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## D&B Small Business Risk Score (SBRS) Fact Sheet

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### Description

The Small Business Risk Score (SBRS) is the only score of its type in Australia. It is based on both consumer and commercial information to provide a complete representation of an unincorporated entity.

The D&B Small Business Risk Scoring System predicts the likelihood of a credit active unincorporated entity entering bankruptcy over the next 12 months.

D&B defines:

Credit active as:

- The unincorporated business is registered for GST

Unincorporated Entity as:

- Strictly sole traders, partnerships and family partnerships

Bankruptcy as:

- Including debt agreements, sequestration orders, Personal Insolvency Agreements and bankruptcy

Scores are driven by advanced statistical modelling techniques derived from analysis of D&B's extensive consumer and commercial database.

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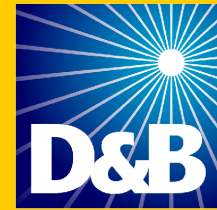
### Features

Small Business Risk Score (1001 - 1702)

- The 1001 to 1702 score is the raw output of the Small Business Risk Scoring Model.
- 1001 represents the highest risk and 1702 represents the lowest risk of bankruptcy.
- Each Score (within the range 1001-1702) has a related probability of bankruptcy within a 12-month period.

Key Influencing Factors (KIF)

- The Key Influencing Factors (KIF) are the drivers that influence the Small Business Risk Score for an unincorporated entity.
- A total of 7 KIFs will be displayed, 4 being business-related KIFs and 3 being consumer-related KIFs.
- Business KIFs include trade, collection & demographic information.
- Consumer KIFs include adverse information, enquiries & demographic data.



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## Factors

Data elements used in the model to assess the likelihood of Bankruptcy include:

- Trade payment information unique to D&B;
- D&B collections data;
- Geographical Consumer Risk Index;
- Geographical Business Risk Index;
- Business demographic information;
- Public record information on business owners; and
- Directorship information.

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## Performance

The following table provides the probability of bankruptcy for each score range together with an associated recommendation.

Score Range	Relative Risk Level	Probability of Bankruptcy	D&B Recommendation
1001-1256	Severe	10.12%	Cash on Delivery (C.O.D)
1257-1373	Very High	3.20%	Review Terms and monitor closely
1374-1439	High	0.70%	Review Terms and monitor
1440-1462	Moderate	0.37%	Extend Terms and monitor
1463-1487	Average	0.24%	Extend Terms
1488-1508	Low	0.18%	Extend Terms
1509-1541	Very Low	0.12%	Extend Terms to encourage growth
1542-1702	Minimal	0.07%	Extend Terms to encourage growth

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## Customer Information

The input file provided by a client containing the businesses nominated for the SBRS must contain the following information:

- ABN
- Customer's name
- Customer's date of birth
- Customer's current address
- Credit obligations
- Enquiry type
- Account type

The output file returned back to the client will contain the following information:

- ABN
- Small Business Risk Score (SBRS)
- Relative Risk Level
- Key Influencing Factors (KIFs)



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## **Access & Delivery**

The Small Business Risk Score (SBRS) can be accessed using existing D&B® delivery systems:

- Commercial Bureau Batch Service
- Direct Link (Integration directly into the D&B system)
- D&B Inteflow (Decision Intellect)

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## **Further Enquiries**

D&B Customer Service Centre – Australia

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