Response to Request for Comments
on a Proposed Revision of OMB Circular No. A-119

Federal Participation in the Development and Use of Voluntary Consensus Standards and in Conformity Assessment Activities

79 FR 8207
Office of Management and Budget

GS1 supports the *Preference for voluntary consensus standards* and is grateful for the opportunity to comment on the revision of OMB Circular A-119. Global consensus standards cross regulatory, language, cultural, geographic, technology and industry boundaries enabling government and business to communicate and work together. Using global standards drives cost performance and revenue growth while also enabling regulatory compliance.

GS1 standards for product identification and bar codes are an example of successful voluntary consensus standards saving government and industry time, money and effort. For over 40 years, the GS1 system of standards, which began with the simple barcode, has evolved to become the most widely used supply chain standards system in the world, providing a common, globally accepted language for the exchange of information in commerce. Through vital information sharing and global transparency, GS1 Standards create hyper efficient supply chains.

As a voluntary consensus standards organization bringing industry from 25 sectors, government and academia together to develop key business standards, we have seen many benefits from OMB Circular A-119 guidance in action.

One example is the US Department of Defense. Because the Department of Defense purchases many of the same products sold to the private sector, it uses GS1 standards and participates in the GS1 standards development process. This saves industry money by eliminating the need to bar code products twice, repackaging products, or maintaining separate inventories –one for private sector retailers and one for the Department of Defense. The government also saves money by not developing its own identification system and by leveraging less expensive bar code readers and software based on open, non-proprietary and off the shelf solutions. Equipment and software based on proprietary standards is more expensive and access to innovation is limited.

While GS1 understands that there may be a need to use standards developed outside a consensus-driven process, we strongly recommend that the preference be for open, free, voluntary, and non-proprietary standards. In our experience, open standards published on the internet with free access lead to reduced technology prices and greater innovation.

Regarding *Guidance on use of standards and participation in standards development*, GS1 strongly supports efforts to encourage more participation by government representatives in standards development and implementation activities. The participation of government representatives has greatly enhanced the

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GS1 standards development process and the development of best practices for industry. The FDA, VA and DOD have collaborated with the GS1 Healthcare US Initiative.

More detailed guidance on how Federal representatives might participate in standards development activities should be encouraged. Despite the number of years OMB Circular-119 has been in existence, some agencies are hesitant to participate in the standards development process. When meeting with agencies, GS1 has been told that specific standards cannot be recommended, even when they are non-proprietary, consensus-based standards in use for decades. Participation gives government the benefit of influencing industry best practices without additional regulation.

Encouraging agencies to use common international conformity assessment schemes is an important recommendation. There is no need for government to "reinvent the wheel" when conformity assessment programs already exist and their efficacy has been proven by industry adoption.

GS1 encourages relevant agency involvement with the standards adoption work being done by governmental organizations such as APEC, ASEAN, and the UN. Furthermore, with respect to trade negotiations, we support the inclusion of voluntary consensus standards, as opposed to country-specific proprietary standards, which are being used more frequently by countries to create non-tariff trade barriers.

GS1 welcomes further dialogue on the importance of maximizing the reliance by agencies on voluntary consensus standards.

About GS1
Since its founding nearly 40 years ago, GS1 has grown to include 1.5 million end user organizations in 150 countries who participate in GS1 through GS1's 110 country-based Member Organizations. Through the work of its end user members, GS1 sets standards for identification of physical products, legal entities, and electronic messaging that are used in twenty-five different segments of the global economy. GS1 has issued over 40 million product identifiers and 1.5 million legal entity identifiers to date. GS1's Global Data Synchronization Network today manages reference data for 11 million product identifiers across 132 countries, with thousands of attributes for each product. The underlying standards are developed by the participating end users with GS1 providing facilitation of the process.

GS1 US serves more than 300,000 businesses across 25 industries in the United States by facilitating industry initiatives, administrating the GS1 System of standards, providing education and support, and connecting communities through events and online forums.

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