

What Is a Credit Reporting Agency?

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A credit reporting agency is a company that collects and sells consumer and commercial trade credit reports. The database these agencies maintain ensures that information is available on most businesses in the United States. The cost of the services offered by credit reporting agencies vary. The cost of each credit report depends on a number of factors including:

- The type of report ordered,
- The quantity of reports ordered annually,
- Whether the service is "pay as you go" or on an annual contract,
- Whether the report is on a domestic or a foreign customer, and
- The creditor company's ability to negotiate effectively with the reporting agency.

Typically, credit reporting agencies offer:

- Quantity discounts based on usage,
- Allow subscribers to carry over a certain percentage of their unused reports each year,
- Allow subscribers to order reports on companies not found in the credit reporting agency's database,
- Offer discounts to subscribers that share payment information with the credit reporting agency.