



SOURCING BASICS · GUIDE #1

How to Find a Reliable China Sourcing Agent

Complete 2026 Checklist: 20-Point Verification, 7 Red
Flags, Pricing Models & Must-Ask Questions

Why Finding the Right Sourcing Agent Matters

Every year, thousands of businesses turn to China for manufacturing — drawn by competitive pricing, vast production capacity, and an unmatched supplier ecosystem. Yet for every success story, there's a horror story: payments lost to ghost suppliers, shipments arriving with defective goods, or factories that vanish after receiving deposits.

The difference between a profitable sourcing relationship and a costly disaster often comes down to one decision: **who you choose as your sourcing agent.**

A skilled sourcing agent doesn't just connect you with factories — they navigate communication gaps, verify supplier credentials, negotiate pricing, manage quality control, and coordinate logistics. They are your eyes, ears, and boots on the ground in China.

But the sourcing agent industry is unregulated. Anyone with a laptop and a WeChat account can call themselves a sourcing agent. So how do you separate the professionals from the pretenders? This checklist will show you exactly how.

Key Insight

A genuine sourcing agent acts as your procurement department in China — not just a middleman adding markup. If an agent can't explain their value-add beyond "I know factories," keep looking.

What a China Sourcing Agent Actually Does

✓ Supplier Identification & Verification

Scout factories, verify business licenses, check export records, confirm production capabilities.

✓ Price & Contract Negotiation

Negotiate FOB/CIF pricing, payment terms, MOQ, lead times — leveraging local market knowledge.

✓ On-Site Factory Audit

Physically visit the factory floor. Check equipment, workforce, production lines, quality systems.

✓ Quality Control & Inspection

Pre-production, during-production, and pre-shipment inspections. Enforce AQL standards.

✓ Logistics Coordination

Arrange freight forwarding, customs documentation, container loading, shipment tracking.

✓ Ongoing Supplier Management

Monitor production schedules, resolve disputes, handle reorders, maintain relationships.

7 Red Flags — Warning Signs of an Unreliable Sourcing Agent

Before you even begin the verification checklist, watch for these deal-breakers:

#1: No Physical Office in China

Remote agents without local presence cannot conduct factory audits, handle emergencies, or verify suppliers in person. Ask for a video tour of their office.

#2: Won't Share Past Client References

Any established agent should have at least 3-5 clients willing to provide a brief reference. Refusal is a major concern.

#3: Vague About Their Fee Structure

Transparent agents charge clear fees: percentage-based commission (typically 5-10%), flat retainer, or per-service pricing. Beware of hidden markups.

#4: No Quality Control Process

If an agent cannot describe their QC workflow — when inspections happen, what standards (AQL) they follow, how defects are handled — they're an order-taker, not a quality partner.

#5: Pushy About a Single "Partner" Factory

Agents earning hidden commissions from specific factories will steer you toward them regardless of fit. A good agent presents multiple options across different factories.

#6: No Written Contract or Service Agreement

Professional agents always use formal service agreements outlining scope, fees, IP protection, confidentiality, and dispute resolution.

#7: Poor Communication

Miscommunication about product specs, packaging requirements, or compliance standards can cost tens of thousands. Your agent must bridge the communication gap between you and the factory — not widen it.

20-Point Verification Checklist

A. Company & Legal Verification

1 Registered Chinese Business License

Request 营业执照. Verify on National Enterprise Credit Information Publicity System (gsxt.gov.cn). Check registration date, registered capital, and business scope.

2 Export/Import Registration

Must hold import/export license (进出口经营权). Without it, they cannot legally handle export documentation or receive foreign payments. qingdatrade.com

3 Physical Office Verification

Request live video walkthrough — not pre-recorded. Look for proper workspace, team presence, and company branding.

4 Years in Operation

Ideally 3+ years. Newer companies aren't automatically bad, but longevity signals stability.

B. Track Record & Reputation

5 Client References (3+ Minimum)

Ask for references in your industry or product category. Contact them. Ask: "What went wrong and how did the agent handle it?"

6 Case Studies or Portfolio

Request specific examples: product categories handled, annual volumes managed, sourcing regions covered.

7 Online Presence & Reviews

Check website, LinkedIn, Alibaba profile, Google Business. A professional website with original content is a positive sign.

8 Industry-Specific Experience

Have they sourced your product category before? Electronics differ massively from textiles.

20-Point Verification Checklist (continued)

C. Process & Quality Management

9 Documented Sourcing Process

Professional agents should walk you through: requirements → supplier shortlisting → factory audit → sampling → negotiation → order management → QC → shipping.

10 Factory Audit Methodology

Do they follow a standardized audit framework? What do they check: equipment, certifications, workforce, production capacity, export history?

11 Quality Control Protocol

AQL sampling standards (2.5 or 4.0)? In-line inspections? Pre-shipment inspections? Third-party lab testing for CE, FDA, RoHS, REACH?

12 Inspection Reports Format

Request a sample report. It should include photos, measurements, defect classifications, and pass/fail criteria.

13 Sampling Policy

How many rounds? Who pays for samples and shipping? A clear policy prevents disputes.

D. Financial & Contractual

14 Transparent Fee Structure

Get a written breakdown: commission rate, retainer, per-service fees. Understand exactly when and how they get paid.

15 Payment Terms with Suppliers

Standard: 30% deposit + 70% before shipment (or against B/L copy). Never wire money to a personal account.

16 IP Protection Agreement

Agent must handle NNN agreements with suppliers and have a documented IP protection process.

17 Dispute Resolution Clause

What happens when things go wrong? Quality defects, late shipments, factory breach? The agreement should specify liabilities and remedies.

18 Bilingual Contract

Service agreement in English + Chinese. Both versions carry equal legal weight with a designated prevailing language clause.

E. Communication & Service

19 Response Time & Channels

Test response time before signing. Multiple communication channels (email, WeChat, WhatsApp, Zoom) indicate professionalism.

20 Reporting Frequency & Format

During active projects: weekly updates with photos, production progress, and issues flagged.

Sourcing Agent Pricing Models

Model	Typical Range	Best For	Watch Out For
Commission (% of order)	5% – 10%	Ongoing sourcing; scalable	Conflict of interest
Fixed Retainer	\$1,500 – \$5,000/mo	High-volume buyers	Under-utilization
Per-Service Fee	\$300 – \$1,000/service	One-time projects	Additive costs
Hybrid Model (Recommended)	Retainer + Lower %	Balanced approach	Clear scope needed

Pro Tip

Ask: "Are you paid exclusively by me, or do you also receive payments from factories?" An agent compensated only by you has aligned interests. Dual compensation creates conflicts.

How Qingda Trade Passes the Checklist

We built Qingda Trade to be the sourcing partner we wish we'd had when we started in international trade. Here's how we measure up:

✓ **Registered in Anyang, Henan Province**

Full Chinese business license with import/export registration. Verifiable on public records. Physical office with dedicated team.

✓ **3+ Years Track Record**

References available from clients in home goods, pet products, furniture, and consumer electronics.

✓ **Defined QC Protocol**

AQL 2.5 standard. In-line and pre-shipment inspections. Detailed photo reports for every order. Third-party lab testing.

✓ **Transparent Fees, No Hidden Marks**

Clear service fee. We never add hidden margins to your factory price. You receive the original factory invoice.

✓ **Bilingual, Responsive, On the Ground**

Professional English-Chinese communication. <12h response time. Factory visits within 48h. Weekly progress reports with photos.

Ready to Find Your Perfect Sourcing Partner?

Tell us what you need to source. We'll send you a free supplier shortlist within 48 hours — no obligation, no upfront cost.

[Visit qingdatrade.com/contact](https://qingdatrade.com/contact) →

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