



PROMOTIONAL MERCHANDISE · SUPPLIER SELECTION

China Promo Sourcing Risk Checklist

The fast, printable framework for choosing a promotional product supplier in China — and knowing exactly which risks you need to watch before you commit.

Before you commit to any supplier, answer these three questions

- 1 Are you dealing with the factory — or a middleman?
- 2 Have you modeled the true landed cost, end to end?
- 3 Do you know which stages carry the most risk, and who owns them?

01 Verify the Supplier

- ☐ Confirm the business license matches the product category and production location.
- ☐ Request a live factory audit or video tour — not stock photos.
- ☐ Ask for export history and client references in your market.
- ☐ Cross-check the registered address against the actual plant location.

02 Factory-Direct vs. Middleman

- ☐ Ask directly, “Are you the manufacturer?” — then request floor video and production photos as proof.
- ☐ Compare itemized quotes; beware of bundled, opaque pricing.
- ☐ Verify MOQs are factory-level, not reseller-inflated.
- ☐ Test whether the salesperson can answer real production and QC questions.

03 Model the True Landed Cost

- ☐ List every cost line: product, tooling, packaging, freight, duties, taxes, bank and FX fees.
- ☐ Confirm the Incoterms (EXW / FOB / CIF) in writing before quoting.
- ☐ Budget for samples, courier fees, and a rework contingency.
- ☐ Check how duties and VAT change if declared value or HS code is wrong.

04 Lock Down Quality Control

- ☐ Approve a pre-production sample before the bulk run starts.
- ☐ Schedule a mid-production inspection during the bulk run.
- ☐ Run a final AQL random inspection before the shipment departs.
- ☐ Agree in writing on defect thresholds, rework, and replacement responsibility.

05 Lead Time & Delivery

- ☐ Put the production and shipping schedule with milestones in writing.
- ☐ Agree on a late-delivery remedy — for example, the supplier covers air freight.
- ☐ Confirm sea vs. air vs. rail, transit time, and customs buffer.
- ☐ Build in a peak-season buffer (Q3–Q4) and Chinese holiday shutdown windows.

06 Payment & Contract Terms

- ☐ Sign a contract covering specs, quality, price, delivery, and liability.
- ☐ Keep deposits reasonable (typically ~30%) — never 100% prepayment.
- ☐ Tie the final payment to inspection results, not just shipment.
- ☐ Protect your designs with an NDA, IP assignment, and tooling ownership.

07 Compliance & Certifications

- ☐ Confirm the certifications required for your market (REACH, CPSIA, CE, FDA, and more).
- ☐ Require material and safety test reports from accredited labs.
- ☐ Verify any eco or sustainability claims are backed by documentation.
- ☐ Check labeling, packaging, and paperwork rules for your destination market.

08 Red Flags — Walk Away

- ☐ Price sits 30%+ below market, or the supplier refuses to itemize.
- ☐ No physical factory, or the supplier refuses a live tour.
- ☐ Demands full prepayment or payment outside normal channels.
- ☐ Unwilling to put quality, delivery, or liability terms in writing.
- ☐ Slow or evasive answers on production and QC specifics.