



The D&B Viability Rating™

Quick Guide



The D&B Viability Rating is a new evaluation tool that offers a comprehensive assessment of whether or not to do business with a company. Only the D&B Viability Rating combines the most comprehensive measures of risk to deliver a highly reliable rating analyzing the current and future health of a business.

5 **Viability Score**
based on a scale of 1-9 (1=best, 9=worst)

Assesses the probability that a company will no longer be in business, within the next twelve months, compared to all US businesses within the D&B database.

- Voluntary or involuntary going out of business
- Becoming dormant or inactive
- Filing for bankruptcy

Viability Score Projected Performance Table

VIABILITY SCORE	PERCENT OF TOTAL	OUT OF BUSINESS (BAD) RATE	CUMULATIVE PERCENT OF TOTAL	CUMULATIVE PERCENT OF BADS CAPTURED	CUMULATIVE OUT OF BUSINESS (BAD) RATE
9	1%	65%	1%	3%	65%
8	8%	42%	8%	27%	44%
7	14%	27%	23%	55%	33%
6	30%	13%	53%	83%	21%
5	14%	7%	67%	91%	18%
4	14%	5%	81%	96%	16%
3	15%	3%	96%	100%	14%
2	4%	2%	100%	100%	14%
1	0.3%	0.2%	100%	100%	14%

8 **Portfolio Comparison**
based on a scale of 1-9 (1=best, 9=worst)

Assesses the viability of a company, compared to similar businesses, within the same model segment. The type of data used to classify these segments is:

- Available financial data
- Limited trade payments
- Established trade payments
- Firmographics and business activity

The difference between the Viability Score and Portfolio Comparison?

Viability Score assesses the probability that a company will no longer be in business within the next 12 months, compared to all U.S. businesses within the D&B database. Best used when ranking all businesses within your portfolio.

Portfolio Comparison refines the viability assessment of a company, comparing it only to businesses assigned a similar D&B "model segment" classification, which is determined by the amount and type of data available. Here, businesses are only ranked along with other businesses that provide financials, have 3+ trades, have 1 or 2 trades, or have no trades.

Model Segment: Available Financial Statement Data

PORTFOLIO COMPARISON	PERCENT OF TOTAL	OUT OF BUSINESS (BAD) RATE	CUMULATIVE PERCENT OF TOTAL	CUMULATIVE PERCENT OF BADS CAPTURED	CUMULATIVE OUT OF BUSINESS (BAD) RATE
9	2%	7%	2%	28%	7%
8	4%	2%	6%	43%	4%
7	10%	1%	16%	61%	2%
6	8%	1%	24%	70%	2%
5	11%	0.5%	36%	79%	1%
4	13%	0.3%	49%	86%	1%
3	15%	0.2%	64%	92%	0.8%
2	14%	0.2%	77%	96%	0.7%
1	23%	0.1%	100%	100%	0.6%

Model Segment: Limited Trade Payments

PORTFOLIO COMPARISON	PERCENT OF TOTAL	OUT OF BUSINESS (BAD) RATE	CUMULATIVE PERCENT OF TOTAL	CUMULATIVE PERCENT OF BADS CAPTURED	CUMULATIVE OUT OF BUSINESS (BAD) RATE
9	1%	45%	1%	5%	45%
8	15%	17%	17%	29%	19%
7	2%	14%	19%	32%	19%
6	25%	13%	43%	60%	15%
5	15%	10%	59%	74%	14%
4	11%	9%	70%	83%	13%
3	11%	7%	81%	91%	12%
2	12%	6%	93%	97%	11%
1	7%	4%	100%	100%	11%

Model Segment: Established Trade Payments

PORTFOLIO COMPARISON	PERCENT OF TOTAL	OUT OF BUSINESS (BAD) RATE	CUMULATIVE PERCENT OF TOTAL	CUMULATIVE PERCENT OF BADS CAPTURED	CUMULATIVE OUT OF BUSINESS (BAD) RATE
9	3%	23%	3%	13%	23%
8	13%	11%	16%	37%	13%
7	14%	7%	30%	56%	10%
6	9%	5%	39%	65%	9%
5	11%	5%	50%	74%	8%
4	11%	4%	62%	82%	7%
3	11%	3%	73%	89%	7%
2	16%	3%	89%	97%	6%
1	11%	2%	100%	100%	5%

Model Segment: No Trade Payments Available

PORTFOLIO COMPARISON	PERCENT OF TOTAL	OUT OF BUSINESS (BAD) RATE	CUMULATIVE PERCENT OF TOTAL	CUMULATIVE PERCENT OF BADS CAPTURED	CUMULATIVE OUT OF BUSINESS (BAD) RATE
9	3%	58%	3%	10%	58%
8	12%	36%	15%	39%	40%
7	9%	23%	25%	53%	33%
6	12%	18%	37%	67%	28%
5	13%	13%	50%	78%	24%
4	17%	10%	67%	89%	20%
3	11%	7%	79%	94%	19%
2	14%	5%	92%	98%	17%
1	8%	3%	100%	100%	16%

How to Read the Tables

Viability Score: Ranges from 1 to 9, with 1 representing least likelihood and 9 representing highest likelihood of going out of business.

Percent of Total: The percent of U.S. businesses within D&B database that have a specific Viability Score.

Out of Business (Bad) Rate: The percent of U.S. businesses expected to go bad over next 12 months.

Cumulative Percent of Total: The cumulative percent of U.S. businesses within the D&B database that fall within a Viability Score range. For example, 23% of U.S. businesses have a Viability Score of 7-9.

Cumulative Percent of Bads Captured: The cumulative percent of bads captured within the score range. For example, 55% of all businesses that go bad have a Viability Score of 7-9.

Cumulative Out of Business (Bad) Rate: The cumulative bad rate within a score range. For example, across all score ranges 1-9, 14% of all businesses are projected to go bad. Across score ranges 7-9, 33% of all businesses are projected to go bad.



Data Depth Indicator
based on a scale of A-M

Represents the level of predictive data available for a company.

This indicator is based on a scale from **A – G**, where A indicates the greatest level of predictive data, such as financial statements, and G reflects a minimal level of data, such as firmographics only.

Special categories H-M are assigned to businesses with special risk circumstances such as bankruptcy, business deterioration, severe risk and others.

- Commercial trading activity
- Financial attributes
- Firmographic data

Data Depth Indicator Detailed Table

DATA DEPTH	DESCRIPTION	LEVEL OF INSIGHT	
A	Rich firmographics, extensive commercial trading activity, and comprehensive financial attributes	Robust Predictions	Predictive ↑ Descriptive
B	Rich firmographics, extensive commercial trading activity, and/or basic financial attributes		
C	Rich firmographics, extensive commercial trading activity, and no financial attributes	Decision Support	
D	Rich firmographics, partial commercial trading activity, and no financial attributes	Directional	
E	Rich firmographics, sparse commercial trading activity, and no financial attributes		
F	Basic firmographics, trace commercial trading activity, and no financial attributes	Basic	
G	Basic firmographics, and no trade or financial attributes		
H	Out of business		
I	Unable to confirm		
J	Bankruptcy		
K	High-risk - Severe risk		
L	Self-reported DUNS Support Record		
M	Business deterioration –Severe Risk		



Company Profile
based on a scale of A-Z

Examines how established a company is based on a combination of categories including financial data, trade payments, and demographics on the different categories within the profile include:

- Financial data
- Trade payments
- Years in business
- Company size (number of employees or sales)
- Firmographic Data

A	Financials, large, established	N	1-2 Trade, large, young
B	Financials, large, young	O	1-2 Trade, medium, established
C	Financials, medium, established	P	1-2 Trade, medium, young
D	Financials, medium, young	Q	1-2 Trade, small, established
E	Financials, small, established	R	1-2 Trade, small, young
F	Financials, small, young	S	No Trade, large, established
G	3+ Trade, large, established	T	No Trade, large, young
H	3+ Trade, large, young	U	No Trade, medium, established
I	3+ Trade, medium, established	V	No Trade, medium, young
J	3+ Trade, medium, young	W	No Trade, small, established
K	3+ Trade, small, established	X	No Trade, small, young
L	3+ Trade, small, young	Y	Branch
M	1-2 Trade, large, established	Z	Subsidiary

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