

# Chapter 2.13: Managing Damaged Goods and Returns

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## Introduction

Managing damaged and returned items is an important part of your daily process. Within the Route Manager program, you have the ability to select a reasons why items are being returned, decide if the items will be returned to inventory or received as damaged, and run reports to closely monitor these situations. Using these options effectively allows you to provide better service and products for your customers.

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## Overview

Setting up Route Manager to manage damaged goods and returned items involves three steps:

1. Enable *Enhanced Inventory*.
2. Create a series of *Inventory Adjustment Codes*.
3. Enable two new options within each *Handheld Class*.

Each item is covered within this document in the order listed.

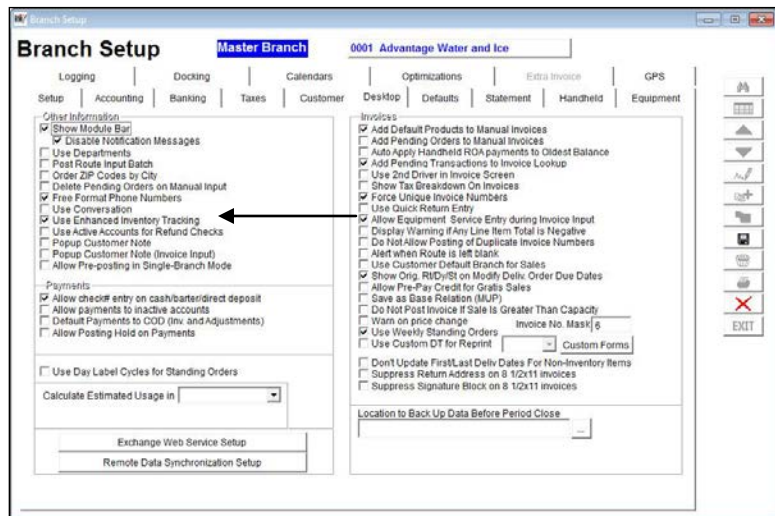
## Enable Enhanced Inventory

The *Enhanced Inventory* feature makes it possible to track inventory in multiple locations (i.e., warehouses, trucks, and off-site locations). This option is required to provide you with accurate damaged goods detail.

**NOTE:** For information on all of the additional features available with *Enhanced Inventory*, refer to *Chapter 3.10* of the *Supplemental Manual*.

Follow the steps below to enable the *Enhanced Inventory* option.

1. Browse to *File > Branch Setup > Desktop* tab.
2. Click **Modify** and select the option 'Use Enhanced Inventory Tracking'.



The screenshot shows the 'Branch Setup' window for 'Master Branch' and '0001 Advantage Water and Ice'. The 'Desktop' tab is active. Under the 'Client Information' section, the 'Use Enhanced Inventory Tracking' checkbox is checked and pointed to by a black arrow. Other visible options include 'Disable Notification Messages', 'Use Departments', 'Post Route Input Batch', 'Order ZIP Codes by City', 'Delete Pending Orders on Manual Input', 'Free Formal Phone Numbers', 'Use Conversation', 'Use Active Accounts for Refund Checks', 'Popup Customer Note', and 'Allow Pre-posting in Single-Branch Mode'. The 'Invoicing' section contains many other options like 'Add Default Products to Manual Invoices', 'Add Pending Orders to Manual Invoices', 'Auto Apply Handheld RDA payments to Oldest Balance', etc. The 'Payments' section has 'Allow check entry on cash/barter/direct deposit' checked. At the bottom, there are buttons for 'Exchange Web Service Setup' and 'Remote Data Synchronization Setup'.

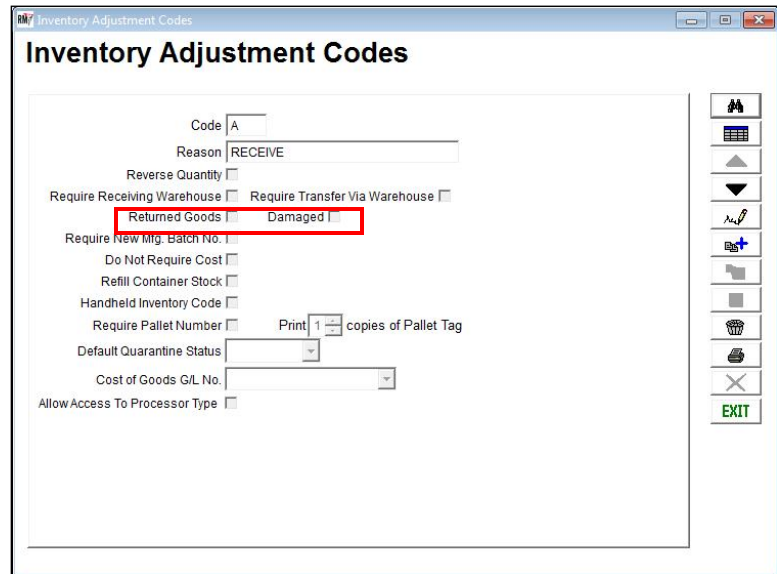
3. **Save** and exit the screen.

Continue to the next section to add *Inventory Adjustment Codes* to the system.

## Inventory Adjustment Codes

In addition to the standard *Inventory Adjustment Codes* used on the desktop in Route Manager, you will need to create codes that will work for damages and returns. For example, 'Damaged Product' and 'Returned Product' are examples of *Inventory Adjustment Codes* that might be added.

Navigate to *Lists > Product Codes > Inventory Adjustment Codes*.



1. Click the **Add** key.
2. Enter a code and reason for the new adjustment code.
3. Select one, or all, of the following options:
  - a. **Returned Goods:** Select this option to use the adjustment code for product returns on the handheld — these products will be returned to inventory (i.e., *Wrong Product* or *Not Needed*).
  - b. **Damaged:** Choose this option to use this adjustment code for damaged items that should not be returned to inventory (i.e., *Leaky Bottle* or *Damaged Product*).

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**NOTE:** Select *Returned Goods* to enable the *Damaged* option.

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- c. **Cost of Goods G/L No (requires Damaged option above):** Optionally, select an alternate *Cost of Goods G/L* account for this adjustment code. Leave the option blank to use the standard *Cost of Goods* account assigned to the damaged item.

Cost of Goods G/L No.

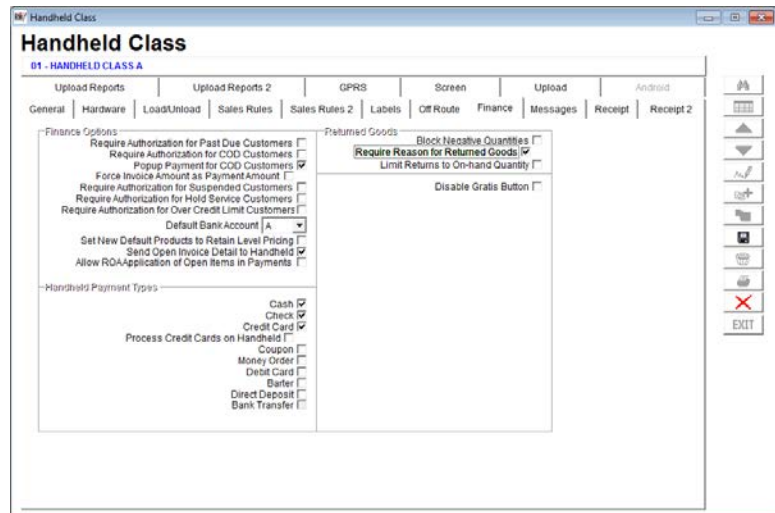
4. Add all of the *Damaged* and *Returned* adjustment codes needed.
5. **Save** your changes and exit the screen.

## Handheld Class

Each *Handheld Class* will need to be modified to allow your drivers to use the damaged and returned items options on the handheld.

Navigate to *Lists > Routes > Handheld Class*, and select the *Finance* tab.

In **Modify** mode, select the option 'Require Reason for Returned Goods.'



**Handheld Class**  
01 - HANDHELD CLASS A

Upload Reports | Upload Reports 2 | GPRS | Screen | Upload | Android

General | Hardware | Load/Unload | Sales Rules | Sales Rules 2 | Labels | Off Route | Finance | Messages | Receipt | Receipt 2

**Finance Options**

- Require Authorization for Past Due Customers
- Require Authorization for COD Customers
- Popup Payment for COD Customers
- Force Invoice Amount as Payment Amount
- Require Authorization for Suspended Customers
- Require Authorization for Hold Service Customers
- Require Authorization for Over Credit Limit Customers
- Default Bank Account | A
- Set New Default Products to Retain Level Pricing
- Send Open Invoice Detail to Handheld
- Allow ROA-Application of Open Items in Payments

**Returned Goods**

- Block Negative Quantities
- Require Reason for Returned Goods
- Limit Returns to On-hand Quantity
- Disable Gratis Button

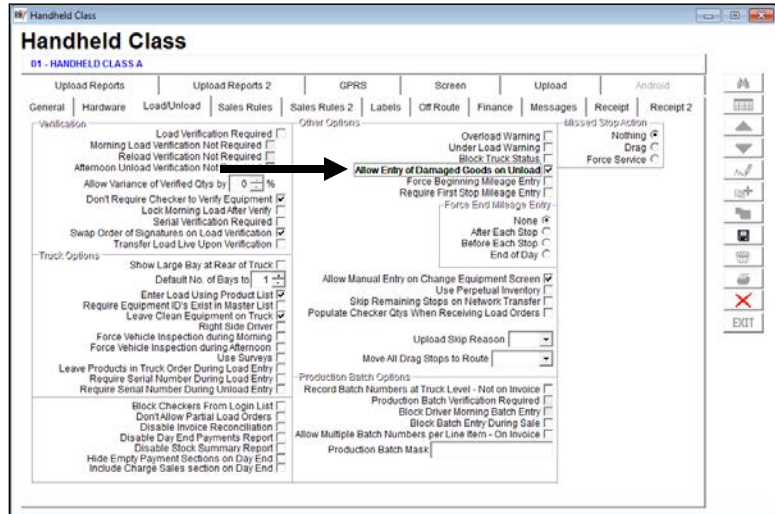
**Handheld Payment Types**

- Cash
- Check
- Credit Card
- Process Credit Cards on Handheld
- Coupon
- Money Order
- Debit Card
- Barter
- Direct Deposit
- Bank Transfer

EXIT

Next, enable damaged items to be offloaded during the *Afternoon Unload* process by selecting the *Load/Unload* tab. Choose the option 'Allow Entry of Broken Bottles on Unload.'

**NOTE:** This option applies to all damaged items, not just *Bottles*.



**Save** your changes and repeat these steps in each *Handheld Class*.

Continue to the next section to be guided through the daily process that will be followed.

## Daily Processing

Processing damaged and returned products can be completed on the desktop or handheld. Both options are detailed within this section.

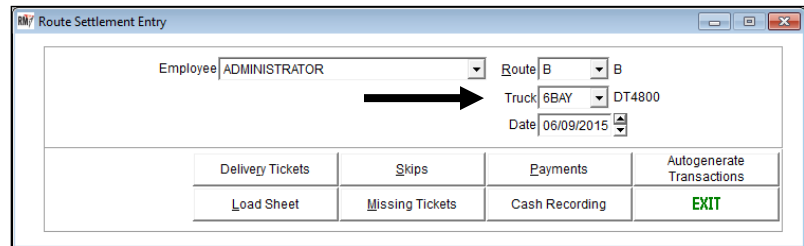
### Route Settlement Entry (Desktop Entry)

The *Route Settlement Entry* program allows you to process damaged and returned items on the desktop.

**NOTE:** To process damages and returns, the daily route transactions should be keyed into the system prior to following the steps below.

Navigate to *Transactions > Route Settlement Entry*.

1. Enter the *Route, Truck, and Date* of the route that will be updated.



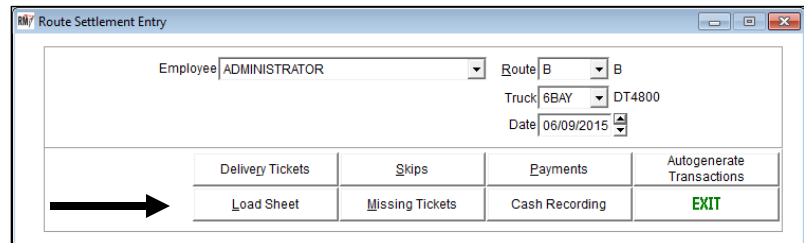
Employee: ADMINISTRATOR      Route: B      B

Truck: 6BAY      DT4800

Date: 06/09/2015

Delivery Tickets	Skips	Payments	Autogenerate Transactions
Load Sheet	Missing Tickets	Cash Recording	EXIT

2. Choose the **Load Sheet** option.



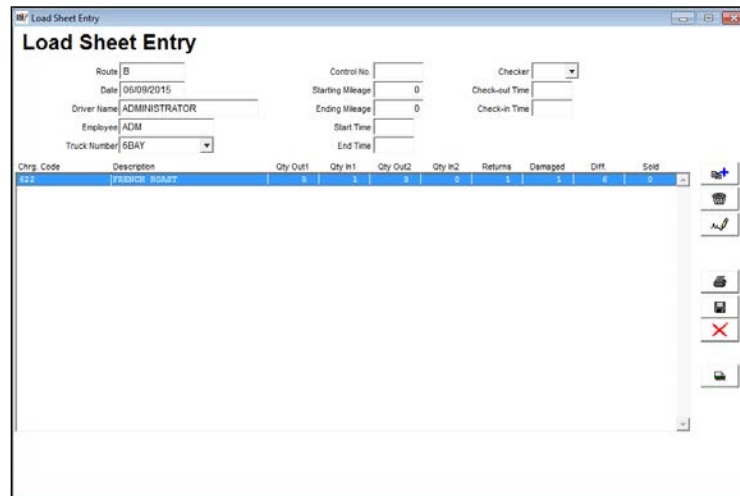
Employee: ADMINISTRATOR      Route: B      B

Truck: 6BAY      DT4800

Date: 06/09/2015

Delivery Tickets	Skips	Payments	Autogenerate Transactions
Load Sheet	Missing Tickets	Cash Recording	EXIT

- Double-click on an item that a returned or damaged item was received for:



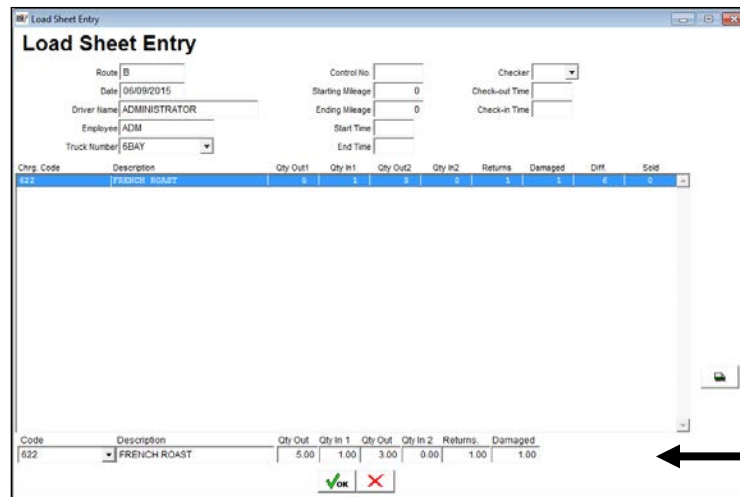
**Load Sheet Entry**

Route: B Control No: Starting Mileage: 0 Check-out Time:   
 Date: 05/09/2015 Ending Mileage: 0 Check-in Time:   
 Driver Name: ADMINISTRATOR Start Time:   
 Employee: ADM End Time:   
 Truck Number: 5BAY

Chrg. Code	Description	Qty Out1	Qty In1	Qty Out2	Qty In2	Returns	Damaged	Diff	Spid
622	FRENCH ROAST	5	3	0	0	1	1	6	0

This will activate the entry field on the bottom of the screen.

- Enter the number of items returned or damaged within the *Returns* or *Damaged* fields, and click **OK** to update the *Load Sheet*.



**Load Sheet Entry**

Route: B Control No: Starting Mileage: 0 Check-out Time:   
 Date: 05/09/2015 Ending Mileage: 0 Check-in Time:   
 Driver Name: ADMINISTRATOR Start Time:   
 Employee: ADM End Time:   
 Truck Number: 5BAY

Chrg. Code	Description	Qty Out1	Qty In1	Qty Out2	Qty In2	Returns	Damaged	Diff	Spid
622	FRENCH ROAST	5	3	0	0	1	1	6	0

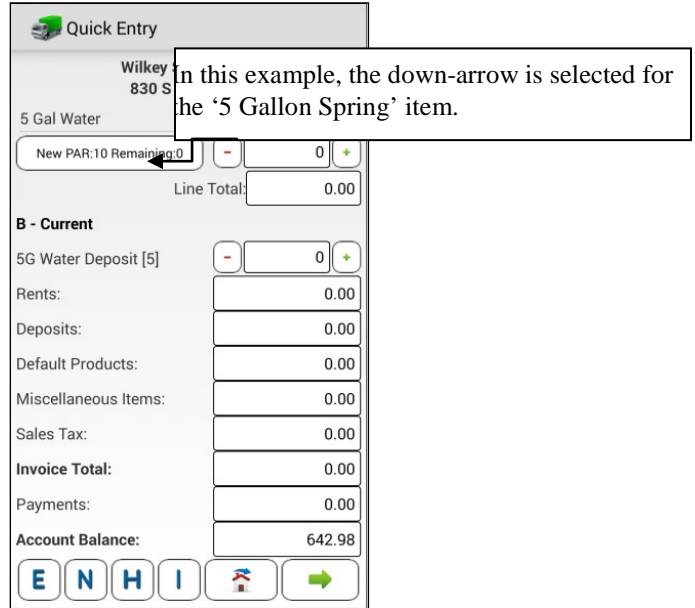
Code: 622 Description: FRENCH ROAST Qty Out: 5.00 Qty In 1: 1.00 Qty Out 2: 3.00 Qty In 2: 0.00 Returns: 1.00 Damaged: 1.00

OK X

- Click **Save** to accept the changes and exit the *Load Sheet* screen.

## Handheld Invoice Entry

The *Quick Entry* screen on the handheld will automatically prompt the driver to select a damaged or returned *Inventory Adjustment Code* when a negative quantity is entered:



**Quick Entry**

Wilkey  
830 S

5 Gal Water

New PAR:10 Remaining:0

Line Total: 0.00

**B - Current**

5G Water Deposit [5] 0

Rents: 0.00

Deposits: 0.00

Default Products: 0.00

Miscellaneous Items: 0.00

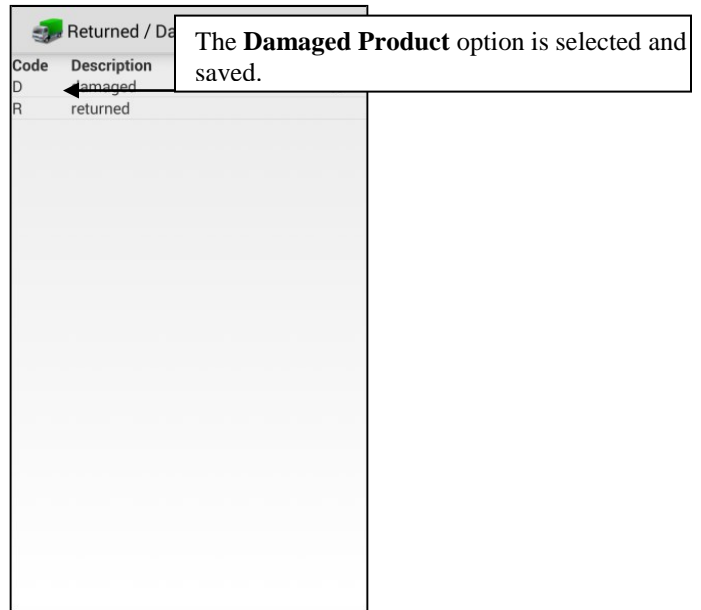
Sales Tax: 0.00

**Invoice Total:** 0.00

Payments: 0.00

**Account Balance:** 642.98

E N H I [Home] [Next]

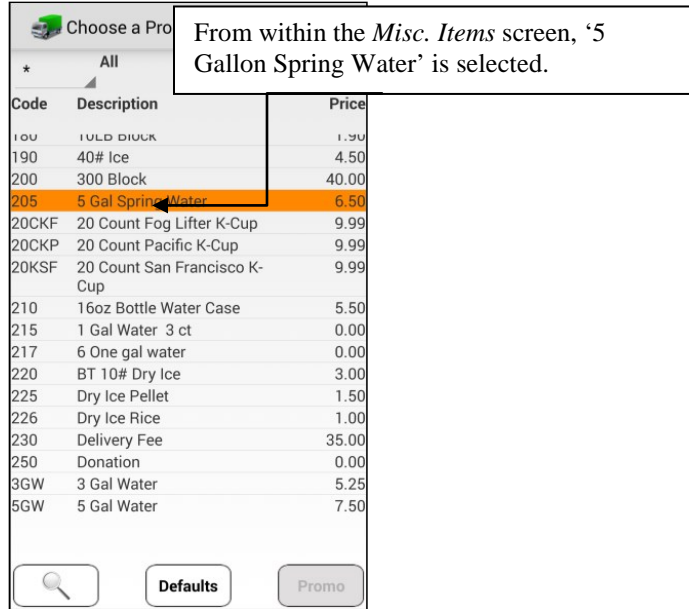


**Returned / Damaged**

Code	Description
D	Damaged
R	returned

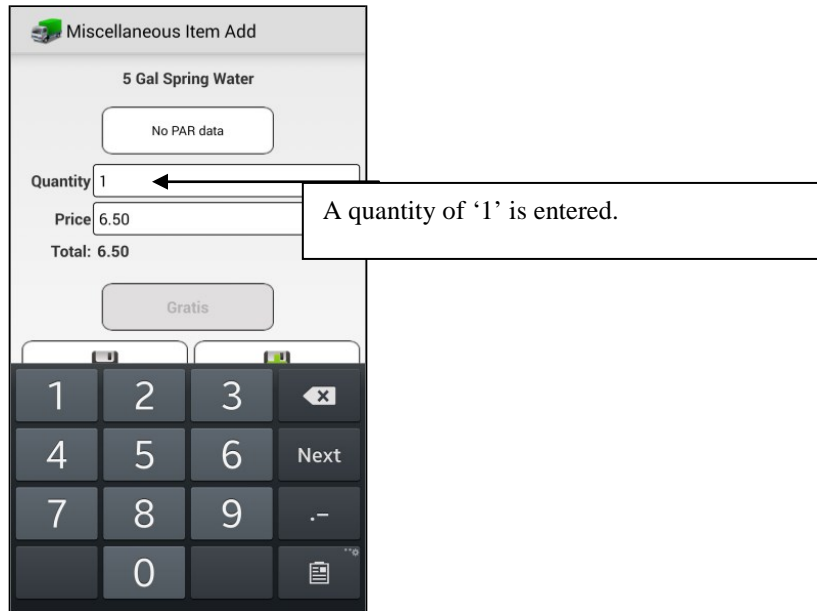


An alternate method for completing the same task can be performed by selecting the minus symbol on the *Enter Quantity* screen after tapping on the item from within the *Misc. Items* screen:



From within the *Misc. Items* screen, '5 Gallon Spring Water' is selected.

Code	Description	Price
100	1 ULD BUCK	1.99
190	40# Ice	4.50
200	300 Block	40.00
205	5 Gal Spring Water	6.50
20CKF	20 Count Fog Lifter K-Cup	9.99
20CKP	20 Count Pacific K-Cup	9.99
20KSF	20 Count San Francisco K-Cup	9.99
210	16oz Bottle Water Case	5.50
215	1 Gal Water 3 ct	0.00
217	6 One gal water	0.00
220	BT 10# Dry Ice	3.00
225	Dry Ice Pellet	1.50
226	Dry Ice Rice	1.00
230	Delivery Fee	35.00
250	Donation	0.00
3GW	3 Gal Water	5.25
5GW	5 Gal Water	7.50



A quantity of '1' is entered.

Miscellaneous Item Add

5 Gal Spring Water

No PAR data

Quantity: 1

Price: 6.50

Total: 6.50

Gratis

1 2 3

4 5 6

7 8 9

0

Miscellaneous Item Add

5 Gal Spring Water

No PAR data

Quantity: -1

Price: 6.50

Total: -6.50

Gratis

1 2 3

4 5 6 Next

7 8 9 .-

0

The minus (-) sign is touched on the keypad.

Returned / Damaged Reason

Code	Description
D	damaged
R	returned

The **Damaged Product** option is selected and saved.

### Printed Invoice

Once the invoice is saved and printed, the damaged item(s) will be noted in a special *Damaged Product* section:

Account 100000			
Robert Jordan 2100 Standiford Ave Modesto, CA 95350			
PO Number:	Class:	Other	
123456789			
Item	Qty	Price	Amount
-----			
Damaged Product			
-----			
515	5 Gallon Sp [Tx]	-1 @ 5.75	-5.75
-----			
Sales			-5.75
Tax			-0.86
INVOICE TOTAL			-6.61
Previous balance:			57.50
Account Balance			50.89
Last Amount Paid: 204.45 (12/05/2008)			

When a 'Return' type code is selected, the product is displayed as a standard line item (negative quantity) on the invoice, since the item is being returned to inventory.

## Afternoon Unload

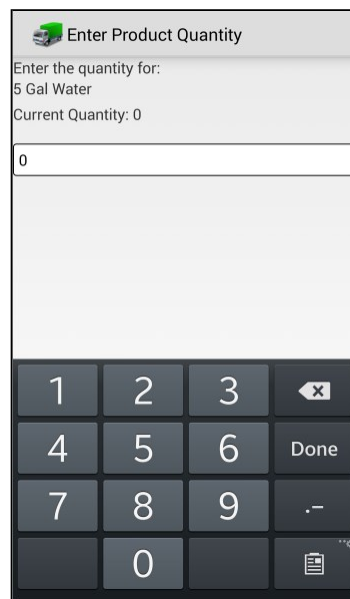
During the *Afternoon Unload* process, damaged items (not being returned to stock) need to be offloaded from the truck. To do this, follow the steps below on the handheld:

1. Navigate to *Afternoon >Unload Truck*.
2. Select the *Bay* that contains the damaged item(s).
3. Select the item.
4. On the initial quantity screen, enter the quantity of non-damaged items being offloaded and touch **Continue**.

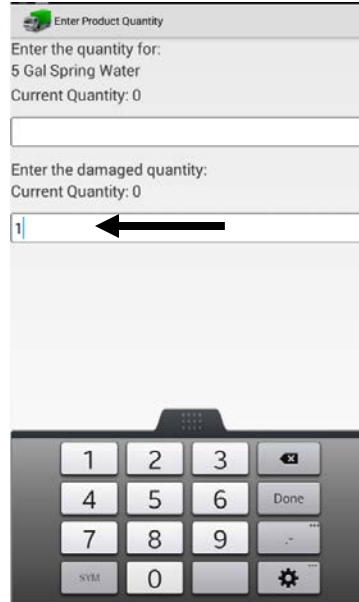
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**NOTE:** Do not include any damaged items in the quantity entered. If you are not removing any non-damaged items for the current product, simply touch **Continue**.

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5. A *Damaged Quantity* screen will be displayed on the handheld; enter the number of damaged items being offloaded for this product and tap **Continue**.



- Proceed to unload the truck, and repeat this process for all damaged items.

### Variance Report

The standard *Variance Report* from the handheld will include damaged product information:

VARIANCE REPORT				
EMPTY BOTTLES:	RETURNED	CHECK-IN	VARIANCE	
5 Gallon Returned	0	0	0	
3 Gallon Returned	0	0	0	
Checked Out	Checked In	Product Used	Product Sold	Product Variance
5 Gallon Spring [515]	0.00	1.00	-1.00	-1.00
				0.00
Driver	: Conner, Aaron			
Route	: A B10			
Truck #	: 001			
Date	: 07/11/2008			
Time	: 08:59:57			
Starting Mileage	: 111500			
Ending Miles	: 111500			
Starting Invoice	: 106717			
Ending Invoice	: 106733			
Total Sales	: 0.00			
Total Credits	: -10.75			
Tax	: -0.86			
	: -11.61			
PRODUCT RETURNS REPORT				

**NOTE:** On the receipt above, one '5 Gallon Spring water was returned as a damaged item.

## Product Returns Report

The *Product Returns Report* will automatically print with the *Variance Report* on the handheld if any returns or damaged items were received on route.

This report will include each *Inventory Adjustment Code* selected, and list the product quantities and price totals.

PRODUCT RETURNS REPORT			
<b>Damaged Product [DAMAGED]</b>			
Robert Jordan	[515 ]		1.00
Total			1.00
<b>Wrong Product</b>			
Easy Mart 2	[515 ]		1.00
Total			1.00
Driver : Conner, Aaron			
Route : A B02			
Truck : 001			
Date : 28/10/2008			

## Reports

During the *Afternoon Card* process, the *Product Sold Report* will include a column for all of the damaged items received on route.

Product Sold Report (Data Upload)										
		ROUTE A		DAY B02						
		ON		01/20/2009						
Charge Code	Description	Checked Out	Checked In	Sold	Damaged	Variance	Efficiency	Returned		
308	7 lb Bag	10	5	5	5	0	0	50.00%	0	
515	5 Gallon Spring	10	7	3	3	1	0	30.00%	0	
530	Equipment Rent	0	0	0	1	0	-1	0.00%	0	
5 Gallon Returned		Picked Up 4		Checked In 0		Variance 4				

**NOTE:** You can also reprint this report by going to Reports > Route Reports > Reprint > Reprint Product Sold Report.

## Conclusion

Managing returned and damaged items is an important aspect of your business. By providing you with the necessary tools in Route Manager to ensure that each item is properly received and processed, we hope that

this feature will assist you in your quest to provide the best products and services to your customers. If you have further questions, please contact Advantage Route Systems.

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