

# Business Profile Report

## Training guide



**All you need to know**

On the following pages, a sample Business Profile Report from Experian is provided with detailed explanations of how to read the report and why the information is important. If you don't understand a term or its "value," refer to our glossary of terms at the back of this training guide. After you've had a chance to review this guide, we're sure you'll agree that the Business Profile Report is a valuable tool that will help you make better decisions and be more profitable.

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## Evaluate risk at a glance

The Business Profile Report Executive Summary is designed to quickly highlight information contributing to a company's overall risk potential. Easy-to-read graphs summarize multiple data points for rapid analysis. Navigational links also are provided to allow you to quickly and easily navigate to report details.

The following page identifies key risk elements and descriptions of what they may mean in your analysis of the business.

### 1 Company Information

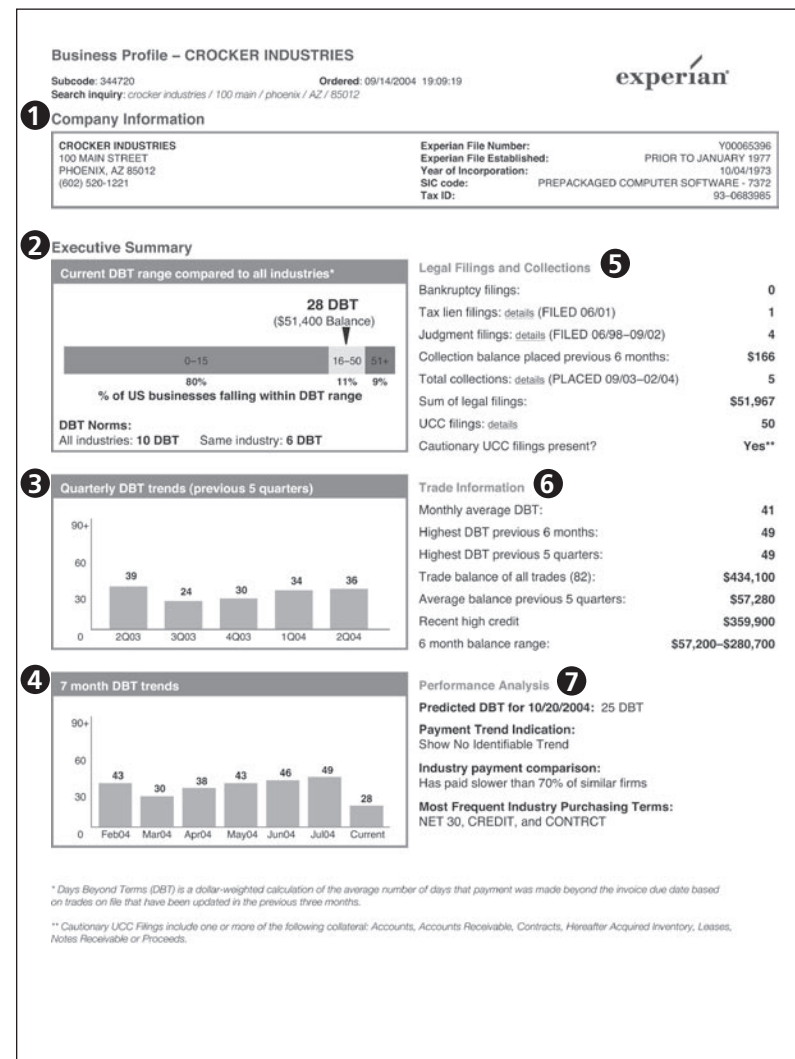
Company's location, Experian file number and file-established date. Date of incorporation, phone number, primary business category and tax ID number are provided, when available.

*Enables you to determine how long the company has been in business and verify the company's business location.*

### 2 Current Days Beyond Terms (DBT) industry comparison

Provides key measurements of payment performance, including:

- DBT — a dollar-weighted average number of days beyond the contractual due date that a business pays its bills based on tradelines that have been updated in the previous three months
- Percentage of U.S. businesses that pay more quickly than the inquired-upon business
- The balance associated with existing tradelines that have been updated in the previous three months
- DBT norms — compares the company's average DBT against the average DBT of all industries and other businesses within the same industry



Notes:

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### 3 Quarterly DBT trends

The business's average DBT performance for the previous five quarters.

*Illustrates at a glance if the business is improving or declining in its payment performance.*

### 4 Monthly DBT trends

The business's average DBT performance for the previous seven months.

*Changes in DBT over time may reveal that a business is incurring more debt or making progress in paying down outstanding balances. Long-term trending also may identify seasonal patterns that affect the business's ability to pay.*

### 5 Legal Filings and Collections

Summarizes public record and other derogatory information, including original bankruptcies, tax liens, judgment filings and reported collection accounts. Hyperlinks within the Executive Summary allow you to quickly navigate to additional details in the body of the report.

*Identifies key liabilities and encumbrances that may indicate that the business is experiencing financial distress.*

### 6 Trade Information Summary

Provides a snapshot of important trade balances and payment performance metrics, including:

- Key DBT calculations
- Total trade balance — total outstanding balance and the total number of trade experiences on file
- Largest amount of credit extended in the previous six months
- Lowest to highest range of total balance owed over the previous six months

*Indicates account balances and payment performance within the previous six to 12 months — potentially valuable information when determining how much credit to extend to the business.*

### 7 Performance Analysis

A forecast of the expected DBT for 60 days into the future, payment trending and how much slower the business pays its bills than similar companies within the business's industry.

*Provides payment performance trends and a prediction of possible changes in payment performance two months into the future, based on historical trends. Understanding the typical terms extended to similar companies assists you in defining reasonable terms based on industry standards.*

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## Identify adverse actions

The Legal Filings and Collections information in the Business Profile Report identifies details associated with accounts that have been placed for collections and derogatory public record filings. Filings include filing dates as well as current disposition.

### 8 Collections

Experian's commercial collections database is the largest in the world and is based on experiences contributed by collection agencies to Experian. Additional collection information may be found in the Comments column of the Trade Payment Information section of the report. Contributed collections are retained for up to six years.

Enables you to identify accounts that have been placed for collections. Recent collection activity may indicate a business's inability or unwillingness to pay its financial obligations.

### Tax Liens and Judgments

9 Filings collected from federal and state jurisdictions nationwide that may indicate that the business is in financial distress.

Identifies encumbrances that may allow others to supersede your claim to the business's assets.

8 Legal Filings and Collections											
Collections											
Date Placed	Status	Original Balance	Outstanding Balance	Date Closed	Agency	Agency Phone					
02/2004	Open Account	\$166	\$166		HARBOR VIEW CREDIT SERVI	(408) 391-2200					
01/2004	Closed, Uncollected	\$5,040	\$5,040	03/2004	ALLIED COLLECTIONS	(502) 368-9300					
09/2003	Paid in Full	\$403	\$403	09/2003	CREDIT MEDIATORS	(800) 418-3340					
09/2003	Open Account	\$322	\$322		CREDIT MEDIATORS	(800) 418-3340					
09/2003	Open Account	\$403	\$403		CREDIT MEDIATORS	(800) 418-3340					
Tax Liens											
File Date	Filing Type	Status	Amount	Filing Number	Jurisdiction						
06/04/2001	State Tax Lien	Filed	\$26,040	20010261843	ORANGE COUNTY RECORD						
Judgments											
File Date	Filing Type	Status	Amount	Plaintiff	Filing Number	Judgment					
12/13/2002	Judgment	Satisfied	\$5,000	SAMANTHA PARK	02C17927	MARION DISTRICT COUR					
09/25/2002	Judgment	Filed	\$5,000	SAMANTHA PARK	02C17927	MARION DISTRICT COUR					
07/29/1999	Judgment	Filed	\$15,525	STATE OF ARKANSAS	000000000996886	PULASKI COUNTY CIRCU					
01/20/1999	Judgment	Satisfied	\$2,500	SAMUEL BRYCE	00000088SC007323	CENTRAL ORANGE MUNIC					
01/07/1999	Judgment	Filed	\$5,000	CHARLES JOHNSON	00000098SC006327	CENTRAL ORANGE MUNIC					
09/09/1998	Judgment	Satisfied	\$402	NYC DEPARTMENT OF FINANCE	001087605	NEW YORK COUNTY REG					
06/01/1998	Judgment	Filed	\$402	NYC DEPARTMENT OF FINANCE	001087605	NEW YORK COUNTY REG					
Trade Payment Information											
Business Category	Date Reported	Last Sale	Payment Terms	Recent High Credit	Balance	Cur	1-30	31-60	61-90	91+	Comments
ADVERTISING	07/2004	07/2003	NET 15	\$1,500	\$0						PROMPT
AIR TRANS	06/2004	06/2004	NET 30	\$700	\$0						SATSFTRY
AIR TRANS	04/2004	04/2004	NET 30	\$500	\$0						
+BUREAU	08/2004*	05/2004	VARIED	\$3,900	\$3,900	100%					
-CHEMICALS	08/2004		NET 30	\$700	\$400	100%					
+COMMUN EQP	06/2004		NET 30	\$15,000	\$15,000	98%		2%			
COMMUN SVC	06/2004		NET 30		\$0						
+COMMUN SVC	06/2004	06/2004	NET 30	\$15,700	\$15,400	2%	98%				
-COMPUTERS	07/2004	06/2004		\$202,800	\$12,800	26%	12%		62%		
ELEC DISTR	06/2004		NET 30		\$0						
ELEC SUPLR	06/2004	04/2003	2/10N30	\$1,300	\$0						
FNCL SVCS	06/2004	06/2003	CONTRCT		\$0						SATSFTRY
-FREIGHT	04/2004	02/2004	VARIED	\$13,400	\$100				100%		
GENERAL	07/2004		CONTRCT		\$0						

Business Profile — CROCKER INDUSTRIES

Notes:

The Trade Payment Information in the Business Profile Report provides a timely and accurate view of a business's credit performance. Each tradeline represents a unique credit relationship and identifies key liabilities and encumbrances that may indicate poor performance in the past or that the business is currently experiencing financial distress. New, recent and historical trade experiences within the previous 36 months are provided.

Understanding the detailed information associated with each tradeline is a smart way to analyze past payment habits on all trade accounts.

### 10 Business Category

General industry category (or description) of the supplier to the inquired-upon business.

Enables you to identify whether the data contributor is a primary or secondary supplier and allows you to compare the business's payment habits across industries.

### 11 Date Reported

Date the contributor's data was taken from its accounts receivable system.

Shows you how recently the tradeline was reported.

### 12 Last Sale

Date the supplier last sold goods to the business.

Enables you to see the most recent purchase transaction date the company made with a particular supplier.

### 13 Payment Terms

Terms set by the supplier as to when payments are expected from the business upon delivery of goods sold.

Can be used to determine what credit terms to set.

### 14 Recent High Credit

Highest account balance the business has carried in the last 12 months.

Shows you the highest amount of credit other suppliers have extended.

### 15 Account Status

Shows the balance owed to the reporting supplier as of the date reported. The CUR column show the percentage of the total account balance that was current at the date reported. The remaining columns show the percentage

of the total account balance that was 1-30 days, 31-60 days, 61-90 days or 91+ days past due. Balances are rounded to the nearest \$100.

Allows you to determine if the business pays other suppliers on time.

### 16 Comments

Shows further comments on the status of the account as provided by the data supplier (e.g., WRITE OFF, PROMPT, CUST 1 YR.)

Can help you make more informed credit decisions based on direct comments from the data contributor.

### 17 DBT indicators (+), (-) or (=)

For comparison purposes, a plus (+), minus (-) or equal (=) sign next to each tradeline with a balance indicates whether the DBT for the particular tradeline is more than five days higher (-), more than five days lower (+) or within five days (=) of the average DBT for that business category.

Assess the business payment behavior compared to other similar businesses.

### 18 Newly reported tradeline indicator (\*)

An asterisk(\*) after the date reported on a tradeline indicates that the tradeline has been added to Experian's business information database within the past three months.

Distinguish the payment habits of newly reported tradelines versus continuously reported tradelines.

Continuously reported tradelines are those that have had at least one update within the past three months, whereas newly reported tradelines are those that appeared for the first time within the past three months.

## Trade Payment Information

Comprehensive payment information allows easy analysis of whether a business's ongoing payment behavior is steady, improving or declining.

Trade payment information may be used to see how the inquired-upon business pays firms like yours in order to assess both the company's ability and willingness to pay.

### 19 Trade Payment Totals

This section is a summary of all continuously reported tradelines and newly reported tradelines.

*The significance of identifying newly reported versus continuously reported tradelines is that an applicant may be paying new vendors better or worse than the old vendors.*

### 20 Additional Payment Experiences

This section lists tradeline experiences not updated within the past three months of the report date and nonstandard trade accounts, such as leases and bank loans representing payment information that differs from traditional trade credit accounts.

*Additional trade experiences are retained for 36 months past the last update provided by an Experian trade supplier.*

GENERAL	06/2004		NET 30	\$0					
=HEATING&A/C	08/2004	11/2003	NET 30	\$6,800	\$200	100%			
INDUS SUPPL	07/2004	03/2004	NET 30	\$1,600	\$0				CUST 6 YR
+LUMBRAWOOD	08/2004	07/2004	VARIED	\$19,100	\$100	100%			CUST 2 YR
-OFFC SUPPL	06/2004	06/2004	NET	\$13,700	\$1,100			100%	CUST 7 YR
=PACKAGING	07/2004		NET 30	\$5,100	\$3,500	82%	18%		CUST 10 YR
SAFTY PROD	06/2004		NET 30	\$0	\$0				CUST 4 YR
+SERV ASSOC	07/2004	07/2004	NET10TH	\$5,900	\$1,000	100%			
-TELECOM	07/2004		NET 30	\$1,700	\$1,700			100%	
TELECOM	06/2004	12/2001	NET EOM	\$3,700	\$0				WRITE-OFF
TELECOM	07/2004		NET 30	-\$100	\$0				
+TEMP HELP	07/2004*		NET 30	\$1,900	\$1,900	100%			
-TRANSPORTN	04/2004	10/2003	VARIED	-\$100	-\$100			100%	
TRANSPORTN	08/2004	06/2003	NET 15	\$0	\$0				
WAREHOUSE	07/2004	03/1998	VARIED	\$0	\$0				CUST 7 YR

### 19 Trade Payment Totals

Trade Payment Experiences				Account Status Days Beyond Terms					
Type	Lines Reported	Recent High Credit	Balance	Cur	1-30	31-60	61-90	91+	Comments
Continuously Reported	27	\$309,400	\$51,400	37%	38%	7%		18%	DBT: 28
Newly Reported	2	\$5,800	\$5,800	100%					DBT: 0
<b>Trade Lines Totals</b>	<b>29</b>	<b>\$315,200</b>	<b>\$57,200</b>	<b>44%</b>	<b>34%</b>	<b>6%</b>		<b>16%</b>	<b>DBT: 25</b>

### 20 Additional Payment Experiences

Trade Payment Experiences (Trade Lines with an (*) after date are newly reported)				Account Status Days Beyond Terms							
Business Category	Date Reported	Last Sale	Payment Terms	Recent High Credit	Balance	Cur	1-30	31-60	61-90	91+	Comments
ACCT SVCS	12/2001		NET 10	\$0	\$0						
AIR TRANS	10/2002		VARIED	\$300	\$0						
AIR TRANS	10/2003		NET 30	\$300	\$0						CUST 11 YR
AIR TRANS	06/2003		NET 7	\$0	\$0						
-AUTO PARTS	11/2003	10/2003	VARIED	\$500	\$100	37%	19%	1%		43%	
+BUS SERVCS	02/2004	02/2004	NET 30	\$40,800	\$700	100%					
BUS SERVCS	01/2004	12/2003	NET 30	\$0	\$0						
-BUS SERVCS	07/2003	06/2003	NET 30	\$359,900	\$215,400				100%		
CELLUL/PAG	09/2001	06/1996	NET 30	\$0	\$0						CUST 1 YR
CELLUL/PAG	01/2003		NET 90	\$200	\$0						CUST 83 YR
+CELLUL/PAG	06/2003	06/2003	NET 30	\$100	\$100	100%					CUST 1 YR
CERAMICS	03/2004		NET 30	\$0	\$0						
-CHEMICALS	08/2003		NET 30	\$1,100	\$1,100	29%	36%		35%		
COMMUN SVC	08/2001		NET 20	\$0	\$0						
+COMMUN SVC	08/2002		NET	\$30,800	\$6,600	45%	55%				

Business Profile - CROCKER INDUSTRIES

Notes:

## Payment Trends

### Evaluate ongoing payment behavior

The Business Profile Report provides detailed trending information that can help you identify seasonal trends and gain greater visibility to improving or deteriorating payment performance.

#### 21 Monthly Payment Trends

Uses continuously reported tradelines to identify changes in payment behavior over the previous six months.

#### 22 Quarterly Payment Trends

Represents a five-quarter analysis of payment trends.

*Long-term changes in DBT reflect the ability of a company to sustain cash flow over time. If the DBT is increasing, it may indicate that the company is becoming less able to pay.*

#### 23 Inquiries

Provides a summary of all inquiries made on the business within the past nine months.

*Assess whether the company is actively seeking credit and identify the types of businesses that have been submitting inquiries on the business.*

#### 24 Government Financial Profile

Reports selected financial and contract data reflecting the company's dealings with federal government agencies.

*Provides insights into how the business handles its financial obligations and contract agreements with the U.S. government.*

#### 21 Monthly Payment Trends

Payment Trends Analysis PREPACKAGED COMPUTER SOFTWARE - 7372						Account Status Days Beyond Terms				
Date Reported	Cur	Industry	DBT	Business DBT	Balance	Cur	1-30	31-60	61-90	91+
AUG04	N/A	N/A	28		\$51,400	37%	38%	7%		18%
JUL04	87%	6	49		\$178,900	10%	16%	51%	1%	22%
JUN04	90%	5	46		\$166,900	13%	15%	53%	1%	18%
MAY04	90%	6	43		\$163,500	17%	13%	51%	6%	13%
APR04	89%	6	38		\$280,700	9%	33%	44%	5%	9%
MAR04	89%	6	30		\$156,700	7%	55%	26%	8%	4%
FEB04	89%	6	43		\$89,900	4%	45%	15%	29%	7%

#### 22 Quarterly Payment Trends

Payment History - Quarterly Averages					Account Status Days Beyond Terms			
Quarter	Months	DBT	Balance	Cur	1-30	31-60	61-90	91+
Q2 - 04	APR-JUN	36	\$82,800	30%	16%	36%	4%	14%
Q1 - 04	JAN-MAR	34	\$104,300	7%	48%	27%	13%	5%
Q4 - 03	OCT-DEC	30	\$47,200	15%	46%	23%	14%	2%
Q3 - 03	JUL-SEP	24	\$28,000	14%	59%	22%		5%
Q2 - 03	APR-JUN	39	\$24,100	23%	16%	43%	5%	13%

#### 23 Inquiries

Summary of Inquiries									
Business Category	AUG04	JUL04	JUN04	MAY04	APR04	MAR04	FEB04	JAN04	DEC03
UNSPCIFIED							1	1	
BANK		1							
BUREAU			2	3	2		2	2	
FINCL SVCS							1		
GENERAL	3	4	4	1	1			1	
LEASING		1							
TRANSPORTN									1
<b>Totals</b>	<b>3</b>	<b>6</b>	<b>6</b>	<b>4</b>	<b>3</b>		<b>4</b>	<b>5</b>	

#### 24 Government Financial Profile

Payment History - Quarterly Averages					Account Status Days Beyond Terms						
Business Category	Date Reported	Last Sale	Payment Terms	Recent High Credit	Balance	Cur	1-30	31-60	61-90	91+	Comments
GOVT/GSA	10/2002	10/2002	NET 30	\$76,000	\$19,800	100%					

Business Profile - CROCKER INDUSTRIES

## Assess liquidity and locate assets

The Business Profile Report notes the presence of any Uniform Commercial Code (UCC) filings. UCC filings are required whenever a company pledges assets as collateral.

### 25 UCC Profile

The Business Profile Report lists up to the 10 most recent UCC filings (original, amendments or terminations), with the most recent displayed first for easy review. If more than 10 UCC filings are indicated for the business, you may access a complete UCC filing report free of charge within 72 hours of your Business Profile Report inquiry.

*The presence of cautionary UCC filings indicates that the business has pledged key assets such as accounts, accounts receivable, contracts, hereafter acquired inventory, leases, notes receivable or proceeds to secure financing.*

*Use of these critical assets may indicate that the business is under financial stress.*

**25 UCC Profile**  
The number of UCC Filings is summarized with the 10 most recent listed below.

A full UCC detail report is available within 72 hours by entering UCC--C03796531--C017182224 into the Experian number field of the Bizapps order page.

UCC Summary				Filings		
Date Range	Year	Cautionary UCCs*	Total Filed	Released/ Term'd	Cont	Amended/ Assigned
JUL - PRESENT	2004					
JAN-JUN	2004		1			
JUL-DEC	2003	3	5			
JAN-JUN	2003	2	2			
JUL-DEC	2002	3	5			6
PRIOR TO JUL	2002	9	37	3		6
<b>Totals</b>		<b>17</b>	<b>50</b>	<b>3</b>		<b>12</b>

\* Cautionary UCC Filings include one or more of the following collateral: Accounts, Accounts Receivable, Contracts, Hereafter Acquired Inventory, Leases, Notes Receivable or Proceeds.

**UCC Filings**

**UCC CONTINUED Date:** 06/23/2004  
**Filing Number:** OH00079736313  
**Jurisdiction:** SEC OF STATE OHIO  
**Secured Party:** NATIONAL CREDIT CORPORATION NJ PARSIPPANY 07054  
**Collateral:**

**UCC FILED Date:** 11/26/2003  
**Filing Number:** 2211304 0  
**Jurisdiction:** SEC OF STATE DELEWAR  
**Secured Party:** EMPIRE BUSINESS CREDIT, LLC IL CHICAGO 60606 151 NORTH CENTRAL AVENUE  
**Collateral:** EQUIP, HEREAFTER ACQUIRED PROP

**UCC FILED Date:** 10/27/2003  
**Filing Number:** 3280569 6  
**Jurisdiction:** SEC OF STATE DELEWAR  
**Secured Party:** AMERICAN CAPITAL CREDIT WA BELLEVUE 98009 423 NW 153RD  
**Collateral:** EQUIP, HEREAFTER ACQUIRED PROP, UNDEFINED

**UCC FILED Date:** 10/03/2003  
**Filing Number:** OH00069165413  
**Jurisdiction:** SEC OF STATE OHIO  
**Secured Party:** NEW ENGLAND TECHNOLOGY ASSOCIATES MA BOSTON 02210 176 SOUTH STREET  
**Collateral:**

**UCC FILED Date:** 09/19/2003  
**Filing Number:** 3243015 8  
**Jurisdiction:** SEC OF STATE DELEWAR  
**Secured Party:** RIRC CORPORATION AZ PHOENIX 14278 NORTH CAMEL LOOP  
**Collateral:** EQUIP, UNDEFINED, HEREAFTER ACQUIRED PROP

**UCC FILED Date:** 08/28/2003  
**Filing Number:** OH00054892352  
**Jurisdiction:** SEC OF STATE OHIO  
**Secured Party:** EMPIRE BUSINESS CREDIT, LLC IL CHICAGO 60606 151 NORTH CENTRAL AVENUE  
**Collateral:**

**UCC FILED Date:** 04/07/2003  
**Filing Number:** 4077177 8  
**Jurisdiction:** SEC OF STATE DELEWAR  
**Secured Party:** NEW ENGLAND TECHNOLOGY ASSOCIATES MA BOSTON 02210 176 SOUTH STREET  
**Collateral:** EQUIP, HEREAFTER ACQUIRED PROP, UNDEFINED

**UCC FILED Date:** 02/24/2003  
**Filing Number:** 3246189 3  
**Jurisdiction:** SEC OF STATE DELEWAR  
**Secured Party:** UNITED BUSINESS EQUIPMENT COMPANY NJ MONTVALE 07845 6359 WEST COLUMBIA  
**Collateral:** EQUIP, UNDEFINED, HEREAFTER ACQUIRED PROP

Business Profile -- CROCKER INDUSTRIES

Notes:

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## Identify lending relationships

### 26 Commercial Finance Relationships

This portion of the Business Profile Report provides:

- The name, address and phone number of the business's primary bank
- Type of banking relationship
- Account status and balances, when available
- Any reported leasing or insurance bond relationships

*Identify financial partners associated with the business or verify business relationships.*

### 27 Company Background Information

This section provides detailed background information that validates the company's identity and helps you identify potential fraud, including:

- State of incorporation
- Business's incorporation date
- Charter number
- Current status of business
- Names and titles of principal officers
- Product and service lines
- Most recent filing date
- Name and address of registered agent

**UCC Filing Date:** 11/20/2002  
**Filing Number:** 20023256040  
**Jurisdiction:** SEC OF STATE CALIFOR  
**Secured Party:** JONATHAN RUIZ CA COSTA MESA 92626 IN CARE OF: PO BOX 33213  
**Collateral:** FURN & FIX, EQUIP, UNDEFINED, HEREAFTER ACQUIRED PROP

**UCC Filing Date:** 11/20/2002  
**Filing Number:** 20023256040  
**Jurisdiction:** SEC OF STATE CALIFOR  
**Secured Party:** JONATHAN RUIZ CA COSTA MESA 92626 IN CARE OF: PO BOX 33213  
**Collateral:** UNDEFINED

**26 Commercial Finance Relationships**

**Banking Relationships**

**Financial Institution:** INDUSTRY STATE BANK  
**Account Type:** MERCHANT BANK CARD  
**Date Opened:** 08/01/1995  
**Account Rating:** SATISFACTORY AS OF 01/06/2004

**Financial Institution:** BANK OF US  
**Account Type:** MERCHANT BANK CARD  
**Date Opened:** 02/01/1997  
**Account Rating:** SATISFACTORY AS OF 10/07/2003  
**Account Balance:** FIVE FIGURES

**Financial Institution:** MESA FINANCE  
**Account Type:** MERCHANT BANK CARD  
**Date Opened:** 12/08/2000  
**Account Rating:** GENERALLY SATISFACTORY AS OF 06/06/2003  
**Account Balance:** FOUR FIGURES

**Leasing Relationships**

**Leasing Company:** NON-DISCLOSED  
**Origination Date:** 07/2001  
**Original Lease Amount:** \$11,340  
**Lease Product Type:** OFFICE EQUIP  
**Lease Term:** 60 Months  
**Payment Interval:** MONTHLY  
**Payment Type:** FIXED  
**Current Due Date:** 10/01/2004  
**Current Scheduled Amount Due:** \$242  
**Amount of Overdue Payments:** \$0  
**Remaining Balance:** \$4,347  
**Current Payments:** 30  
**Late Payments:** 7

**Insurance Bond Relationships**

**Bonding Company:** CONTRACTORS BONDING & INSURANCE  
**Address:** 12486 INTERCOASTAL DR FT LAUDERDALE FL 33303  
**Phone:** (732) 398-4000  
**Bond Type:** General Liability Insurance

**27 Company Background Information**

**Corporate Registration**

THE FOLLOWING INFORMATION WAS PROVIDED BY THE STATE OF ARIZONA

**State of Incorporation:** AZ  
**Date of Incorporation:** 10/04/1973  
**Current Status:** Active

**Business Type:** Profit  
**Charter Number:** 7621760  
**Tax ID:** 93-0683985

Business Profile -- CROCKER INDUSTRIES

In-depth analysis of a company's history

Standard and Poor's information provides objective data on the financial health of the business if it is a publicly held company.

**28 Balance sheet**

Balance sheet — Balance sheet information is included for up to three fiscal years. You can analyze the current statement or conduct up to a three-year trend analysis of key financial items.

A balance sheet is a company's statement of assets, liabilities and net worth. Assets are broken down into two categories:

- Current assets — Assets of the business that are likely to be converted to cash in the next 12 months, such as cash, accounts receivable and inventory
- Noncurrent assets — These are the assets of the company that are not expected to be made liquid (converted to cash) in the next 12 months, such as buildings, real estate, fixtures and equipment

Liabilities also are broken down into two categories:

- Current liabilities — Debts the company owes that will likely be paid in the next 12 months, such as accounts payable, current amounts due on long-term debt and accrued taxes
- Long-term liabilities — Debts of the company that are due beyond the next 12 months, such as the amount of a bank loan that is due beyond the next 12 months

Net worth is calculated by subtracting the company's total liabilities from its total assets.

*The balance sheet can help you understand a firm's financial strength and can provide indications of a company's near- and long-term solvency. Tracking these financial indicators can help you analyze whether a company is likely to become financially stronger or weaker.*

Notes:

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**29 Operating statement**

Operating statement — Also known as a profit and loss statement, the operating statement provides details of a company's sales, cost of sales, operating expenses and net profit/loss.

*An operating statement can quickly help you understand whether a company is profitable or not. By looking at operating statement trends, it becomes immediately apparent whether the company's revenues are growing or declining and at what rate. Improvements or reductions in gross profit margin and operating expenses also can provide valuable insights into how well a company is managing its costs relative to its revenue. Finally, knowing whether a company is experiencing profitable operations over time can provide a strong indicator of the company's near- and long-term viability.*

Additional Company Background Information			
Key Personnel Principal(s): JOHN O CONSUMER, PRESIDENT			
Operating Information Primary SIC Code: PREPACKAGED COMPUTER SOFTWARE - 7372			
Number of Employees: 950 Sales: \$1,155,420,000			

Standard and Poor's Information			
28 Balance sheet for fiscal year ending: DEC 31 Data current through: 09/13/2004 (\$ Thousands)			
	2003	2002	2001
Cash and equivalent	140,129	90,751	84,693
Receivables - net	46,252	35,735	32,948
Inventory	146,678	151,431	133,885
Other current assets	14,737	8,600	7,483
<b>Total current assets</b>	<b>347,796</b>	<b>286,517</b>	<b>259,009</b>
Fixed assets - net	44,821	22,280	18,735
Investments	2,921	1,946	1,677
Other assets	51,421	59,294	70,487
<b>Total assets</b>	<b>446,959</b>	<b>370,037</b>	<b>349,908</b>
Debt due in 1 year	14,060	15,260	16,460
Notes payable	0	10,000	15,000
Accounts payable	35,119	32,335	32,549
Taxes payable	1,063	480	519
Other current liabilities	75,018	70,455	69,805
<b>Total current liabilities</b>	<b>125,260</b>	<b>128,530</b>	<b>134,333</b>
Long term debt	20,000	34,000	50,000
Other liabilities	15,755	11,946	10,577
<b>Net worth</b>	<b>285,944</b>	<b>195,561</b>	<b>154,998</b>
<b>Total liab. and net worth</b>	<b>446,959</b>	<b>370,037</b>	<b>349,908</b>

29 Operating statement for fiscal year ending: DEC 31 Data current through: 09/13/2004 (\$ Thousands)			
	2003	2002	2001
Net Sales	1,155,420	1,124,894	1,099,158
Cost of goods sold	592,563	568,860	555,776
Gross income on sales	562,857	556,034	543,382
Expenses	447,225	469,586	458,785
Pre-tax income	115,632	86,448	84,597
Taxes	25,249	35,885	40,606
After tax income	90,383	50,563	43,991
Extraord. inc. & discont'd ops	0	0	0
<b>Net income</b>	<b>90,383</b>	<b>50,563</b>	<b>43,991</b>

Business Profile — CROCKER INDUSTRIES

**30 Critical data and ratios**

Critical data and ratios — This information helps you understand the relationship between key balance sheet items and how those ratios change over time.

Financial ratios typically are divided into three categories:

- Solvency ratios — These provide some indication of a company's ability to generate cash. These ratios focus mainly on the current assets and current liabilities balance sheet items. For example, the current ratio, which is calculated as current assets divided by current liabilities, provides a good indication of how much cash a company has or can expect to generate from selling inventory in relation to its obligations that are expected to be paid over the next 12 months. The current ratio, while very indicative, is best understood in combination with the sales/inventory ratio and cost of goods sold/inventory ratios. Both these ratios give a good indication of a company's ability to generate inventory turnover and thus is a good measure of a company's ability to generate cash from operations.  
  
Average days sales outstanding is also a very important ratio as it gives an indication of how quickly a company collects on its receivables and therefore is a further indicator of a company's ability to generate cash.
- Debt ratios — These ratios demonstrate how leveraged a business is. A high debt-to-equity ratio indicates that the company owes more than it actually owns of the business; conversely, a low debt-to-equity ratio indicates a company owns more of the business than it owes. Understanding whether a company is highly leveraged or not is a very important part of any credit analysis, and it is essential to understanding how to manage the credit relationship.
- Operating ratios — By calculating the ratio of net profit to net sales, the ability of a company to generate a healthy profit margin can be quickly observed. By looking at the trend of this ratio over three years, it becomes quickly apparent whether a company, even if profitable, is maintaining sufficiently strong profit margins to remain financially viable in the long term. Observing the net income-to-net worth ratio also provides insight into how well a company is growing the net worth of the business from operations and if there is a sufficient return to finance the business from operations or if additional borrowing may be required.

30 Critical data and ratios for fiscal year ending: DEC 31 Data current through: 09/13/2004 (\$ Thousands)			
	2003	2002	2001
Tangible net worth	251,884	172,331	153,889
Net working capital	222,536	157,987	124,676
Current ratio (times)	2.8	2.2	1.9
% Total debt to tang. n.w.	63.9	101.2	126.7
% Current debt to tang. n.w.	49.7	74.6	87.3
% After tax inc. to tang. n.w.	35.9	29.3	28.6
% After tax inc. to net sales	7.8	4.5	4.0
Net sales to inventory (times)	7.9	7.4	8.2
CGS to inventory (times)	4.0	3.8	4.2
Avg. days sales outstanding (days)	14.6	11.6	10.9

End of report 1 of 1 reports

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Business Profile — CROCKER INDUSTRIES

Notes:

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**Account balance**

Dollar sum of all current and past-due amounts rounded to the nearest \$100.

*Lets you see the amount of debt the business is carrying with other suppliers.*

**Account status**

Account balance and aging of that account as of the last date reported.

*Provides you with a summary of the business's credit activities by trade relationship.*

**Additional payment experiences**

Consists of payment information on nontrade accounts such as bank loans and leases, plus tradelines not updated in the past three months.

*Shows the most current information regarding periodic, installment payments and can be indicative of payment problems in the recent past.*

**Bank information**

Shows the name, address and phone number of the company's bank, type of relationship and account status/balance, if available.

*Allows you to directly check the bank listed on the report for the status of the debtor's bank accounts.*

**Bankruptcies**

Legal processes by which the company's assets are liquidated or by which the company seeks protection from creditors.

*Makes you aware of financial distress.*

**Business category**

General industry category (or description) of the supplier to the inquired-upon business.

*Enables you to identify whether the supplier is a primary or secondary supplier and allows you to compare the business's payment habits across industries.*

**Comments**

Additional explanations of account status.

*Can help you make a more informed credit decision by highlighting the most derogatory information.*

**Company background information**

Information on the business's product/service line, Standard Industrial Classification codes, revenues, number of employees, names and titles of principals, year company was established and information filed in the state of incorporation.

*Information about the business's background is used to further identify the company requesting credit.*

**Continuously reported**

Those tradelines that have had at least one update in the past three months.

*Identifies those tradelines that have the most current and relevant information for a credit decision.*

**Current**

Percentage of account that is paid within terms set by a supplier.

*Allows you to determine if the company pays other suppliers on time.*

## Glossary of terms

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### Date of last sale/activity

Date the supplier last sold goods to the business.

*Enables you to see how recently the business made a purchase from a particular supplier.*

### Days Beyond Terms (DBT)

Dollar-weighted average number of days late a business is paying reported tradelines.

$$\text{DBT} = \frac{(\text{Tot 1} \times 15) + (\text{Tot 2} \times 45) + (\text{Tot 3} \times 75) + (\text{Tot 4} \times 105)}{\text{Total dollars outstanding}}$$

Tot 1 = Total dollars in aged category 1–30 days

Tot 2 = Total dollars in aged category 31–60 days

Tot 3 = Total dollars in aged category 61–90 days

Tot 4 = Total dollars in aged category 91+ days

*Provides a single dollar-weighted average for determining payment status, expressed as the average number of days past “invoice due” date. This is not a subjective rating determined by one individual.*

### Days past due

Percentage of the account that is 1–30, 31–60, 61–90 or 91+ days past due.

*Shows you how late the business is paying other suppliers.*

### DBT indicators (+), (–) or (=)

For comparison purposes, a plus (+), minus (–) or equal (=) sign next to each tradeline with a balance indicates whether the DBT for the particular tradeline is more than five days higher (–), more than five days lower (+) or within five days (=) of the average DBT for that business category.

*Assess the payment behavior compared to other similar businesses.*

### DBT norms

Lists the average number of days late the business’s industry is paying all continuously reported tradelines and the average DBT for all industries.

*Provides a point of reference for comparison purposes, giving the business’s DBT more context.*

### Date reported

The month that the supplier’s data was taken from its accounts receivable system.

*Shows you the most current data in Experian’s file.*

### Experian’s file number

A file number that Experian assigns to a particular business.

*Gives you online access to reports and saves you the time of making additional inquiries.*

### Experian’s quarterly averages

A five-quarter (15-month) summary of all the trade experiences reported to Experian for a particular business.

*Provides evaluation of long-term payment behavior and the company’s ability to generate sustained cash flow.*

### Federal government information

Selected financial and contract data reflecting the business’s dealings with federal government agencies.

*Gives you another source for evaluating the business’s financial history.*

### Federal, state and county tax liens

Claims on the property or goods of a business by governmental tax agencies.

*Allows you to determine whether the business has a legal requirement to pay past tax obligations before its other payments.*

### File established

Date the first tradelines were contributed and the file was created within Experian’s database.

*Shows you the number of years Experian has been collecting data on the business.*

### Inquiry information

Lists the number of inquiries and types of businesses making inquiries on the company within the past nine months.

*Helps you determine if the business is expanding or if current suppliers are limiting their access, forcing the business to shop for new suppliers.*

### Judgments

Court decisions directing a business to make payment to a plaintiff; abstract judgments differ only in that they are prepared by the court recorder’s office.

*Shows you if the business is responsible for any payments on a legal matter that can impact its cash flow.*

### Leasing relationships

A lease is an agreement wherein, over the term of the lease, the owner permits the use of an asset in exchange for a series of payments.

### Newly reported

Those tradelines that have been added to Experian’s file within the past three months.

*Identifies the most recently added tradelines. Helps to identify how new information may affect conclusions about past payment behavior.*

### Payment terms

Terms set by the suppliers.

*Can be used to determine what credit terms to set.*

### Payment totals

This section is a summary of all continuously reported tradelines and newly reported tradelines.

*The significance of identifying newly reported versus continuously reported tradelines is that an applicant may be paying new vendors better or worse than the old vendors.*

### Payment trend

Historical record of the business’s payment practices in the past six months based on continuously reported information.

*Shows you if the business’s payment behavior is improving or deteriorating.*

### Phone number

Primary phone number of the inquired-upon company.

*Allows you to validate the account and gives you immediate access to the business for more investigation or for collection purposes.*

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## Glossary of terms

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### Public record

Commercial public record information filed with the U.S. legal system.

*Shows you the business's legal liabilities, which may affect its ability to pay.*

### Recent high credit

Highest account balance the business has carried in the last 12 months.

*Shows you the highest amount of credit other suppliers have extended.*

### SIC code

Standard Industrial Classification (SIC) code assigned by the government for a business's primary business activity.

*Identifies the product/services of the inquired-upon business.*

### Standard & Poor's

Financial information provided by Standard & Poor's on publicly held U.S. businesses. Also may include in-depth business background information on privately held firms.

*Provides you with an in-depth analysis into a business's history and allows you to gauge its financial strength in relation to its payment habits.*

### Tradeline payment

Each unique trade experience contributed to Experian by the inquired upon business's supplier.

### UCC filings and amendments

Uniform Commercial Code filings, which are required whenever a business pledges an asset as collateral.

*Identifies collateral. Gives you additional bank or financing references and may signal financial instability (i.e., the number of filings pledged with noncapital assets).*

For further details on Experian products, please call

**Business Credit Information Inc.**

**1.800.382.1735**

or visit our web site

**WWW.BUSINESSCREDITINFORMATION.COM**

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