



Episode 2

Episode Title

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Jae Hugh: Hello and welcome back to another episode of the wealth seekers podcast, where we dive deep into wealth and what it takes to get it. I'm your host, Jae Hue, CEO of Hughes Funding, LLC. And on today's episode, we have Ty Crandall. The business credit expert, as it says on his LinkedIn, I like to call him the business credit maestro. This dude literally knows probably more than the president himself on business credit. I don't know how he got the knowledge, but we're going to find out today. Ty, how you doing welcome to the podcast?

Ty: Doing well. Thanks for having me on, and I just want to say that during the first election, , I pulled, , both the Trump organization and the Clinton foundation's credit and based on the horrible credit reports that they both had, I can assure you that I know more about building business credit than he does. I'm just saying. Just saying.

Jae Hugh: Well, at least you're honest, at least you're honest. I'm not going to say you tooting your own horn. Cause I said it first.

Ty: No, I I'm very humble dude, but it's funny. Cause I did do that during the election just to show people that you can access any company's business credit report. A lot of people don't know that that information is publicly accessible.

So I did that once just to show people how easy it is to get credit reports on anybody, even the two presidential candidates companies and you know, kind of how sad it is that neither one of them paid their bills.



Jae Hugh: That is sad. And he's president now.

Ty: Yeah. Well, and there's been a lot during the election and stuff and I'm not into politics, but that came out about that same thing about people not getting paid.

Jae Hugh: Right... well, hopefully this election, one of them will pay their bills on time. Now since you brought up business credit reports, right? I know a lot of questions I get regarding business credit is number one, what is it?

Right? And number two, is it separate from my personal credit? Or do I have to do some magical thing in order to get it started? So you're saying you can pull anybody's business credit. I know I saw a video once where you pulled like Mars credit before, right? So. With personal credit, someone pulls your credit, you get a ding for inquiries with business credit.

Is it the same thing?

Ty: It's not the same thing. So business credit, when we look at the basics of what it is, you know, you have a credit report that's linked to your social. Their credit report shows a history and this is consumer credit with your consumer credit report, you build a history of paying credit cards and loans and mortgages and car loans and how you pay on those show on your credit report and, and how you pay determines, you know, if you'll get other money in the future and the rates and terms you'll pay, et cetera.

Corporate credit is exactly the same thing. It's just for a business's EIN instead of the owners social. So a business can build its own corporate credit profile for the business EIN. You don't even need to be a corporation to be able to start a corporate credit profile. As long as you have an ein, you can do it.

And we do the same thing. We get credit cards, we get loans that stuff reports on our corporate credit profile that gives us a credit score. The credit profile, the credit score is used to determine how much money we get from lenders and credit issuers and suppliers. And. The rates and terms we pay and how much we get approved for all of that is based on the quality of our corporate credit profile.



So a business owner wants to do this to separate these two. So now I've got my consumer profile over here, and I use it to like buy homes and cars and credit cards for my own personal life. I got my corporate credit profile here and I use it to get loans and get credit lines and get credit cards for my business and auto loans for my business.

And then I'm able to build the corporate credit profile. Where it doesn't need my personal. And so then I can start getting all kinds of money with them. Just not even looking at my personal, I just only give them my corporate. They look at that and they make all kinds of decisions. So fundamentally that's how it works.

Now, the differences, as you mentioned, is credit scoring. So in the consumer world, we've got five components to the consumer FICO score, right? We've got the mix of credit you have and how long you've had credit, inquiries accounts for 10% of your score, how you pay your bills, how your utilization is. In the Corporate world

the only thing we really care about is how you pay your bills. If you pay your bills on time, you're going to get good scores, period. Point blank. Don't care about anything else. Okay. DNB and Equifax, their main scores are only based on how you pay Equifax 85% of their scores based on how you pay. So the corporate credit, what they care about is how you pay their inquiries will show in your corporate credit profile, but it doesn't affect your score whatsoever.

Jae Hugh: Okay. Alright.

Now I know a lot of people were just like, wow. They just got right into it really fast. They weren't ready to write anything down. So let's take a beat, give them a chance to write it down. And you and I talked before we started recording, but I didn't tell you what I had up my sleeve.

There's one question I ask every guest on every episode. So you got to get asked that question, in your opinion, what is the biggest piece of advice you've ever gotten or given. When it comes down to creating wealth.



Ty: Using OPM to get it. I mean other people's money is what I've learned. And it's against the advice of David Ramsey per se.

But, you know, I'm the kind of guy that if you let me finance something at a reasonable interest rate over a term, I'll do it because I know that the money that I don't have to put down for that. I can use to turn around and get a higher rate of return on, you know, and so I'm really big on OPM. I'm really big on using other people's money to grow and scale.

And when we look at the biggest businesses in the world, they all borrow money. Right? We look at Apple, they're one of the most profitable business they're sitting on billions of dollars, but yet they still borrow billions of dollars. So we even now, right, even though they're sitting on tremendous amounts of cash and then guess what COVID hits and you know, what.

They're brilliantly, well prepared for that to happen. You know, the same with Disney, they sit on a ton of money. They borrow a ton of money. They're Disney, right? But Disney is pretty smart. I mean, they put three parks around the world thinking how ever could all their parks be shut down at the same time.

Now their parks are shut down. Their movie business, everything is shut down and their ability to save all this cash is what's carrying them through because they borrowed money instead of spending their own cash. So I can't think. Of one of the most successful privately, or publicly owned companies that existed in this country or wherever have that didn't get to where they are by using other people's money.

Even Walmart business credit is the number one way that they get cash in the business. Business credit has more value to Walmart, then all of their shareholder value combined. And that's why they're the number one retailer. Because 80%. Of what they buy or what they put on their shelves. They buy using credit.

Think about that, they go buy all their inventory, using credit cards and they put it on their shelf and then you buy the stuff from Walmart and they take your money and they use it to pay off the credit cards they use to buy the



stuff. It's how they became the number one retailer in the world. So that's my biggest advice is when it comes to business, get.

Really good at OPM using other people's money to grow. And if you can do that effectively, then you can reach seven, eight figures and beyond pretty easily.

Jae Hugh Okay. OPM. I liked that answer. I just put a smiley face right next to my note OPM. So now I know a lot of people thinking right now. Yeah. But that's Walmart.

Yeah. But that's Disney. Yeah, but that's, Apple, that's Microsoft, whoever. Right. How am I supposed to be the little Joe blow? In, Indianapolis, Indiana that just started a business. How am I supposed to get to the point where I'm getting, 5 billion, dollars worth of credit on my business, right?

And that's why we brought you on the show, right? It's to help educate people on how to get to that level by leveraging other people's money and business credit. So now we can just dive in. I hope everyone's ready. Hope they got their notes, pulled over the car, pulled out the notebook. So in the aspects of business credit, where do we start?

Ty: Well, really, when it comes down to getting money general, you should start with a step that I call fundability. And fundability is all these things that credit issuers and lenders are really looking at to determine if you should be approved for credit or financing or not. Hey, a lot of us apply for credit cards.

We apply for loans. We apply for credit lines. We get denied none of us like it. But the crazy thing is, is that most business owners think they're denied for reasons that have nothing to do with their denial. So, for example, more than half of all applications for funding are not denied because of revenue.

They're not denied because of credit. They're not even denied because you don't qualify. They're denied because lenders think your applications fraudulent. And that's what accounts for the vast majority of denials in this country is that lenders are plagued by fraud. Like, I mean, I don't know about you.



I've had it all the time. I tried to sell my car. People try to send me fake cashier checks and all kinds of crazy stuff. I got people that send emails to the team members in my company that try to act like they're me to go get gift certificates for like using gift cards. I mean, there's fraud, it's everywhere.

Right? Okay. But banks imagine being a bank, like, I mean the majority of transactions they even see are fraudulent. So this whole infrastructure has been built behind the scenes. The credit reports these guys are getting there. They're there. The consumers don't even know they're pulling LexisNexis credit reports.

Right. Have you ever seen your Lexis nexis credit report?

Jae Hugh: Uh, Lexis Nexis? No. I saw ChexSystems, never seen LexisNexis.

Ty: Very few people have, but if you've ever seen your Lexis nexis it's it's intrusive, man, it minds 400 pages. It's a book. It has every email address I've ever had. Every address that I've ever lived in every phone number I've ever had.

Every license I've ever been issued, ever been revoked. Marriage records, divorce records. It has the building materials in my home. Literally the building materials of my home, how many AC units I have, how much square footage I have my homeowners association. It has every loan I've ever had for my mortgage, my home, the title company.

Yeah. I used to close at the interest rate that I got all my other loans that I've ever had on there. Every insurance policy I've ever owned, every vehicle I've ever owned the VIN number for that policy information for every single insurance. And I'm just getting started. Like it's the most intrusive thing you'll ever see.

And so what happens is there's this, this massive credit report that none of us know about, right. And these lenders or credit issues go get that, the data, and then they are looking at it. Comparing your application data against this. There's organizations like the small business financial exchange, a third



party data aggregator that all they do is gather data for all of the banks. It's called a gift to get. So if you were bank of America and you want to get. All the information from Wells Fargo and chase. You have to give all the information to your customers, to them through the SBFE. So you go to apply at Wells Fargo, you enter your revenues 300 grand a year.

You go to apply at bank of America. You enter your revenues 350,000 a year. When you go to bank of America, their system pulls up an alert stating that there's a difference between the revenue you've put from where they got other information from. On another bank application that you've accessed. So all this happens behind the scene. There's this crazy world that lenders are just trying to see if the application's fraud and we all get caught up in this mix and we don't even know we do, and we do it because we go to the secretary of state, we create an entity.

Then we go get an address. Then we go get a phone number. And, you know, we don't even think, we don't even remember that we need to change the address with the secretary of state. Right.

Jae Hugh: Right.

Ty: So then we apply for a loan and we say, our business name is this, or addresses this or phone numbers. This, then they pull secretary of state, they pull Lexis nexus.

They pull this other data. And it doesn't jive. It's not the same. And what kind of business owner wouldn't even know the name and address of their own location. Right. So instant denial. And so this is what happens. So fundability has to be the first step you have to understand, and that these algorithms are looking for all of these things to make sure you're a credible business.

And if you don't look legit, if you don't look credible, You're not going to get credit cards. You're not going to get loans. It's just not going to happen. So this means you need to have a real physical location for your business or. Use a virtual address, never use PO boxes, never used ups addresses. Try to stay away from home



addresses as well. Get a business phone number, get a voice over IP. Don't use mobile phones. Don't use home phones on your applications. You need to make sure that you have a fax number. If it ask for a fax number. You should have a fax number. You want a professional website. You want an email address that's

not a Gmail or AOL address you want a like. Info@creditsuite.com is my email, my website it's creditsuite.com. The two are synonymous, right? The two go together. If you have to have licenses in your industry, you should have that license in your industry. Everything you put on that application should reflect your credible and most important above all else.

Everything online needs to be congruent, Dun and Bradstreet's getting information from the yellow pages. They're getting information from your Facebook page. They're getting information from your website. And when you change your address, when you change your phone number, you don't think about changing it everywhere else, but these crawlers are comparing you against all of this other data.

So making sure that information is congruent online. That your secretary of state records reflect what's on the application. That stuff is crucial to getting approved. If you don't do that, they think it's fraud and your applications denied before it's ever even reviewed. So it has to be the first step before you even get money is to improve that fundability.

Jae Hugh: You are a thousand percent, right? Because quite frankly, for my trucking company, I incorporated in Iowa. I would think I incorporated my trucking company in Iowa. I started getting vendor accounts and I used my Chicago address. So when I went to pull my reports from Experian and Equifax, and Dun and Bradstreet, I had three freaking reports up there all because I had three different addresses.

One that the secretary of state had, and then two that the credit bureaus had and all three of them were up there. And it was just a big mess to even try to get all of it pulled together, like trying to contact these, these reporting agencies is a whole nother monster. Now. Inside of what you said with fundability you mentioned making sure your business is credible, uh, making



sure that you get even a virtual address, if you can't get like a physical location.

Right. And not using a mobile phone number. Now I know a lot of people are wondering why can't I just go to T-Mobile and get a cell phone as my business phone?

Ty: Because legitimate, credible businesses don't do that. It's that simple. The minute you put a cell phone in their system, their computer immediately.

recognizes it. As a cell phone, we use the same technology for our customers and immediately applies a red flag stating that you're using a cell phone. You get enough of these red flags. You're a fly by night. You're not even a real business. That's the way that you're perceived by them right. Now, let's look at the other way. You come in and instead of a home address you pull my address and you see it's in a high rise building in Tampa, Florida.

You see that I have a toll free number. You see that my phone number is listed with 411. I look like I have a legit business. The dude that's running with a cell phone as his business phone and a Gmail email address and a home address, right. That doesn't look like a legitimate business.

So if you put these two down, which one's more likely to get money, which one's more likely to get more money, which one's more likely to get the best terms, it's always the one that looks the most legitimate and credible. And you know, to go back to your previous point, I hope you don't mine, but a lot of people believe.

That they have a credit report. Right. And, and you don't, that's not how the world actually works. So on the consumer side, you don't have a TransUnion credit report. You don't have an Equifax credit report. You don't have an Experian credit report either. It's not what happens. What happens is we think about cyberspace with all this data's floating around in the world, right?

Yours and mine. It's Oh, we're all together. It was floating around in their systems. Then somebody pulls a credit report for you. What Experian does is they pull all this data. They believe is yours, and they put it into a report and



serve it to whoever requested the report. That's how the credit system really works.

Although most don't know this. So here's what happens in the consumer world. We recognize data it is yours through three indicators, your social, your name, and your address well automatically, if your dad is senior and you are junior, well, you already have similar names. More than likely you could possibly be in the same location.

Right. But social security numbers are applied and assigned based on okay. Where you live. So the first three of my socials, three, one zero. I don't mind telling you that because it's based on my location. K, where you are up in Chicago in that area. I don't know what the socials are like. 400 range somewhere in that range there for free and for right.

So you can look at the first three digits of somebody's social and know where they were born because the first three digits say where you were born in this country. Most don't recognize that. So if I have a junior, my son, I named him, Ty, jr. His name is cash. Cause I love money. His name's not Ty jr. But his name was Ty jr.

We're born in the same place. Our socials are similar our locations. The same. Our name is the same. This is where identity theft occurs. It's not ever somebody stole your identity. What happens is all this information. Some of it was pulled into a report that wasn't even yours to begin with. Now in the business world, we assign credit reports based on name and location.

When you go out and have multiple addresses, they create multiple credit profiles because the multiple locations. Tell them that it's a different business. So that's why that congruency of information is so important. If you don't do that, they will assign multiple credit profiles. Every time you change your address, because the address is the indicator that it is a , different kind of business, they're dealing just more insights.

So everybody understands that consumer commercial side how that works.

Jae Hugh: Right. Okay.



So now you also mentioned email addresses. Now I know a lot of people. That I've told, Hey, using Gmail, using Yahoo. Okay. It's easy. Okay. It's a platform, you know, but. I always say, get an email address for your domain that you can use on applications.

No one wants to listen to me. Maybe they'll listen to you. Why is it that an email address with your domain that you own is so important?

Ty: Well, let me ask you a question. Have you ever not done business with somebody because they used the Gmail type email address?

Jae Hugh: Me personally. Yes.

Yeah. Me, I have all the time.

I can tell you incident over incident, over incident where people have lost tens of thousands of dollars of my business, because they don't actually have, they have a Gmail address. I can tell you the most recent example, an SEO company, we're trying to find a new source for SEO. We're willing to, and to spend I think, \$40,000 a year to that company, 40 GS a year to the company.

And yet you are ruled out because you're using a Gmail address. So, first of all, from your customer's perspective, I ain't paying 40 GS a year to some dude that's using a Gmail address. It just makes me wonder about like, Your legitimacy and credibility. So let's start there from a customer's perspective.

You see most of the people that are viewing, listening to this are the same way. We've all not done business with somebody because they don't look legit because their phone numbers not legit. Okay. That's one reason. But most importantly from that, because again, these computers recognize the difference and big companies.

Don't use Gmail addresses. Think of it like this. We have the ability to create the perception we want to create to lenders. So if I want to get a loan, if I want to get a credit line, if I want to get a credit card, there's three things I want. I want to get the lowest interest rate. I want to get the most amount of money, right.



And I want to get approved, not denied. So if that's what I want, then why would I, why would I feed the lender a bunch of crappy info that makes me look like, like a, like a loser, like a Sholom, you know, like somebody that's un-established somebody that doesn't even care about what I'm doing. If I want the best approval, then I want to give them information that makes me look legit.

I don't want to say the word fool as if I'm trying to con a lender or create some kind of fraud, but I get to create the perception I want to create. And when I have a lender's computer underwriting my file, I want them to see big office building in Tampa, Florida, toll free number listed with 411 professional domain professional email.

I want to know their checklist and I want to make sure every single one of those is a check not an X. That's how I get approved for the most money at the best terms.

Okay. So now we're still talking about fundability here and we're talking about how a person can go and get the business credit cards, the business loans, the lines of credit and so forth and so forth.

Now for the, for the novice that's just getting started, right. All I have is, you know, a newly formed LLC. I mean, a lot of people know to go get an EIN nowadays, but is that all you need?

Ty: Well, basically you need to set up the components of the basic components of a business. You need to have an entity, an LLC corporation, whatever it may be, stay away from sole proprietors because sole proprietorship, you are the business.

I'm not an attorney. This isn't legal advice. But if somebody sues a sole prop, they're suing you too. And look, it's, it's one of the biggest fears we all have when we get sued by some crazy, crazy person out there. And then all of a sudden, you know, we're in thousands, tens, hundreds of thousands of dollars into a lawsuit.

So you need to make sure that you're not a sole prop, not to mention that. You get one in 7% chance of getting audited as a sole prop, one in 50 as a



corporation, I get it's it's absurd. Um, so set up an entity, preferably corporation preferably LLC. Get an EIN business credits built for an EIN. You could be a sole prop and operating business, not even have an ein, but you need to make sure that you do have an ein to build business credit, then get the basic setup.

Get that phone number, make sure it's toll free. Make sure it's listed with 411. Get the address, make sure it's a virtual address or a real physical address. So it looks like you're operating out of a real physical location. Okay. Get a fax number. If there's any application that asks you for fax any necessary licenses, get the website.

Get the email address. Everything should reflect that you're credible. If you've done all of those things, then you have the components of a business. You also want to set up a business bank account because a lot of sources will ask you for a business bank reference. If you did all those things, you have a legitimate entity and on paper, it looks like a legit company.

I mean, you're, you're, it looks like you have a good reputation, uh, and you're set up the right way where the algorithms for lenders and credit issuers will look favorably on you.

Jae Hugh: Okay. So

now after a person makes sure that they're fundable, what are they doing next?

Ty: Next, we need to start a business credit profile and score.

So the next thing we're going to do is we're going to go to, you can go to creditsuite.com/reports. And if you go to creditsuite.com/reports, there's just a free links there where you could search DNB. You could search Equifax. Don't get me wrong.

You could get credit monitoring there too, if you want it, but there's a free way you can search the bureaus. Just to see if you're set up now. Now, if you have a new business, skip the step, you don't need to do a credit report



search if you have a brand new business, but if you're not set up, then we want to at least get a DUNS number.

with Dun and Bradstreet. You can go to creditsuite.com/Duns or just go and search for a free DUNS number with Dun and Bradstreet, it's going to take you 15 minutes. To fill out that DUNS number, probably go through the DUNS # process. And you need to have the email, the address, the phone, all this stuff I told you and Dun and Bradstreet is going to call and try to sell you crap.

You don't need to get on the phone with them. Anytime you get on the phone with DNB, I promise you, they're trying to sell you crap. You don't need, they never call you for any other reason to sell you crap. You don't need. And the really good salespeople, so never get on the phone with them, but they will get you the DUNS number in 30 days or less.

And then you know what to take a step to start building an initial credit profile and score. Now there's two. Main ways you could do this. The first is no personal guarantee, no personal credit check. And it's using what are called vendors. Now with this method, your personal credit quality. Doesn't matter. Your collateral doesn't matter.

Your cashflow doesn't matter. Nothing matters. If you have a business you're able to follow this step. And what we're going to do is we're going to go to some vendors like Uline, like Quill, like Crown office supplies, like strategic network solutions. These guys sell everything from computers and networking solutions to office supplies, to shipping supplies, to outdoor work wear everything in between, we're going to go to these stores.

We're going to go put stuff in our cart. We're going to go to checkout. We're going to set up an account and we're going to choose an option. Similar language to invoice me. They all say something a little different, but that's typically how it works. Say invoice me. If we set up our business where we're fundable.

Then in almost all cases, they're going to approve you right away. If you screwed up your fundability you're like that stuff sounds boring. Yeah. I'm not going to do that. Then they may make you place two or three prepaid orders



before they'll actually approve you for a credit line, but these vendors will approve you for credit to buy stuff in their stores.

They'll give you terms like net 30, which means you have 30 days to pay them back in their entirety. Net 60 means you have 60 days to pay them back in their entirety. Net 15, 15 days to pay back that bill when it's entirety, you get the idea. So they're going to give us net 30 terms on that account. Then we got our office supplies.

We've chose invoice me. Now we get a message from them that says that they shipped it. There's no celebratory message that you got approved for a credit line. They don't tell you how much you got approved for. They just shipped your items and the shipping of your items without you providing them a payment method tells you right away that they just issued you credit.

As soon as you can pay. That account make your payment business credit scores are based on how you pay your bills. So the goal here is to get really high scores by paying the bill early. Now, if I'm using a vendor like Uline, they will allow me to pay them the minute the item ships. If I pay it before the item ships, it counts as a cash transaction, I would get no credit for it, but if I pay it after the item ships, They will take my payment and they will report it to the business credit reporting agencies.

Once I have one account report to Equifax or Experian or three to DnB, they will create a credit profile for me. And that's the combination we need. We need what are called trade lines. Which is the reporting of an account to a reporting agency. I got credit with you Uline. I paid the bill. They reported it to DNB.

I have a trade line now. Okay. That creates a credit profile. And then based on how I pay the bills, I have a credit score and now I have the trifecta. Now I have a trade line that gave me a profile that gave me a score. Now I have a foundation when I have about five accounts total, well across my three credit reporting agencies reporting, then I can move on to the next step of the process.



So we're using vendors without a credit check, without a guarantee to establish a credit profile, to establish a credit score that gives us a foundation. We're now going to springboard off of to start getting other kind of credit. That's the first way. To do this. So I want to see, do you have any questions before we talk about the second method to establish that initial credit profile score?

Jae Hugh: So, does it matter if it's net 30, net 60, net 15, does either one of those actually matter?

Ty: No,

it just gives

you more time or less time to pay the bill. To me, it's all a blessing because in the consumer world, we start with secured credit cards.

So let's, let's be honest suck butt, I don't know if I can say a word on here. So I'll go with butt instead.

Jae Hugh: Feel free.

Y: They suck, right? Because I have to give you \$500. Right. And then I get to use a credit card for \$500 to pay you interest. It's like bottle clubs in Florida. Have you ever heard of a bottle club?

Jae Hugh: No.

Ty: Okay.

Jae Hugh: No.

Ty: So being from the Midwest, Indiana never heard of it before either. Here's how bottle clubs work, you know, bottle clubs happen after the bars close bars closed at 02:30 bottle clubs stay open all night and a bottle club. I bring them my six pack of beer. They put it away in the fridge for me, and then I buy my beer back from them.

So they can't serve beer after 02:30, but they basically will let me buy my beer back. So I get to keep the party going right now. This isn't for me



because I can't even, I can't even remember a day. I partied past 02:30 in my life. It's been decades. I can assure you of that.

Jae Hugh: Right

Ty: It's the same concept.

So with, with secure credit cards, it sucks.

Cause I got to give you money in the pants. Sorry with net 30. That's actually pretty cool. It helps me. I'm starting a business now. I don't have to pay my office supplies, my shipping supplies for a month. It eases my cashflow constraints and then I'm building business credit at the same time. So a net 30 or net 55 or net 60, the longer I can go the better, but that's not determined by you.

That's determined based on the vendor's terms that you're actually getting approved with.

Jae Hugh Okay. All right. And then you said you want to get five of those across the three different bureaus now, is that, is that five total

Ty: five total across all three, if two, report to DNB, one reports to Equifax and then two more report to Experian.

That's my five total any five total.

Jae Hugh: Okay. Alright. Okay. So let's go ahead and go with step two then, or...

Ty: before we jump to step two, as you mentioned, there's a second way to do it, and that's using good credit and using a guarantee to be able to expedite this process. And we call that the credit line hybrid.

So we've got a program called credit line hybrid. If you've got a 680 FICO score or higher, you come in and we work with funding sources who will get you approved. Five or more business credit cards. Now let me say here. I oftentimes say business credit, but honestly I use the terminology incorrectly.



A business credit card requires a PG, a commercial credit card doesn't, but so in these cases, these are true business credit cards. You provide good credit. You provide a guarantee, but they'll approve you for limits equal to the highest credit limit you have now. So if I have a chase card for 10 grand, Then they'll give me a \$10,000 five, \$10,000 accounts.

So I get \$50,000 in actual revolving credit. All of it reports to the business credit reporting agencies. I get 0% interest. It's no doc, I don't need to supply any income documentation. I can take the cash out of the credit lines. Super cool. Like I'm starting a business with no doc revolving credit for up to 150,000.

And I can take the cash out at 0%. That's phenomenal. So I can expedite my business credit building now because instead of a thousand dollar Quill account and the \$2,000 Uline account. I'm starting my credit profile with five, 10,000 credit limit accounts. So now when I go to get more credit, like my limits are way higher on the future credit I'm going to get, because I chose this method.

So I gave you two paths. I gave you the no personal guarantee, no credit check. My credit is horrible. I have no revenue. I have no collateral. I'm still good route. And then I gave you the, Hey, I've got good credit. Or I have a friend family member that has good credit. They're a guarantor. I'm going to use them to springboard off of and be able to get there faster either way with five accounts reporting gets you to the next step in the process.

Jae Hugh: Okay. Now let's say there's a person that's listening right now. And they're like, you know, what Ty everything you said in fundability I've done that and everything you're saying with starting your profile and score up. I've actually got profiles, but I, I haven't been able to walk into a bank and actually get a business loan.

What can I do with, let's say a 680 credit score.

Ty: Okay. So even when you establish business credit, even when it's built and you've got 15 accounts on your credit reports, you're not going to get a loan



strictly based on that. Okay. So for example, I'm not going to go get a mortgage, a car loan, or a signature loan from my bank.

Just based on my credit score, they want to look at my income. They want to look at other factors. So when you go to get a loan from a bank, when you go to get a credit line from a bank, they're going to look at other factors other than just your business credit quality. So now we're kind of going off, we're going down a different rabbit hole, but I think it's a good rabbit hole to go down.

And this is how you get funding, how you get loans, how you get credit lines. And I call that the three C's cash acquisition formula. It's pretty simple. If you want to get cash or you want to get loans and credit lines, you want to get money for your business. You need one of three things you need collateral.

Cashflow or credit. Why call it the three CS? There are three CS cashflow, credit and collateral. You need one of those three. So if I come in and I have collateral, I have stocks, bonds, 401k, IRA. I have equipment. I have inventory. I have account receivables. Any of those things can be used as an asset to get me money.

My credit can suck. I can have no revenue. It doesn't matter if I have one. C, I don't need the other two. So I have collateral. That's my seed. The other two don't matter, cashflow credit don't matter. I'm able to come in and get low interest rate, 5% interest rate, lower credit lines and loans, just using my collateral to be able to qualify me. Or.

I don't have collateral. My credit sucks, but I have cashflow. I have consistent cashflow every month. I'm consistent on my businesses. Making money. The business is even making more and more money every month. Now I can use my cashflow to get financing where the other C's don't matter, or I could do what I just told you.

I could use my credit to get funding up to 150 grand and my cashflow and my collateral don't matter. So to get money from a lending institution or individual, you need a C. The problem with going into your bank is your bank



sucks. Like they're Wells Fargo, they're bank of America, right? Like they suck they're horrible. Now

I don't mean they're horrible because they mean to be horrible. They're horrible because they're government insured. They don't even have a choice in the matter they have to be super conservative with their risk and businesses inherently are very risky because most of us fail that's the reality. So the only way you're going to get money from your bank is if you get money from SBA.

So SBA's come into the picture and SBA says, Hey, man. We know you suck banks, so here's, what's going to happen. We're going to guarantee like 90% of the loan, like you can't lose, like Ty defaults. I'll give you 90 of the hundred Grand he borrowed back. Like you, you you're minimal. Your risk is minimal. So now to get a loan from a bank, like bank of America, Wells Fargo, what we call conventional banks.

These guys, we need to qualify for SBA. SBA, we need all three CS. We need good personal credit, good business credit. We need collateral to offset the lender's risk. We need cashflow verifiable for years' worth of tax returns. So only well established businesses ever walk in a bank and get funding, but there's plenty of alternative.

What's called. FinTech lending that takes place from online lenders that you can hang your hat on a C. So the way I look at it is this, do you have all three CS? Yes. Cashflow credit, collateral, go into your bank to get money. Do you not? But have one, then look at a funder in that space to help you. And if you have none.

That the da business credit, still the saving grace there. If you have any of the C's, or all of the 'C's, you still want to build business credit because remember it's what ultimately controls. Whether you get approved rates and terms, you pay how much you get approved for your business credit profile is going to help determine all that.

But again, It and it alone won't be used against the money. One of those three C's or all of the three C's



will,

Jae Hugh: okay.

Gotcha. So now we've went over to fundability. We've went over how to start your profile and start your score. What's next.

Ty: Now we have fun. Now we start getting into retail credit as well. I call the retail credit tier and with the retail credit tier, we're basically getting credited almost every major retailer that exists from Wal-Mart, Amazon to Sam's club and Costco to office Depot and staples to Apple and HP to best buy almost every major retailer, even Macy's and Nordstrom.

Offers commercial credit cards without a personal guarantee and credit check. And when I have five accounts on my business credit reports, these guys will start to give me approvals. Now I say, start. Because if you're our client, where we tell you this source needs this many accounts to get approved, if you're not, you're going to have to go through trial and error, you're going to have to try and get approved and realize you need seven accounts for that one and try and get approved.

And that one needed eight. And this one needs five, but you can start to get approved for retail credit. Now they're going to ask for your social to verify your identity. That's to prevent money laundering. That's a requirement from the government as of 2018, but you can say I'm not giving you permission to assign a guarantee.

I'm not giving you permission for a credit check. Now, what you're forcing the credit issuer to do is you're saying that you're saying, look, I have two credit profiles. You can't look at this one. It's my consumer. It's gone doesn't exist. You can only look at this. So then you force them to pull commercial credit profile score.

They see your fundability is not jacked up. It's all lined up. Then they see that you actually have trade lines, you have a good score, and they issue your business, the approval based on your business's ability to pay its bills based on its established business credit profile and score. And now this continues as we get more credit, more credit becomes available to us.



Without the credit check because the credit profile gets deeper. It's just like in real in consumer world, right? I mean the more money we get, the, the higher our credit limits get the, the loans become available. Mortgages become available auto loans. The more, the more we build our credit the more it becomes available.

It's exactly the same thing in the commercial world. So that second step is we start getting revolving retail credit, no more net 30 accounts. I want a revolving credit card, like a normal credit card with very high limits. Per SBA. These limits are 10 to a hundred times higher than with consumer credit, very high limits.

And we're getting it without a guarantee. Personally, no personal liability, no personal credit checks is way for our business to basically fund itself. So that retail credit tier is the next step.

Jae Hugh: Okay. Now I know somebody just dropped the phone because you said 10 to 100 times higher than consumer credit.

I know it happened, but I can say. It's definitely true. And a lot of what Ty's touched on today I've experienced myself. I've actually started a business, got vendor credit right after I started the business because I went through the proper fundability steps, then I started another business and got denied and had to make five purchases from a company like Uline and Quill.

So it's really, it really comes down to that particular person. So now they've done fundability they've started the profile, started the score. They've got vendor accounts, they've got retail credit and somebody is still saying Ty, but I've just started my business yesterday. And I don't, I don't have time to wait a year or two years to be able to work my way to cash credit that I can use for my business on anything I want.

What's your response?

Ty: Well, my response is what do you honestly need to buy that you can't buy at Amazon or Walmart? Because we've got vendors for our clients where you can get websites, you can get marketing, you can get SEO. So from what I



found in my experience, almost anything you need to buy, you could buy at a retailer except for payroll.

And let's be honest. You're just starting your business. You don't even have payroll to pay yet. So everybody wants to get to a visa card. Everybody wants to get to a MasterCard. Everybody wants to get to the end result, but the reality is that's not what you want. You don't want a "card" you can use the buy everything.

What you want is 10 cards that you can use to buy stuff at Amazon buy stuff at Walmart, because that gives you 10 trade lines that are actively showing activity on your credit report. That's the key to getting the loans you want. That's the key to getting the credit lines. If I pull your business credit report and I see a visa card.

Who cares. You have an account that you pay as agreed. If I see that you have 10 accounts on there, you have office supplies, then this is what's going to get my approval's higher. This is why more people we're going to want to give me credit. But again, I come back to the same point. What do you honestly need visa card for that you can't buy at Amazon or Wal-Mart?

85 to 90% of everything you need to buy. You could buy at retail credit and get it in 60 days into starting a business and the stuff you need a Visa Card or MasterCard for keep working through the rest of the steps to get there. If you're doing it on your own can take you two to three years. If you're working with a company like us, you get there in six months to the very end.

So you could still build to the visa card MasterCard, but we're talking about a couple months into your business. You're getting 10, \$20,000 limits at Amazon at Walmart, where you could buy most of what you need to buy for that business.

Jae Hugh Now, correct me if I'm wrong. Amazon actually has a business card now, too.

Right?



Ty: Yep. They have, they have a business card, they have an Amazon corporate card. They have their own credit line. They have through, uh, through Marcus, uh, through Marcus brand, through Goldman Sachs. They have a loan through SBA. So Amazon has a lot of funding options, especially if you're a Amazon seller.

Jae Hugh: Okay. So now I know we're coming up to a close here and I know a lot of people just got hit over the head with a bunch of value bombs. They're going to have to go back and listen to it two or three times, but. Before we, before we sign off here, uh, For people who want to work directly with you, they know they know how to come work with me.

Right. But for people who want to come work directly with Ty and creditsuite, where do they need to go?

Ty: Well, we've got the free guide at creditsuite.com/EIN. If they go to creditsuite.com/EIN, there's a great guide that maps out the steps to building business credit. We haven't got a lot of time here to talk about fleet credit, how to get

credit to fuel vehicles, how to get auto financing, how to get visa card MasterCard, and by the way, just to get you there. So, you know, before we wrap up visa, MasterCard, same process, it's just fleet credit cards. Take eight accounts reporting to get a visa. MasterCard takes 14 accounts reporting to get bottom line business credit.

Building's all about the number of accounts. The more accounts you get. The more kinds of credit and financing become available for you that guide at creditsuite.com/EIN maps out the exact steps to be able to do it and our phone number. All of our contact info is in that guide as well.

Jae Hugh: Okay.

And if you didn't catch that link it's creditsuite.com/EIN that link along with every other link that Ty just mentioned in this episode, will be in the show notes. Ty, I want to thank you for stopping through and really blessing us with a bunch of information that I know I needed and my listeners needed as for the listeners.



I want to thank you for joining us again today and remember good, better, best. Don't let it rest, until your good is better... And your better is best. Peace.