be notified well in advance of the changes. Split or spun-off companies that retain a GS1 Company Prefix must keep a record of the GS1 ID Keys created from their prefix that have been allocated to items they no longer own. They must not re-use these GS1 ID Keys until an appropriate amount of time after the company that split away owning those items last supplied goods identified by those GS1 ID Keys (See GS1 General Specifications). Therefore, the company that did not retain the GS1 Company Prefix has to keep the company that did maintain the prefix informed of the dates on which the goods were last supplied with the previous number, or to guarantee a date by which the number change will be made.

Note: GS1 ID Keys refers to GS1 Identifiers

Staple Court, 11 Staple Inn Buildings
London WC1V 7QH
T +44 (0)20 7092 3500
F +44 (0)20 7681 2290
E info@gs1uk.org
Service Team (Freefone) 0808 178 8799

www.gs1uk.org