



# **Labelling multipacks for Scotland's deposit return scheme**

# Introduction

The UK's first deposit return scheme will go live in Scotland on 16 August 2023.

Scotland's deposit return scheme (DRS), the first of the four schemes planned for each UK nation to launch, will play a vital role in Scotland's journey towards a more sustainable economy.

Infrastructure for the scheme is now being rolled out across Scotland, and all affected businesses are being encouraged to act now to make sure they are ready for when the scheme launches.

This guide is designed to provide you with a basic overview of some of the potential approaches for labelling multipacks of products included in the Scottish scheme.



## DRS in Scotland: how will it work?

Scotland's scheme will see consumers charged a 20p deposit on any drink packaged in a single-use container made from PET plastic, glass, steel or aluminium sized between 50ml and 3 litres.

This deposit can be reclaimed by returning the container to any of the thousands of Reverse Vending Machines (RVMs) being installed across the country.

The scheme is being administered by Circularity Scotland an industry-led body representing drinks producers, retailers and trade bodies of all sizes.

Circularity Scotland recognise the need for product attributes to facilitate a successful DRS rollout and have mandated the use of GS1 standards.



# Harnessing the power of GS1 standards

At GS1 UK, we are in a unique position to provide insight on, and support the delivery of, a robust and efficient DRS in the UK

90 per cent of those retailers, producers and wholesalers affected are already among our members, and already use our interoperable standards to identify, capture and share data about their products.

GS1 standards are already used in DRS systems across the world, and we are actively supporting the development of a data model which supports product attribution in the context of Extended Produce Responsibility (EPR).



# GS1 standards on multipacks

Scotland's DRS applies to drinks that come in both single containers and in multipacks.

For multipacks, the deposit is charged per drink in a pack rather than per pack. For example, for a multipack containing six drinks the deposit would be £1.20.

Circularity Scotland have confirmed that every item in scope must have a scannable barcode using the GS1 Global Trade Item Number (GTIN) standard. Not only are GTINs already found on 90 per cent of all branded food and beverage products sold in the UK, they will be essential for accurately identifying all products included in the scheme.



Uniquely identifying each product with GTINs will ensure that deposits are applied correctly at the point-of-sale, allow Return Vending Machines (RVMs) to correctly identify each returned product to reimburse deposits, and allow them to be traced throughout the supply chain and product lifecycle.

# Scenarios for applying GTINs to multipacks included in Scotland's DRS

The scenarios detailed below are illustrative of industry-proposed solutions for barcoding multipacks to meet the requirements of a DRS. GS1 UK recommends that wherever possible, barcode implementations adhere to GS1 standards.



## Scenario 1 – only individual multipack units are barcoded

This option is viable as long as the units cannot be sold separately, as any individual units scanned at the point of sale would show the multipack price only.

This approach would meet the requirements of a DRS.

However, it may result in additional production costs and complexities as individual products could not be sold in other multipack formats. For example, individual products in four packs could not be sold in a six pack, twelve pack or as singles.



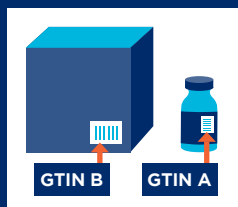
## Scenario 2 – both levels of the multipack hierarchy are barcoded with each barcode visible at the point of sale

In this scenario, two distinct GTINs would be required.

- GTIN A – identifies individual SKU and would be barcoded on each unit
- GTIN B – is barcoded on the multipack and, when scanned, would identify the multipack as a whole.

This option would provide more flexibility as it would allow each individual unit to be sold separately or in different multipack formats. Only one variant of each individual Stock Keeping Unit (SKU) is needed, and no redesigns of outer packaging would be required, reducing costs and complexities.

The main downside of this approach is the potential for confusion at the point of sale as accidentally scanning the GTIN A could result in the customer being charged the lower individual unit price as opposed to the multipack price. This would not be recommended by GS1 UK.



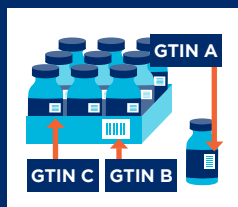
### Scenario 3 – both levels of the multipack hierarchy are barcoded, but only the barcode on the outer packaging of the multipack is visible

As with scenario two, distinct GTINs would be printed on each individual SKU (GTIN A) and on the multipack (GTIN B).

However, all instances of GTIN A are fully obscured and only GTIN B on the outer packaging would be visible at the point of sale.

This approach would be recommended by GS1 UK as it removes the risk of the incorrect price being scanned.

As well as having the benefits of scenario 2 (allowing single units to be sold in different formats), it would also allow for straightforward management of the supply chain as both multipacks and individual SKUs would have separate identifiers.



### Scenario 4 – not-for-sale GTINs are added to each individual SKU and visible at the point of sale

This scenario would require three distinct GTINs:

- GTIN A – would identify any individual unit that could be sold separately
- GTIN B – would identify the multipack
- GTIN C – a “not-for-sale” GTIN which would identify any individual unit that could not be sold separately

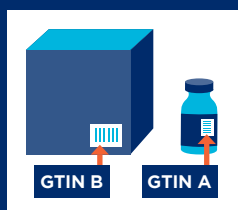
Both levels of the multipack hierarchy would be barcoded with GTINs that are visible at the point of sale.

Although visible, Not-for-sale GTINs (GTIN C) would only be recognised by a Reverse Vending Machine (RVM) and not by a point-of-sale scanner.

While this would not be GS1 UK's recommended approach, if GTIN C is set up correctly with in store systems, this approach would remove the risk of the incorrect price being scanned at the point of sale.

This could however add additional costs and complexities as every SKU would require two variants; one that is sold in single format with GTIN A, and one that is sold in a multipack with GTIN C printed on every individual unit. GTIN B would be printed on all multipacks.

The addition of not-for-sale GTINs also carries the risk of human error when managing the supply chain.



### Scenario 5 – A not-for-sale GTIN is added to each individual SKU and is not visible at the point of sale

The multipack and individual units contained within each have different GTINs.

Both levels of the multipack hierarchy are barcoded, but only GTIN B would be visible and scannable at point of sale.

The GTIN on the individual units (GTIN A) is a not-for-sale GTIN that prevents the multipacks from being broken down and units sold separately.

This would allow RVMs to correctly identify individual units when returned for recycling, and would prevent individual units from being mistakenly, or fraudulently, sold separately. This removes the risk of incorrect pricing at the point of sale as only the multipack price (GTIN B) would be recognised by point-of-sale scanners.

As with scenario four, this would require two variants of every individual SKU, adding complexities and the potential for human error to supply chain management.

# To recap, see below for a snapshot of each scenario

Scenario	What barcode is used on the individual unit?	Is the barcode on the individual unit visible?	Does it meet the requirements of Scotland's DRS?
1	Multipack GTIN	✓	✓
2	Unit GTIN	✓	✓
3	Unit GTIN	✗	✓
4	Not-for-sale unit GTIN	✓	✓
5	Not-for-sale unit GTIN	✗	✓

It is important to note that each of the scenarios listed in this guide are currently hypothetical.

Circularity Scotland are yet to announce the full labelling requirements for the Scottish scheme. However, we advise carefully considering possible approaches now to plan effectively, assess how your business may be affected and map out the measures you may need to take to ensure you are prepared.

## Barcoding – getting it right



Our popular virtual course has helped thousands of GS1 UK members, large and small, implement our standards correctly to meet the requirements of their customers. Using real industry scenarios and case studies, this practical and informal session is essential for quick and easy barcode implementation.

Book this course today to ensure your barcodes don't result in lost sales, relabelling costs and returned goods.



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