

Primary marking M1 and M2

Deposit marking printed directly onto one-way packaging material or onto the product label

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dansk**retursystem**

Dansk Retursystem A/S
Baldersbuen 1
DK-2640 Hedehusene
Tel.: +45 43 32 32 32
Fax: +45 43 32 32 39

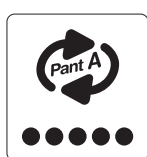
info@dansk-retursystem.dk
www.dansk-retursystem.dk

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1. Introduction

Under Danish law, drink products sold on the Danish market in one-way packaging on which deposits are payable¹ must be labelled with a Danish deposit mark to facilitate both the payment and refund of the applicable deposit. The deposit mark not only enables the correct deposit amount to be calculated throughout the distribution chain, including at consumer level, but also ensures the return of the maximum amount of one-way packaging, thereby benefiting the environment.

This manual outlines the guidelines for deposit marking using primary marking M1 and M2, i.e. labelling by direct printing of the deposit mark onto one-way packaging or onto the original product label. Deposit marking is also possible by using self-adhesive deposit marks (see “Secondary marking M3 and M4”).



Examples of primary marking

Example of secondary marking

The content of this manual conforms to the Danish Environmental Protection Agency Statutory Order no. 634 of 19 June 2008 covering the deposits on, and collection of drink products on which deposits are payable.

For products which are marketed in Denmark importers and producers receive permission to use the Danish deposit mark (both directly printed and self-adhesive) on packaging that the importers or producers have registered as one-way packaging with Dansk Retursystem A/S. Deposit marks (both directly printed and self-adhesive) are registered trademarks owned by Dansk Retursystem A/S.

Deposit marks (both directly printed and self-adhesive) may not be used on packaging other than that approved by Dansk Retursystem A/S – and as specified in the individual application. A detailed description of the registration process can be downloaded at www.dansk-retursystem.dk

¹ A detailed overview of the products covered by the Danish deposit and return system is included in the Statutory Order no. 634 of 19 June 2008, appendix 1 (only in Danish) – see www.dansk-retursystem.dk. In general terms the system covers the following products:

- Beer – with alcohol content over 0.5% by volume.
- Carbonated beverages (e.g. soft drinks) – with alcohol content of 0–0.5%.
- Other fermented drink products other than beer, wine and alcoholic beverages made from fruit (e.g. cider) – with alcohol content of less than 10%.
- Mixer products where spirits, wine or other fermented products are mixed with other beverages such as soft drinks, cider, chocolate or juice (e.g. alcoholic soft drinks) – with alcohol content of over 0.5%, but not exceeding 10%.
- Non-carbonated mineral water, ready-to-drink lemonade, iced tea, etc. – with alcohol content of 0.5% or less.

(see Registration of Packaging). Alternatively the documentation is available by ringing Customer Service on +45 43 32 32 32.

Relevant definitions and terms can be found at the end of this manual.

2. Deposit marking and registration of packaging

Importers and producers are responsible for the registration and deposit marking of packaging. Registration and labelling must take place before the packaging is marketed in Denmark. Marketing is defined as meaning sales, supply and trans-shipment of packaging (see definitions).

Importers and producers are permitted to use the deposit mark (both directly printed and self-adhesive) on the packaging that importers or producers have registered with Dansk Retursystem A/S as one-way packaging marketed in Denmark.

Approval of the label needs to take place before the one-way packaging is marketed, i.e. before it is sold or delivered by the importer or producer. One-way packaging may be imported without the deposit mark attached, but the packaging must be registered with Dansk Retursystem A/S. The marking rules only need to be applied when the imported packaging is sold or delivered by the importer.

Rules covering how and when packaging must be registered can be downloaded at www.dansk-retursystem.dk (see Registration of Packaging). Alternatively the documentation is available by ringing Customer Service on +45 43 32 32 32.

Before using the deposit mark (both directly printed and self-adhesive) the following conditions must be satisfied:

- The packaging must be covered by the deposit regulations (e.g. juice and chocolate milk are not covered by the rules).
- The packaging must be registered with Dansk Retursystem A/S (i.e. one-way packaging may not be deposit marks without prior registration of the packaging).
- One-way packaging bearing a deposit mark can only be marketed in Denmark (see definition of marketing).
- The positioning and size of the deposit mark, deposit code and EAN bar code on the one-way packaging must conform to the rules laid down in the Statutory Order.

For this reason, we always advise producers and importers that use primary marking to pre-register their packaging and receive confirmation from Dansk Retursystem A/S that the layout conforms to the rules specified in the Statutory Order before they proceed with the final printing of the packaging or self-adhesive label.

Please note that registration of one-way packaging is not possible in situations where the packaging itself does not conform to the rules covering labelling laid down in the Statutory Order.

The dimensions of the deposit mark and deposit code are critical for the correct refunding of the deposit. For this reason, the measurements and print tolerances of the deposit mark and deposit code must always be accurately reproduced on the one-way packaging. Any measurements and print tolerances on the producer's packaging and/or self-adhesive labels not conforming to these rules may result in the one-way packaging being withdrawn from the Danish market, because the products cannot be recognised as being refundable by a reverse vending machine.

In addition, Skat (The Danish state tax administration service) may confiscate one-way packaging which is not correctly marked and approved by Dansk Retursystem A/S.

3. Deposit marking categories

The overall guidelines applicable to the design and positioning of deposit marks etc. are described in the Statutory Order covering the deposit and collection etc. of drink products on which deposits are payable, the so called "pantbekendtgørelse" (deposit return order). These guidelines must be adhered to by every importer and producer.

There are two categories of primary marking: M1 and M2. Regardless of the choice of marking category, both should be considered as unique Danish labels that cannot be used in connection with sales to other countries, including also the Faroe Islands and Greenland.

Based on the above, we recommend that producers and importers use the M2 marking category, because deposit return labelled products can only be sold on the Danish market.

Marking category 1 – M1:

Direct printing of the complete marking onto one-way-packaging or onto the primary product label of the packaging. The marking must consist of one deposit mark, one deposit code as well as an EAN bar code and GTIN (previously EAN article number) which are used globally.

This category is solely for the purpose of giving the importer and producer the option to use the same GTIN in Denmark and throughout the rest of the world. However, the marking is still unique to Denmark in terms of its use as a deposit return label.

Marking category 2 – M2:

Direct printing of the complete marking onto one-way packaging or onto the primary product label of the packaging. The marking must consist of one deposit mark, one deposit code as well as an EAN bar code and GTIN that are approved solely for use in connection with sales to the Danish market. This means a bar code and a bar code number that will only be used on the Danish market, and which is unique to the producer or importer.

Several importers of the same product can therefore not use the same bar code, even though the bar code is used solely on the Danish market.

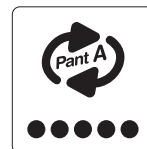
EAN Denmark now GS1 Denmark:

Before registering one-way packaging with Dansk Retursystem A/S, producers and importers are responsible for individually requesting an EAN bar code and GTIN from the relevant EAN organisation. Please note that EAN Denmark is now called GSI Denmark.

3.1 Rules for deposit mark and deposit code

The deposit mark, which is a registered® trademark, consists of five elements:

- **Arrow-shaped logo** – consisting of two arrows which symbolise that the packaging is included in a deposit and return system with a view to recycling.
- **The word “Pant” (deposit)** – making it clear that this is deposit refundable packaging.
- **The letters “A”, “B” or “C”** – which signify the deposit return group to which the packaging belongs: Type A = DKK 1.00; Type B = DKK 1.50; Type C = DKK 3.00.
- **Deposit code** – consisting of five black dots.

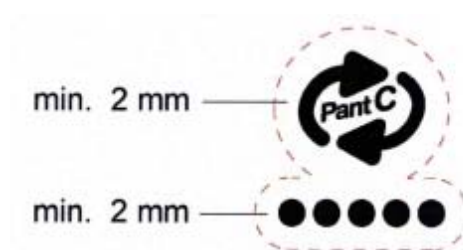


Requirements:

The deposit mark with the deposit code must be printed directly onto the one-way packaging or onto the primary product label of the one-way packaging.

The deposit mark with the deposit code must be printed on a white background (white clear zone), with a border of minimum 2 mm around the black deposit mark and deposit code.

In exceptional circumstances, Dansk Retursystem A/S can give permission to use a different background colour, i.e. other than white, so long as this does not create any problems for the refunding of the correct amount of deposit by reverse vending machines.



The five dots forming the deposit code must each have a radius of 1.2 mm, and there must be 0.7 mm between each dot.

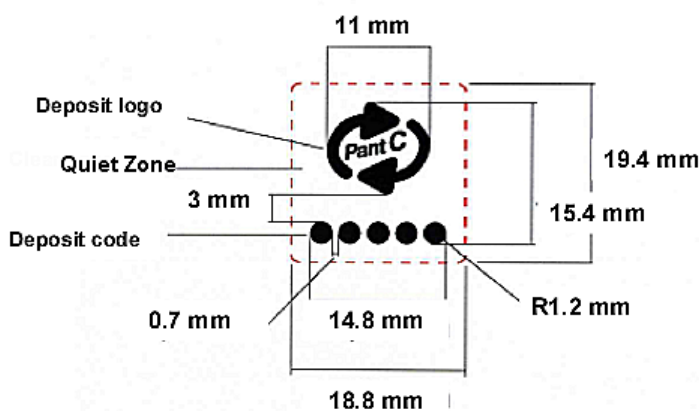
The deposit mark and deposit code may not be embossed on the one-way packaging because the overall print surface needs to be flat. The typeface that should be used for printing the deposit mark is Helvetica Rounded Bold. The minimum point size for each element is shown as follows:



The breadth of the Arrow logo/deposit mark must be 11 mm, and the distance from the Arrow logo/deposit mark to the deposit code must be 3 mm as per the illustration below.

The total size of the deposit mark and deposit code graphic must be 18.8 mm wide and 19.4 mm high. This means that the height of the white background (quiet zone) must be 19.4 mm and the breadth must be 18.8 mm. The white background can be rectangular or follows the contours as shown in the figure below – always allowing for a 2 mm quiet zone, within which space nothing else can be printed.

Deposit label with Quiet Zone



On request, Dansk Retursystem A/S sends information on print tolerances for deposit marks and deposit codes. Because the size relationship of the deposit mark and deposit code are critical for the correct refunding of the deposit, the sizes given and the information provided on print tolerances must always be followed. For this reason, the registration process can only proceed if the rules are satisfied. Read more about this in section 3.4 below covering print files and manuals on CD-ROM.

We therefore recommend that importers and producers provide us with information about printing/layout before final printing of the one-way packaging or self-adhesive label in order to ensure a completely accurate marking.

3.2 Rules for EAN bar code

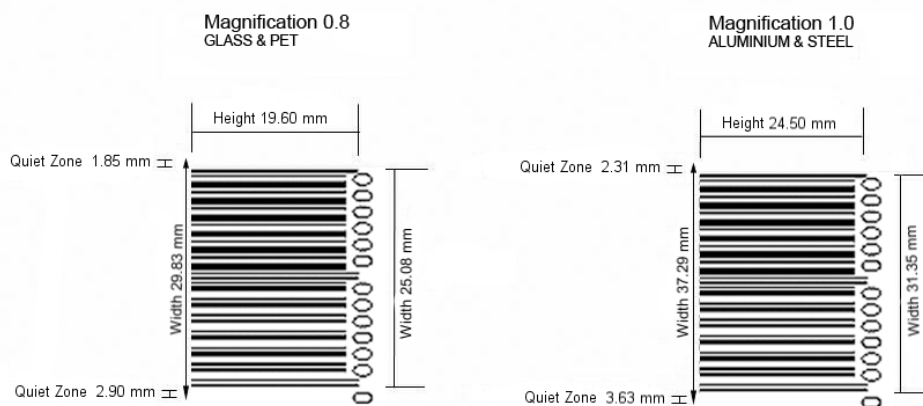
Apart from the requirements covering the printing of the deposit mark, rules in relation to the EAN bar code also need to be satisfied.

Importers and producers must therefore conform to the guidelines laid down in the Statutory Order governing the size of the EAN bar code (EAN 13, EAN 8 or UPC bar codes). Importers and producers should contact GS1 Denmark themselves to receive the necessary GTIN before registering their one-way packaging.

- Cans: The EAN bar code must be printed as per the EAN magnification 1.0 or greater.
- One-way packaging in glass or plastic (PET): The EAN bar code must be printed onto the original product label as per the magnification 0.8 or greater.

The size requirements (minimum values) specified must always be conformed to, as shown below:

EAN-13 Bar Code



The bar code must be positioned on the one-way packaging so that the code lines can be read horizontally when the packaging is in an upright position. The bar codes must not be smaller than the measurements shown in the illustrations. Remember that the quiet zones should be respected. Please also note that it is not permissible to reduce the height of the bar code on one-way packaging sold on the Danish market.

If the bar code does not conform to the size requirements specified, it will not initially be possible to register one-way packaging with primary marking. However, the packaging may be registered with secondary marking.

In the event of a printing error, e.g. where the EAN barcode is too small, the importer or producer can apply for a dispensation to market the product. The dispensation will only be granted in practice in the event of printing error, and only for a limited time.

Requests for a dispensation should be addressed to the Danish Environmental Protection Agency and must be approved before Dansk Retursystem A/S can register the product. Please note that a dispensation may only be granted if the size has no adverse effect on the ability to refund the deposit, and can only apply to the stock covered by the incorrectly printed labels.

3.3 Rules for positioning of primary marking

Positioning of deposit mark and deposit code:

- Where possible the deposit mark and deposit code must be positioned in the middle of the one-way packaging relative to the top and bottom. However, the top of the deposit mark and deposit code should never be positioned more than 180 mm from the bottom of the packaging. The deposit mark and deposit code must always be positioned so that the text can be read horizontally when the packaging is in an upright position.
- Dansk Retursystem A/S reserves the right to specify that the product label and product code be placed in another location on one-way packaging.

Positioning of EAN bar code:

- The bars in the EAN bar code must be horizontal when the one-way packaging is in an upright position.
- The EAN bar code should be placed as close as possible to the deposit mark and deposit code. The top of the EAN bar code should never be positioned more than 180 mm from the bottom of the packaging.
- All the quiet zones on the deposit mark, deposit code and the EAN bar code must be adhered to. We therefore recommend a distance of 5–10 mm between the deposit code and the EAN bar code.



3.4 Deposit marks and manual on CD-ROM

Importers and producers registered with Dansk Retursystem A/S can order a CD-ROM containing the current deposit marks and deposit codes together with the associated picture files – solely for

use in connection with primary marking and registration of one-way packaging. The CD-ROM may only be used by a registered producer and importer and their sub-distributors in connection with the printing and layout of deposit marks.

Dansk Retursystem A/S serves notice that failure to comply with the terms for use of the deposit mark outlined above will be construed as a breach of the rules laid out in the Statutory Order. According to section 125 of the Statutory Order this can lead to a fine as well being reported under the regulations covering trademark protection as applicable under the legislation currently in force.

Dansk Retursystem A/S reserves its rights in respect of changes to the CD-ROM, which is why we recommend that before using the CD users check that no subsequent amendments have been made. Dansk Retursystem A/S cannot be held responsible in connection with the use of the CD and accepts no liability for any printing errors of labels or one-way packaging in relation to the current rules.

Dansk Retursystem A/S recommends that the dimensions of the deposit mark and the deposit code should always be checked in the final layout in relation to the dimensions specified as per the measurement diagrams on the CD. We further recommend that the layout and/or the packaging should always be sent to Dansk Retursystem A/S before final production of the labels and/or one-way packaging commences. Dansk Retursystem A/S reserves its rights in respect of the dimensional stability of any picture files in relation to the labelling of one-way packaging.

If you have any doubts in relation to the use of the deposit mark and the deposit code you should always contact Dansk Retursystem A/S on: +45 43 32 32 32.

4. Additional labelling rules

By law, importers and producers must affix a deposit mark to a product before it can be sold, delivered or trans-shipped and a deposit received.

To conform to the returns criteria, each item of one-way packaging must be individually labelled. The deposit mark must not be affixed to a peel-off label or on multi-pack packaging.

No fees or charges are payable for using the deposit marks, but producers and importers must pay the deposit and also the collection and logistics fees for all one-way packaging sold with primary marking.

Dansk Retursystem A/S is not liable for errors or omissions by importers and producers that fail to correctly reproduce or affix the Danish deposit mark. In the event of incorrect marking, the producer or importer will be required to re-label the packaging to conform to the required specifications. In exceptional circumstances, the Danish Environmental Protection Agency may grant a dispensation to allow the marketing of incorrectly printed packaging.

For this reason we recommend that importers and producers do not commence the production or printing of their labels until Dansk Retursystem A/S has confirmed that the shape and dimensions of the label conforms to the rules set out in the Statutory Order.

Shifting between primary and secondary labelling:

A producer or importer that changes its registration of packaging from one-way packaging to refillable packaging or vice versa must change the EAN bar code and GTIN at the time of making

such changes. This also applies if the applicant wishes to change the registration of the packaging to or from deposit marking category M2 and deposit mark category M4 (self-adhesive label suitable for the Danish market).

Marking rules on import:

It is not a requirement at the time of import that the individual packaging be labelled. However, the packaging must be registered with Dansk Retursystem A/S. Proof of registration must accompany the import of the packaging over the Danish border (see manual covering Registration of packaging).

5. Other manuals

In order to help importers and producers of drink products on which deposits are payable, Dansk Retursystem A/S has published various manuals covering the different types of registrations, reporting of sales and return figures, as well as secondary marking with self-adhesive deposit marks.

All the above manuals can be downloaded at www.dansk-retursystem.dk or can be ordered by contacting Customer Service on +45 43 32 32 32.

6. Definitions

EAN bar code

The EAN bar code symbol facilitates the electronic identification of the GTIN for one product.

GS1 Denmark

The national GS1 organisation – previously EAN Denmark. The issuer of EAN bar codes and GTIN (previously EAN article number).

GTIN

Global Trade Item Number (previously EAN article number). An 8- or 13-digit number consisting of a GTIN prefix (country code), an enterprise reference number, an article reference number as well as a check digit for the identification of the individual goods. A UPC article number corresponds to this. A GTIN-12 (previously UPC article number) can be used instead of a GTIN.

Importer

A party importing drink products on which deposits are payable into Denmark in packaging with a view to resale.

Marketing

Marketing is understood to include any type of business activity involving the sale, delivery and trans-shipment or supply of drink products on which deposits are payable, including in shops, mobile units or at festivals, auction rooms, via the Internet, etc.

One-way packaging

Packaging for drink products on which deposits are payable that has been registered by the producer or importer as one-way packaging with Dansk Retursystem A/S, or which otherwise is not suitable for recycling by refilling.

Packaging

One-way packaging and refillable packaging for drink products on which deposits are payable (but not casks, carton packaging, and plastic water containers over 20 litres).

Packaging type

Packaging for drink products on which deposits are payable made from the same material and having the same volume and shape (design).

Refillable packaging

Packaging for drink products on which deposits are payable which has been registered by the producer or importer as refillable packaging with Dansk Retursystem A/S, with the exceptions that follow from the rules in the Statutory Order or packaging which by its design is suitable for recycling by refilling.

Registration of packaging

Registration of importers and producers' products with Dansk Retursystem A/S.

Statutory Order

The Danish Environmental Protection Agency Statutory Order no. 634 of 19 June 2008 covering the deposit and collection etc. of packaging for drink products on which deposits are payable. The Statutory Order sets out the guidelines for the operation of the Danish deposit and return system. The full text of the Statutory Order (in Danish) is available at www.dansk-retursystem.dk.

Store

A commercial enterprise marketing drink products on which deposits are payable to consumers, primarily with a view to consumption elsewhere, including middlemen with a permanent place of business from which a wide range of groceries is marketed.