

Is Not Paying The Price Of Due Diligence Worth The Cost Of Losing Your Money?

When trading with China, paying to have due diligence performed, before a purchase, is essential to securing the safety of your deal. To ignore this is to invite catastrophe, through loss of your investment; not to mention the heartache and embarrassment it brings to you on a personal level.

Beijing, China, 22 May, 2009 -- I often read of the money lost to fraudulent websites by well-meaning, hardworking, small businesses and enterprises.

Too often though, I am reminded of a friend of mine in London, or more particularly - his exotic pet, as I sit and read these reports, and the obvious pain, anger, and feelings of impotence being voiced by the victims.

My friend had a Boa Constrictor snake.

I would sometimes watch as he fed the snake in its' large glass case. He would feed it with live quail; tiny, stupid looking, fat birds (*somewhat reminiscent of a partridge*) - but to the snakes - a delicious plump little meal.

He would place the birds into this alien environment, and these juicy, succulent snacks of a bird would blindly, naively, with eyes wide-open, walk up to the nose of the snake. The snake didn't even have to make the effort of moving, as these birds would do all the work, as they unwittingly waddled and hopped to what would soon be their own funerals.

When once they reached the snake the scene would become even more bizarre. As the snake would slowly open its' jaws wide, and the silly little birds would hop on up there and poke their heads into the snakes mouth, to have a look around.

At which point the snake would close its' mouth around the quail with the minimum of fuss, and in a very matter of fact way, before beginning to slowly swallow the bird. Soon, all that would remain of the bird was an obvious lump, that over a day or two moved slowly down through the length of its' body, as it was slowly and calmly digested.

And so, this scene repeats itself, before my mind's eye, as I read these tales of woe and loss, by those who have failed to perform their due diligence in China; before parting with their hard earned cash, which is soon to be digested to become someone else's ill-gotten gains.

What's truly amazing is the genuine shock they experience when once this happens.

Where did they think they were? What did they think they were doing? With whom did they think they were dealing?

But, if the truth be known, each one of these victims is more a victim of him or herself. Or, better to say, a victim of their wish to save money.

This is something they allowed to happen to themselves; something they submitted themselves freely to - as the scammer at the other end knew they would. Indeed, s/he relied and continues to rely upon them to do so.

The "victim" (and here I use the term loosely, since this is a self-inflicted wound after all) knowingly gambled, and lost. Each step of the way, they knew that it was possible that the person on the other end of the phone, or at the computer terminal behind the Great Firewall, was possibly planning this. Not only did they know this. But they also felt it and knew the odds were not exactly favourable to them.

So, they "took a chance" and lost.

The one thing the scammer is certain of is that the "Lao Wai" (foreigner) is desperate for a bargain. They just make sure they give you the bait you're looking for.

You're a kind of junky, and they're your pushers.

Here's the math:-

YOU WANT SOMETHING FOR NOTHING - SO THEY GIVE YOU NOTHING FOR SOMETHING.

A fair exchange? Talk about catching fish from a barrel!

So now for me it is no longer a snake I see, but a dragon, whilst the quail is still a quail and is just as naïve, trusting, and submissive, as they ever were. Still doing all the work, whilst the hidden dragon on the other side of the Great Firewall closes his jaws and swallows them whole.

In the same way as I couldn't quite believe the blindness and naiveté of the quail then, I now sit in awe at the rash and ill-thought out way in which foreign firms and individuals so easily and readily part with their money to save just a few dollars on the buying price.

"No Risk, No Gain"? Or, is just plain insane?

"*Caveat Emptor*" (Let the buyer beware), as the Romans used to say, has never been more true than it is today when trading with China.

Trade with China CAN be immensely beneficial to your business. However, without proper due diligence, you are simply sticking your head into that dragon's mouth. You may get lucky, once or twice, but sooner or later, you will get bitten.

There are a lot of poor people in China still, and they want to own things too, just like you and me. They are doing nothing more than taking advantage of us and our desires, as our own crooks do.

In the same way that you're tempted by the chance of a great deal, some of the people here are tempted by the knowledge that you're looking for that great deal. They simply feed the dream, then take the cream.

Your China Trading Partner (**YCTP**), Beijing, are a small product sourcing and due diligence company; predominantly servicing small to medium sized foreign enterprises seeking to source products, to have a representative presence in China, or simply to protect their investments or purchases against cyber-crime or cyber-fraud through our sourcing and due diligence services.

We at YourChinaTradingPartner.com tend to take a more proactive and educative role in warning foreign enterprises of the traps and dangers into which they so readily lead themselves. Let's be practical, we see it as our duty to the unknowing, and a duty to ourselves, as a business.

This little parable is part of our educative process to open the eyes of those wishing to do business here in China.

If you or your company are planning to source product(s) from China, then you have a duty to yourself, your boss, your share holders, and/or your company's assets, to perform due diligence before parting with a single cent.

Be careful of losing the dollars, while trying to save the cents!

And when in doubt - REMEMBER THE QUAIL!