

China Sourcing Pitfall Checklist

What experienced buyers check before they pay.

Most sourcing losses do not come from one big mistake — they come from small steps skipped before the money moves. This checklist walks through the checks seasoned buyers run at every stage, from verifying a supplier to signing off the final inspection. It is written for importers, e-commerce sellers, and brand owners who are buying from China for the first time, or scaling beyond their first few orders. Work through it in order, and tick each box before moving to the next stage.

1. Supplier Verification

- ☐ Verify the supplier's business licence, and check that the company name, registration number, and address match across the licence, the quotation, and the bank account you will pay.
- ☐ Confirm the supplier can actually export: ask whether they ship under their own export licence or through an agent, and which markets they have delivered to before.
- ☐ Look at how long the supplier has been established and active — on trade platforms and in the trade generally. A long, consistent record matters more than a perfect review score.
- ☐ Arrange a factory visit before a large first order, or at minimum a live video walkthrough of the production floor. A supplier who refuses every form of visit is telling you something.
- ☐ Establish who you are really dealing with — a factory, a trading company, or an individual middleman. All three can be legitimate, but pricing, lead times, and accountability differ, and you should know which one holds your order.

2. Quotation & Contract

- ☐ Ask for an itemised quotation with unit price, tooling or mould fees, packaging, testing, and freight shown separately. A single lump sum hides where the margin — and the risk — sits.
- ☐ State the Incoterm (EXW, FOB, CIF, DDP) and the named port or place in writing. The same product can differ sharply in total landed cost under different terms.
- ☐ Put the delivery date in the contract together with an agreed remedy for late delivery. Even a modest penalty clause changes how seriously your order is scheduled.
- ☐ Include an intellectual property clause: your designs, moulds, artwork, and brand assets remain yours, and the supplier may not sell them — or products made from them — to any third party.
- ☐ Lock the specifications into the contract or a signed spec sheet: materials, dimensions, tolerances, colours, and packaging. "What we agreed" should never depend on anyone's memory.

- ☐ Agree in advance how defects, shortages, and claims will be handled after delivery, and within what time window a claim must be raised.

■ 3. Samples & Quality Control

- ☐ Treat the first sample as a prototype, not proof. Approve samples in rounds until one unit is exactly right — that unit becomes the standard everything else is judged against.
- ☐ Seal and keep a "golden sample" of the approved unit, and make sure the factory holds an identical one. Most quality disputes are settled by comparing against it.
- ☐ Require a pre-production sample made from the actual production materials and process before mass production starts — not just the showroom sample you saw first.
- ☐ For larger orders, schedule a during-production inspection so problems surface while they can still be fixed cheaply, not after packing.
- ☐ Book a pre-shipment inspection using AQL sampling before you release the balance payment. The final payment should never rest on supplier photos alone.
- ☐ For regulated products, verify that test reports and certificates match your target market's requirements before production begins, not after the goods are finished.

■ 4. Payment Safety

- ☐ Structure payment in stages tied to verifiable milestones — typically a deposit to start production and the balance only after a passed pre-shipment inspection.
- ☐ Pay only to a company bank account whose name matches the contracting supplier exactly. Treat any request to pay a personal account, or a different company's account, as a stop sign.
- ☐ Cross-check the company name on the proforma invoice, the contract, and the bank account character for character. Fraud and bank delays both live in small discrepancies.
- ☐ Keep the deposit proportionate to the supplier's genuine upfront costs, such as materials and tooling. If a new supplier demands full payment before production from a first-time buyer, slow down and ask why.
- ☐ For larger first orders with a new supplier, talk to your bank about safer instruments. Letters of credit and reputable escrow or trade-assurance arrangements can reduce exposure, but each carries fees, conditions, and limits — confirm the details before relying on them.
- ☐ Agree the payment currency, who bears the bank charges, and the exchange-rate basis in writing, so the amount that arrives is the amount you expected.

■ 5. Logistics & Customs Clearance

- ☐ Estimate freight on volumetric (dimensional) weight, not just gross weight. Light but bulky goods routinely cost far more to ship than the first quote suggests.
- ☐ Confirm your product's compliance requirements in the destination market before anything ships — testing, certification marks, and labelling rules are far cheaper to satisfy at the factory than at the port.

- ☐ Check that product labels, manuals, and packaging carry the information your market legally requires, in the correct language, before production is finished.
- ☐ Insure the shipment. Cargo insurance costs little relative to the value at risk, and "the forwarder will sort it out" is not a policy.
- ☐ Settle who handles customs clearance and duties at destination before the goods leave, in line with your Incoterm. Ambiguity here is a common cause of cargo sitting untouched at the port.
- ☐ Build a delay buffer into your launch and restocking plans. Production slippage, port congestion, and customs examinations are normal events, not exceptions.

■ 6. Communication & Paper Trail

- ☐ Move every key confirmation — price, specifications, deadlines, changes — into writing by email or signed document. Chat messages are easy to lose and hard to enforce.
- ☐ Version-control your specification files: use dates or version numbers in file names, and confirm explicitly which version the factory is producing from.
- ☐ After any change is discussed, send a short written summary and ask the supplier to confirm it back. Silence is not agreement.
- ☐ Archive inspection reports, test certificates, production photos, and shipping documents for each order. You will need them for claims, reorders, and your own quality records.
- ☐ Keep one named contact on the supplier side and one shared thread or folder per order, so nothing important lives only in one person's chat history.

■ A final word

Sourcing from China rewards buyers who check early and document everything. If you reach a step where you are unsure — verifying a supplier, structuring a payment, or arranging an inspection — SAMTOP GROUP LIMITED is glad to talk it through with you. Write to us at ****info@samtopgroup.com****.