SAP Business Network for SCC

Returns Process

Supplier Training Guide

Agenda

Returns Process

In this Chapter You Will Learn About …

… the benefits of using Returns Process functionality

… the Returns Process documents and their description

… the Returns Process documents workflow

… the modes of documents integration and automation

Introduction

- SAP Business Network supports the capability to process return orders. Buyers can return goods that they've purchased from a vendor and receive credit for them. Purchase orders can now include return items, that is, items that are being returned to the supplier.
- Returns can occur for many different reasons, including:
  - Warranty
  - Non-compliance by the supplier (goods failed quality inspection)
  - Reaching the end of life of equipment
  - Damaged or defective product
  - Equipment upgrade
  - Overstock
  - Delivery error
- Return items can be included on regular orders. To process return items, you can create a line-level credit memo called a Return Item Credit Memo. The Return Item Credit Memo is always PO-based. You can create a Return Item Credit Memo only for return items on a single order.

Returns Process Documents

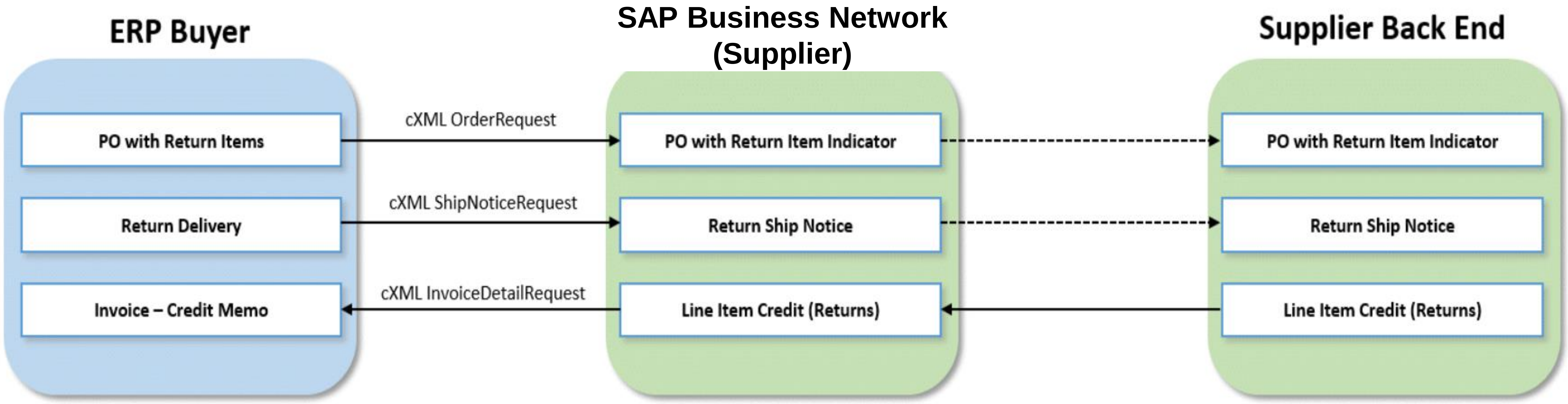
Document	Description
Purchase Order Lines with Return Items	Purchase order that contains a return PO line item (negative quantity will reflect in purchase order)
Return Ship Notice (ASN)	Ship Notice sent to supplier from buying organization to alert supplier return items have been shipped
Line Item Credit Memo for Return Item (Invoice)	Line item credit memo submitted against return purchase order line items
Finish Good Receipt	Customer confirmation of final product receipt

Returns Process Workflow

Workflow process for returns

The following describes the workflow for the returns process:

1. The buyer requests a Returned Material Authorization (RMA) from the supplier. The RMA process is managed outside SAP Business Network
2. The supplier authorizes the RMA.
3. The buyer submits a return purchase order to the supplier. The return purchase order references the RMA number.
4. The buyer submits a Return Ship Notice to the supplier, and ships the goods to the supplier's location.
5. The supplier creates a Credit Memo for Return Items to reimburse the buyer for the returned goods.
6. In the credit memo, the supplier edits the price for return items that were damaged.



Different modes of Integration/ Automation

SAP Business Network allows you to work /integrate in different modes within the system

- **Portal:** The Supplier works online through its Web Browser.
- **Full System Integration:** Suppliers electronically integrate their system(s) to the Network.

Returns Process Portal User Interaction

In this Chapter You Will Learn About …

… the parts of Returns Process

… how to manage orders with returns line items

… how to submit line item credit memo’s against return purchase order line items

Returns Process Portal User Interaction

Overall Considerations

- If an order includes at least one return item, you cannot confirm or reject the entire order.
- When you confirm individual line items, only regular items are flipped to the Order Confirmation; return items are not flipped.
- You can cancel a Return Item Credit Memo in Sent status if the buyer allows them to cancel invoices.
- The quantity for a credit memo for return items cannot exceed the return quantity on the order.
- All return items on a Return Item Credit Memo must be from the same order. You cannot create a Return Item Credit Memo for return items from multiple orders.
- If a return item or the entire order is flagged for Evaluated Receipt Settlement (ERS) or the order does not allow SAP Business Network invoicing, then a credit memo cannot be created for that return item.

Returns Process Portal Interaction

View Return Items

View Return Ship Notices

Credit Memo for Return Items

View Goods Receipts for Return Shipments

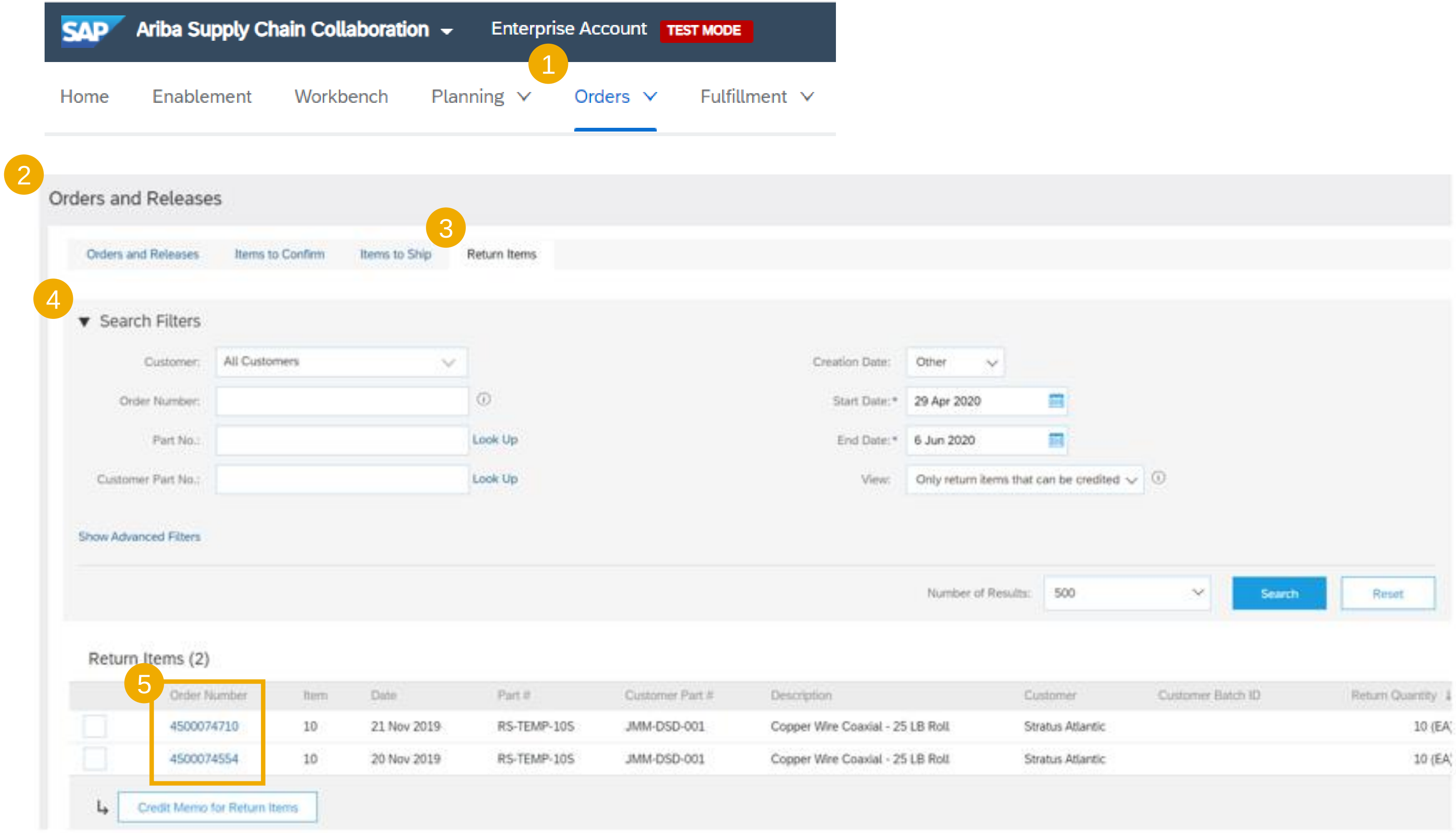
Create a Credit Memo

View Submitted Credit Memo

Returns Process Portal Interaction

View Return Items

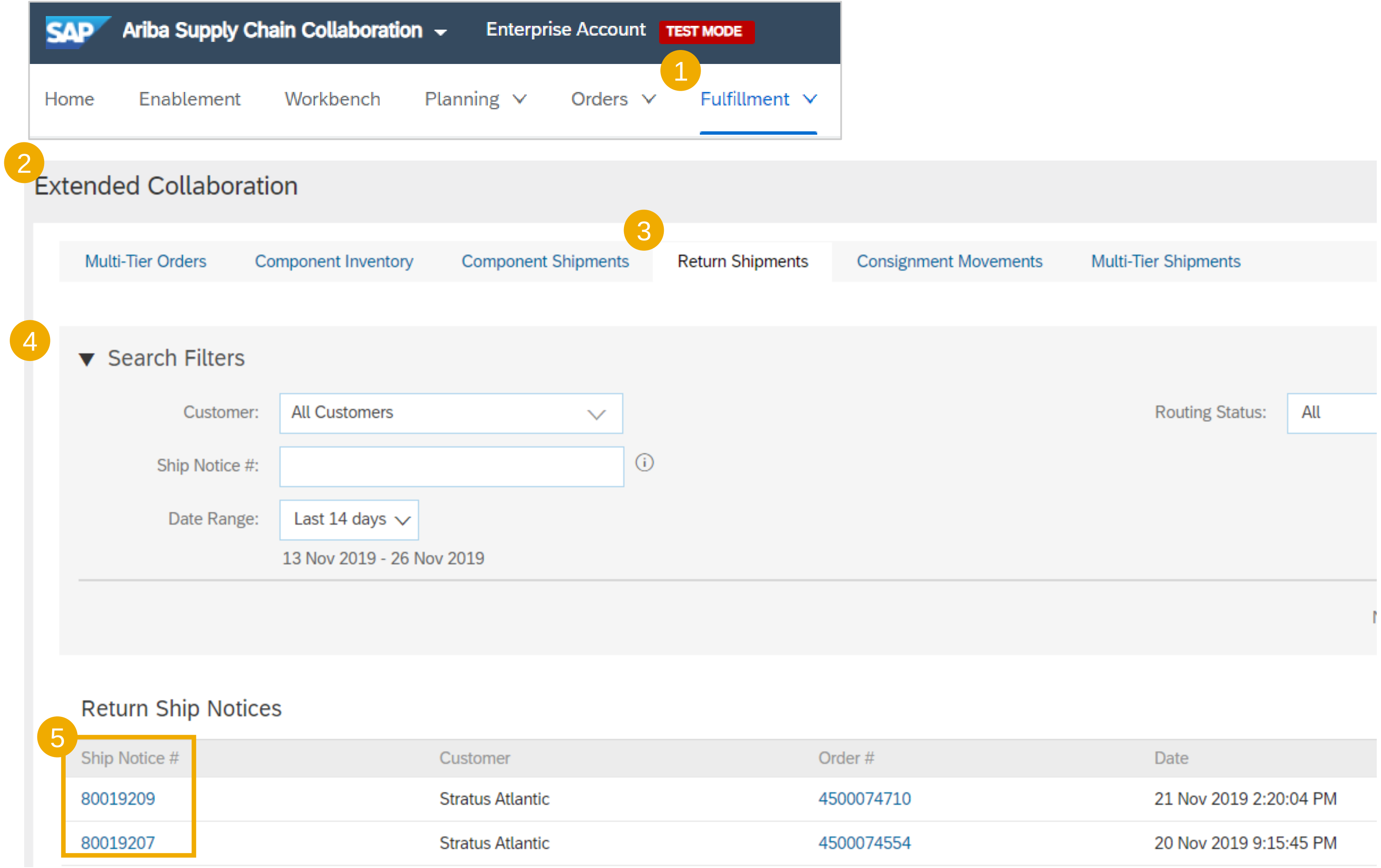
1. To access a Return PO Line Item, click on the **Orders** tab of your supplier account.
2. Select **Orders and Releases.**
3. Click on the **Return Items** sub-tab.
4. Use the specific search criteria to populate return items. Advanced filters allow more refined search.
5. To view the return item, click on the order number.



Returns Process Portal Interaction

View Return Ship Notices

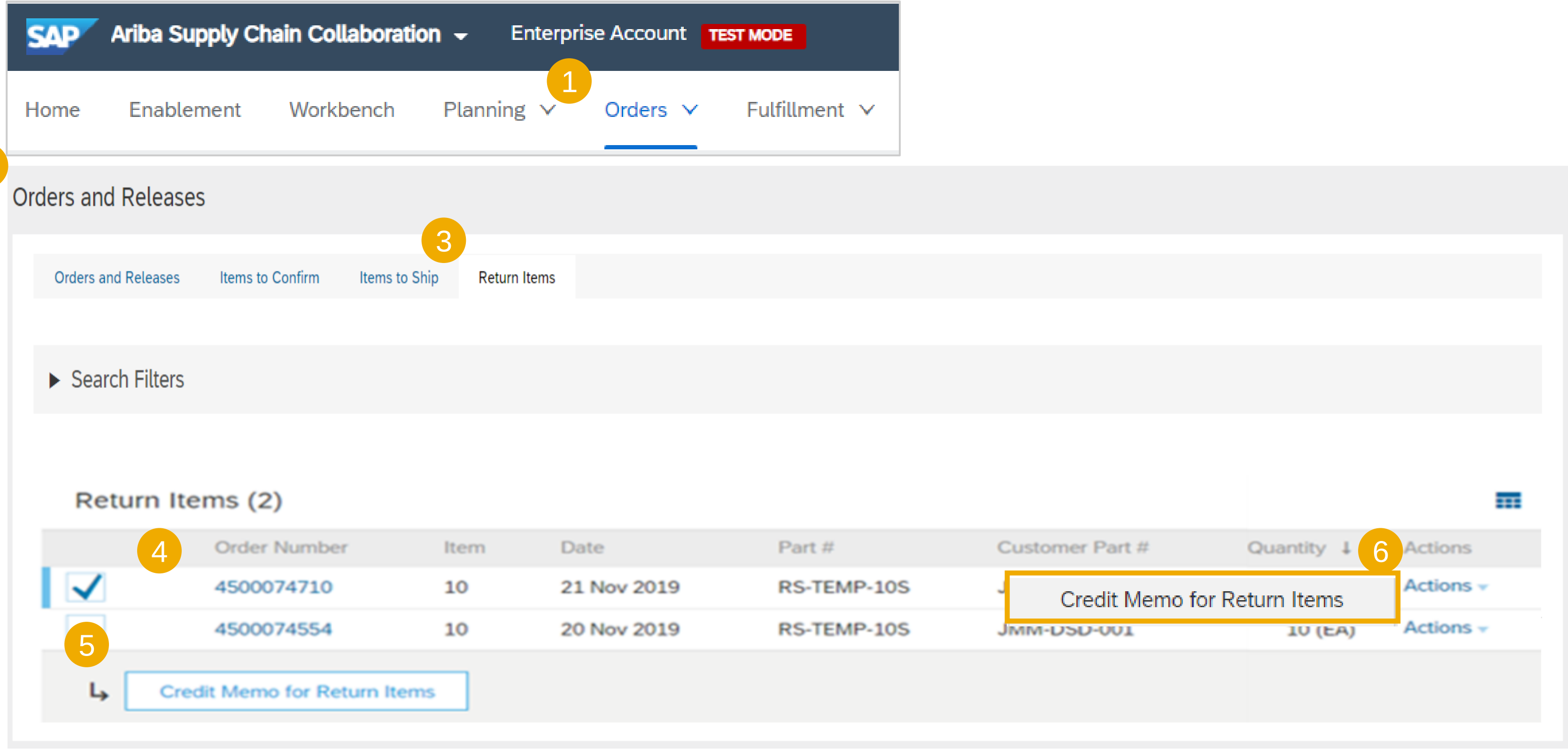
1. To view your Return Ship Notice, click on the **Fulfillment** tab.
2. Select the **Extended Collaboration** from the dropdown list.
3. Click on the **Return Shipments** sub-tab to view all return shipment notices.
4. Use the specific search criteria to populate return items.
5. To view the return ship notice, click on its number.



Returns Process Portal Interaction

Create a Credit Memo for Returns Items 1

1. To create a Credit Memo, click on the **Orders** tab of your supplier account.
2. Select **Orders and Releases** from the dropdown list.
3. Click on the **Return Items** sub-tab.
4. Select one or more return items from the same order.
5. Click the **Credit Memo for Return Items** button.
6. If you selected only one item, you can also select **Actions** > **Credit Memo for Return Items**.

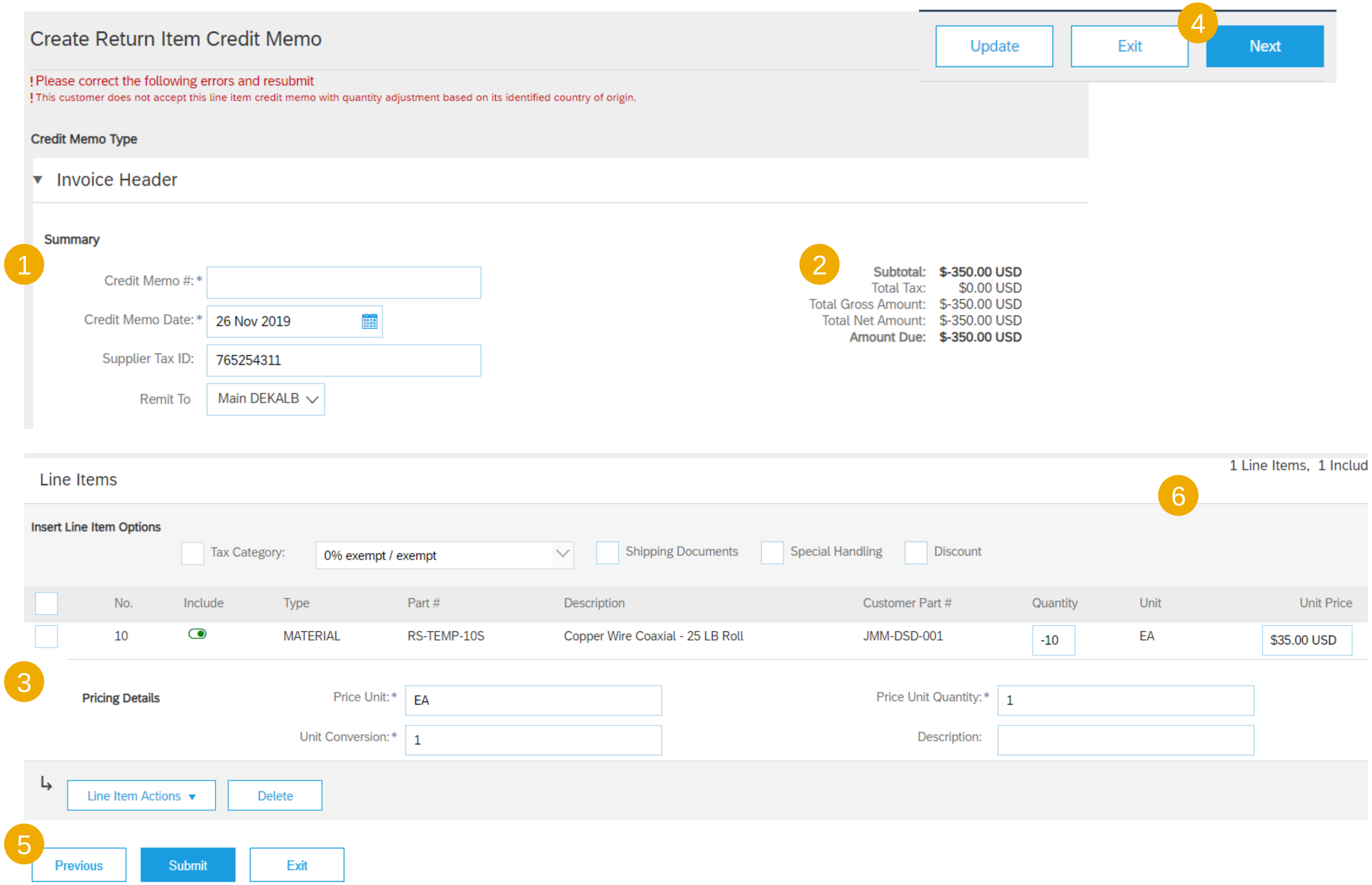


Returns Process Portal Interaction

Create a Credit Memo for Returns Items 2

1. Enter all information marked with an asterisk to successfully move forward.
2. The subtotal will reflect a negative value.
3. If any return items were damaged, adjust the **Price** to the actual return value for the items.
4. Click **Next** to review your memo.
5. Do one of the following:

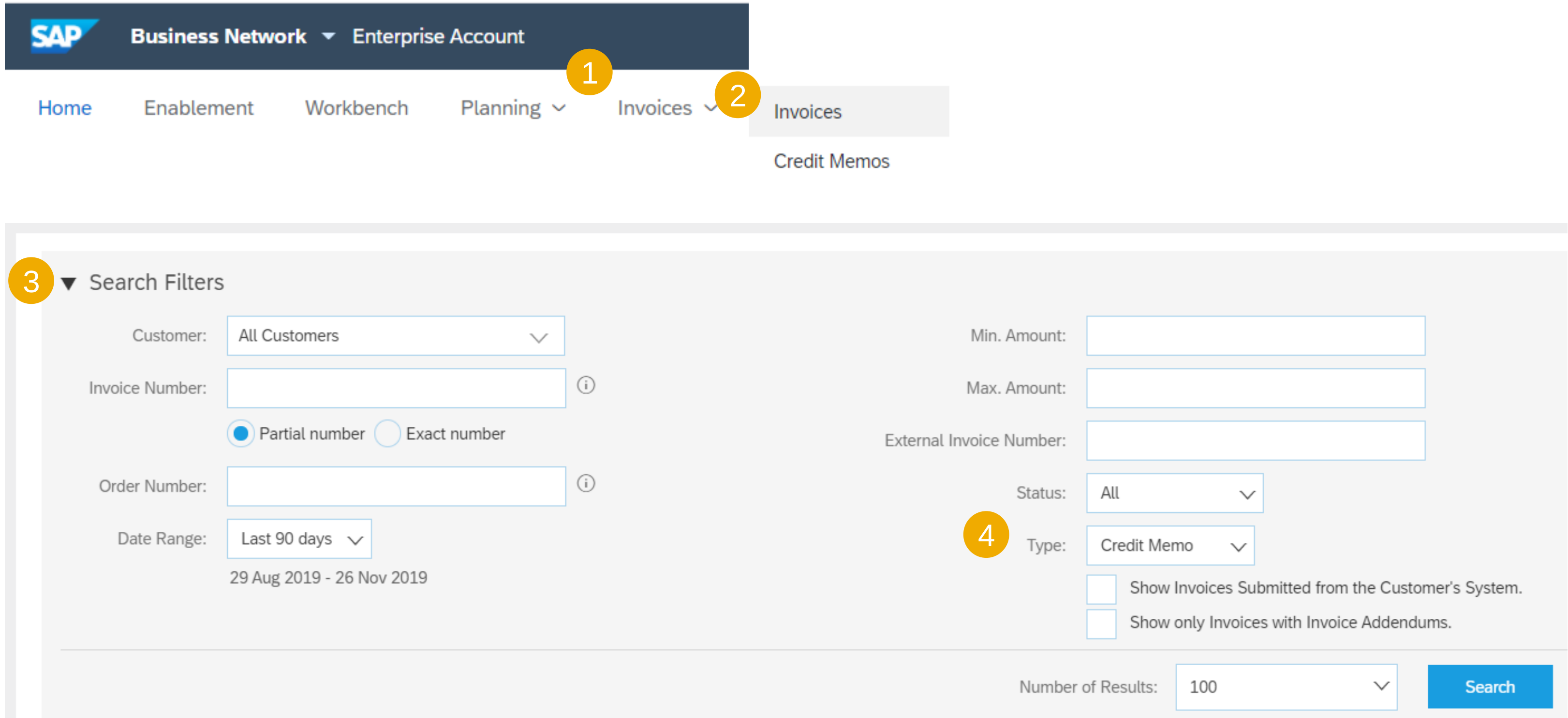
- To make further changes, click **Previous**.
- To submit your changes, click **Submit**.
- To exit without saving any changes, click **Exit.**

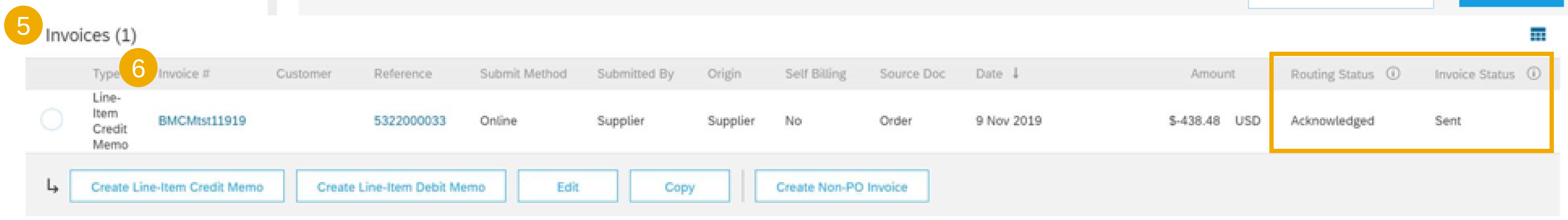


Returns Process Portal Interaction

View Submitted Credit Memo for Returns Items

1. To view submitted credit memo, click on the **Invoices** tab of your supplier account.
2. Select **Invoices or Credit Memos** from the dropdown list.
3. Use the specific search criteria to ease the search.
4. Set Type as **Credit Memo**.
5. Review search results, including Routing and Invoice statuses (more in Appendix).
6. To open a Credit Memo, click on its number.

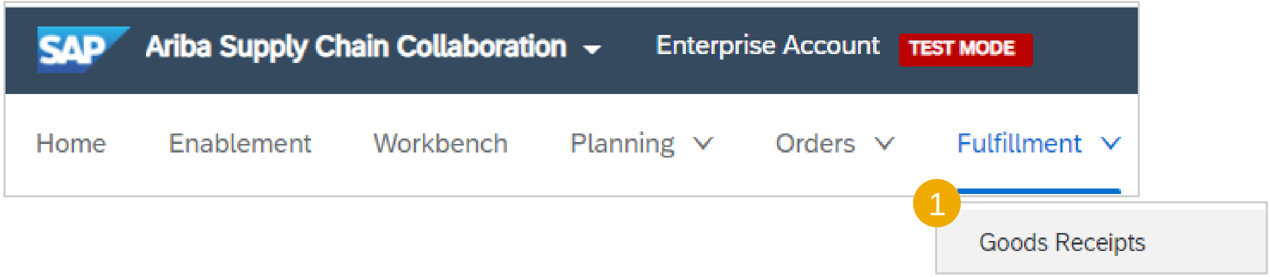


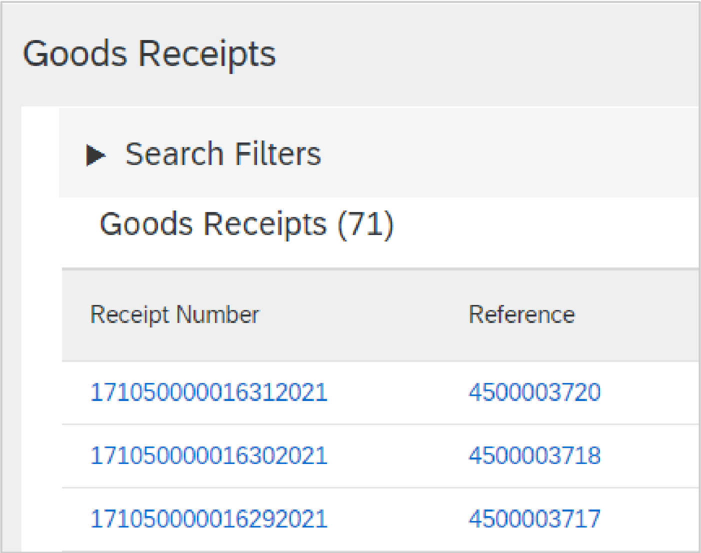


Returns Process Portal Interaction

View Goods Receipts for Returns Shipments

1. To view receipts sent to customer, click on **Fulfillment/ Goods Receipts**.





Appendix

Routing Statuses

The **Routing Status** field describes whether your invoice made it to your customer's invoice processing system.

- **Failed** - This status means that the invoice didn't follow your customer's invoicing rules. Failed invoices aren't sent to your customer's invoice processing system. You can edit and resubmit a failed invoice.
- **Obsoleted** - After you cancel an invoice or edit and resubmit an invoice, the original invoice moves to **Obsoleted** status to indicate that you don't need to take any further action on the original invoice. Once an invoice has this routing status, you can't make any changes to it.
- **Queued** - SAP Business Network is in the process of sending the invoice to your customer. Contact SAP Customer Support if your invoice remains in this status for more than 30 minutes.
- **Sent** - SAP Business Network sent the invoice to your customer, but your customer hasn't yet acknowledged that they received the invoice. If your invoice stays in this status for a while, contact your customer to see what needs to happen next. If your customer allows it, you can cancel an invoice with this routing status.
- **Acknowledged** - The invoice reached your customer's invoice processing system. **Acknowledged** is the final routing status for invoices.

Invoice Statuses

The **Invoice Status** field lets you know where your customer is in the invoice approval and payment process. The turnaround time for an invoice to move between statuses, such as from **Sent** to **Approved**, depends on your customer's internal processes.

- **Canceled** - You canceled the invoice and can't make any further changes to it.
- **Sent** - Your customer received the invoice but hasn't approved or rejected it. If your invoice stays in this status for a while, contact your customer to see what needs to happen next. If your customer allows it, you can cancel an invoice with this invoice status.
- **Rejected** - The invoice failed validation on SAP Business Network, or your customer rejected the invoice in their invoice processing system. You can edit and resubmit a rejected invoice.
- **Approved** - If the invoice doesn't have any errors, your customer approves the invoice for payment, which changes the invoice status to **Approved**. After an invoice reaches **Approved** status, you can't make changes to it. You'll need to send a credit memo if you made a mistake.
- **Paid** - Your customer paid the invoice or is in the process of issuing payment.

Thank you.

Contact information: