

## **Welcome to the [Explode Biz Credit](#) E-Book!**

**Congratulations on getting aggressive with your business credit! This guide will help you understand how the process works and get you comfortable before you start applying for credit. Please read it carefully and more than once!**

In just a few short months you can have a business car/truck/van, a business cell phone, and the ability to purchase gas, office supplies, furniture, electronics, computers, and more! By reading this guide and following its outlines you can get the credit you need to HELP EXPAND your business! With this guide you will get help to understand the steps of getting business credit.

You will learn a lot in just a few pages, so be sure to read this guide twice and keep it nearby throughout your credit journey. Credit building takes time but by reading this guide you can see results in 30 days and have big money success in just a few months! The important fact is you can get this without a personal guarantee!

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After you are done reading, be sure to check out <http://www.explodebizcredit.com/creditblog/> for the latest business credit news and advice! Ask any questions you have in blog post comments and I will answer!

Building business credit is very easy once you get the hang of it. You could easily do these steps for several businesses once you have been successful at building credit for your first business. The main factor is to be patient. If you really want credit at a certain business and they deny you then work on your credit profile and re-apply as soon as they allow. Be sure to keep track of interest rates, payment terms, and payment dates, you do not want to be late!

## **Basic Outline of Steps**

A basic outline of the credit building process is:

- Make sure you are incorporated, up to date on filings, and have a Tax ID

- Start buying your office and home supplies using Net 30 accounts at various companies
- Apply for revolving credit accounts at major retailers
- Build your credit profile by getting as many trade-lines as possible. Net 30 accounts, revolving credit, and business phone service are all ways to get trade-lines.
- When you have a big enough credit profile you are free to apply for vehicles, business credit cards, and business LOC's (line of credit)

## **Forming your corporation**

It is important to have a corporation. This will add an aspect of professionalism and help you gain the cash-flow needed to expand your business fast! In most states you can incorporate through the Secretary of State's office for a small fee and can usually be done within a week. The fee can be anywhere from \$50 to \$1000.

## **Tax ID Number**

The first thing you need is a Federal Tax ID number for your business. You can get this online at the IRS website or by phone.

<https://sa.www4.irs.gov/modiein/individual/index.jsp>

As a business this is necessary to pay employees or apply for credit in the business name.

This is not associated with your personal taxes or IRS dealings.

## **Business Credit Reports**

Business credit reports are much like personal credit reports. On the personal side Equifax, Transunion, and Experian collect payment information generate your credit report. On the business side the same thing happens except there are different companies. Dun and Bradstreet and Experian are the main companies you need to know about. Equifax also does business credit but it is much harder to see your Equifax business credit report.

<http://www.dnb.com/>

<http://www.experian.com/>

These companies will provide information to creditors when you fill out an application for credit. Creditors will look over the information which will help them decide whether to approve you and how much your credit limit should be.

The factors they take into account to generate your credit rating include:

- Number of trade experiences
- Outstanding balances
- Payment habits
- Credit utilization

- Trends over time
- Public records and time passed
- Information such as credit profile age, type of business, size of business
- 

See the sections below for more information on your credit reports.

## **DUNS Number**

The easiest way to get your DUNS number is to call 1-866-705-5711. Tell them you are going to be applying for federal grants and contracts and you need a DUNS number. They should give this to you with no solicitations to purchase credit builder packages.

Now that you have a DUNS number you are ready to apply for NET 30 accounts. Be sure to include your DUNS number on the application or in the comments area. You can start building credit with vendors like Uline, Viking, and Nebs. Once you have ordered and paid, they will report to Dun and Bradstreet. This is how your credit file is started and developed. You can read more about this in the Net 30 section.

With your DUNS number you can check your report at <http://www.dnb.com/eupdate/>

## **Experian Credit File**

Experian (<http://www.experian.com/>) will make you subscribe to see your credit report. SmartBusinessReports is one of the services you can use to view your company's credit report. Experian scores you on a 1 to 100 scale. 80 or higher is the ideal score for your Experian business report.

## **Business Phone Service**

Many creditors will verify your business information by checking 411. If you do not have a business cell phone you may be able to get one on credit with your business. Consult our Sources of Business Credit section for providers. You CAN list your cell phone in 411 using the site below. If you already have a business phone line you can make sure you are listed in 411 by visiting the following websites, searching for your business, and then adding your listing.

<http://www.listyourself.net/>

<http://www.superpages.com/>

## **Net 30 Accounts**

Note to reader: If you have a personal credit score above 720 and are willing to personally guarantee the credit then you may apply for business credit cards and LOC's now! As long as they can verify your business and your personal scores are high you can use the information below and have a big headstart!

Many office supply companies will ship your order and you can pay them within 30 days. Net 30 means you have 30 days after ordering to pay your bill. Vendors that use net 30 billing may

report on time payments or late payments to the business credit bureaus (DNB and Experian). In order to build your credit profile you should place orders at net 30 vendors and pay them quickly. The faster you pay the faster they can get the information to the credit bureaus. You can order office supplies and all types of items for the home. Once you get 5-10 net 30 accounts reporting you are ready to move on to revolving credit accounts, which are much like credit cards allowing you to pay a minimum payment each month.

## **Revolving Accounts**

Let me start by saying that you should pay off revolving debts as fast as possible. It will look better on your credit report and help get credit approvals at other places. Revolving debts are much like a normal credit card. You have to make the minimum payment each month but you can pay it off in full and sometimes avoid interest. After 6 months of paying on time some creditors will allow you to request a CLI (credit line increase). If they give you a low amount to start out this is the time to try to double that amount. If you have made a large purchase and paid it off in full you should have no trouble getting a credit line increase. If you apply for 3-6 revolving accounts per month you can quickly build your credit profile since you will now have several Net 30 accounts and several revolving accounts reporting on your business credit report!

## **Big Bank Loans and Credit Cards**

Before you start applying at the big banks you should either 1) be prepared to give personal guarantee, or 2) have 15+ tradelines reporting and be in business for more than 2 years.

This will make approvals much easier. With a personal credit score of 700 or higher you should have no problems getting business credit such as credit cards or LOC's.

If you have personal scores under 680 or have collection or negatives on your credit report you may want to try the bank you do business with as they may be more lenient knowing your banking history.

## **Shell Corporations**

Do not be tricked by shell corporations and dreams of fast money. It is going to take you just as long to sort out all the scams as it will be to do everything legitimately. Within 2 years it is possible to have over ONE MILLION DOLLARS in business credit if you follow the steps and build a strong credit profile.

If you purchase a business that already has a line of credit, it is very possible you can lose this line of credit after purchasing the corporation. Changes in ownership will be listed on credit reports and you might waste thousands of dollars on a shell corporation.

## **Business Cars/Trucks/Vans**

If you have an established and solid business then the first step to getting a business vehicle is to find a dealer to buy from. Ford has been known to do a lot of business financing. Toyota also has recently been approving many people. Most car brands offer business financing but you may have to go to different dealers.

One dealer may have different requirements for business financing than the one in the next town. If a company wants financial documents that are costly to prepare or other things you don't think are necessary you should try another dealer. You need to be an established business with many trades reporting in order to be approved for vehicle financing. To avoid this you may personally guarantee the loan. Your credit scores will need to be 680-700 or above.

**Below we are listing the “sources of business credit section” as a resource to you!**

**Be sure to visit**

**<http://www.explodebizcredit.com/> and check out our blog for updates and more advice!**

## **Sources of Business Credit**

We have compiled a huge list of business credit sources for you! You can browse these creditors but be sure to read the application and terms as the information may change. Some places may stop offering credit or offer a different type of accounts. We have tried to make this list as complete and accurate as possible.

## **Net 30 Accounts**

Grainger

NEBS

U-line

Quill

Reliable Office Products

Wearguard

UPS

Bellsouth

Verizon Wireless

Chevron

Shell

Exxon/Mobile

Conoco

Wright Express

Interstate Battery

Sunoco

Citgo

Arco

Office Supply Pro

DHL

Barnes and Noble

Sprint

ATT Wireless

ATT

Nextel

T-Mobile

Rapid Forms

Pepboy Fleet

Alltell

Deluxe Business

Gemplers

Phillips 66

Expo Design Center

Viking

National Pen

Valero

JC Penney

BP Amoco

Marathon Oil

Voisoftware

Tangerine Express

Lukoil/Getty

Fuelman

Best Blanks

US Plastics

Franklin Covey

Lumisource

Deluxe

Lab Safety Supply (must order and prepay a few times first)

### **Revolving Accounts**

Some of these may also offer net 30 accounts.

Office Depot

Staples

Lowe's

Home Depot

Costco

Dell

Office Max

Wal-Mart

Sam's Club

Best Buy

Amazon.com

Bill Me Later Business

Target

Borders

Sears Commercial One

Nordstrom's

American Express

Tractor Supply

Sony

Northern Tools

Apple Computers

### **Vehicle Financing**

Ford Motor Credit

GM

Toyota

### **Business Credit Cards**

US Bank

Home Depot Mastercard

Chase Platinum Business

Key Bank

GM Mastercard

Bank of America Business

CitiAdvantage

CapitalOne Business

Sam's Discover

MBNA Platinum Plus for Business

Wachovia Business Platinum

American Express

Citi Premier Pass

First Equity

Citi Platinum Business

Compass Bank

### **Business LOC**

US Bank

Swift Financial

Wells Fargo

Advanta Business

Bank of America LOC

First Horizon LOC

HSBC LOC

MBNA Business Elite LOC

SunTrust Business LOC