

Commercial Scoring Solutions

Key benefits

- > **Gain new objectivity** into the financial health of prospects and customers
- > **Use across the customer life cycle for risk evaluation** for new or existing accounts
- > **Take early action to resolve problems** by using predictive solutions as early warnings of financial stress
- > **Eliminate time-consuming manual reviews** of individual businesses
- > **Implement targeted treatment strategies** for businesses based on risk levels
- > **Combine the strengths** of business delinquency and business failure scoring for greater protection of your assets

Increased predictability for changing economic conditions

The economic lows of the last few years have wreaked havoc on the business community, impacting cash flow and liquidity for many. Our newly redeveloped scoring systems are built on pre-recession, recession and post-recession data, offering better insight into how a business pays its credit obligations during fluctuating economic circumstances. With double the number of attributes, scorecards for both large and small businesses and new scoring criteria to help identify potential fraud, the Equifax scoring systems provide more predictive power so you can have greater confidence in the decisions you make.

Spot likely delinquencies before you extend credit

When will you be paid? Will your customer soon be facing financial difficulties? The time and resources you spend collecting from delinquent accounts can quickly wipe out profits—and that's before any losses from write-offs. To help you reduce exposure and improve account profitability, Equifax offers business delinquency scoring solutions that enable better, quicker credit decisions.

Determine potential for failure for added protection

Will you be paid? Many larger, healthy firms often make it a practice to slow down their accounts payable. Therefore, it's important that you don't base your risk mitigation decisions solely on business delinquency scores. Watch for the signs that a business may end up in bankruptcy—or worse, close their doors for good, leaving you to write off the debt. To reveal problems not evident in delinquency scoring alone, complement your efforts with one of our business failure scoring solutions.

Turning information into money-saving decisions

With the right information, you can better predict which businesses are likely to become seriously delinquent or cease operations due to bankruptcy in the next 12 months. Rely on Equifax scoring solutions for account origination and account management. Vary terms for new customers according to financial strength or take action with existing customers based on early signs of stress.

Multiple scoring options to meet your needs

For data-contributing companies, Equifax offers risk scoring products that include financial payment data from the Small Business Financial Exchange™ (SBFE). SBFE-reported data includes how a business pays its credit cards, bank loans, leases and lines of credit. The result is a more predictive score designed to identify potential for delinquency or failure. Select the product that best fits the level of information you need and the level of transaction risk you are willing to accept.

[more](#)

Each delinquency score is designed to predict the likelihood that a business will incur severe delinquency (91 days or greater), charge-off or bankruptcy within the next 12 months.

- **Business Delinquency Financial Score™**—An optimal solution for financial institutions that want more “scoring power,” this score predicts the likelihood of severe delinquency *on financial accounts*. This score offers an option to include both consumer² and commercial credit information and receive a blended score when both data sets are available.
- **Business Delinquency Financial Risk Class™**—Best for financial institutions that want a straight-forward scoring approach, this score predicts the likelihood of severe delinquency *on financial accounts*, grouping businesses into risk categories 1 through 5.
- **Business Delinquency Score™**—A powerful risk assessment solution for any organization, this score predicts the likelihood of severe delinquency *on any account*. This score offers an option to include both consumer² and commercial credit information and receive a blended score when both data sets are available.
- **Business Delinquency Risk Class™**—Popular for basic risk assessment, this score predicts the likelihood of severe delinquency *on any account*, and groups businesses into risk categories 1 through 5.

Our failure score is designed to predict the likelihood that a business will fail due to formal or informal bankruptcy within the next 12 months.

- **Business Failure Score™**—An ideal solution for any organization that requires a greater level of detail regarding the potential for failure. With this score, you also receive:
 - Business Failure Risk Class™ which groups businesses into risk categories 1 through 5
 - Business Failure National Percentile™ indicating where a company falls compared to other businesses in the Equifax commercial database
 - Failure rates indicating how many businesses out of 10,000 in the same risk class are expected to fail as well as how many businesses out of 10,000 nationally are expected to fail

Our Suggested Credit Limits³ offer a suggested credit amount to be extended to a particular prospect or customer.

- **Suggested Credit Limit™, Suppliers**—This guideline is based upon the credit amount historically extended to those with similar firmographics and risk profiles from other suppliers.
- **Suggested Credit Limit™, Card**—This guideline is based upon the credit amount historically extended to those with similar firmographics and risk profiles from other commercial card lenders.
- **Suggested Credit Limit™, Loan**—This guideline is based upon the credit amount historically extended to those with similar firmographics and risk profiles from other commercial loan lenders.

Let us work with you

Equifax scoring solutions can help you solve your toughest risk mitigation challenges. Your Equifax representative can help you select the product—or products—most appropriate for your needs.

¹ You must contribute your commercial payment data to Equifax and adhere to SBFE-acceptable uses when using these products. Some exceptions regarding data contribution may apply. Contact your Equifax representative for details.

² Consumer data is subject to FCRA guidelines.

³ Suggested Credit Limit is only a guideline and should not be used as the sole primary factor in making a credit decision.



Contact Us Today

For more information, please contact:

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