

Supplier review: evidence and open risks

Fictional worked example. All suppliers, documents, findings and figures are invented to illustrate the review method. No real supplier was assessed; this is not a completed or redacted client report.

Scenario: 1,000 custom CNC-machined aluminum housings to one drawing revision and agreed finish. Supplier A, B and C are fictional. Scope: identity, document consistency, quotation exclusions and decision points.

Review dimension	Supplier A	Supplier B	Supplier C
Identity and capacity	Business licence and registry details match. Manufacturing capacity is not established by registration alone.	Registration is consistent with trading activity. Producing factory has not been disclosed.	Documents show 8 insured staff; sales claims 80 workers. Reporting periods and staffing arrangements need explanation.
Certificate / material evidence	Quality certificate entity, scope and active registry status confirmed. Finishing-partner QC records still required.	Certificate names a different entity. Relationship and applicability are unresolved; do not treat it as proof of coverage.	Material report dated 2021. Applicability to current material and revision is unconfirmed; age alone does not prove expiry.
Production / subcontracting	Sales claims core machining is in-house and finishing is outsourced. Capability evidence and finishing-partner records still required.	Producing site and subcontractors not disclosed. No deposit decision until production responsibility is clarified.	Process notes omit batch linkage for outsourced finishing. Request traceability records and controls.
Commercial gaps	Quotation itemizes tooling, packing and transport. Payment release criteria still need written agreement.	Lowest base price omits tooling, packing, transport, and factory testing/QC documents. Compare the common cost basis on page 2.	Quotation leaves material-price adjustment open. Obtain a defined validity period and repricing method.
Suggested next action	Consider a sample only after capacity evidence and acceptance criteria are agreed. Buyer approval required.	Hold pending certificate clarification, producing-site disclosure and a complete quotation.	Hold pending current material evidence, traceability records and bounded commercial terms.

Status language: document consistency noted | supplier claim - not independently verified | gap requiring follow-up. We document verification sources, dates, methods and reviewers so you can trace each finding. A supplier claim is not a verified finding.

Quote comparison: make exclusions visible

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Common scenario basis: USD; 1,000 identical units delivered to the same agreed consolidation warehouse in China. Buyer-side service fees and independent third-party inspection are excluded for all candidates, as are export clearance, international freight, insurance, import duties and taxes. This is a cost illustration, not an Incoterms quotation or destination landed cost.

Cost item (USD)	Supplier A	Supplier B	Supplier C
Base unit price	14.80	12.90	13.50
One-time tooling / order	500.00	850.00	600.00
Packaging / order	200.00	400.00	300.00
Inland transport / order	150.00	450.00	400.00
Material testing & QC documentation / order	Factory testing included in base price	800.00	900.00
Extra cost per unit	$(500 + 200 + 150) / 1,000 = 0.85$	$(850 + 400 + 450 + 800) / 1,000 = 2.50$	$(600 + 300 + 400 + 900) / 1,000 = 2.20$
Comparable unit cost	15.65	15.40	15.70
Comparable order total	15,650.00	15,400.00	15,700.00

A lower comparable cost does not close evidence gaps.

Supplier B reaches \$15.40 per unit once \$2,500 in omitted baseline costs are included. It is \$0.25 below Supplier A, but remains on hold pending certificate clarification and producing-site disclosure. Factory testing is supplier-side work, not independent buyer inspection. These invented costs are for arithmetic demonstration only; live comparisons require written scope, quantity, quote validity and supporting cost records.

Buyer decision record: Your review includes open issues, required evidence, action owners, deadlines and buyer approval status. A lower price does not resolve certificate or production risks. Inspection cannot by itself cure every traceability or compliance gap.