

# Build Strong Business Credit Scores Fast



Credit & Funding Pros

## *The Reasons to Build Business Credit*

**Wells Fargo Bank** -Separating Personal and Business Finances

*"The longer you delay establishing business credit, the longer you delay taking advantage of business loans."*

**Your business needs to stand on its own for financing and it won't be able to do that until it has strong business credit scores with:**

**Your Business Must Have 3 Separate Business Credit Reports with:  
Experian, Equifax, Dun and Bradstreet**



# 6 Steps To Building Business Credit

## IN THIS BOOK WE WILL BE SHOWING YOU THE 6 STEPS TO BUILDING BUSINESS CREDIT.

Steps 1 and 2 are foundational and critical to complete so that your business is ready to build strong business credit scores. Without completing Steps 1 and 2 it is impossible to build business credit scores that are separate from you personally.

- Steps 3, 4, 5 & 6 are where you actually build business credit.
- Step 3 is setting up with all business credit agencies; Equifax, Experian and Dun & Bradstreet.
- Step 4 is obtaining five vendor lines of credit that report to the agencies
- Step 5 is obtaining three business credit cards that report to the agencies.
- Step 6 is obtaining your first business bank loan that reports to the business credit agencies.

*Below is summary of each Step and what you must do to successfully build business credit...*



### **Step 1 -Setting The Foundation For Building Business Credit**

- 1.1 -Making Sure Your Business Is Ready To Build Business Credit.
- 1.2 -Your business entity structure, what it takes to build business credit.
- 1.3 -You will be building strong business credit and you should protect it.
- 1.4 -Why your business location is vital to building business credit.
- 1.5 -Your business must be in 411 directory assistance to get approved.
- 1.6 -The new items lenders are checking for to see if your business is credible
- 1.7 -Your business credit identity (EIN), the tracking and how you get one.
- 1.8 -Why you must verify that all agencies listings are “exactly” the same.



### **Step 2 -Optimizing Your Banking, Assets and Revenue To Maximize Fundability**

- 2.1 -Your bank accounts, a vital business credit building component.
- 2.2 -Identifying the business assets and availability for credit use. First round of funding both with and without a personal guarantee options available.
- 2.3 -The business owners can play a key role in building business credit.
- 2.4 -Bank Visa and MasterCard that can be used as cash and that build credit.



### **Step 3 -Getting Set Up With All Three Business Credit Reporting Agencies**

- 3.1 -Dun & Bradstreet Business Credit Report.
- 3.2 -Experian Business Profile Report.
- 3.3 -Equifax Small Business Credit Report.
- 3.4 -Credit scores, what are excellent business credit scores.



### **Step 4 -Vendor Credit (Net 30 Day Accounts)**

- 4.1 -The “Starter Set” of Net 30 Vendors.
- 4.2 -Vendors For Computers & Electronics.
- 4.3 -Vendors for Office Supplies, Marketing & Print.
- 4.4 -Vendors for Building & Industrial Supplies.
- 4.5 -Vendors Who Are Major Retail & Specialty Providers.
- 4.6 -A summary of your selected vendor accounts & applications.



### **Step 5 -National Revolving Credit Card Accounts**

- 5.1 -The “Starter Set” of Revolving Credit Accounts.
- 5.2 -Revolving Accounts for Major Credit Card Providers.
- 5.3 -Revolving Accounts for Office Resources & Supplies.
- 5.4 -Revolving Accounts for Building & Decor Supplies.
- 5.5 -Revolving Accounts for Gas Stations & Fleet Management.
- 5.6 -Revolving Accounts for Major Retail & Specialty Providers.
- 5.7 -A summary of your selected revolving credit card accounts & applications.



### **Step 6 -One Bank Loan, Why It Is Very Important And Exactly How To Get It**

- 6.1 -Bank rating, what is it and how to use it to your advantage.
- 6.2 -Unique funding programs that are available sources of business cash and the second round of funding.
- 6.3 -Sources for finding personal cash that can be used in your business.
- 6.4 -Obtaining one bank business loan that reports to the credit agencies.
- 6.5 -Where to go to get the one bank loan that your business must have.

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## Step 1 – *The Foundation*

Step 1 is all about establishing credibility for your company. Think about it from a lenders perspective. They are in business to lend to companies they consider to be a “Safe-Risk.” They will be doing a number of underwriting checks to see if you are “safe” enough for them to consider extending credit to you.

Part of establishing yourself as a safe risk starts by being in compliance, being in compliance helps you establish credibility for your company. This is foundational to your success!



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## Step 2 – *Your Business Fundability*

### **How Fundable is your business?**

Fundability is not just about your business credit. It includes several components that determine how your overall business is seen by lenders, investors, insurers, suppliers, and more. Basically, we know that your business was worth the risk for you, but is it worth the risk for them?

**The answer will increasingly be “yes” as your business fundability grows.**

So by improving the fundability of your business, our Business Credit Building System is doing more than just helping you build strong business credit. We are improving the overall “health” of your business while greatly increasing your ability to succeed now and in the future.

**The major components of your Business Fundability are:**

- **Business Bank Accounts**
- **Business Assets**
- **Business Revenue**
- **The Owners and their credit history**

**Fund • a • bil • i • ty**  
[adj. Fuhnd-uh-bil-i-tee]

You won't find “Fundability” on Dictionary.com, so don't bother looking. Fundability is a phrase we've coined to describe how a business measures up in relation to the entire business lending and investing community.

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### *Step 3 – Credit Agencies*

**In Step 3, you are shown how to get your business credit files open with all three business credit reporting agencies ... Dun & Bradstreet, Experian, and Equifax.**

Dun & Bradstreet is used by most vendors to extend lines of credit. Landlords use them to approve office leases as well. Experian is used by many credit card companies and non-traditional business lenders. Equifax is called the “Small Business Financial Exchange” and is most important for cash lenders such as banks. To concentrate on one and not the others is to have lopsided credibility. You need to build all three.

The how-to instructions in this Step for getting set up “the right way” with each Business Credit Reporting Agency are very clearly spelled out and the methods have been tested and proven by thousands of our business members before you.

There are some confusing claims made by the business credit reporting agencies. For instance, Dun & Bradstreet claims that you must pay them or your business file will never be opened. **That is simply not true.** Your file will activate with them, it just will take a few reporting cycles. Equifax claims that they don’t allow business owners to purchase a copy of their reports. That is true, but we will show how to obtain a copy of your Equifax business report without purchasing it.

In Step 3 we wipe away all confusion about the Business Credit Reporting Agencies. Along with being able to access all three of your business credit reports, you will have a much clearer understanding of the business credit reporting process and you will know how your business credit scores are developed when we are finished.

Our business credit building system is data integrated with Experian Smart business credit reports. So when you first login you will be able to see exactly where your company currently stands in the business credit building process, and then be able to track your real-time progress as your business credit grows.

**EQUIFAX**





## Step 4 – Vendor Credit



A vendor line of credit is when a company (vendor) extends a line of credit to your business on “Net 30, 60 or 90” day terms. This means you can purchase their products or services up to a maximum dollar amount and you have 30, 60 or 90 days to pay the bill in full. So if you purchase \$300 worth of goods today, then that \$300 is due within the next 30 days.

### The facts about vendor credit lines:

- You can get products and services your business needs and defer the payment on those for 30 days, thereby easing cash flow. This is called “Net 30”.
- Many of our vendors will open a Net 30 terms account for your company with as little as an EIN number and a verified 411 listing.
- You will need to start with our “preferred vendor list.” They are known to grant credit to companies with no credit history.
- Always apply first without using your SSN, some vendors will request it and some will even tell you on the phone they have to have it. Submit first without it, with your EIN only. If they ask you to personal guarantee it after you have submitted it without, then this is up to you.
- Some vendors may ask you to place an initial prepaid order. If so, get that order out of the way fast and move on to having a Net 30 account opened for your second or third order.
- Remember that the goal here is to have at least five (5) Net 30 accounts opened and reporting, **not necessarily to have vendors that serve 100% of your business needs right now.** Later, once your scores are built, you can add better vendors as you may need them.
- You must be patient and allow time for the vendors’ reporting cycles to get into the system and begin impacting your business credit scores. It typically takes three (3) cycles of “Net” accounts reporting to build credit scores. In other words, it can take 60-90 days to get them to report and show up on your file.
- **Remember we said from the very beginning that it takes 90 to 120 days to build business credit scores. The credit reporting cycles are the main reason for that and it cannot be done faster.**



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## *Step 5 – Revolving Credit Accounts*

**Having three (3) Revolving Business Credit Card accounts is key to building business credit.**

For your business credit building success you need to obtain three (3) revolving business credit card accounts. These accounts report to the business credit agencies in different ways and carry more weight than the vendor credit that you select in Step 4.

A revolving credit account is simply one that allows you to pay a “minimum due” per month and not the full outstanding balance. These accounts normally report to Experian and sometimes to D&B and Equifax. Because of how they report, these accounts will help build your business credit on a larger scale than just the Net 30 day vendors alone.

**If you haven’t completed Steps 1 through 4 there is no point in starting Step 5.**

Why? Because you will most likely get declined. These accounts will be checking to see that your business credit foundation is set and that your business credit files are open. They may also check your bank rating, look to see if you have some open vendor lines of credit and, in many cases, they will want to see that your D&B file is open.

**In this step it does not matter which Revolving Credit Card Accounts you open and make purchases with.** We have a great selection of companies offering products and services that are of value to any and all businesses.

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## *Step 6 – Additional Funding*

**Getting “additional credit” makes your business more credible in the eyes of almost all other lenders.**

In Step 6, we will walk through what must be done to obtain some of the funding that will start the reporting process for your business and place your business on all other lender’s radar.

**As part of Bank Credit, in Step 6 we will be teaching you about the following:**

**Bank Ratings** -a strong business bank account rating indicates your business has the ability to repay loans, we will look at how banks rate your accounts.

**Business Cash** – We provide you with access to many unique funding programs that can bring quick cash to your business.

**Personal Cash** -Here we show you some creative programs for accessing personal cash that can then be used in your business.

**One Bank Loan** -We will detail why your business needs a bank loan that reports to the business credit agencies, exactly how to go about obtaining it and which banks to go to.



**Which Banks** – We provide you with a detailed list of banks that our business members before you have reported as successfully doing to one bank loan program and that we have verified report to the business credit agencies. Many banks that offer business credit cards and business loans either do not report to the business credit agencies or worse they only report on your personal credit.

## *Get the Help You Need to Get it Done Fast*

Our system is the result of years of research on building strong business credit scores the fastest possible way with Equifax, D&B and Experian.



SO LET'S GET STARTED!