SOP: Damaged or Defective Goods Handling Protocol

This SOP defines the **damaged or defective goods handling protocol**, detailing procedures for identifying, reporting, segregating, and documenting damaged or defective products. It ensures proper communication with relevant departments, responsible disposal or return processes, compliance with quality control standards, and prevention of defective goods from reaching customers. The protocol aims to minimize losses, maintain product quality, and uphold customer satisfaction by effectively managing damaged or defective inventory.

1. Purpose

To establish a standardized process for managing goods identified as damaged or defective, ensuring timely and effective action to prevent compromised products from reaching customers and to minimize organizational losses.

2. Scope

This SOP applies to all employees involved in the receipt, storage, inspection, and shipment of products, as well as quality control, warehouse, logistics, and customer service teams.

3. Responsibilities

- **Warehouse Staff:** Identify and report damaged or defective goods during receiving, storage, or picking processes.
- **Quality Control:** Assess and document the nature and severity of defects or damage.
- **Supervisor/Manager:** Authorize product segregation, initiate disposal/return processes, and ensure reporting completeness.
- **Customer Service:** Liaise with affected customers and coordinate returns or replacements, if required.
- **Logistics:** Arrange for appropriate disposal, return to vendor, or repair services.

4. Procedure

1. **Identification**
   - Inspect all incoming goods during receiving and outgoing products before shipping.
   - Look for signs of physical damage, contamination, expiration, or manufacturing defects.

2. **Reporting**
   - Immediately report identified damaged or defective goods to the supervisor/manager and Quality Control using the Damaged/Defective Product Report Form.
   - Photograph and, if applicable, quarantine the affected goods.

3. **Segregation**
   - Label and move damaged or defective goods to a designated quarantine area to prevent accidental distribution.

4. **Documentation**
   - Complete and file the Damaged/Defective Product Report, ensuring details such as product code, batch/lot number, quantity, nature of damage/defect, and responsible party (if determined) are recorded.

5. **Assessment**
   - Quality Control reviews products and determines disposition (return, rework, scrap, or other action).

6. **Communication**
   - Inform Procurement if vendor-related, Customer Service if customer-facing, and update Inventory systems accordingly.

7. **Disposal/Return**

- Arrange for return to vendor, authorized disposal, or approved rework, following environmental and legal regulations.

8. **Review & Continuous Improvement**
   - Periodically review damage/defect reports to identify trends and implement corrective actions.

5. Documentation

- Damaged/Defective Product Report Form
- Photographic Evidence (attached to report)
- Disposal/Return Records
- Corrective Action Reports, if applicable

6. Related Policies

- Quality Control Policy
- Inventory Management Policy
- Environmental and Waste Disposal Policy
- Customer Return and Replacement Policy

7. Revision History

Version	Date	Description	Author	Approved By
1.0	2024-06-10	Initial creation	[Name]	[Approver]