

# Do-it-Yourself Guide



## **7 RED FLAGS**

**WHEN CHOOSING A CREDIBLE AND CAPABLE CREDIT REPAIR COMPANY**

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## *7 red flags to consider when choosing a credit repair company*

On more than one occasion, I've been asked, "How can I tell if I'm working with a good credit repair company?" That can be a difficult thing to determine but there's certainly some red flags that you will want to consider when choosing a credit improvement company to work with.

**#1. No mention of license and bond.** Depending on each state, All "legal" credit repair companies must be licensed with that state and carry a bond. In Texas, the bond amount is set to \$10,000. A credit repair company must be licensed and bonded in the state where it maintains a physical presence. IMC USA is licensed and bonded in Texas. Texas provide a means to search on the Texas Secretary of State website. Here's the link:

<https://direct.sos.state.tx.us/cso/CSOSearch.asp>

IMC USA is licensed and bonded in Texas under our corporate name: Buyer Development Services.

**#2. Promises of results or a specific outcome** - (IE. I will increase your score 100 points in 90 days). It is illegal and/or deceptive for a credit repair company to talk about what items they can delete and how much score they can increase. All that a legitimate credit repair company can say is that they will verify the accuracy and timeliness of items reporting on someone's credit. If those items are found to be inaccurate, unverifiable, or outside of the time frames allowed, then they are SUPPOSED to be removed. Even then, you cannot MAKE the credit bureau delete an item. The credit bureau could decide to ignore your requests to correct the information (Something they do all the time) and not delete the inaccurate item leaving the consumer with only legal action as a recourse.

Thus, any promises of what can be deleted and how much scores can be increased is, at best deceptive, and at worst, illegal. All IMC USA staff is tested and certified by NACSO (see #6) to ensure what is said by all staff members and marketing material is in compliance. Every phone call is recorded and we regularly review random calls to check that what is being stated to our potential clients, clients, and affiliates is in compliance with state and federal law.

**#3. No reporting/monitoring system** – can the client monitor their progress online 24/7? Do they receive monthly in-depth reviews of their account that give them guidance? An absence of an online portal these days is a big red flag. Each month, all IMC USA clients receive a thorough review which is provided on-line and is accessible 24/7. Each month every IMC USA client receives a call to discuss their analysis to answer any questions they might have.



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**#4. Unresolved complaints with the BBB** - The BBB (in Houston) refuses membership to credit repair companies simply because of our industry. So, membership is a none issue. Even the NUMBER of complaints filed is somewhat irrelevant as there's no way to know how many customers a company handles.

For example:

Improve My Credit USA has served thousands of customers and we've had a total of 5 complaints. That's tremendously low considering the volume of clients served. Now, if we had had only 50 clients... that would be entirely different.

The most important thing about the BBB business file is the complaint history. How many UNRESOLVED complaints does the company have filed against them? An unresolved complaint is most certainly a red flag and many unresolved complaints is a sure sign of trouble. 100% of the complaints that were ever filed against IMC USA were satisfactorily resolved.

**#5. Numerous bad reviews** - A simple Google search for reviews reveals a lot. Study them in multiple locations and preferably in places that "manage" their reviews (Like Customer Lobby) so that they are filtered for fake reviews.

It's an imperfect system but places like Customer Lobby, Yelp, etc. do monitor the reviews and at least have SOME integrity to them verses Google where anyone can create 100 different accounts and post any old review they want (positive or negative). A company that has suspicious sounding reviews (Like they were written from the marketing brochure) is also a red flag. We have 36+ 5 star reviews on customer lobby and each of those persons are able to be contacted through Customer Lobby's system. It keeps EVERYONE honest (Clients and company alike.)

**#6. No industry affiliations or certifications** - If a company has no association with the National Association of Credit Service Organizations (NACSO) or similar, that is a big red flag. NACSO reviews all marketing content, contracts, websites, sales scripts, etc. to make certain that its members are operating within the confines of the law. Additionally, NACSO provides testing and certification for credit consultants so that their knowledge level meets the necessary range to be able to discuss credit intelligently. All Improve My Credit USA staff is tested and certified through NACSO.

**#7. Small or non-existent support staff** - This would be one that most people fail to consider but probably is the biggest indicator of future issues. MANY credit repair companies are 1 or 2 man operation. They start out with a single person who is well meaning and has good intent and probably even very knowledgeable. They have short term success and grow rapidly. Soon they find themselves overwhelmed and unable to support all the issues that come up when running a business. The smart, knowledgeable credit consultant then finds themselves trying to do accounting, marketing, etc., and the spinning plates start to crash to the floor.

Improve My Credit USA is far from a HUGE company but has a large team (more than 1 person in each department) and we handle multiple hundreds of leads a month bringing in hundreds of customers a month. During any given month we will service thousands of clients. This demonstrates the capacity for systematization and a business that is system dependent rather than people dependent. Even the most well intentioned individual can get swallowed up by the day to day of running a business when their skill set only qualifies them for dispute work.