



LOWENSTEIN BANKRUPTCY LOWDOWN

Lowenstein Bankruptcy Lowdown

Video 5- 2022 Bankruptcy & Restructuring Outlook

By [Brent Weisenberg](#)
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Brent Weisenberg: Hi, my name is Brent Weisenberg. I'm an attorney at Lowenstein Sandler in the Bankruptcy & Restructuring practice. Inevitably, people ask me two questions: Number one, can you help me discharge my student debt? And number two, what's going on with the economy? Well, we're two years into the COVID pandemic, and you would think my Magic 8 Ball would be working, but unfortunately it's not. But neither is anyone else's. We live in a great period of uncertainty, where "the new normal" isn't even normal yet. And so the question everyone asks is a great one: What companies are going to survive and what will fall by the wayside? Well, let's take a look back in order to look forward.

To begin with, the government pumped millions, if not billions of dollars, into the economy, and guess what? It worked. Hundreds if not thousands of jobs were saved, companies continue to thrive, and now more than ever are flush with liquidity. And so, inevitably, companies continue to survive, even if the business model they're working from isn't exactly working. In addition to that, we're adjusting to a new normal in terms of what I'll call "the Amazon effect." I didn't name it—it's been around forever—but the question becomes: How long is this going to last? And what it appears is, for a really long time, because what we're seeing is that people, especially in this pandemic, are more comfortable than ever buying from home. There are no more concerns about using your credit card from home and having your identity stolen. This is the way the economy works. And so with that becomes a reluctance to go to brick-and-mortar stores, a) because of health concerns, or b) people just don't want to make the trip out when they have their entire world at their fingertips. And so what we're seeing are brick-and-mortar stores facing expenses what other competitors don't.

And so now especially, we keep our eye on those kinds of retailers that are forced to spend millions of dollars on infrastructure that may be suspect and may not last throughout this pandemic. And so now more than ever, what we see is the haves and the have nots, the tech companies with millions if not billions of dollars prepared to survive and the others potentially living on government stimulus. And so here at Lowenstein, we're hyper-focused on those companies and those sectors. And we'll continue to keep our eye out on those and others. Until then, we urge you to stay tuned to the Lowenstein Lowdown, which we produce on a monthly basis, where we can provide you with information, and share our knowledge about the bankruptcy world. Until then, thanks for listening.