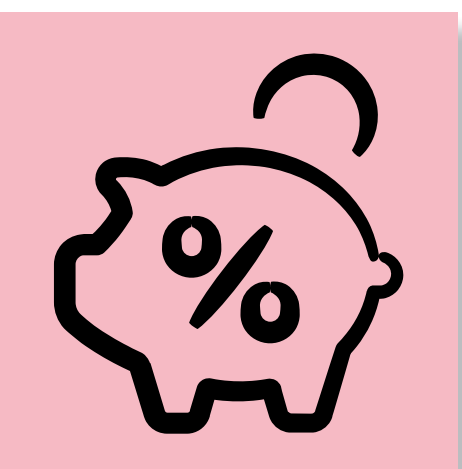
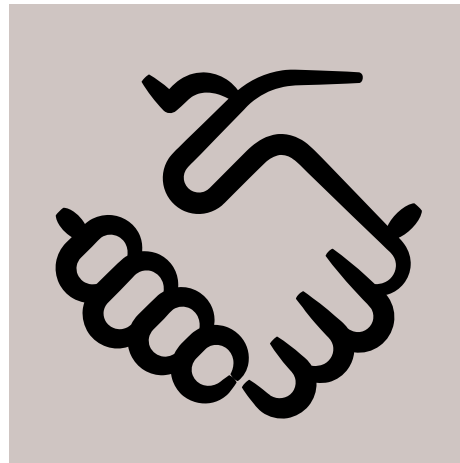
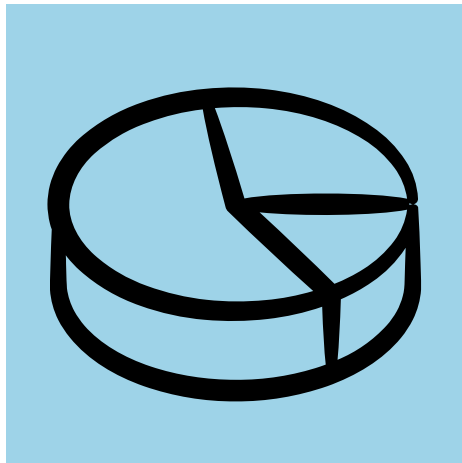


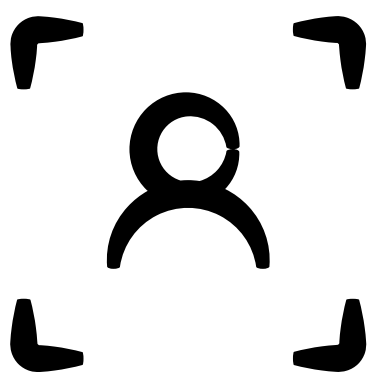
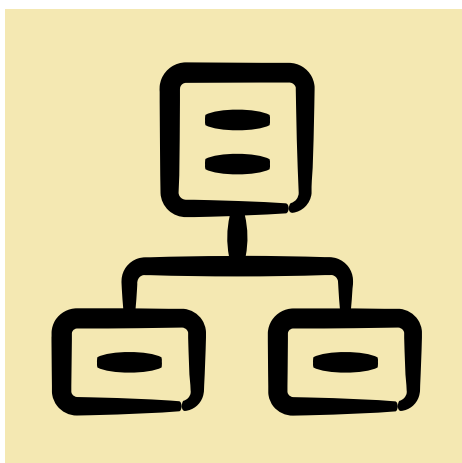
# BUSINESS

MONEY • WORK • KNOW-HOW

MONDAY, AUGUST 15, 2022 • SECTION D



**ACROSS MINNESOTA, 94 FRANCHISE BUSINESSES ARE EXPECTED TO OPEN THIS YEAR.**



## TO BE NO. 95, WHAT'S FIRST? A SELF-ASSESSMENT.

By PATRICK KENNEDY • patrick.kennedy@startribune.com

Even amid a lingering pandemic and the prospect of a recession, people are still willing to break out on their own to start their own businesses. Some people might not realize that many McDonald's, Dairy Queens and Hallmark stores are owned by local owners, not the national corporations. It's called franchising, and it's a popular option for people who get the itch to be their own bosses. Minnesota added 118 franchise businesses in 2021, according to the International Franchise Association Minnesota. The organization expects another 94 this year. Nationally, the franchise association expects about 17,000 new franchise locations to open this year, increasing the total to more than 792,000. The first question to ask when deciding whether to pursue owning a franchise seems an obvious one, but it's also perhaps the most important.

See **FRANCHISING** on D6 ►

## Equifax error should lead to clearer disclosure of credit scores

By MICHELLE SINGLETARY  
Washington Post

Let's hope a huge mistake by Equifax will lead to something consumers should have access to for free — the exact credit scores lenders use to determine their creditworthiness.

Equifax, one of the three major credit bureaus, acknowledged this month that from March 17 to April 6, a coding error resulted in the possible miscalculation of data used in credit model calculations.

The credit bureau said the issue was fixed by April 6 and

that credit reports were not changed as a result of this issue. Only a small number of consumers may have received a different credit decision as a result of the coding issue, the company said in a statement.

But then came this revelation.

“Our data shows that less than 300,000 consumers experienced a score shift of 25 points or more,” Equifax said. “While the score may have shifted, a score shift does not necessarily mean that a consumer's credit decision was

negatively impacted.”

Yeah, but if some consumers' scores did shift down by 25 points during those three weeks, that could have led to a loan that was significantly more expensive or denied.

Let's say a lender uses the FICO scoring model in which

credit scores range from a low of 300 to a high of 850. A credit score that would have been 700 but was erroneously reported as 675 could have landed a borrower in a pricing tier that ultimately resulted in a higher interest rate.

See **SINGLETARY** on D6 ►