

## WHAT IS CREDIT

# Business credit bureaus

There are three main business credit bureaus. Each bureau has a different way of evaluating a company's credit score. In most cases, a higher score is favorable, indicating that the business has a lower risk of missing payments or defaulting on loans.

## Dun & Bradstreet

This company issues several different scores, including:

### Paydex Score (1-100)

This is its primary scoring system for rating a company's creditworthiness. Scores of 80 or more are favorable and indicate a lower risk for missing payments or defaulting on loans.

### Failure Score (1,001-1875)

Lower scores equal higher risk for bankruptcy.

### Delinquency Score

In this case, a lower score is favorable, indicating that a business has a lower risk of bankruptcy or late payments.

## Equifax

This company also issues several different scores based on varying factors. Scoring systems include:

### Payment Index Score (0-100)

A good score is 90 or more points.

### Credit Risk Score (101-992)

Businesses with a higher score are considered less likely to be delinquent on payments.

### Business Failure Score (1,001-1,875)

Lower scores equal higher risk for bankruptcy.

## Experian

This company has two main scoring systems:

### Business Credit Score (0-100)

The higher the score, the better.

### Financial Stability Risk Rating (1-5)

A low score is favorable, showing that you are less likely to default on a loan.