Credit Memo Workflow

04/30/2025 3:22 pm CDT

Overview

A **Credit Memo** is a record created to log the return of purchased products back to their vendor and to document the credited amount corresponding to the returned items' price. This is often attributed to various factors, such as defective or damaged good, overstocked or excess inventory, quality issues, recalls, and more.

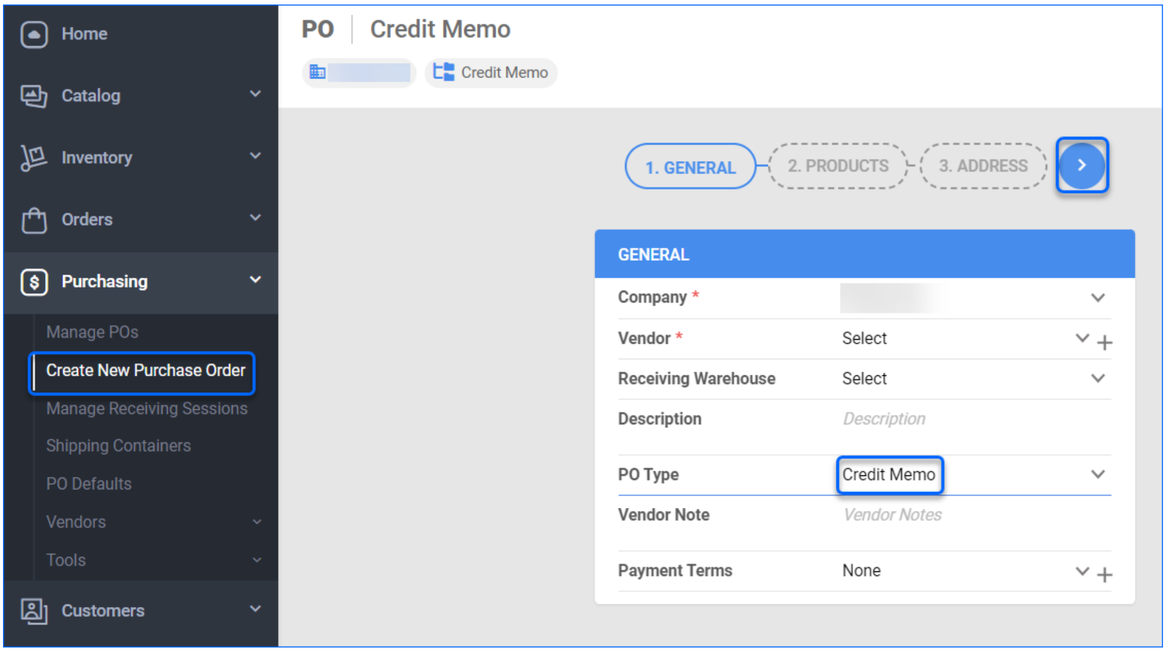
With Sellercloud **Credit Memo Workflow** you can effectively create, adjust and send **Credit Memos** to your Vendors, to ensure that your inventory and accounting records are up to date.

Create Credit Memo

You can create a **Credit Memo** with or without a related Purchase Order.

To issue a memo **without** an existing purchase order:

1. Go to **Purchasing** > **Create New Purchase Order**.
2. Select the associated **Company**.
3. Choose the **Vendor** you are returning the products to.
4. If necessary, add:
    - Items **Receiving Warehouse**
    - **Description** of the memo.
    - Custom **Vendor Note**.
    - **Payment terms** – add custom payment terms, or select an existing one from the dropdown menu.
5. In the **PO Type** field, select **Credit Memo** and proceed.



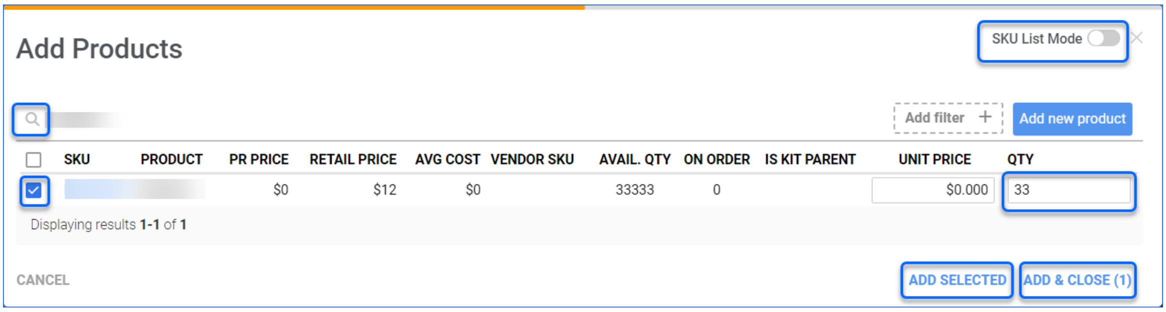
6. Click the **Add Products +** button or the plus icon.

7. In the following pop-up, click the **SKU List Mode** toggle to display a search textbox, in which you can enter a list of SKUs, You can also **Add filter** to limit your search, or **Add new product**, if required.

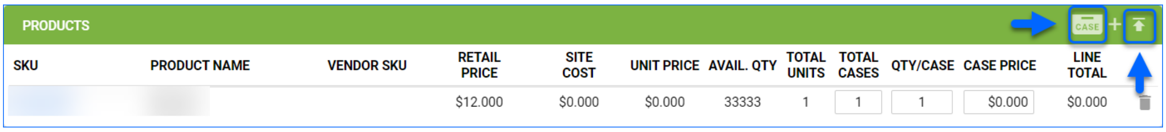
8. **Search** and check the desired products to select them.

9. Define return items **Qty** and **Unit Price**.

10. Click **Add Selected**, or **Add & Close**.



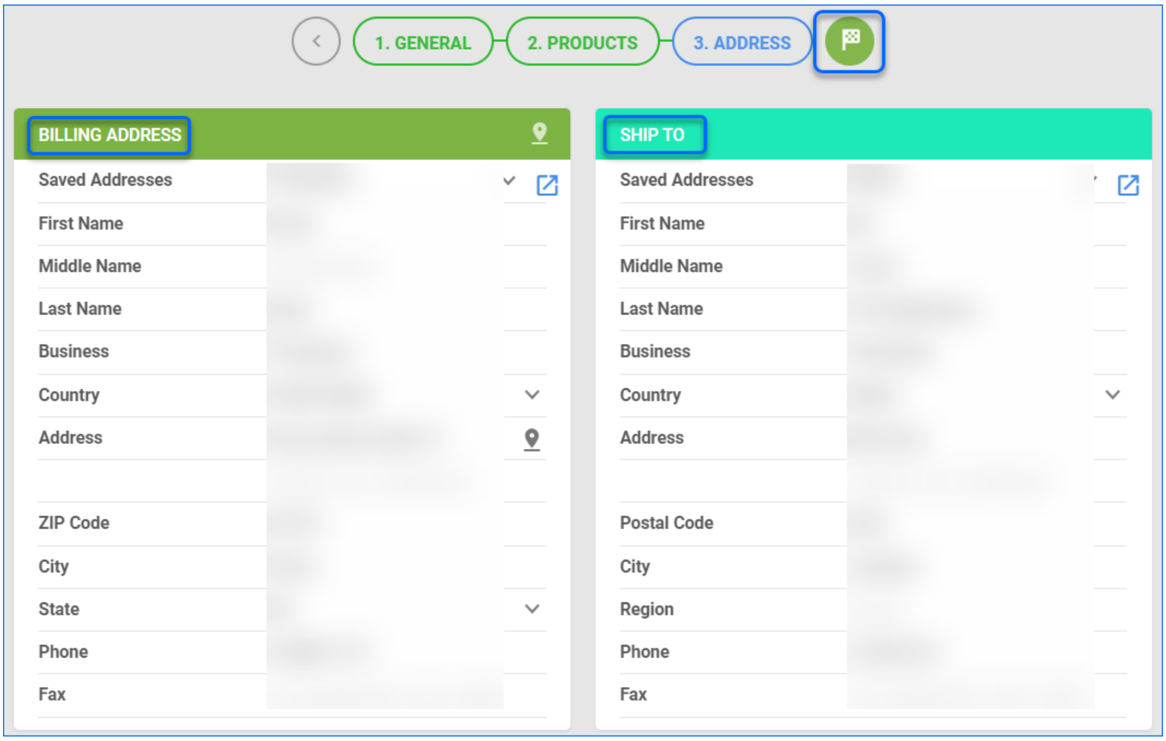
11. Alternatively, you can also upload products in bulk with an import file.



12. You also have the option to Enable Case Qty mode and define **Total Cases**, **Qty/Case** and **Case Price**.

13. When done with return products details, click **Next step**.

14. Provide **Billing Address** and **Ship To** information and click the green flag to **Save**.



15. A message with the **Credit Memo ID** appears on your screen. Click **View Credit Memo** to display its details.

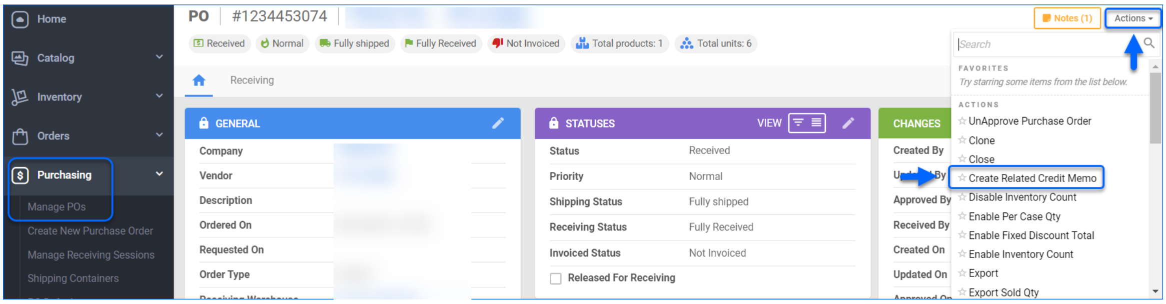
Create Credit Memo from PO

To issue a **Credit Memo** from an existing approved and received PO:

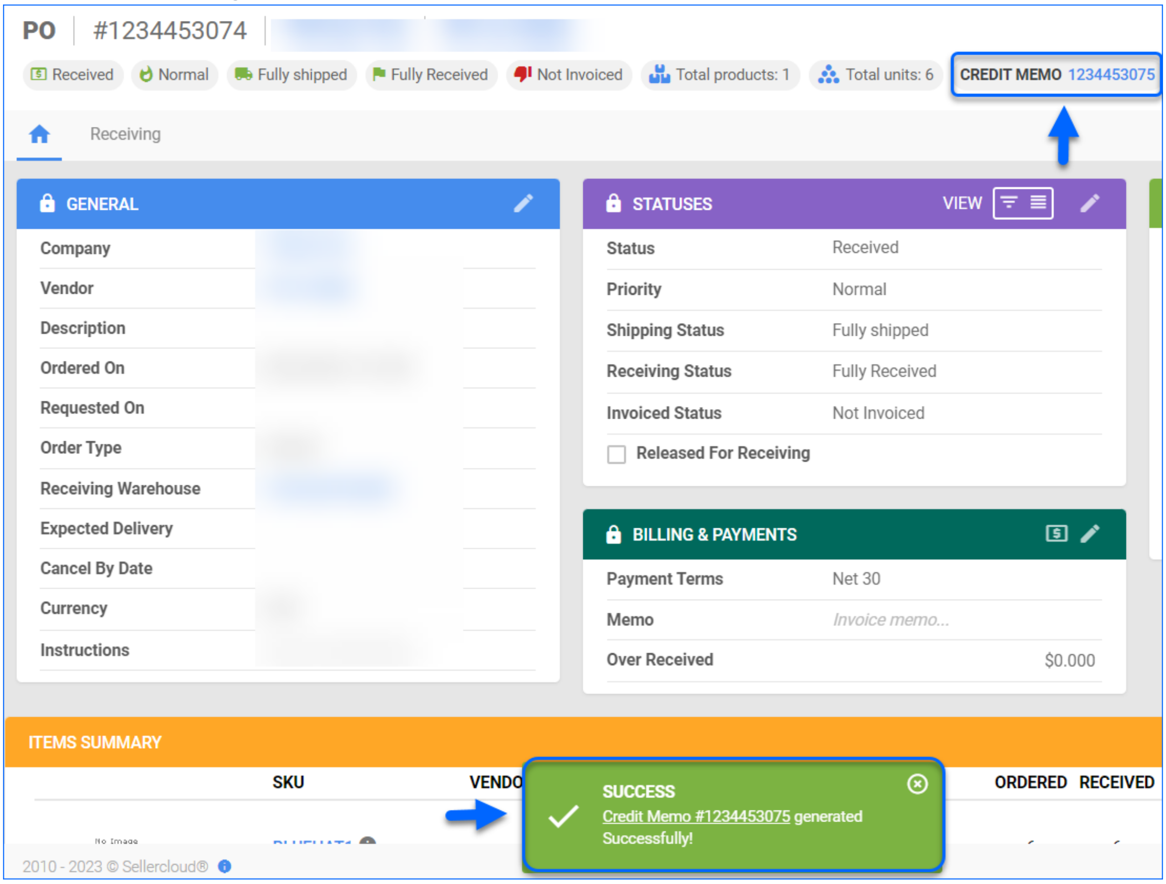
1. Go to **Purchasing** > **Manage POs**.

2. Open the Purchase Order based on which you want to create a Credit Memo.

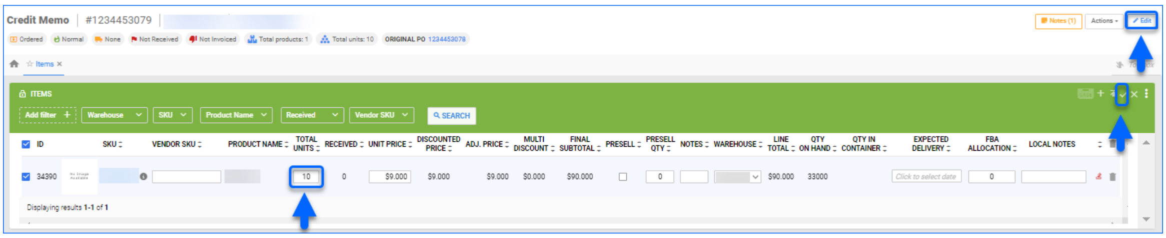
3. Click **Actions** and select **Create Related Credit Memo**.



4. A successful generation message with a **Credit Memo ID** link appears on your screen. A memo hyperlink ID is also present at the top of the PO page.



5. The created **Credit Memo** is for all products covered by the respective PO. If required, open the **Memo** and click **Edit**, to adjust the **Total Units** of the returned items.



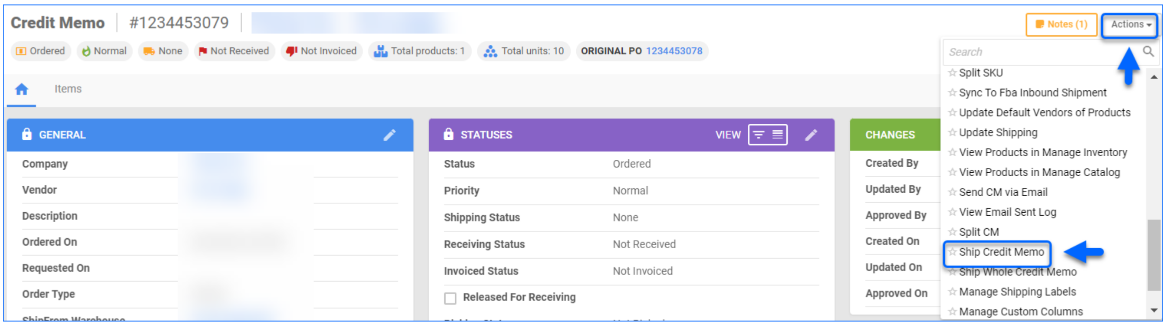
6. Click **Save**. Respective products Inventory quantities will be updated shortly.

You can review your **Credit Memos** on your **Home** page **Purchase Order Dashboard**, or on your **Manage POs** page.

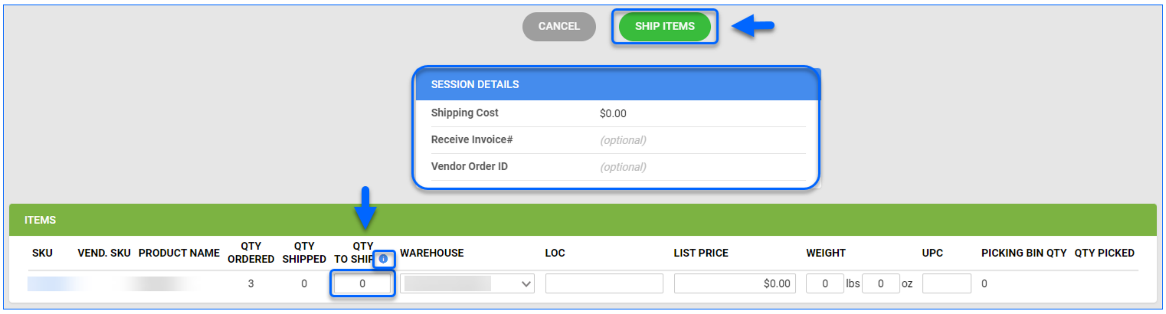
Ship Credit Memo

With Sellercloud's **Ship Credit Memo** action, you can send a Vendor a custom **Credit Memo**:

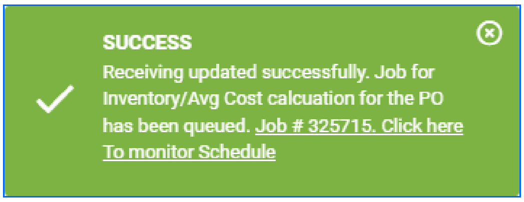
1. Go to **Purchasing** > **Manage POs**.
2. If required, filter the **PO Type** by the **Credit Memo** to limit the list. Select the appropriate **memo**.
3. In the upper right, click **Actions**, and select **Ship Credit Memo**, to define the memo's scope. Alternatively, select action **Ship Whole Credit Memo** to send a memo for the whole PO.



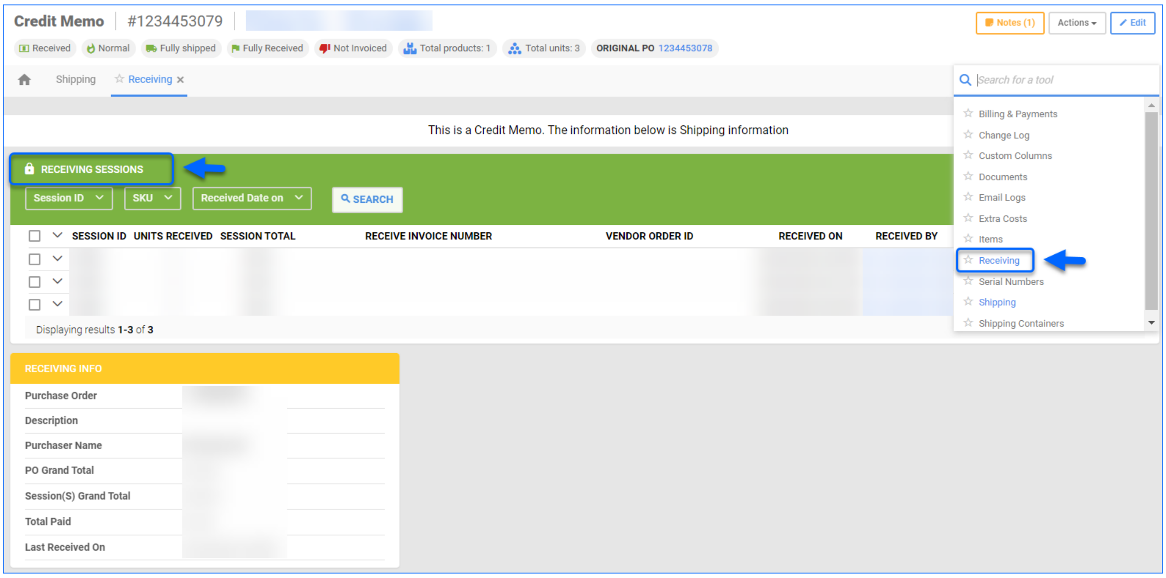
4. Fill in **Qty to Ship** to determine the number of products to return. Populate all necessary fields, and click **Ship Items**.



5. You generated:
   a. A Queued job, which can be reviewed on your Manage Queued Job page. Once its status is **Completed**, product's **Inventory** and PO's **Average Cost calculations** will be updated.



   b. A **Receiving Session**, which contains shipped memo details. Navigate to the memo's **Toolbox** and choose **Receiving**, to find a full list of **Receiving sessions**.



To manually update memo's **Shipping Information**, use the **Update Shipping** option from the **Actions** menu.
When shipping a **Credit Memo** from a Bin-Enabled Warehouse, the memo will first have the status **Picked** (after you have picked your products with Skustack), and subsequently you will be able to ship it.

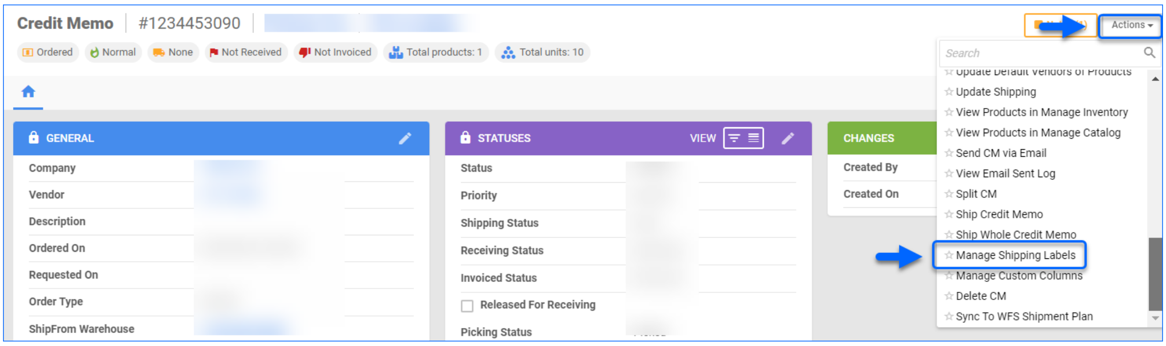
Manage Shipping Labels

Sellercloud allows you to **Manage Shipping Labels** for received/picked **Credit Memo Products** without a Shibridge order, so they can be labeled and shipped back to their respective Vendor.

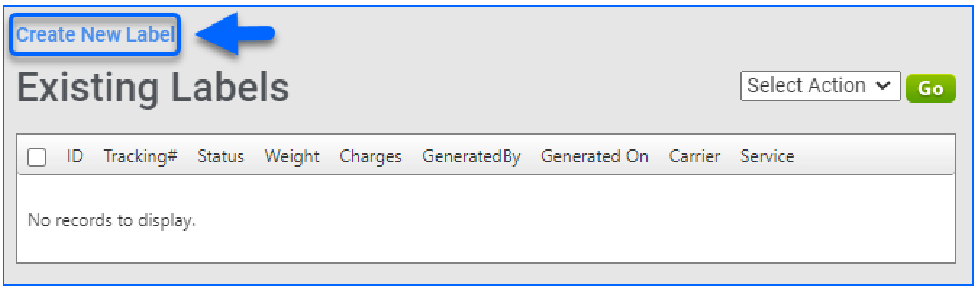
Create Shipping Labels

To create a **Credit Memo Shipping Label**:

1. Navigate to **Purchasing** > **Manage POs** > open the required **Credit Memo**.
2. From the **Actions** dropdown, select **Manage Shipping Labels**.



3. Click **Create New Label**.



4. Fill in the **Ship from** information to define the location from which the **Credit Memo Products** will be collected.

5. Populate the **Ship To** details to indicate the Vendor location to which you are intending to return the **Credit Memo Products**. Alternatively, click on **Manage Addressbook** hyperlink to choose, or create an Address Book entry for the Vendor.

6. Complete the following shipping specifics:

    - **Weight (lbs) (oz)** of the returned products package. Click **Estimate** to automatically calculate the total weight of the package.

    - **Dimensions (L x W x H)** of the shipped package.

    - **Insurance** – Determine shipping insurance.

    - **Shipping Carrier** – Select a shipping provider.

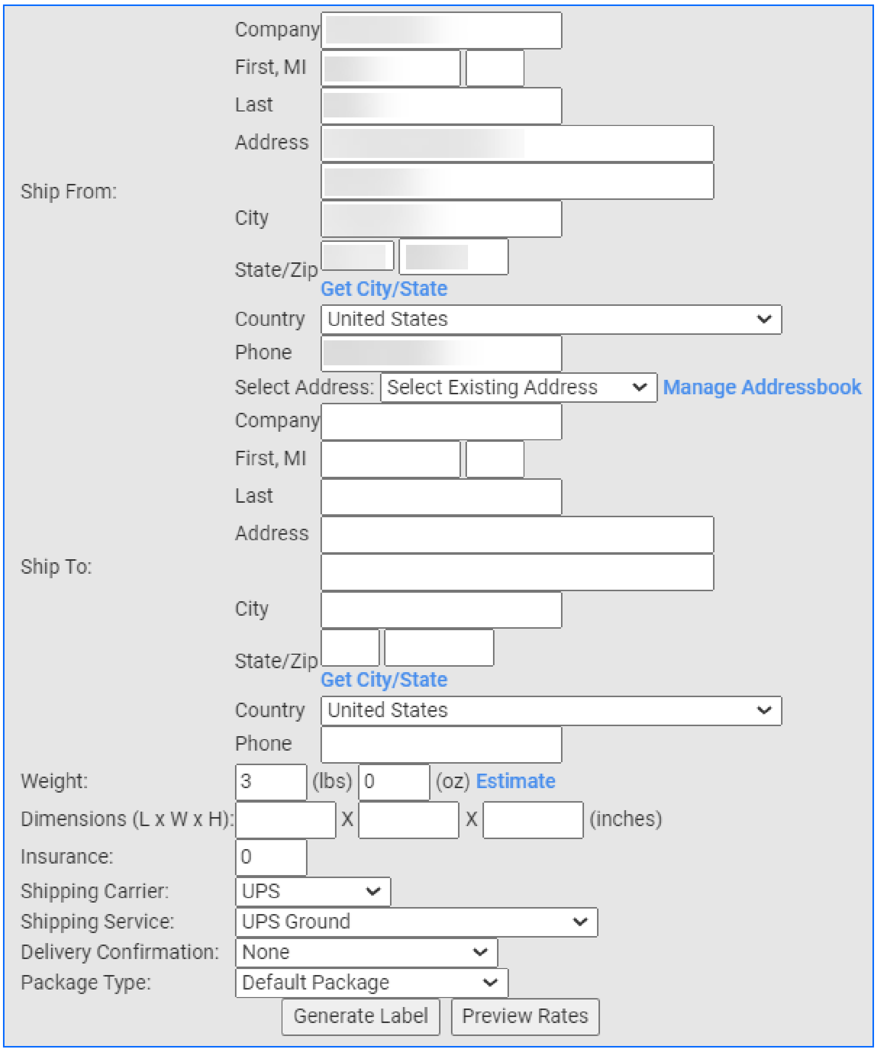
    - **Shipping Service** – Choose a **Shipping Carrier** service from the dropdown menu.

    - **Delivery Confirmation** – Pick a method of delivery verification (**None**, **Signature Required**, or **Adult Signature Required**).

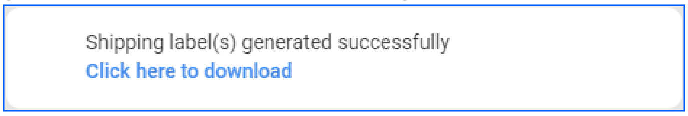
    - **Package Type** – Select a shipping package type from the dropdown menu.

7. Select **Preview Rates** to inspect the drafted **shipping label** details.
   To successfully **Preview Rates** when generating a shipping label, you must have valid carrier credentials configured on the Shipping API page of your company.

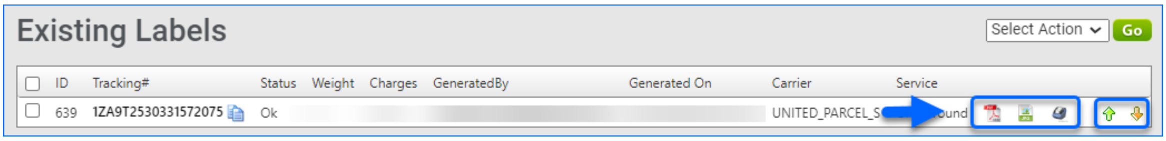
8. Click **Generate Label** to complete the label creation.



9. **Shipping label(s) generated successfully** message should appear on the top of the page. In case of unsuccessful label generation, you will receive a fail message with error details.



10. Select **Click here to download** hyperlink to review the created label in your **Existing Labels** list. You can choose a label file type to download – pdf, JPG, for thermal printer. You also have the options to **Download** API **Requests** and **Responses**, sent to and received from the shipping carrier for troubleshooting purposes.



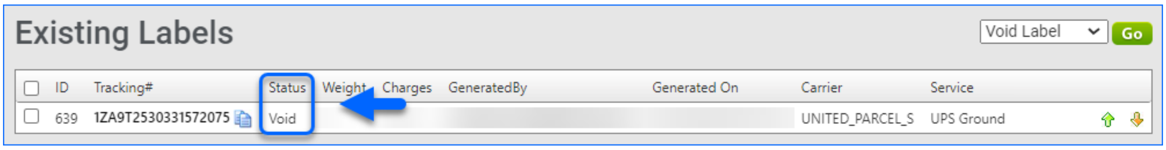
Void Shipping Labels

If deemed necessary, you can annul a **Credit Memo's Shipping Label**:

1. Navigate to the **Credit Memo Existing Labels** list and check the required label box.

2. Pick Action **Void Label** and click **Go**.

3. **Selected labels voided** message appears, and the **Status** of the label is **Void**.



Overview

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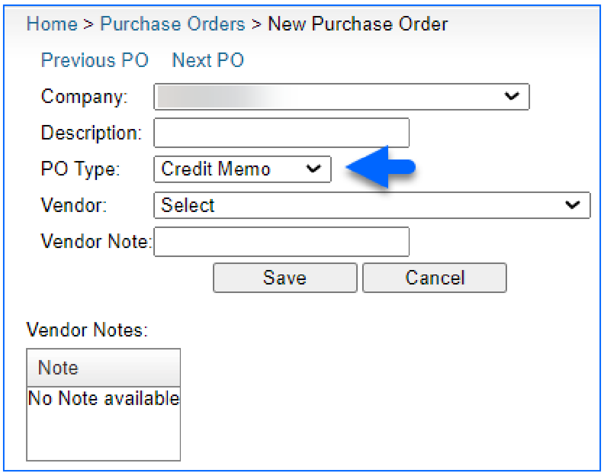
With Sellercloud **Credit Memo Workflow** you can effectively create, adjust and send **Credit Memos** to your Vendors, to ensure that your inventory and accounting records are up to date.

Create Credit Memo

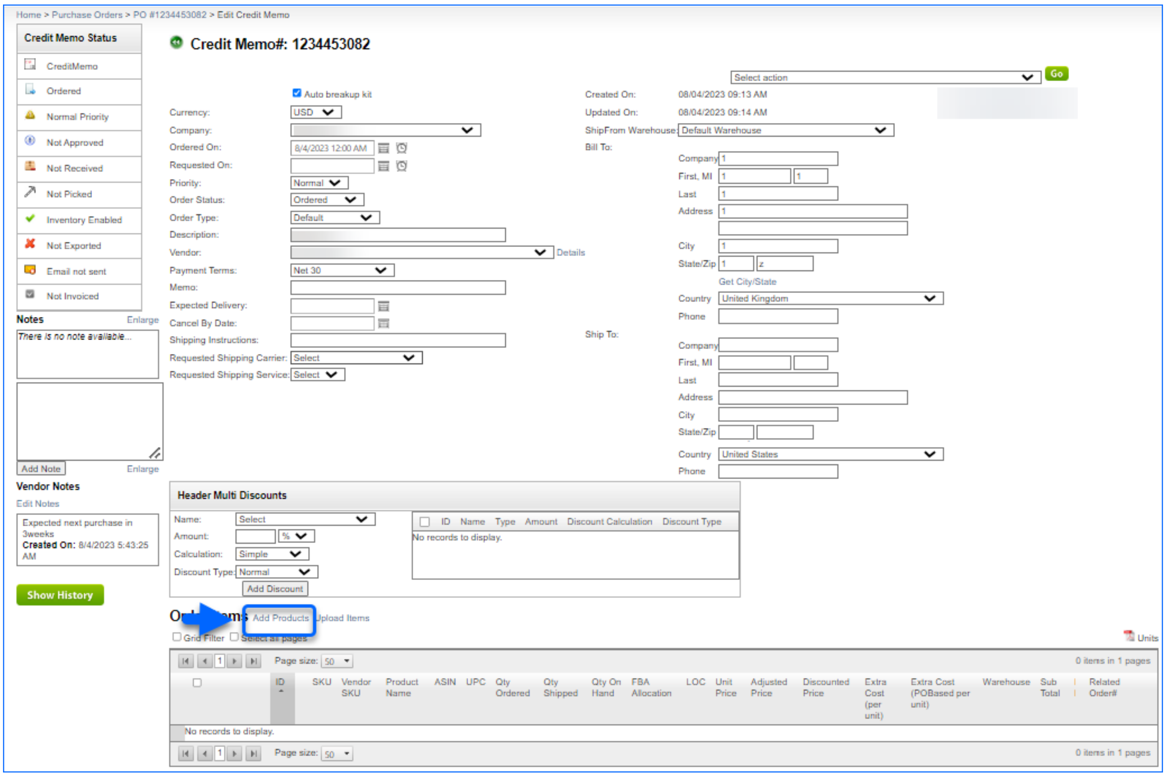
You can create a **Credit Memo** with or without a related Purchase Order.

To issue a memo **without** an existing purchase order:

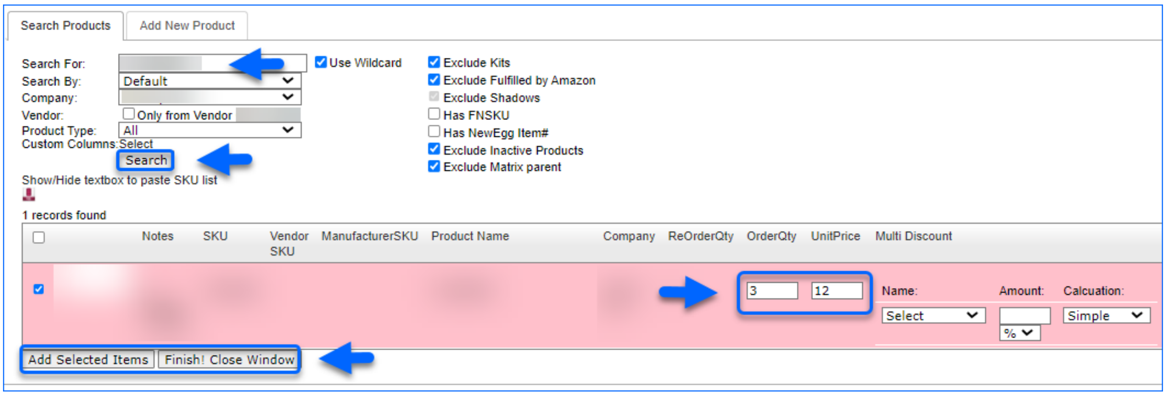
1. Go to **Inventory** > **Purchasing** > **Create New Purchase Order**.
2. Select the associated **Company**.
3. Add a memo **Description**.
4. In the **PO Type** field, select **Credit Memo**.
5. Choose the **Vendor** you are returning the products to.
6. If necessary, add a custom **Vendor Note** and click **Save** to proceed.



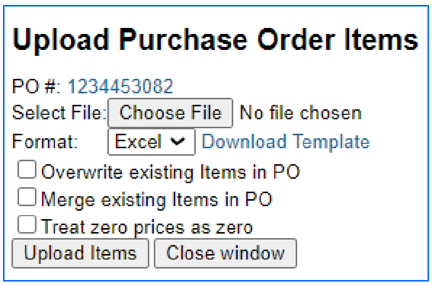
7. Set the details on the newly created **Credit Memo** page and navigate to the **Add Products** button.



8. In the following pop-up, define filters and **Search For** the desired product.
9. Once found, check the product and define return **Qty** and **Unit Price**.
10. Click **Add Selected Items** and repeat, if required.
11. You can also **Add New Product** and **Show/Hide textbox to paste SKU list**.
12. Once done, click **Finish! Close Window**.



13. Alternatively, you can also **Upload products** in bulk with an import file.



14. Verify **Bill To** and **Ship To** addresses.

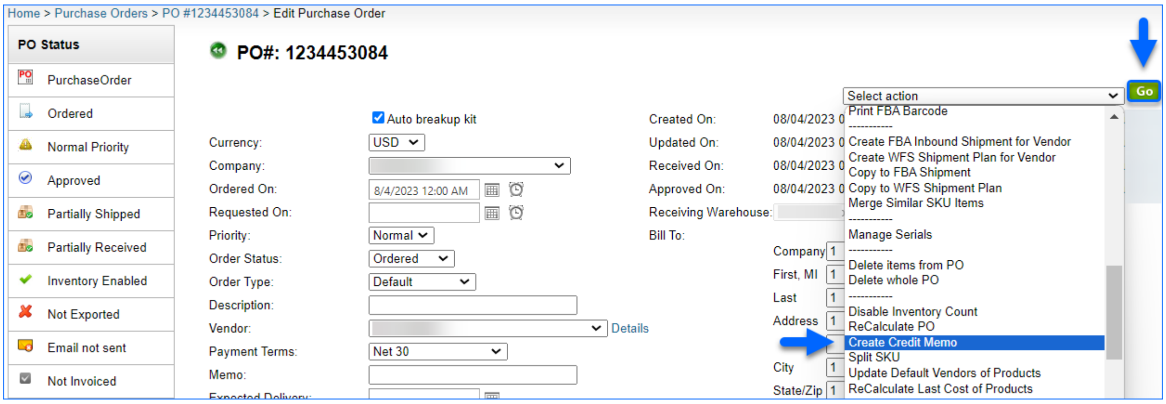
15. Click **Save**.

Create Credit Memo from PO

To issue a **Credit Memo** from an existing approved and received PO:

1. Go to **Inventory** > **Purchasing** > **Search** for the necessary PO and open it

2. From the **Select action** dropdown, choose **Create Credit Memo**.



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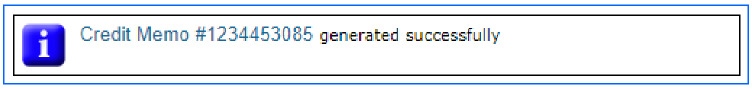
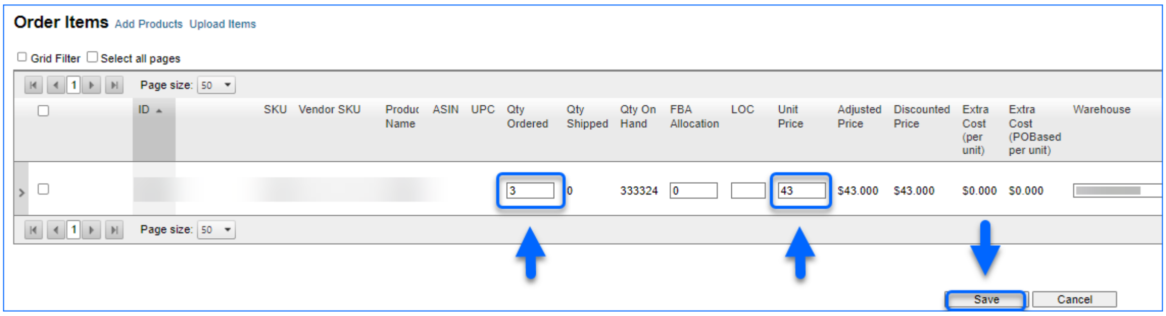


4. The created **Credit Memo** is for all products covered by the respective PO. If required, open the **Memo** and adjust the **Qty Ordered** and **Unit Price** of the returned items.



5. Click **Save**. Products Inventory will be updated shortly.

Ship Credit Memo

With Sellercloud's **Ship Credit Memo** action, you can send a Vendor a custom **Credit Memo**:

1. Go to **Inventory** > **Purchasing** > Filter the **PO Type** by the **Credit Memo** to limit the list.

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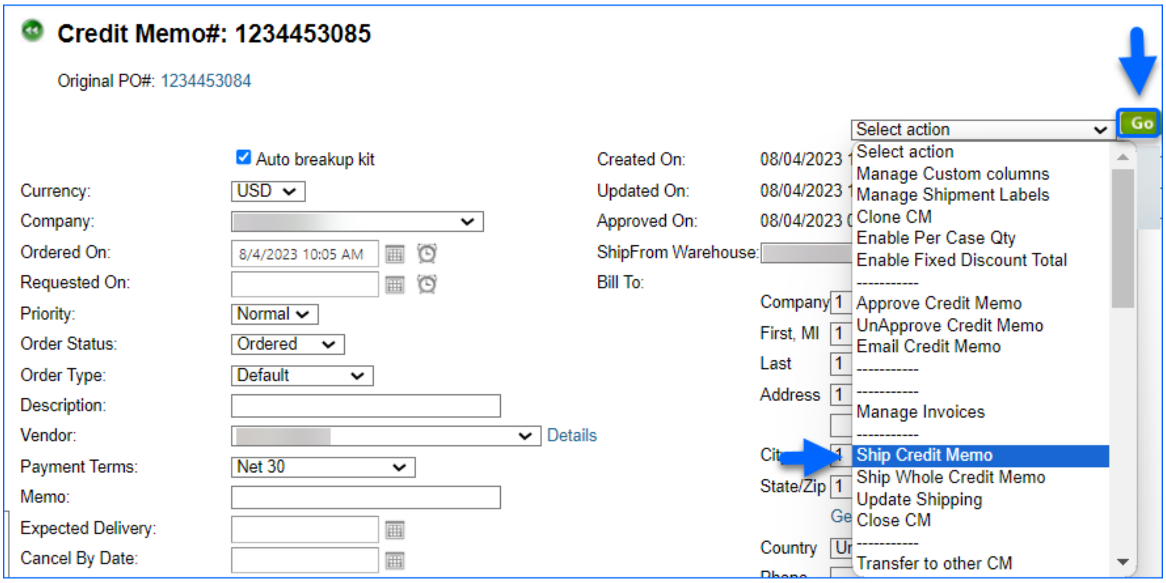
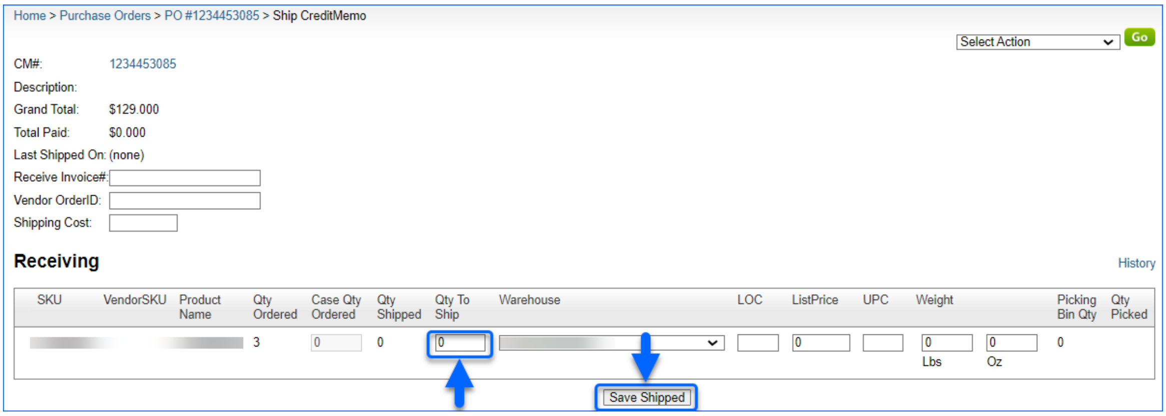


4. Fill in **Qty to Ship** to determine the number of products to return. Populate all necessary fields, and click **Saved Shipped**.



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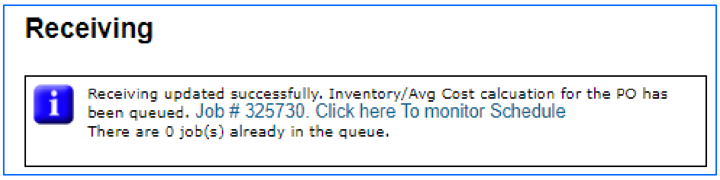
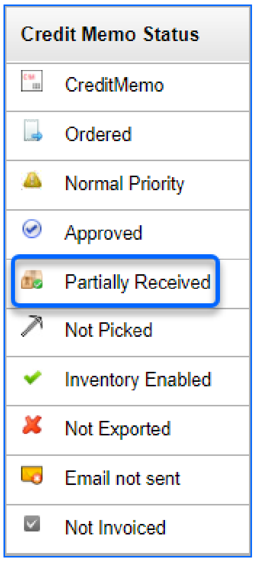


    b. A **Receiving** session, which contains shipped memo details. From the **Credit Memo Status** panel click on **Partially**

Received/**Fully Received**, to find a list of memo's **Receivings**.



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Create Shipment Labels

To create a **Credit Memo Shipment Label**:

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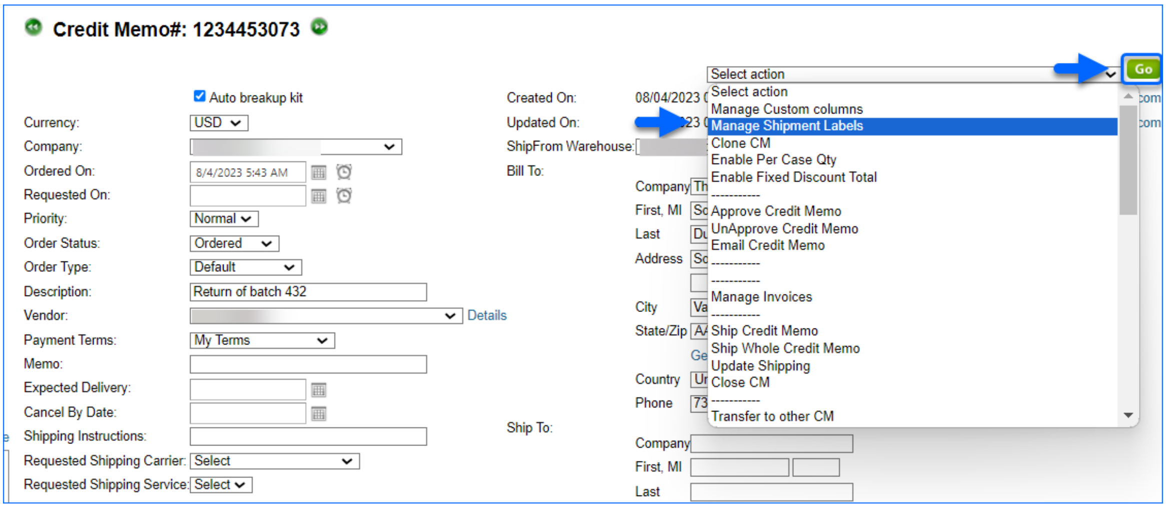
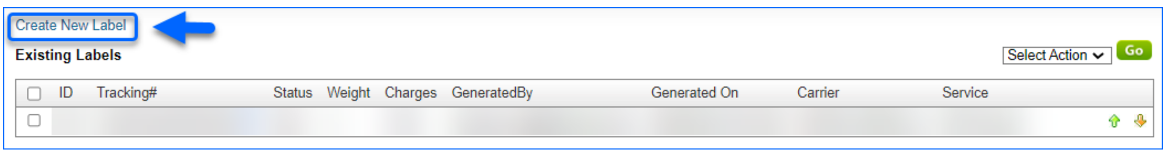
2. From the **Select actions** dropdown, pick **Manage Shipment Labels** and click **Go**.



3. Click **Create New Label**.



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   - **Package Type** – Select a shipping package type from the dropdown menu.

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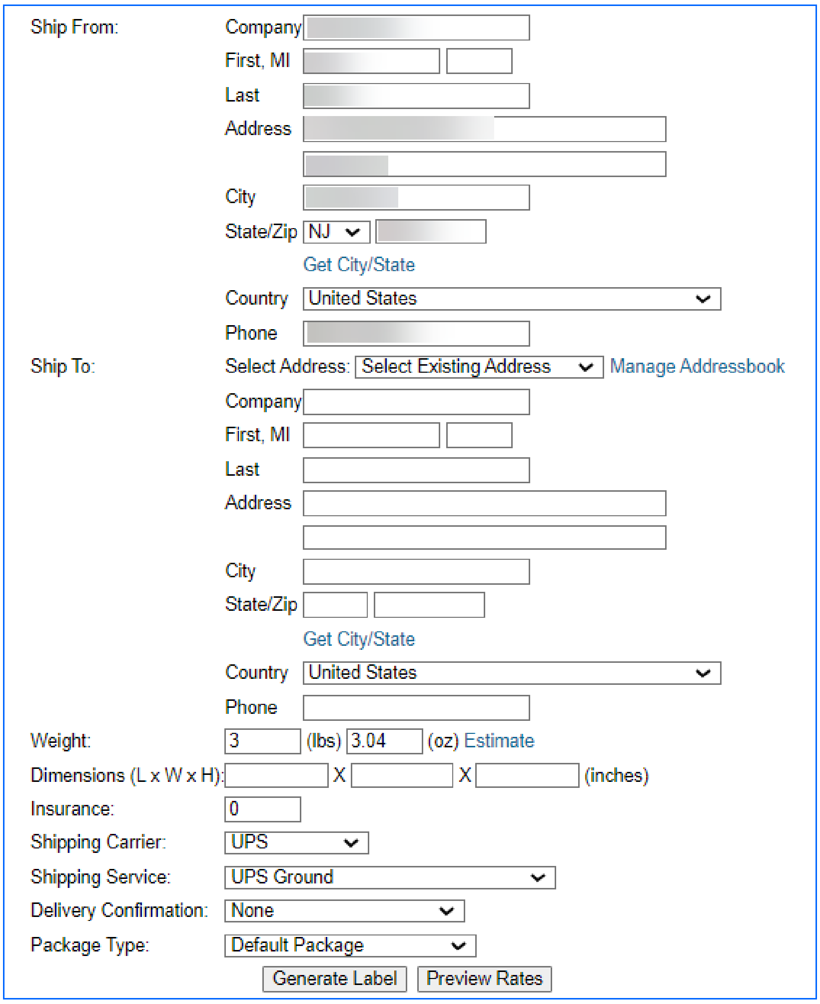
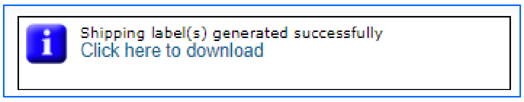


9. **Shipping label(s) generated successfully** message should appear on the top of the page. In case of unsuccessful label generation, you will receive a fail message with error details. 

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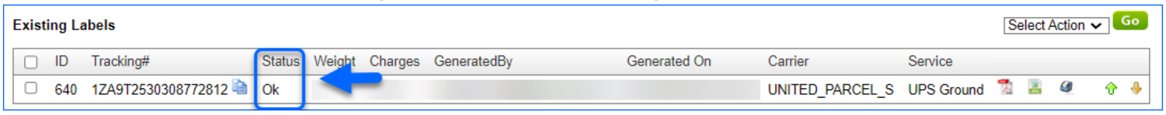

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If deemed necessary, you can annul a **Credit Memo's Shipment Label**:

1. Navigate to the **Credit Memo Existing Labels** list and check the required label box.
2. Pick Action **Void Label** and click **Go**.
3. **Selected labels voided** message appears, and the **Status** of the label is **Void**.