Customer Returns Process Notes - Draft

Compiled after the Customer Returns Working Session. These notes are incomplete and have not been approved as policy.

Working assumption: Customer returns should be handled consistently, but the team still has several policy decisions to confirm before a formal SOP is issued.

1. Customer Return Request

- Customer may call Customer Service, bring product to the counter, or ship product back.
- Try to verify the original invoice or proof of purchase before promising anything.
- Working assumption is a 30-day standard return window. Team discussed whether non-stock items should have a shorter window (possibly 15 days). **Needs management decision.**
- Special-order / custom items may not be returnable unless specifically approved.
- Do not promise customer credit before Receiving inspects the material.

2. RMA / Return Authorization

- Receiving strongly prefers an RMA on every return.
- Customer Service noted that requiring an RMA is not always practical for counter returns.
- Ownership is unclear: Customer Service may issue RMA for counter returns; freight returns may involve Customer Service or Purchasing. **Needs decision.**
- Returns arriving without paperwork are a recurring pain point.

3. Receiving & Inspection

- Receiving counts the quantity and checks the item against the invoice or return paperwork.
- Inspect for damage, opened packaging, use, missing parts, and whether the item is still saleable.
- Check serial numbers on tools / serialized products when applicable.
- Do not restock damaged packaging until someone confirms the item is saleable.
- If possible, make the restock decision the same day.

4. Customer Credit

- Accounting should not issue credit until Receiving signs off on the return.
- Credit should generally use the original invoice price.
- Freight is normally not credited unless the return resulted from Acme error or another approved exception.
- Restocking fee discussed as 15% typical, but waivers may apply for Acme error, warranty, or damage in transit. **Policy not finalized.**
- Manager approval threshold may be required for larger returns; $500 was discussed but not confirmed.

5. Vendor / Warranty Returns

- Some returned items may need to go back to the manufacturer rather than into Acme stock.
- Warranty and defective-product returns may require vendor inspection or authorization.
- Purchasing probably owns vendor returns, but the group did not agree on whether Customer Service should contact the vendor first. **Needs clarification.**
- Customer should receive status updates when the return is waiting on vendor review.

6. Exceptions / Special Cases

- Hazardous material
- Opened chemicals
- Electrical items
- Custom / non-stock items
- Cut-length material
- Clearance / closeout products
- Expired products

Open issue: The team needs a clear return policy for each exception category rather than handling them case by case.

7. Customer Communication

- Customers should be kept informed throughout the return process.
- Consider an automatic email when returned material is received.
- Provide an update if the return is sent to a vendor for inspection or approval.
- Do not tell the customer a credit is complete until Accounting has actually processed it.

8. Pain Points Identified

- Inconsistent return decisions between employees and departments.
- Credit delays because Receiving and Accounting are not always aligned.
- Items arrive with no paperwork.
- Some products are difficult to determine whether they can be restocked.
- Inspection time varies significantly by item and return type.
- Sales / Customer Service occasionally promises outcomes before inspection is complete.

9. Ideas / Next Steps

- Create a Receiving checklist for returned material.
- Consider standardized return-reason codes in the system.
- Consider photos for damage claims.
- Train counter staff on return guidelines once policy is approved.
- Draft a simple process flow before finalizing the SOP.
- Gather any historical return policy documents that may still exist.
- Review unresolved policy decisions with leadership before the SOP is approved.

Management Decisions Still Required

Return window • RMA requirement and ownership • Restocking-fee rules • Manager approval threshold • Exception policies • Vendor-return ownership • Return-shipping responsibility

Draft status: Useful as a working reference only. Do not treat as approved customer-return policy.