

Supplier Vetting Checklist: 10 Key Questions to Ask

Introduction: Your First Line of Defense

Choosing the wrong supplier can lead to delayed shipments, subpar quality, and financial losses. Vetting is your most critical risk management activity. This checklist provides 10 essential questions to ask potential suppliers, designed to move beyond surface-level conversations and uncover their true capabilities and reliability.

The 10 Key Questions

1. "Can you provide a copy of your business license, and are you the factory or a trading company?"

Why it's important: This establishes fundamental legitimacy. The business license confirms legal registration. Knowing if they are a factory or trader is crucial for understanding cost structure, communication lines, and control over production.

What to look for: A clear, recent business license. If they are a trading company, ask about their relationship with the factories they use.

2. "Can we schedule a video call for a virtual tour of your production facility?"

Why it's important: A virtual tour verifies the supplier's existence and scale. It allows you to see machinery, working conditions, and organization firsthand.

What to look for: Willingness to do the tour. A clean, organized facility with active production lines. Be wary of excuses or pre-recorded videos that don't show the current state.

3. "What is your primary export market, and can you provide references or past client examples for similar products?"

Why it's important: Experience in your target market (e.g., EU, USA) means familiarity with quality standards and regulations. References validate their track record.

What to look for: Specific examples of similar products shipped to your region. While confidentiality may prevent sharing contact details, case studies or product photos are a good sign.

4. "What is your standard Quality Control process during production?"

Why it's important: This assesses their internal commitment to quality. A good factory has proactive QC, not just final inspection.

What to look for: Answers mentioning IPQC (In-Process Quality Control), checkpoints on the production line, and trained QC staff.

5. "What certifications do you hold? (e.g., ISO 9001, BSCI) and do you have experience with [Your Required Standard, e.g., CE marking]?"

Why it's important: Certifications indicate a structured management system. Experience with your specific standards is vital for compliance.

What to look for: Relevant certificates. Note that the factory, not just the product, can hold certifications like ISO 9001 for quality management.

6. "What is your lead time from deposit to shipment for an order of [Your Quantity]?"

Why it's important: To set realistic expectations and plan your inventory. Lead times can vary significantly.

What to look for: A clear timeline that includes production, QC, and packing. Ask what factors might cause delays.

7. "What are your payment terms?"

Why it's important: To manage your cash flow and mitigate risk. Standard terms are often 30% T/T deposit, 70% balance before shipment.

What to look for: Reasonable terms. Be cautious of suppliers demanding 100% upfront payment.

8. "Who owns the tooling (molds) if they are required for our product, and what are the associated costs?"

Why it's important: This clarifies ownership and cost for custom items. You don't want a supplier holding your mold hostage.

What to look for: A clear agreement that you will pay for the mold and retain ownership. Get this in writing.

9. "How do you handle defective products found during inspection or after delivery?"

Why it's important: This tests their policy on quality guarantees and after-sales support.

What to look for: A clear warranty policy (e.g., 1-2% defect rate is acceptable) and a commitment to repair or replace faulty units.

10. "What is your communication protocol? Who will be our single point of contact, and what are their response times?"

Why it's important: Consistent, clear communication is the backbone of a successful partnership.

What to look for: A dedicated contact person who speaks competent English and a promise of 24-hour response times.

Conclusion: Vetting is a Process

Use these questions as a script for your initial calls. Take notes and compare answers across different suppliers. The goal is not just to get a "yes" but to gauge transparency, professionalism, and capability. A reliable supplier will answer these questions confidently and directly.