Returnable Items

Returnable items, such as logistic carriers and reusable packaging, require a special information processing in order to maintain the inventory correctly and to handle the deposit that has to be charged for it.

Produmex Logistic provides a special procedure to manage returnable items. With the help of this procedure double bookings can be avoided and the returnable item(s) will be added automatically to the receipt/ delivery document, when adding an item that contains returnable items.

1. Company settings

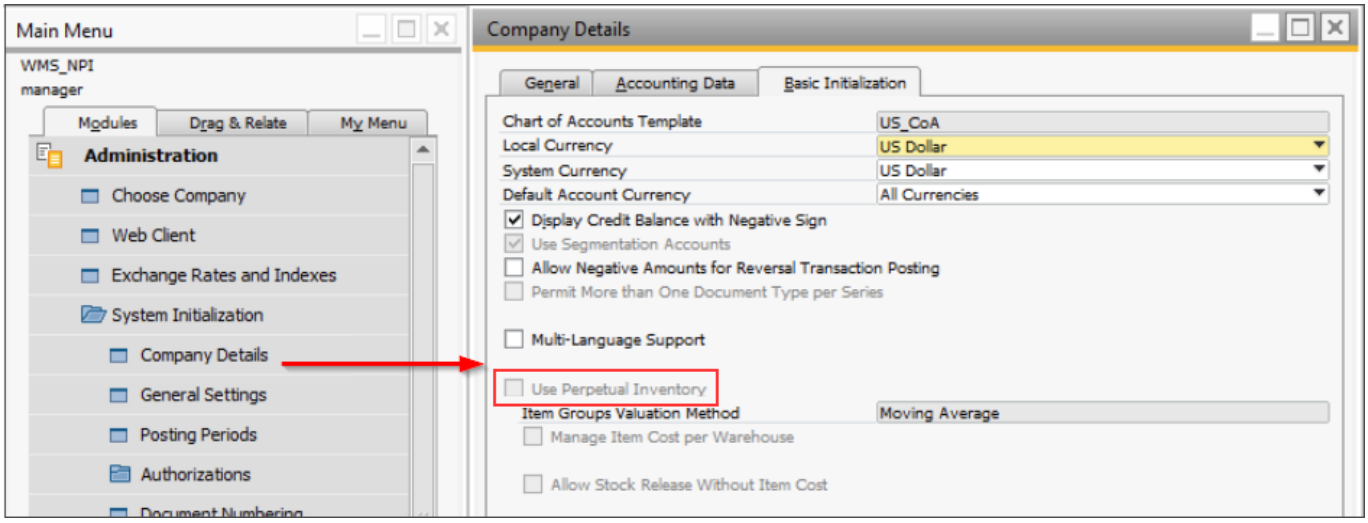
1.1. Adjust how to handle returnable items

Configure the booking of the returnable items on the Business Partner Master Data and on the General tab of the Organizational Structure.

Using perpetual inventory or non-perpetual inventory

Depending on the *Use Perpetual Inventory* setting of the Company Details window of SAP Business One, returnable items work differently in Produmex WMS.

- If the setting is enabled, it is possible to add non-inventory items to the documents based on the *Use inventory returnable items on documents* setting on the General tab of the Organizational Structure.
- If the setting is disabled, then inventory returnable items are added to the documents regardless of *Use inventory returnable items on documents* setting on the General tab of the Organizational Structure.



1.2. Quality status of a returnable item

Specify the quality status of a returnable item on the ‘Defaults’ tab. For more information see: 5.1.2. Defaults

1.3. Storage location of the inventory returnable items

Define the storage location for the warehouse where the inventory returnable items will be stored. For more information see: 5.2.1. Warehouse settings

2. Create returnable items

To ensure the accuracy of the inventory of the returnable items and to enable the traceability, create two variants of the returnable item: a non-inventory returnable item and an inventory returnable item.

Because returnable items play an important role in the packaging, receiving and shipping process of goods, companies that use returnable items have to make sure that they always have sufficient stock of returnable items. Therefore returnable items have to be treated as inventory items.

However during the administrative goods receipt and the sales and delivery of these trade items it is necessary to mention and charge the returnable items on receipt and delivery notes and invoices, but it has to be avoided that the inventory of returnable items is increased or decreased incorrectly (double booking). For this purpose use the non-inventory returnable item.

First create the non-inventory returnable item. For more information about the settings of the Produmex Item Master Data tabs, please see: Produmex Inventory Tab
Please note: Even though using inventory returnable items for the documents, non-inventory items have to be created.

Then create the inventory returnable item. Link the returnable items by adding the code of the non-inventory returnable item to the *“Non inventory returnable item code”* field.

3. Define BoM

Returnable items are no commercial trade items by themselves, but are the part of a trade item as the container/packaging. To establish a link between the trade item and the returnable item, create a ‘Production’ type Bill of Materials for the trade item.
A trade item can contain several returnable items.

In the example our trade item is the “Beer 0.33” which consist of 0.33L “Beer” and a “Bottle”. The “Bottle” is an inventory returnable item.

4. Trade process

Create the purchse/sales order for the trade item only. When purchasing/selling a trade item that contains returnable items, the system will automatically add the returnable item(s) to the receipt/delivery document. Depending on the used accounting system and the company level settings of the Organizational Structure, the added returnable item can be an inventory and a non-inventory item.

An extra, “Ret.ItemsPrice” column is added to the grid. In this column the price of all returnable item for a single trade item will be displayed.

4.1. Purchase

When the added returnable item is an inventory item, the inventory returnable item will be added to the storage location defined for returnable items after a purchase.

4.2. Sales

When the added returnable item is an inventory item, the user do not have to pick the inventory returnable items, but a delivery note can only be created when there is sufficient stock from the inventory returnable item.

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