

# Bellen Container Corporation (d/b/a Packaging By Design)



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1 year PD  
26.55% to 60.78%

Headquarters	Bartlett, IL	U.S.
Type	Private (Non-PE)	
Employees	<50	
Year Founded	1983	
Website	https://packaging-by-design.com	
Business	Custom flexographic printing and flexible packaging solutions.	
Revenues	\$6.1M	

## Company Overview

- Company Overview:** Bellen operating as Packaging By Design, specializes in custom flexible packaging solutions.
- Product:** Flexographic printing, lamination, slitting, and preformed bags.
- Customers:** Serving industries such as food, pharma, and consumer goods, the company provides tailored packaging solutions to businesses prioritizing branding, product protection, and eco-friendly materials.
- Ownership:** Privately held (w/o PE), and led by key principal Chuck Graziano, reflecting a founder-driven/family-owned business model with a general focus on long-term operational growth.
- Debt Structure:** Per 12/2023 they had 3 separate lines of credit (~\$1.8mn UPB, \$3mn remaining capacity (joint)). All unsecured, and subject to prime rate with a floor at 3.5%. 1.25x DSCR covenant applied, yet all of them were set to mature in 2024. \$1.6mn UPB in other, LT bank debt due 25/34.
- Basis for Assessment:** FY-21 through FY-24 CPA compiled, and commented financials. We were leaning mainly on FY-24 for this assessment, even though the financials were 'just' company-prepared, and uncommented.
- Other (pros/cons):** Bellen faces severe liquidity and solvency risks, with negative equity and rising debt heightening default concerns. Immediate corrective actions are critical. Operational inefficiencies, declining margins, and an unresolved legal dispute (filed in 12/2024 by ITRIA) over a contract with ITRIA Ventures, LLC amplify financial distress risks, requiring urgent strategic and financial restructuring. Itria Ventures is a nondepository credit intermediary that was involved in an FTC lawsuit. The FTC alleged that Itria and its parent , Biz2Credit, deceptively advertised the processing time for emergency PPP loans. Liabilities > Assets = technical insolvency.

## Financial Snapshot

	Dec-21	Dec-22	Dec-23	Chg
\$ '000s	T12	T12	T12	%
Total Revenue	5,278	7,652	6,533	-14.6%
Gross Profit	506	1,564	1,214	-22.4%
Adjusted EBITDA	254	1,069	557	-47.9%
Gross Profit Margin	9.6%	20.4%	18.6%	-1.9 ppt
EBITDA Margin	4.8%	14.0%	8.5%	-5.4 ppt
Net Income	53	883	143	-83.8%

## Financial Ratio Benchmarking

# of Benchmarks:		52			
	Revenue	Industry Median	Company Metric	Percentile Rank	
		\$98M	\$6M		
Liquidity	Current Ratio	1.89	0.46	<div></div>	10%
	Quick Ratio	1.19	0.34	<div></div>	12%
Leverage	Net Debt / EBITDA	3.10	n/a	<div></div>	0%
	Debt to Assets	43.0%	73.0%	<div></div>	16%
Profitability	EBITDA Margin	9.7%	-8.3%	<div></div>	0%
	ROCE %	7.4%	173.3%	<div></div>	100%

# of Industry Benchmarks

52

Company Financials Date

Dec-24

Industry Benchmarks - Primary: Paper and Plastic Packaging Products and Materials | Secondary: Commercial Printing

## Business Risk

Industry Group Risk Profile		Containers And Packaging		20%	4.5	to	6.5
Industry Risk Assessment		KPI Rating	Contribution	Industry Group Description			
Cyclicality		Intermediate risk	<div></div>	Entities that derive the majority of their revenues from plastic, paper, metal, and glass packaging products, from rigid containers to flexible films, used for packaging food, beverages, and other consumer products (such as cosmetic and personal care products); health care and medical products; and, to a lesser extent, industrial products.			
Competitive Risk		Intermediate risk	<div></div>				
Global Industry		Intermediate risk	<div></div>				
Market Segment Outlook		Stable	<div></div>				
Competitive Position Profile		Containers And Packaging		50%	4.5	to	6.0
Competitive Position KPIs		KPI Rating	Contribution	Rating Guideline			
Cycle-Tested		< 2000	<div></div>	Navigated multiple economic down-cycles.			
Market Position		Satisfactory	<div></div>	Competes in average markets with balanced supply/demand.			
Material Type (Substrate)		Satisfactory	<div></div>	Focused on common materials like basic plastics or paper.			
Product Differentiation		Satisfactory	<div></div>	Limited differentiation, minimal unique designs.			
Product Offering		Satisfactory	<div></div>	Limited range, less value-added features.			
Customer Diversity		Satisfactory	<div></div>	High concentration but manageable due to product specification.			
Material Diversity		Satisfactory	<div></div>	Limited to one main type of material.			
End Market Diversity		Satisfactory	<div></div>	Limited diversity, vulnerable to market swings.			
Geographic Balance		Satisfactory	<div></div>	Regional presence, limited to specific markets.			
Management, Governance, Sponsorship				30%	4.5	to	5.5

## Anchor Modifiers

Modifiers			
Fixed Cost Coverage Risk	Risk Flag	<div></div>	FCCR of -0.03x
Other Modifier	Risk Flag	<div></div>	Adjustment to get them to 2.5, as they haven't filed yet.

## Rating Range (Rounded)

2.0

to

3.0

Weight	Rating Range		
75%	2.0	to	3.0