
Finding The “Right” Supplier In China

by MICHAEL BELLAMY

In the face of global competition, more and more buyers are looking to China to source products. In achieving that goal, there are three overriding concerns faced by both the first-time buyer as well as the experienced China sourcing specialist:

- Finding the right specialist,
- Ability to control quality,
- Ensuring that blueprints, design specs, tooling and brand names are protected.

Finding the Right Supply Partner

The single biggest determinant that makes or breaks a sourcing program in China is finding the right partner. It seems that everything these days is “made in China.” But finding the “right supplier” can be a daunting task.

The biggest headache for American buyers when conducting supplier research is that there are no comprehensive industry guides. ISO certification does not carry the same weight as it does in the West, and web sites do not always realistically portray a supplier’s ability. Only through physical inspection of the facilities and review of actual product samples will you gain a true understanding of your supplier’s ability.

The Pressing Need for Quality Control (QC)

While “quality control” in China is no longer an oxymoron, there is still a lot of “hand-holding” required to ensure that various quality levels are main-

tained. Among the hand-holding functions that should be performed are:

- Always see an actual production sample from the actual supplier.
- Ask the supplier to provide their internal QC documentation.
- Employ local auditors and independent laboratories.

Maintaining Security

Here are some basic tips to follow in order to ensure blueprints, design specs, tooling and brand names are protected when conducting business overseas:

- Do not disclose the product’s final use and remove confidential information from prints and samples.
- Consider dividing your product into individual components during the request for quotation stage and perhaps for production.
- Let the supplier quote be based on the product and order size, not on how much money they think may be in your pockets.
- Sign a letter of confidentiality, although confirmation of wrongdoing and enforcement is difficult.
- Even if you have no plans to sell your products in China, you should consider registering your trademarks and designs in China. Having done this, the court system is on your side should you face infringement by a supplier. Luckily, registration is inexpensive and straightforward. Costs are under \$2,000 in most cases.

As buyers ourselves, PassageMaker Sourcing Solutions understands that information must be kept confidential and products looked after in a profes-

sional manner. As a result, we've opened the doors to our Sourcing Center/Warehouse to other U.S. buyers to provide a centralized, secure, reliable environment for in-bound quality control, assembly, packaging and freight consolidation under U.S. management in China. Our organization does not operate as a middleman, rather the process is completely transparent. We work with the buyer to find a supplier that meets specific needs. Goods are then shipped to our Sourcing Center where we perform assembly and finally packaging. This prevents local suppliers from turning into future competitors and shipping costs are reduced through freight consolidation. Quality control issues are dealt with before goods are shipped. □



ABOUT THE AUTHOR:

Michael Bellamy is the China Operations Director of PassageMaker Sourcing Solutions (www.PSSchina.com), a U.S.-owned company located in China. He first moved to China in 1994 and has since structured sourcing investments in more than 50 production classifications for clients.

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One Spectrum Pointe, Suite 150, Lake Forest, CA 92630-2283 • Phone: (949) 859-4040 • Toll-free: (877) 626-2776
Fax: (949) 855-2973 • E-mail: mana@manaonline.org • Web site: www.manaonline.org
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