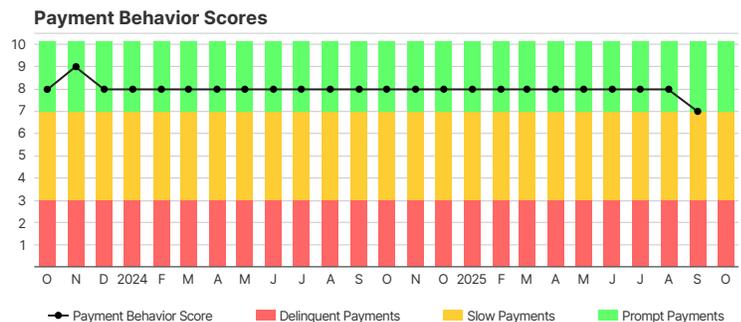# First Brands Group

Overview

First Brands Group, a large privately-held auto parts manufacturer, filed for Chapter 11 bankruptcy protection on Sept. 28, 2025, exposing its partners and suppliers to nearly $1 billion of financial risk exposure.

Though the Payment Behavior Score failed to indicate any issue, the SupplyChainMonitor™ platform identified the company as high risk 12 months prior to bankruptcy and informed clients so they could take early action to mitigate risk.

Traditional Warning Methods Failed

First Brands Group was experiencing serious financial stress. Despite this, its Payment Behavior Score rating remained satisfactory because the company continued to make scheduled payments. This "cloaking effect" makes the Payment Behavior Score a less effective stress predictor for private companies.

Payment Behavior Scores

O N D 2024 F M A M J J A S O N O 2025 F M A M J J A S O

—●— Payment Behavior Score ▬ Delinquent Payments ▬ Slow Payments ▬ Prompt Payments
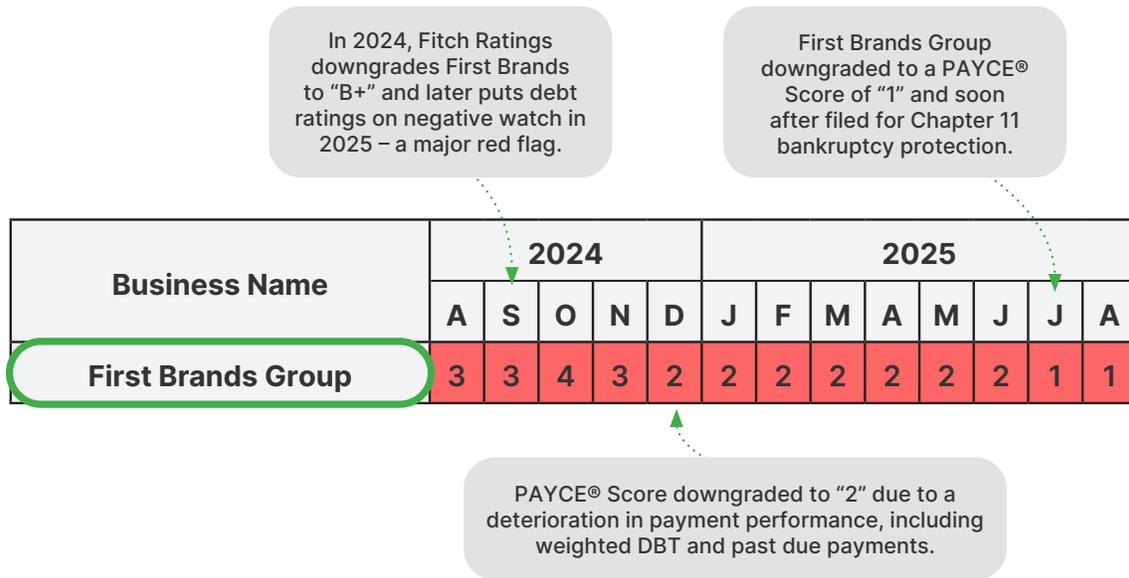
Identifying Trouble in Time to Mitigate

Our proprietary PAYCE® Score began signaling that First Brands Group was experiencing financial stress more than a year before they filed for bankruptcy. The timeline below illustrates the score's steady decline from August 2024 through the bankruptcy filing in July of 2025. Scores below 5 indicate elevated risk, with the lowest numbers indicating the most severe financial distress.

The PAYCE® Score uses trade payment data, U.S. Federal tax lien data and company firmographic data to deliver the industry's most accurate predictions of private company failure. It is 80% accurate in predicting failure over a 12-month period.

Through the PAYCE® Score and other data, the SupplyChainMonitor™ platform identified that the company had some late payment behavior and carried higher than average balances. Enhanced News Alerts called out credit downgrades, largely due to refinancing risk and the potential of a debt restructuring.

> In 2024, Fitch Ratings downgrades First Brands to "B+" and later puts debt ratings on negative watch in 2025 – a major red flag.

> First Brands Group downgraded to a PAYCE® Score of "1" and soon after filed for Chapter 11 bankruptcy protection.

Business Name	2024					2025							
	A	S	O	N	D	J	F	M	A	M	J	J	A
First Brands Group	3	3	4	3	2	2	2	2	2	2	2	1	1

> PAYCE® Score downgraded to "2" due to a deterioration in payment performance, including weighted DBT and past due payments.

Key Takeaway

Supply and procurement professionals can achieve ROI on the SupplyChainMonitor™ service after only one disruptive event or bankruptcy. Armed with the clearest possible view of your suppliers' financial health, you are empowered to take the right actions at the right time to mitigate risk and secure your supply chain.

GET A PAYCE® Score fact sheet.