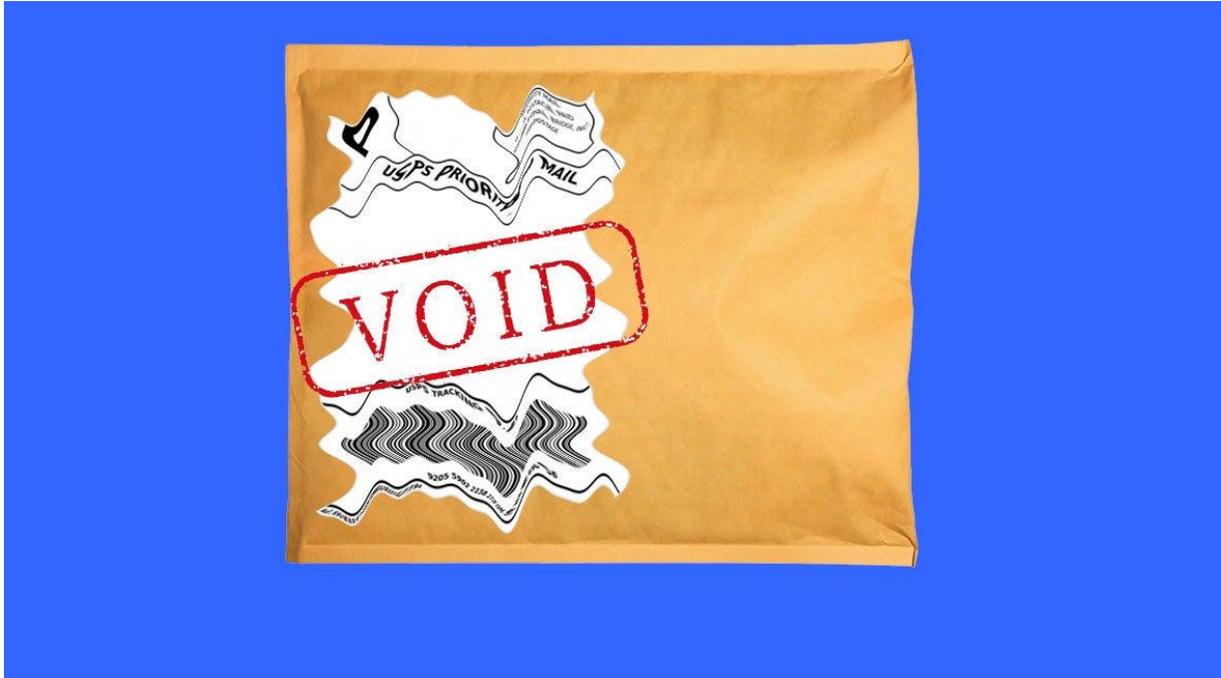


## Chinese Temu sellers use fake U.S. postage labels to boost their profits

Some vendors have figured out how to maintain ultralow prices: Trick the U.S. postal service into delivering products for free.



iStock / Rest of World

By [Viola Zhou](#)

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Ins Deutsche übersetzen

- Some Temu sellers use fake shipping labels to avoid delivery costs within the U.S.
- Scammers advertise counterfeit USPS postage on Chinese social media, charging as little as 60 cents to deliver packages in America.
- USPS loses millions of dollars a year to counterfeit postage and is cracking down.

Some Chinese Temu merchants are padding their profits by using counterfeit postage labels to trick the U.S. Postal Service into delivering packages for free. Posts on Chinese social media openly promote fake labels for as little as 60 cents, and the scam [costs the USPS](#) millions of dollars a year, *Rest of World* has found from interviews with sellers, logistics operators, and USPS employees.

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A de minimis exemption, which previously allowed parcels valued under \$800 to enter the U.S. duty-free, drew millions of Americans to Chinese e-commerce platforms such as Temu and [Sheini](#). President Donald Trump briefly [revoked](#) the provision in early February. Merchants have tried to evade the de minimis crackdown, first [proposed](#) by the Biden administration, by storing goods in bulk in the U.S. But others are turning to illegal methods such as counterfeit postage to keep costs low.

Creating, distributing, and buying fake USPS labels is a [crime](#), and overseas warehouse operators also risk significant jail time by processing parcels with these labels. It is likely that only a small minority of merchants use counterfeit labels, but these numbers could rise as logistics costs increase. Shipping is a major cost for e-commerce sellers, with USPS [charging](#) up to \$10 for a parcel weighing about 2 pounds (around 1 kilogram).

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"It's millions upon millions of dollars. ... It's a huge problem," a person familiar with the investigations by the U.S. Postal Inspection Service (USPIS), which is responsible for cracking down on postal crimes, told *Rest of World*, referring to losses caused by counterfeit shipping labels. The person requested anonymity because they were not authorized to speak to the media. "The sheer amount of loss is astronomical," they said.

Chinese merchants using counterfeit postage labels tend to work with [small warehouses in the U.S.](#) that are willing to bear the legal risk of processing such packages, three people in the logistics industry told *Rest of World*. The merchants send digital files of the counterfeit labels — which have details of the shipper and recipient, a tracking number, and a barcode — to the warehouses. Workers there print out the labels, affix them to the packages, and drop them off at post offices.

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One Temu merchant has been purchasing 1,000 to 2,000 fake labels daily, and sending them as PDFs to a U.S.-based warehouse since November, he told *Rest of World*. The labels would typically cost more than \$8 each, but the fake ones cost only 5 yuan (68 cents) each, he said, requesting anonymity as his activity is against platform policy.

“With the [low] prices listed on Temu, I would never be able to make money if I paid for legitimate shipping,” said the merchant.

A spokesperson for Temu told *Rest of World* that fake labels are “strictly prohibited” on the platform.

Merchants who engage in fraudulent practices could face account suspension, penalties, and potential legal action, as they violate the platform’s policies, the Temu spokesperson said. The spokesperson did not respond to charges by some merchants that there was too much pressure to keep prices low on the platform.

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“We encourage merchants to compete on product quality, innovation, and customer service, not through deceptive or illegal tactics,” the spokesperson said in an email.

The use of fake shipping labels precedes the de minimis crackdown. In May 2023, [authorities arrested](#) a California logistics operator who [pleaded guilty](#) to defrauding the USPS out of more than \$150 million by using counterfeit postage to ship millions of packages for Chinese businesses. Her co-defendant developed a computer program to create counterfeit postage shipping labels in China. The operator faces up to 10 years in prison.

A large percentage of e-commerce suppliers to the U.S. are [based in China](#). While individuals in the U.S. and other countries also make counterfeit postage, the USPIS is aware that a large share of the labels come from China, the person familiar with its investigations said. In 2024, U.S. postal officials held discussions with Chinese authorities in the U.S. about combating the crime, and the Chinese officials “responded positively,” the person said, without providing details.

A spokesperson for USPIS said it is working to “continuously identify counterfeit postage.” Recently, it intercepted packages affixed with counterfeit postage from entering the U.S. from ports in New York and Los Angeles. USPIS did not respond to *Rest of World’s* questions on the prevalence of the crime and loopholes in the postal system.



A Chinese immigrant, who has set up a warehouse in his home, prints U.S. postage. George Etheredge for *Rest of World*

Two postal workers in New York City told *Rest of World* they had encountered shipping labels they suspected to be fake, but the packages were still sent out for delivery.

“If the packages were not intercepted at the previous stages, it was not on us to do anything,” one of the USPS employees said, requesting anonymity because he was not authorized to speak to the media. “It costs a lot of manpower to inspect the packages.”

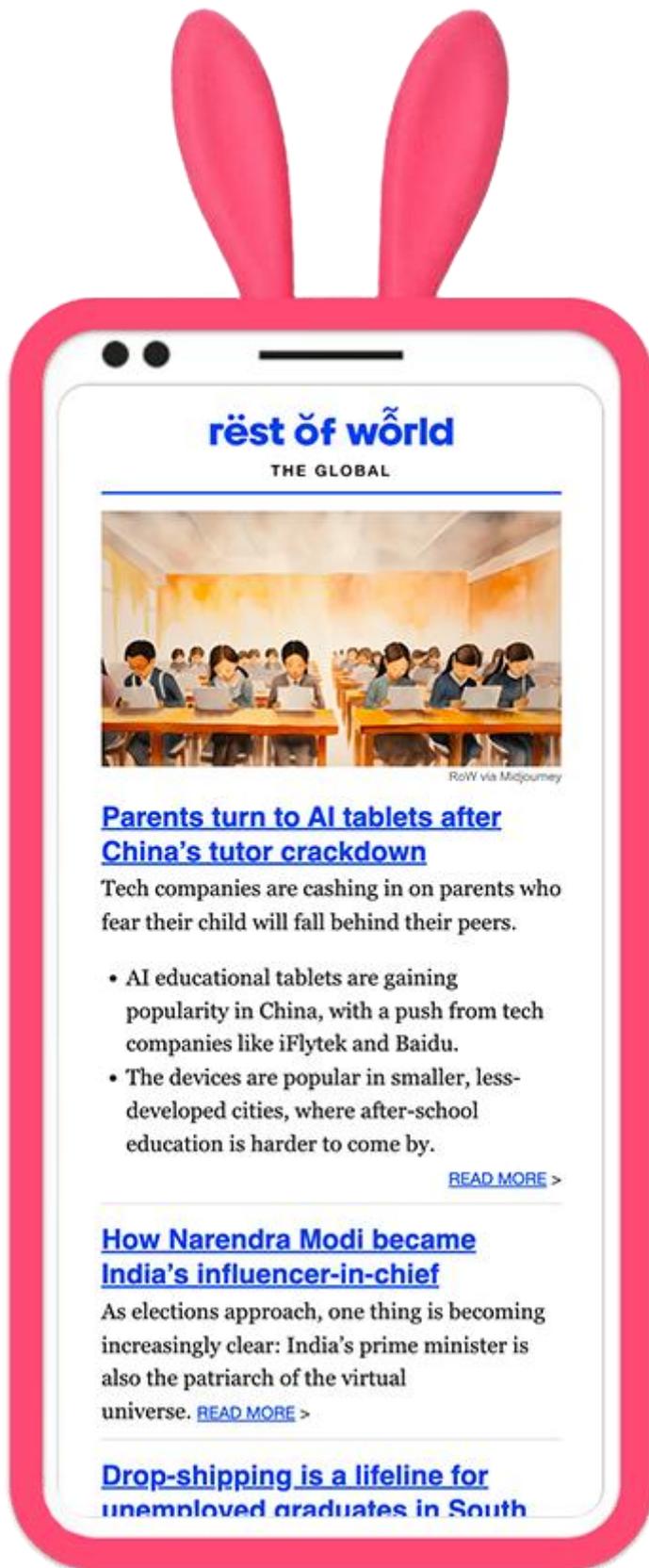
Counterfeit labels are easy to access. On Chinese social media network Xiaohongshu, also known as [RedNote](#), dozens of users were recently peddling fraudulent labels using euphemisms like *kejidan*, which means “tech label,” and *paoshuidan*, meaning “running-water labels.” When *Rest of World* inquired about the rates, three vendors offered to sell labels at 60–80 cents each, saying they could be used anywhere in America. A few vendors also advertised fake UPS shipping labels.

Some sellers are scammed into buying counterfeit postage. Elena Wang, owner of Shanghai-based contact lens company MoMoLens, bought hundreds of USPS shipping labels at \$3 each from a warehouse operator in 2024, she told *Rest of World*. About a month later, one batch of her Temu shipments was seized by postal authorities, costing her more than \$10,000 in lost products and a penalty from Temu for failed deliveries, she said.

**If I can turn 70% of my costs down to 10% by cheating ... it's a pretty good deal.**

She realized the labels were fake and has since switched to using legitimate postage. “We want to do long-term business,” she said. “We didn’t want to profit from the loopholes.”

Still, fraudulent shipping likely accounts for a very small percentage of the industry, driven by an incentive to cut costs, Matthew Hertz, chief executive officer at Third Person, a platform that connects businesses with fulfillment partners, told *Rest of World*. For commercial customers, USPS charges about \$4–\$5 to deliver a small parcel that weighs less than 1 pound, and \$8–\$10 for an item weighing 2–3 pounds, Hertz estimated.



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About “60% to 70% of the total logistics cost is small package shipping,” he said. “If I can turn 70% of my costs down to 10% by cheating ... it’s a pretty good deal.”

Suppliers of unbranded products sometimes resort to illegitimate methods, including counterfeit postage and brushing schemes, in order to make more money out of thin margins, according to Lin Zhang, an associate professor at the University of New Hampshire, who studies the Chinese e-commerce industry. [Brushing scams](#) involve sellers creating fake buyer accounts to pump up product reviews.

Such practices add to the regulatory risks Temu faces in the U.S., Zhang told *Rest of World*. “China is providing what American consumers need, but it’s provided at a cost,” she said. More measures targeting the cross-border Chinese e-commerce industry could follow.

“Given the administration’s overall attitude on tariffs, manufacturing, and tech competition with China ... [shipping fraud] will inevitably become part of the collective evidence against Chinese platforms,” Zhang said.

The Temu merchant who buys thousands of fraudulent postage labels said he was aware of the risk of his goods getting seized, and of Temu imposing a penalty on his business. But since most of the fake labels have led to successful deliveries, the risk was worth it, he said.

“I can accept paying some fines, because I’m making more in profits,” he said.

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