

How did a bolting company avoid a metal scam in China with ASI ACTION's solutions?



WHO IS THE COMPANY?



Specializing in the production of small, medium, and large series of screws, bolts, anchors, and fixings, this French company, which has a turnover of 35 million euros, **purchases its metal in China.**

It processes all kinds of steel and stainless steel, covering various fields such as energy, agriculture, industry, construction, railways, and wind power. The company has worked on large projects such as bridges, tramways, high-speed railways, subways and more.

**DISCOVER HOW ASI ACTION HELPS BUYERS TO SECURE
THEIR METAL SUPPLY IN CHINA.**

WHY DO THEY CALL ON ASIACTION?

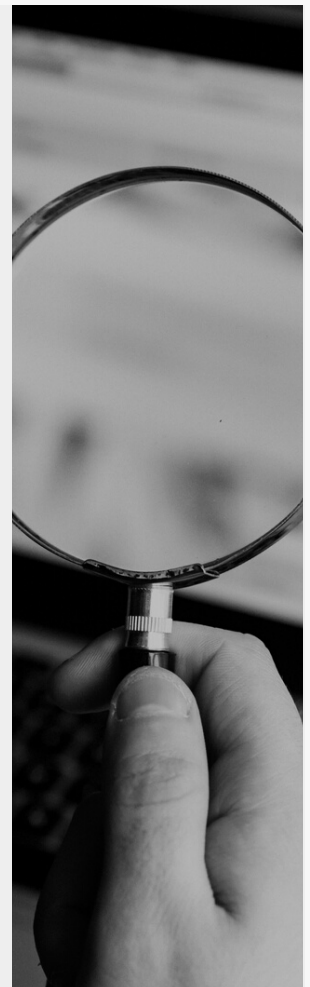
The bolt company placed an order for **metal in China** with a Chinese company claiming to be TISCO, the **largest metal manufacturer in China**. Out of their \$600,000 order, the bolt company has already paid a \$60,000 deposit to start the production.

The company decides to call on ASIACTION to carry out a **quality control** on the production that will leave China. However, when we look at the information presented in the contract and the proforma, we warn them of our **doubts** about the **reliability** of the company.

ASIACTION's first research

Asiaction's **experience** and **expertise** allow us to confirm that the Chinese company is not the TISCO group as they claim. ASIACTION offers, therefore, an **investigation** to **identify** who they really are and to discover if there is a **scam or not**.

ASIACTION discovers that a bank account is indeed registered in China in the name of the company with the English name given on the contracts. But this company is **not a Chinese company** but is registered in the Marshall Islands. It means that in case of a **dispute**, no Chinese court will be able to intervene, and it will be **impossible** to **recover** the **money**.



Poor communication and non-cooperative company

After gathering this alarming information, **ASI ACTION** decides to take action and get in touch with the company.

When contacting the firm, **not much information** is given and especially the most important one is missing: the **Chinese name of the company**. The information given directly by the supplier is **not very useful** and even **wrong**.

The company refuses:



To provide the address of the offices



To transmit the name and address of the manufacturer



Asiacion to organize an audit of the production sites

This is a **suspicious** behavior that pushed Asiacion to know more.

Collection of alarming information about the company

ASIACTION does some **research**, **contacts** the number on their website, and gets a **Chinese name**. By comparing the Chinese name and the English name given by the company, ASIACTION realizes that the name of the province given **is different** from one language to another.

By further researching the Chinese name given by the company, ASIACTION realizes that the firm was created by a person who launched **5 companies in only 2 months**, 8 months ago. This is another **suspicious** element that only confirms our doubts about this supplier.



Here are **5 questionable points** raised by our experts about the **reliability** of the company:

- Chinese name that **does not exist** in the Chinese company registers,
- **A recent** website created less than 1 year ago,
- **No phone number** on the website and in the documents, only a Chinese cell phone number,
- **10% deposit** applied which is unusual in China, normally at least 30%,
- **Irregularity** in the information collected.

**A COMPANY AUDIT BEFORE
WORKING WITH THIS
COMPANY WOULD HAVE
HIGHLIGHTED THESE
POINTS BEFORE WORKING
WITH THEM.**

**AVOID SCAMS, VERIFY
A COMPANY NOW!**



THE SOLUTIONS IMPLEMENTED BY ASI ACTION



Situation remediation and risk reduction

In order to meet the urgent need of our customer, we have set up several concrete actions with the Chinese supplier.



Communication with the Chinese company for verification.



Verification of the **terms of payment** of the balance, of the good understanding and use of the chosen DDP incoterm, and of the payment of duties and taxes.



Explanation of the **conditions** of the future **inspection** and on the **obtention** and **control** of the material **certificates** and test reports.



Preparation of the controls: date and place, coordination with Bureau Veritas: which tests will be carried out, which means and tools will be available on the spot for that.

Management of their metal orders



To **secure** their metal order, ASI ACTION has set up a **complete management** of their order.

- ✓ **On-site intervention:** in parallel with Bureau Veritas, follow-up of the inspection of the tests and measurements on stainless steel for the taking of samples for analysis.
- ✓ Sending of **samples**, payment and follow-up of the **shipment**.
- ✓ **Follow-up** with Bureau Veritas of the **complete control** of their goods in order to deliver material certificates and test reports according to the special technical specifications.
- ✓ **Freight:** verification of the forwarder(s) selected by the supplier. Alternatives with our own forwarding agents if necessary.
- ✓ **Supervision of the loading** of the goods according to their agreements with the supplier and validation of the sealed container.
- ✓ **Documentary control** of the import procedures carried out by the chosen forwarder.

TO CONCLUDE

Even if scams are rare in China and the problems encountered by our customers are often related to the **conformity** of the specifications and the **quality** of the products, it can happen that some companies take advantage of the distance to set up scams.

When you purchase in China, it is recommended to get information about your supplier before placing an order to avoid unpleasant surprises and situations without recourse.

**OUTSOURCED PURCHASING OFFICES
IN CHINA SUCH AS ASI ACTION ALLOW
YOU TO MANAGE, SECURE AND
SIMPLIFY YOUR PURCHASES IN
CHINA.**

**Secure your purchasing project
with ASI ACTION!**

**SEEK EXPERT
ADVICE**

