
U.S. Small Business Administration

-- News Release --

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SBA Teams with Dun & Bradstreet to Provide Small Business Owners with Credit Management Resources

WASHINGTON – Small business owners now have a new small business resource to help improve their chances for profitability by understanding the importance and use of business credit. The U.S. Small Business Administration today launched a series of training resources designed to help small business owners manage their business credit.

The SBA and Dun & Bradstreet (D&B) have joined together in a nationwide partnership to give small business owners valuable step-by-step guidance on how to proactively manage their business credit. With the training resources, small business owners are advised to take the following five smart steps to establish and maintain a positive business credit file:

Step One: Start a business credit file – To establish business credit, business owners may need to obtain a D-U-N-S® Number, a unique business identification number, to begin to establish a credit file as soon as they start their business.

Step Two: Establish a credit history – Business owners should put all expenses in their business name and use a commercial bank account to pay bills, rather than using personal funds. This approach will allow business owners to build a history of payment behavior that will help establish favorable credit terms.

Step Three: Pay bills on time – Commercial credit scores are influenced by paying bills on time as well as other factors, such as outstanding debts and company revenues.

Step Four: Monitor and understand their business credit file – Business owners should monitor their credit file before any change occurs that might affect relationships with suppliers, customers and banks.

Step Five: Monitor customer and supplier credit – Business owners can improve cash flow by knowing the credit standing of business partners before agreeing to payment terms.

