

Consignment

Last Modified on 10/26/2021 2:35 pm EDT

The following article is based on features coming in Release 1.0.31

Overview

Defining Consignment: Consignment is a business arrangement in which a business, also referred to as a consignee, agrees to pay a seller, or consignor, for merchandise after the item sells. The business accepts items for sale and agrees to pay the seller a percentage of the proceeds if and when the goods do sell.

- Consignment is an arrangement in which goods are left with a third party to sell.
- The party that sells the goods on consignment receives a portion of the profits, either as a flat rate fee or commission.
- Selling via a consignment arrangement can be a low-commission, low-time-investment way of selling items or services.
- Most consignment shops and online dealers will offer terms, but some are willing to negotiate.
- Consignment is a good workaround if you don't possess a physical store or online marketplace in which to sell your goods.

Turning on Consignment

The screenshot shows the 'Company Preferences' interface. On the left is a navigation menu with categories like General, Activities, Doc #s, Items, Inventory, Sales, Shipping, Payments, Purchasing, Receiving, Production, Lot / Serial #s, Repair Orders, Mobile, and Mail and Calendar Integration. The 'Sales' category is selected. The main content area has three tabs: 'General', 'Price Level Rounding', and 'Advanced'. The 'Advanced' tab is active, showing a list of settings under 'Sales - Advanced'. The 'Disable Consignments' checkbox at the bottom of the list is unchecked. Other settings include 'Limit items for selling to items that have an item # listed for the current customer', 'Use last customer price (ignores pricing levels)', 'When adding items to sales documents show all price level pricing...', 'Move attachments from quote to sales order on conversion', 'Apply price levels to Kit selections', 'Require Ship Method', 'Show kit selections on sales orders and quotes', 'Calculate tax rates based on zip codes instead of Item Sales Tax', 'Round sales tax to the nearest penny. Uncheck to round down.', 'When printing a form template with styles, show the variants as rows instead of in matrix format.', 'Enable creating a transfer from a sales order.', 'Transferring from a sales order is used for consignment.', 'Default Location' (set to HQ), 'Enable Location lookup based on Shipping Regions', 'Highlight line items with inventory deficiencies', 'Enable charging additional fees on orders', 'When adding an item to a quote or sales order, increment the quantity instead of adding a new line no.', 'Validate Shipping Address', and 'Disable Consignments'.

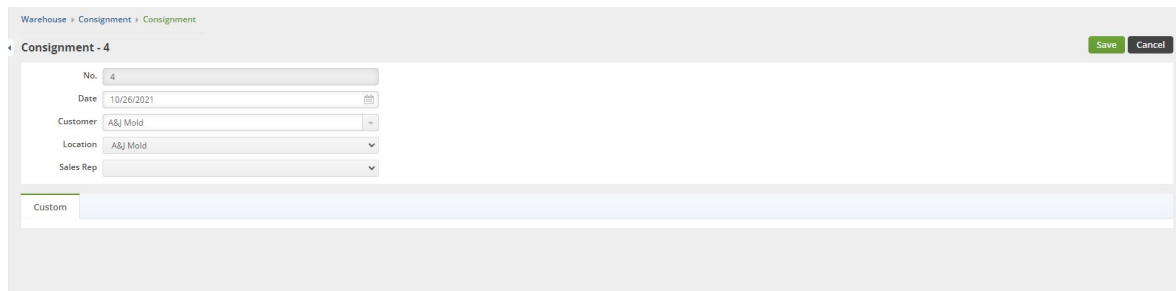
- Head to Admin > Company Preferences > Sales > Advanced Tab
- Uncheck the preference called Disable Consignments
- Click Save

Preparing to create a Consignment

- Make sure to have the Consignment Customer as a Customer in the system.
 - Learn more about creating customers [here](#).
- Create a new Location in the system that also has a similar name to that Customer.
 - Learn more about creating Locations [here](#).

Creating a Consignment

Click the Create New drop-down list and select Consignment:



Warehouse > Consignment > Consignment

Consignment - 4 Save Cancel

No. 4

Date 10/26/2021

Customer A&J Mold

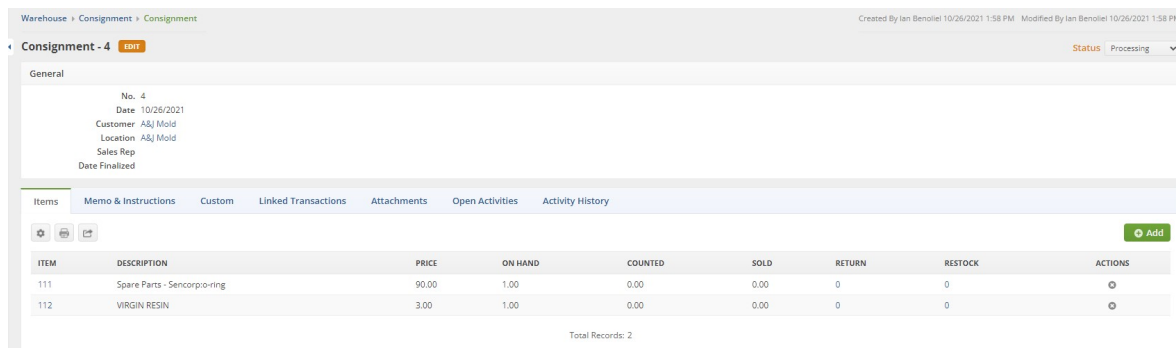
Location A&J Mold

Sales Rep

Custom

Here you will select the Customer and Location that you created in the previous steps.

Then click Save.



Warehouse > Consignment > Consignment

Consignment - 4 Count Status Processing

Created By Ian Benolie 10/26/2021 1:58 PM Modified By Ian Benolie 10/26/2021 1:58 PM

General

No. 4

Date 10/26/2021

Customer A&J Mold

Location A&J Mold

Sales Rep

Date Finalized

Items Memo & Instructions Custom Linked Transactions Attachments Open Activities Activity History

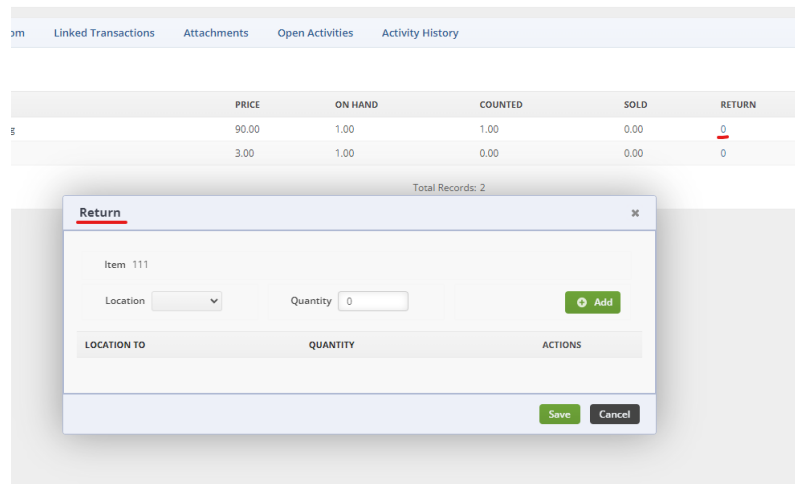
ITEM	DESCRIPTION	PRICE	ON HAND	COUNTED	SOLD	RETURN	RESTOCK	ACTIONS
111	Spare Parts - Sencorpio-ring	90.00	1.00	0.00	0.00	0	0	
112	VIRGIN RESIN	3.00	1.00	0.00	0.00	0	0	

Total Records: 2

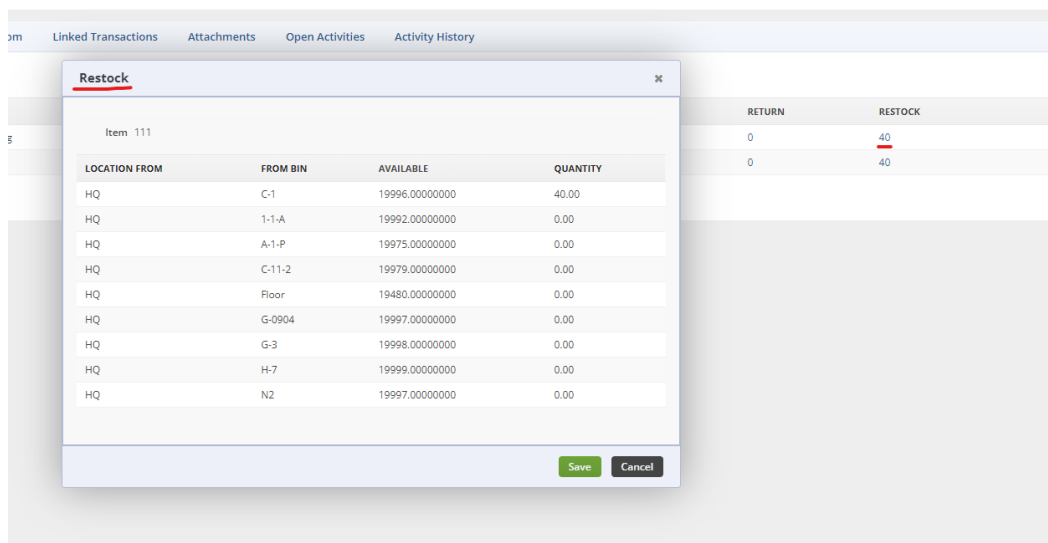
Add

On this next screen you will see the current Items that are at that location.

- The **Counted** auto-updates when some Items are set to Sold, the Consignment Location should double-check that the Counted matches up with what is left in stock at the store/location
- Select how many have been **Sold**, if any
 - This will create a Ship Doc when the Consignment is Approved, Finalized and Closed
 - The Ship Doc serves as the invoice for the Sales at the Consignment Location
- Click on a value under **Return** to select which Location you want to Return some of those Items to
 - This opens a separate screen where you can see your other Locations
 -



- Click on a value under **Restock** to select how many Items you want to Restock at the Consignment Location
 - This opens a separate screen where you can see your other Locations that have stock of that Item.
 -



When you have selected the values you'd like an reassigned Inventory for the Consignment Location, Change the Status to Approved.

Make sure it is all correct and then click the Finalize Button:

Warehouse > Consignment > Consignment Created By Ian Benolie! 10/26/2021 1:58 PM Modified By Ian Benolie! 10/26/2021 1:58 PM

Consignment - 4 FINALIZE Status Approved

General

No. 4
Date 10/26/2021
Customer A&J Mold
Location A&J Mold
Sales Rep
Date Finalized

Items Memo & Instructions Custom Linked Transactions Attachments Open Activities Activity History

ITEM	DESCRIPTION	PRICE	ON HAND	COUNTED	SOLD	RETURN	RESTOCK
111	Spare Parts - Sencorpio-ring	90.00	1.00	1.00	0.00	0	40
112	VIRGIN RESIN	3.00	1.00	0.00	0.00	0	40

Total Records: 2

In this example, I just counted 1 and Restocked 40 of each Item to the Consignment Location.

This creates a Transfer of 40 each to that Location:

Warehouse > Location > Location

Location - A&J Mold EDIT Print Label

Address

Name/Company
Street
Floor/Suite
City
State/Prov./Reg.
Zip/Postal code

Other

Active
Available

Note EDIT

Bins Inventory Transactions Custom Shipping Regions

NO.	TRAN TYPE	DATE	RELATED TO ENTITY NAME	QUANTITY
68	Transfer	10/26/2021	Internal	40.00
68	Transfer	10/26/2021	Internal	40.00

Remember, the Transfers and other documents created by the Consignment must still be dealt with. The Transfer created must be completely Shipped in order to restock this Consignment Location.

When Items are Sold

Next I'll show you an example of when the Consignment Location Sells some stock:

Warehouse > Consignment > Consignment Created By Ian Benolie! 10/26/2021 2:25 PM Modified By Ian Benolie! 10/26/2021 2:25 PM

Consignment - 6 EDIT Status Processing

General

No. 6
Date 10/26/2021
Customer A&J Mold
Location A&J Mold
Sales Rep
Date Finalized

Items Memo & Instructions Custom Linked Transactions Attachments Open Activities Activity History Add

ITEM	DESCRIPTION	PRICE	ON HAND	COUNTED	SOLD	RETURN	RESTOCK	ACTIONS
111	Spare Parts - Sencorpio-ring	90.00	41.00	19.00	22.00	0	0	<input type="checkbox"/>
112	VIRGIN RESIN	3.00	41.00	26.00	15.00	0	0	<input type="checkbox"/>

Total Records: 2

- In this example the Consignment Location has sold 22 of **Item 111** and 15 of **Item 112**.
- As you can see the Counted auto-updates to show the rest of the stock that wasn't sold.
- Set the Status to Approved.
- Click on the Finalize button.

Sales > Ship Docs > Ship Doc Created By Ian Benoliel 10/26/2021 2:30 PM Modified By Ian Benoliel 10/26/2021 2:30 PM

Ship Doc - 1000708 PDF Create PDF Export Print Label Signature Status Processing

General No. 1000708 Customer A&J Mold Change Date 10/26/2021 Customer PO Contact SO No.	Bill Address A&J MOLD 4200 HINKLE DEEGAN LAKE ROAD SYRACUSE, NY 13202	Ship Address A&J MOLD 4200 HINKLE DEEGAN LAKE ROAD SYRACUSE, NY 13202 US	Summary <small>Revision: 1</small> Subtotal 2,025.00 UPS 5.00Non Discount 0.00 Additional Fee 0.00 Taxes 0.00 Total Amount 2,030.00 Paid Amount -0.00 Balance 2,030.00
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Items Details Memo & Instructions Attachments Custom Payments Open Activities Activity History Packages

Name/Number Search Item Scan

ITEM	DESCRIPTION	QUANTITY	BACK ORDER	UOM	PRICE	EXT.	TAX CODE	LINKED NO.	LINKED ORDERED QUANTITY	LINKED FILLED	VALUE AMOUNT	WEIGHT	WEIGHT EXT.	UPC	PROFIT	ACTIONS
111	Spare Parts - Sencorp ring	22.00	0.00	EA	90.00	1,980.00	Non	0	0.00	0.00	0.00	4.50	99.00	17	90.00	
112	VIRGIN RESIN	15.00	0.00	EA	3.00	45.00	Non	0	0.00	0.00	0.00	2.36	35.40		3.00	

- This immediately jumps us to the Ship Doc to create the Invoice for the Sold Items.
- Process this Ship Doc the way you would for any other one.