creditsafe

UNITED STATES OF AMERICA COMPANY REPORTS

Detailed Summary of Data, Sources & FAQs

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OUR DATA SOURCES

Please find below the main original sources of information (e.g., Chambers of commerce, local courts, etc). This should apply to registered companies and sole traders/non-registered companies.

Financial data: Only Public Companies are required to release financial data. We use 3rd and 1st party aggregators to provide this information. We also leverage Internal Revenue Service's (IRS) registry of non-profit companies to capture identity and financial information. Additionally, we capture SBA (Small Business Administration) loan data specifically for 7A, 504 and PPP loan programs.

Negative data: SLJ / Collections – Bankruptcy – Negative press – UCC (cautionary)
While Court house data like Suits Liens and Judgements, Bankruptcy and Cautionary UCC's is available to the public, it is mostly unstructured. CS uses several 3rd party data aggregators along with 1st party (direct to source) to perform the collection and standardization. We receive updates for this type of data daily.

Demographic data: Derived and marketing suppliers / gov sources etc.
We acquire demographic data from several well know marketing suppliers, as well as publicly available government sources such as SBA (Small Business Administration), FMCSA (Federal Motor Carrier Safety Assoc), OSHA (OCCUPATIONAL SAFETY AND HEALTH ADMINISTATION), OFAC- OFFICE OF FOREIGN ASSETS CONTROL and SAM ((System for Award Management). This type of data is updated Monthly, Quarterly and on-demand.

Payment Data: We acquire payment data from partnerships as well as our customers can provide Trade Payment Data through Trade Exchange Program. Partnership, data is gathered daily.

Collection data: Multiple Debt collection agencies as well as customers contribute data, we utilize the data within our reports.

Shareholder's data: We do not provide Shareholder Information.

Group Structure/Corporate hierarchy: We employ several methods to define Corporate Hierarchy which includes 3rd party suppliers, proprietary grouping programs, and manual investigations.

Other key information:

How often the above data is updated e.g., daily, weekly etc.?

Do you contact companies via a telephone interview or site visits at regular intervals e.g., once a year?
We do not conduct scheduled interviews currently. We will use outsourcing companies to manually investigate records when requested.

NEGATIVE DATA

What type of negative data is available?

Suits/Liens/Judgments: Daily updates from 3rd and 1st party.

Bankruptcies/Insolvencies: Daily updates from 3rd and 1st party.

Court Cases/Actions:

Debt Collection cases: Partner data and participating customer input.

UCC Uniform Commercial Code: Filings with specific collateral codes are considered cautionary.

How often is this negative data updated?

CREDIT SCORES & LIMITS

Do you give a credit score & limit on all companies?

Not all corporate entities with a Safe Number receive a credit score and limit. There are certain circumstances in which Creditsafe will withhold a rating, including:

Insufficient information available to assign score.

Bankruptcy on file.

Confirmed out of business.

Cannot verify ongoing operations.

Negative press (business deterioration).

Company reports they are a victim of fraudulent activity.

If any of these circumstances exist and a rating is withheld, a description of the reason will appear on the subject report next to the score & limit information.

Are there any exceptions?

What is the credit score intended to predict?

The score works on a scale of 1-100 and predicts the likelihood that a business's payment performance will become seriously delinquent, defined as 90-plus days beyond terms within the next 12 months or that the business will go bankrupt.

Is payment data included in your credit scoring model?

Yes. The exact calculations of the scoring model are proprietary, but the data points that influence it most heavily (in no order) are:

Financial Statements (if public).

Trade payment data.

Company's firmographic information:

Number of employees.

Annual revenue.

Industry description.

Performance of the company against others in its industry.

Performance of the company's industry.

Negative events, such as:

Lawsuits.

Tax liens.

Legal Judgments.

Bankruptcies.

UCC filings where the company has pledged key assets as collateral ("Cautionary UCCs").

All of these play a role in determining a company's assigned score and limit.

What does the credit limit represent?

The recommended credit limit is calculated using information from a company's payment record along with the company's financial statements (when public) and other relevant firmographic data while also being weighted by its Score. This information is then analysed against similar companies to output a credit limit using a proprietary algorithm. The company credit limit is our recommendation of the total maximum amount of credit that should be outstanding at any one time.

How is the credit limit calculated?

The exact calculations of the credit limit are proprietary but rely on many of the same factors as the credit score. See major factors above.

What other company ratings are available?

LOCAL ACTIVITY CODES & VAT NUMBERS

What version of activity codes are used in the reports?
Two types of activity codes are used – The U.S. Standard Industrial Classification (1987), known as a SIC Code, and the North American Industry Classification System (2017), known as a NAICS code.

What company ID numbers are available? (e.g., the local registration number, VAT number, etc.)
Apart from the Safe Number which Creditsafe assigns as a company location's unique, static identifier, several other types of IDs are available. Charter Number or Company Number is the registry number of the company's incorporating document as filed with a Secretary of State's office or local equivalent. A single company can file a business registration in a primary state (domestic) and any other state where they may conduct business (foreign). So, there may be many charter numbers on the same company's report. Another common ID is the Federal Employer Identification Number (known as EIN or FEIN), assigned by the Internal Revenue Service to employers for the purpose of identification and tax reporting. These IDs are publicly available for companies whose shares are traded on a public exchange and for non-profit entities. For purposes of company identification within Creditsafe products, the Safe Number is the only true static unique ID.

How are the company ID numbers formatted?
EIN: ##-####### (2 numbers, dash, 7 numbers).
Charter Numbers: Each state has its own standards for their charter number formats.

Are companies obliged to file a VAT number?
No, US companies are not obliged to obtain a VAT number. It is not required for business operations within the US. A company may choose to obtain a VAT number to facilitate international business, but we do not collect these for US-based companies.

How is the VAT Number derived?

If they are not obliged to file and you have this data where has this data come from?

How often is the VAT number updated?

LOCAL BUSINESS CLASSIFICATIONS

Organizations around the world, both national and international, frequently classify small and mid-size enterprises apart from large companies. This can be used to determine a company's eligibility for certain loans, grants, tax breaks, contracting programs, etc.

The United States Small Business Administration (SBA) determines the standards for small business classification in the United States.

Source: https://www.sba.gov/document/support--table-size-standards

FINANCIAL DATA & FILING REQUIREMENTS

Which types of company must file financial data?

Companies which are publicly traded must file financial data with the Securities and Exchange Commission (SEC) for purposes of transparency to their public investors.

Companies which are non-profit entities must file financial data with the Internal Revenue Service for transparency into their use of funds to maintain their tax-exempt status.

Private companies which do not fall into those classifications are not required to file or publish any financial information.

Are there any filing exemptions and thresholds?

All publicly traded companies must file financial statements with the SEC. Non-profit entities must file financial information with the IRS using these forms:
Form 990-N (e-postcard): Under $50,000 in annual gross receipts.
Form 990-EZ: Between $50,000 and $200,000 in annual gross receipts.
Form 990: More than $200,000 in annual gross receipts.

How long after the financial year end do companies have to file financials?

For publicly traded companies: Form 10-K (annual report) must be filed no later than 90 days after the end of the company's fiscal year.

For non-profit entities: Form 990 is due on the 15th day of the 5th month following the end of the organization's taxable year. For organizations on a calendar year, the Form 990 is due on May 15th of the following year.

What is the penalty for not filing the financial data, and is it likely a company would prefer the penalty rather than filing them?

The SEC may act against companies who are delinquent in filing required reports, such as deregistration by the SEC and delisting from public stock exchanges.

If a non-profit entity fails to file financial forms with the IRS, their tax-exempt status and non-profit classification will be revoked.

How did you collect the accounts?

SEC filings are available through their EDGAR platform.
IRS filings are likewise available through their Non-Profit Organizations website.

What is the number of companies that must publish accounts?

There are over 6,000 publicly traded companies in the US, and more than 1.5 million non-profit organizations registered with the IRS.

What is the number of companies that can decide to publish or not publish accounts?

Private companies may choose to publish financial information at their discretion but are not obliged to. The number of active private companies registered across the United States is more than 20 million.

Are the accounts free in this country?

SEC and IRS filings are free and publicly available. No registry of financial information exists for private companies.

REGISTERED & LAW INFORMATION

FAQS REGARDING UNAVAILABLE INFORMATION

Why does the local score show as inactive, however the report status shows as active?

Why are the headquarters of companies not rated?

Why is there no shareholders information?

Why are some reports not available instantly on-line?

COUNTRY POPULATION & TRADE DATA

Population

333,509,157

Source - https://www.worldometers.info/world-population/us-population/

GDP

United States is the first economy in the world by nominal GDP. Its national debt in 2019 was (23,188,590 million of dollars), (108.19% debt-to-GDP ratio) and its public debt per capita is 70,598$ dollars per inhabitant.
The last annual rate of CPI published in United States was in August of 2021 and it was 5.3%.
In terms of the human development index (HDI) of United States, which is the index used by the United Nations to measure the progress of a country, was 0.926 points in 2019, leaving it in 17th place in the table of 189 countries published.

Source - https://countryeconomy.com/countries/usa

The Gross Domestic Product (GDP) in the United States was worth 20936.60 billion US dollars in 2020, according to official data from the World Bank. The GDP value of the United States represents 18.55 percent of the world economy.

Source: https://tradingeconomics.com/united-states/gdp

Import / Export

Export goods	Agricultural products 10.7% Fuels and mining products 9.4% Manufacturers 74.8% Others 5.1%[20]	**Import goods**	Agricultural products 10.5% Fuels and mining products 10.7% Manufacturers 78.4% Others 4.2%[21]
Main export partners	European Union(+) 18.7% Canada(+) 18.3% Mexico(+) 15.9% China(-) 8% Japan(+) 4.4% Others 34.8%[19]	**Main import partners**	China(-) 21.4% European Union(+) 18.9% Mexico(+) 13.2% Canada(+) 12.6% Japan(+) 6% Others 27.9%[19]

Source - https://en.wikipedia.org/wiki/Economy_of_the_United_States

IMF Economy and Response to COVID-19

Source - https://www.imf.org/en/Topics/imf-and-covid19/Policy-Responses-to-COVID-19#USA