

Weekly Bankruptcy Analysis

January 25 – 31, 2021

Written by:

Ed Flynn¹

American Bankruptcy Institute; Alexandria, Va.

Total filings were down by 34 percent during the week ending January 31 compared to the same week last year.² Despite the decline, this was the highest weekly total for filings since the last week of October 2020.

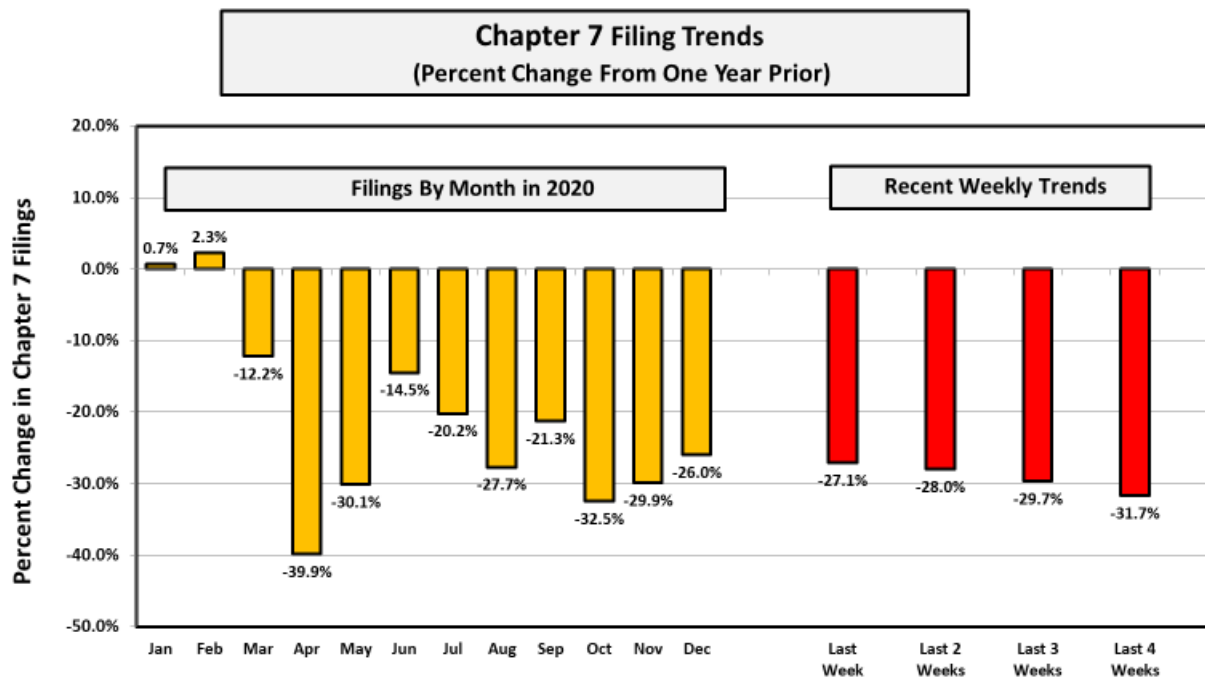
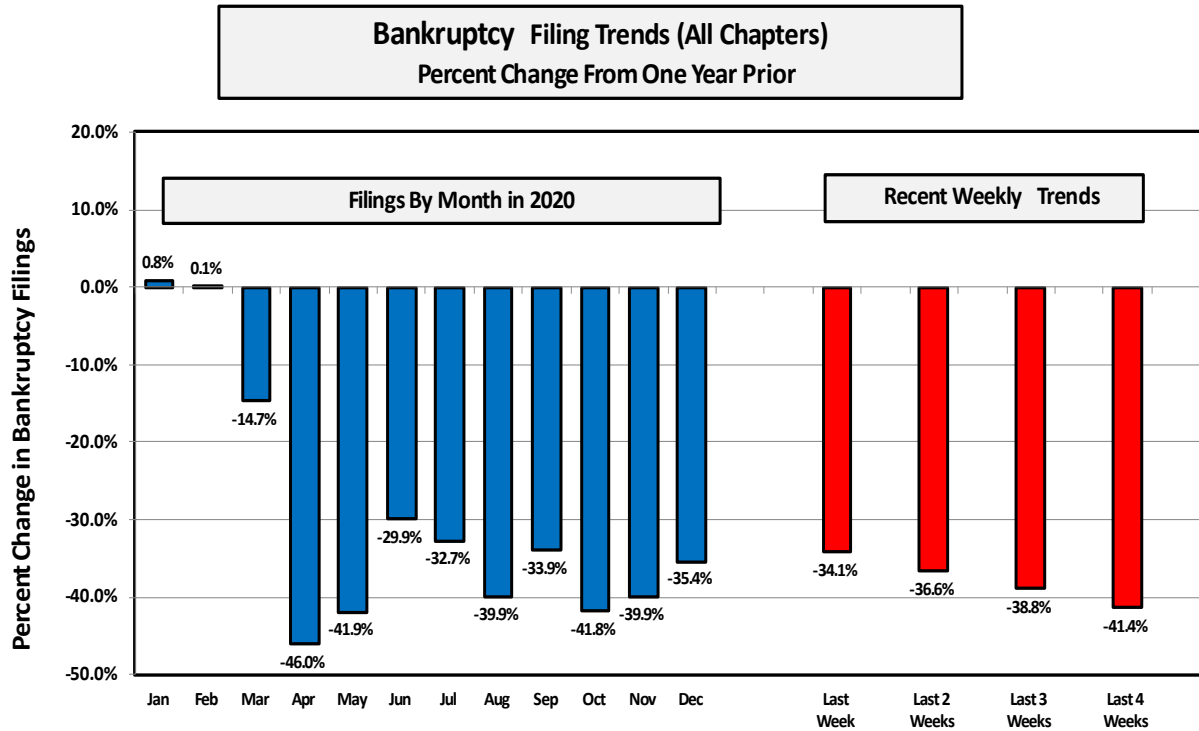
Bankruptcy Filings January 25 - 31, 2021		
Type of Case	Number Filed	Percent Change From Same Week Last Year
Total	10,992	-34.1%
- Chapter 7	7,759	-27.1%
- Chapter 11	286	127.0%
- Chapter 13	2,900	-50.9%
- Other Cases*	47	235.7%
* Chapters 9, 12 and 15		

The large increase in chapter 11 filings during the week was a result of the filing by workspace provider Knotel, Inc., which filed in Delaware on January 31 along with 213 related entities.

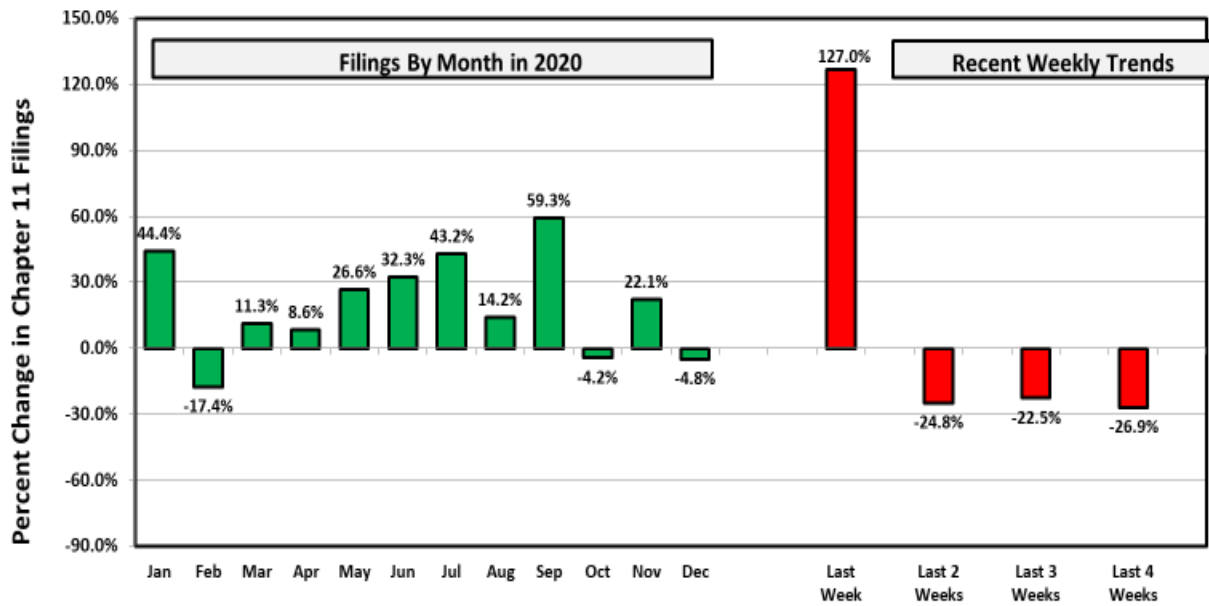
¹ Ed Flynn is a consultant with ABI and serves as a coordinating editor for the *ABI Journal*. He previously worked for more than 30 years at the Executive Office for U.S. Trustees and the Administrative Office of the U.S. Courts.

² These figures are from PACER and are subject to change. See <https://www.pacer.gov/>.

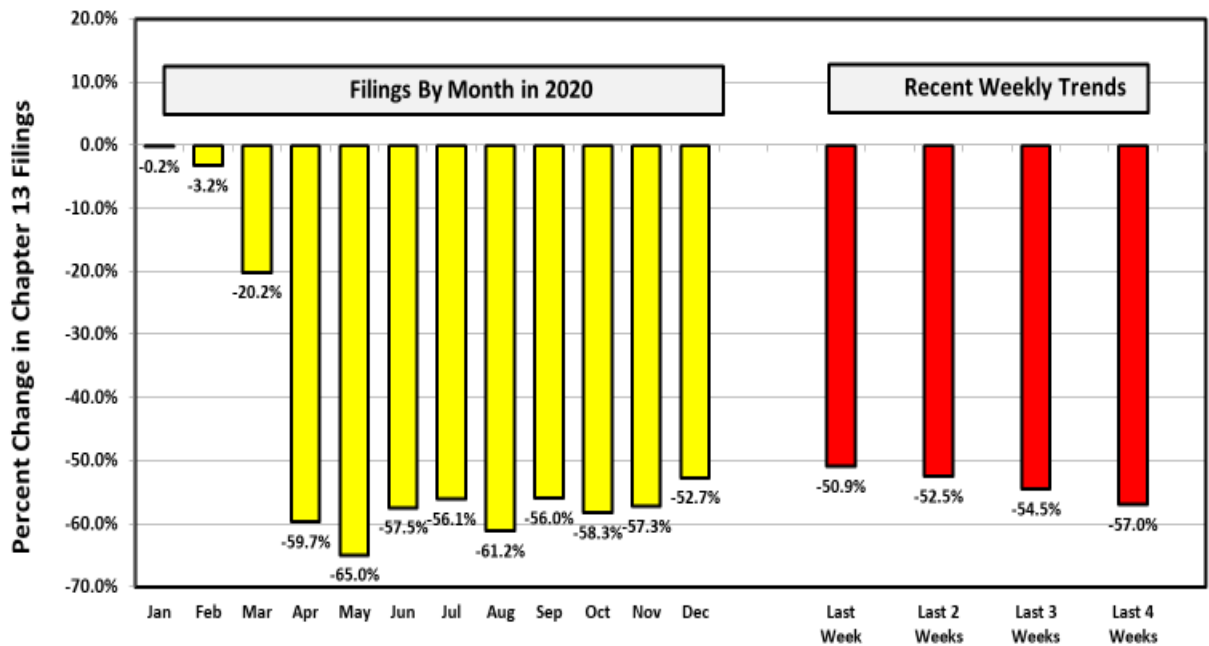
The following charts show filing trends by chapter since the beginning of 2020. Filings dropped sharply around the middle of March 2020 due to the pandemic.



Chapter 11 Filing Trends (Percent Change From One Year Prior)



Chapter 13 Filing Trends (Percent Change From One Year Prior)



Chapter 11 Cases

Chapter 11 filings were up sharply during the week, but more than 80 percent of the filings were actually related filings by subsidiaries within a corporate group. Excluding related filings, chapter 11 cases would have been down by nearly one-half from the same week last year.

Types of Chapter 11 Cases Filed		
	January 25 - 31	
	2021	2020
Total Filed	286	126
Solo Cases	42	82
Parent cases	6	6
Child cases	238	38
<i>Filed By Individuals</i>	12	30
Subchapter V Cases	24	NA

The 24 subchapter V cases filed during the week brings the total to 1,451 of these cases since it became available on February 19, 2020.

Notable Case Filings:

The pandemic has led to a dramatic increase in prominent bankruptcy filings (*e.g.*, companies with debts and assets of several hundred million or more or firms that are household names), particularly by retailers and energy companies. However, the volume of these larger cases has dropped off considerably in recent months. Last week this trend was reversed as shown by the following five prominent filings during the week.

Notable Case Filings January 25 - 31, 2021				
Company Name	Industry	Date Filed	Court of Filing	Number of Related Cases
Alpha Media Holdings, LLC	Radio stations	1/25/2021	Virginia Eastern	14
Cici's Holdings, Inc.	Pizza buffet chain	1/25/2021	Texas Northern	8
Yatsen Group of Companies Inc.	Japanese restaurants	1/25/2021	Delaware	38 (Chapter 15 cases)
L'Occitane International SA	French beauty products	1/26/2021	New Jersey	0
Knotel, Inc.	Workspace provider	1/31/2021	Delaware	213

Official Filing Numbers for 2020:

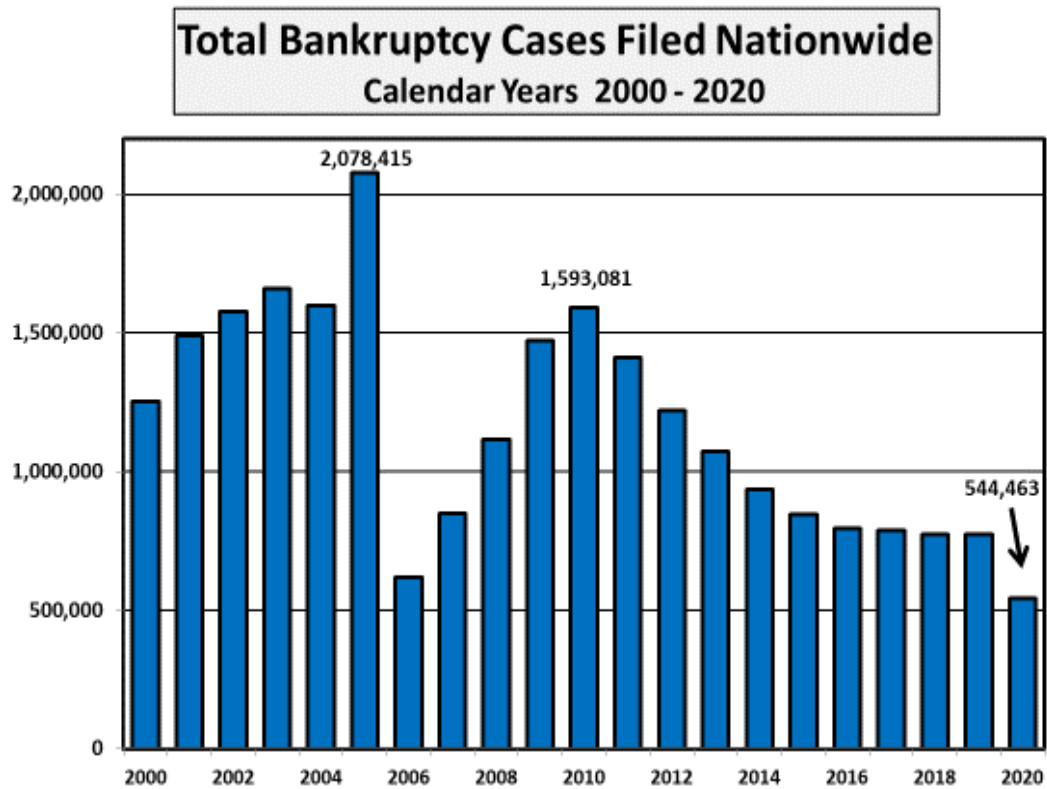
On January 28 the Administrative Office of the United States Courts released the official filing numbers for Calendar Year 2020.

See: <https://www.uscourts.gov/news/2021/01/28/annual-bankruptcy-filings-fall-297-percent>

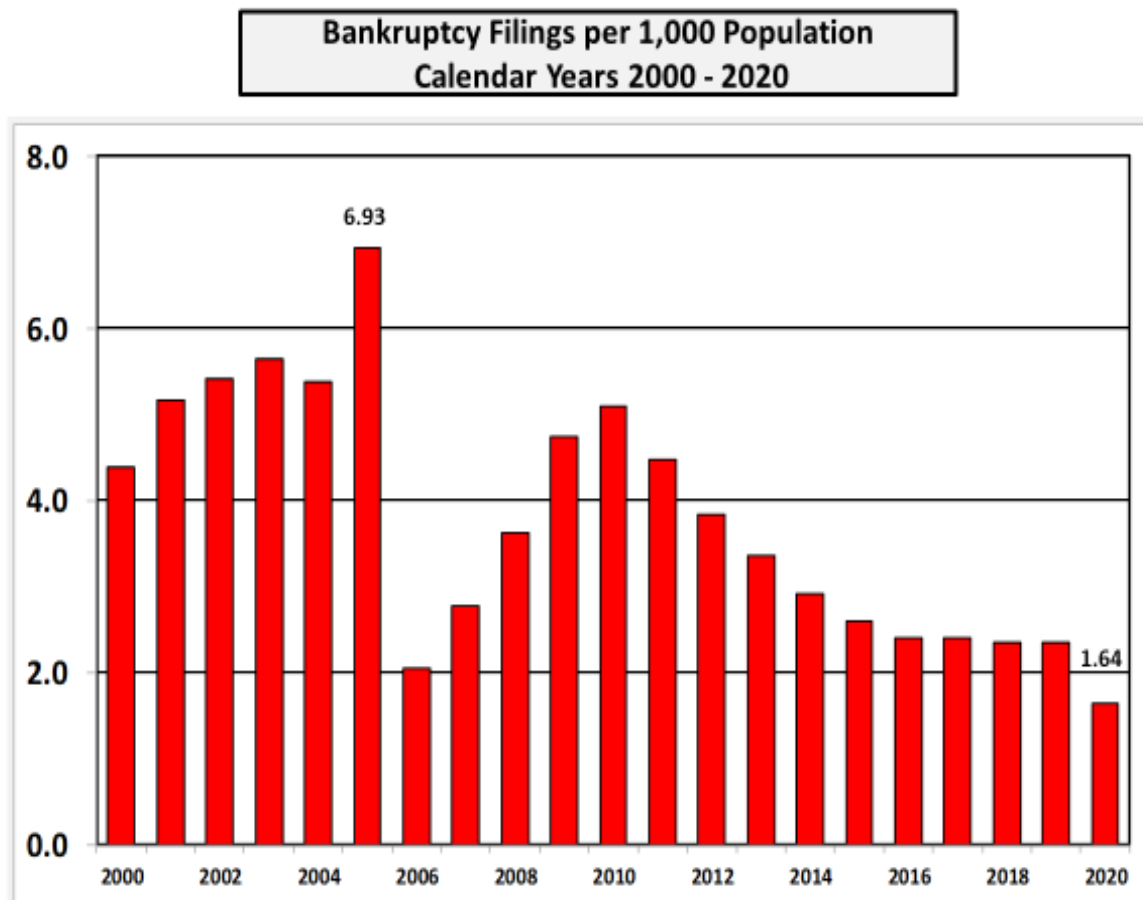
The following charts and graphs show the trends in filings since 2000.

Bankruptcy Filings Nationwide Calendar Years 2000 - 2020					
Year	Total	Chapter 7	Chapter 11	Chapter 13	Other Cases
2000	1,253,444	859,220	9,884	383,894	446
2001	1,492,129	1,054,975	11,424	425,292	438
2002	1,577,651	1,109,923	11,270	455,877	581
2003	1,660,245	1,176,905	9,404	473,137	799
2004	1,597,462	1,137,958	10,132	449,129	243
2005	2,078,415	1,659,017	6,800	412,130	468
2006	617,660	360,890	5,163	251,179	428
2007	850,912	519,364	6,353	324,771	424
2008	1,117,771	744,424	10,160	362,762	425
2009	1,473,675	1,050,832	15,189	406,962	692
2010	1,593,081	1,139,601	13,713	438,913	854
2011	1,410,653	992,332	11,529	406,084	708
2012	1,221,091	843,545	10,361	366,532	653
2013	1,071,932	728,833	8,980	333,626	493
2014	936,795	619,069	7,234	310,061	431
2015	844,495	535,047	7,241	301,705	502
2016	794,960	490,365	7,292	296,655	648
2017	789,020	486,347	7,442	294,637	594
2018	773,418	475,575	7,095	290,146	602
2019	774,940	483,988	6,808	283,413	731
2020	544,463	381,217	8,113	154,341	792

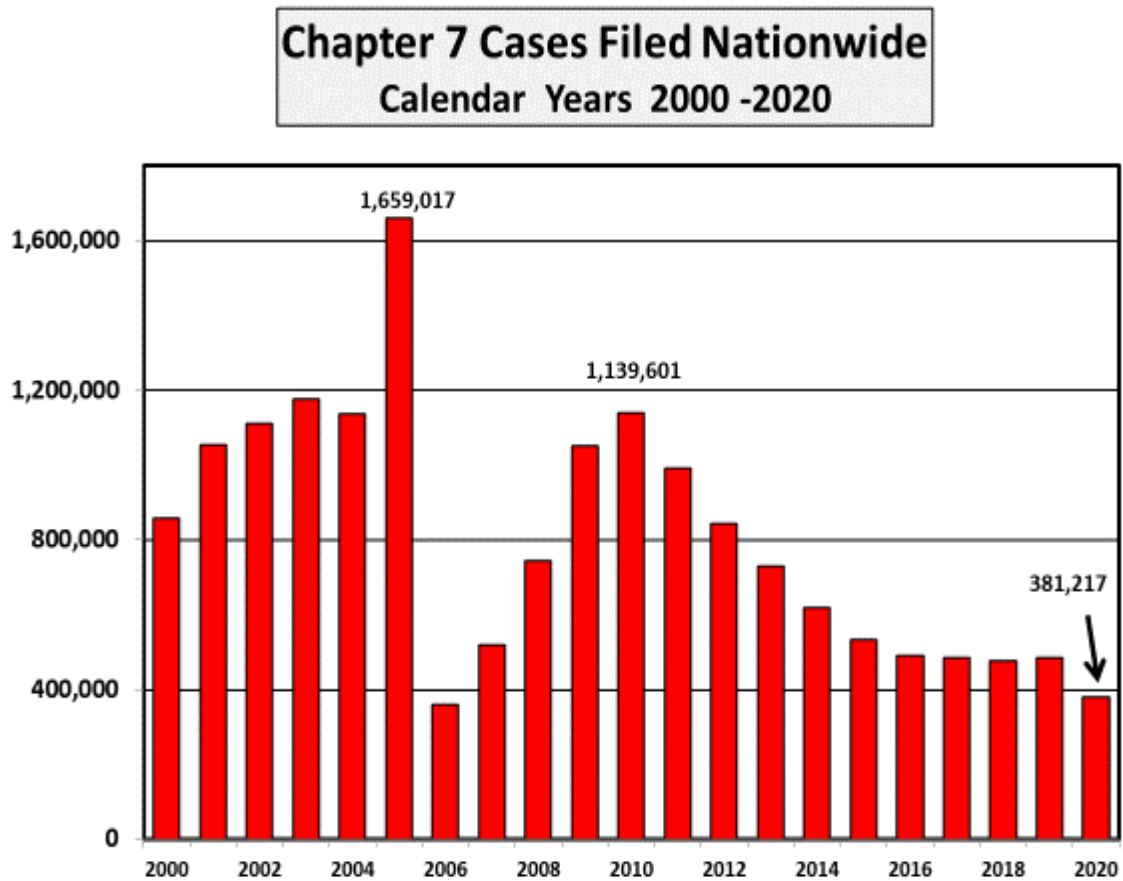
Total filings were down by nearly 30 percent for the year and were only about one-third as high as they were in 2010.



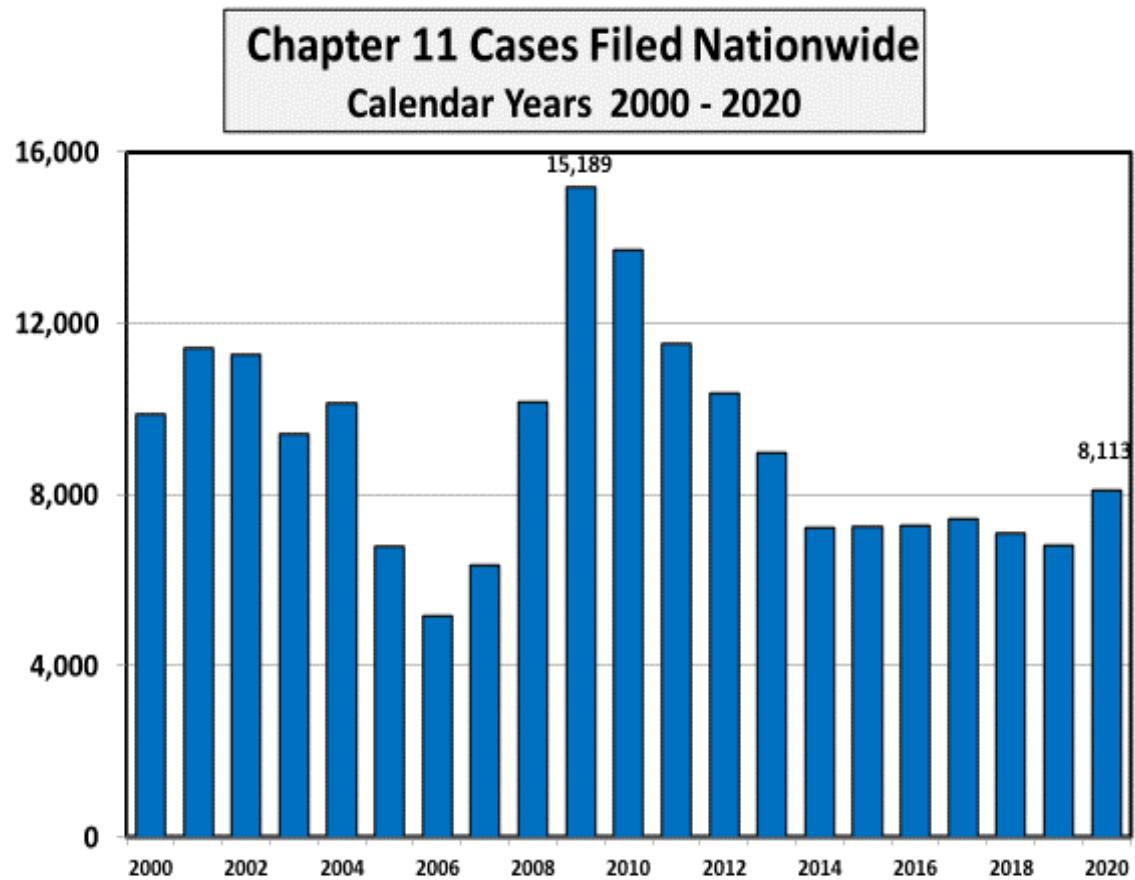
Filings Relative to Population dipped to under two cases per 1,000 population for the first time in decades.



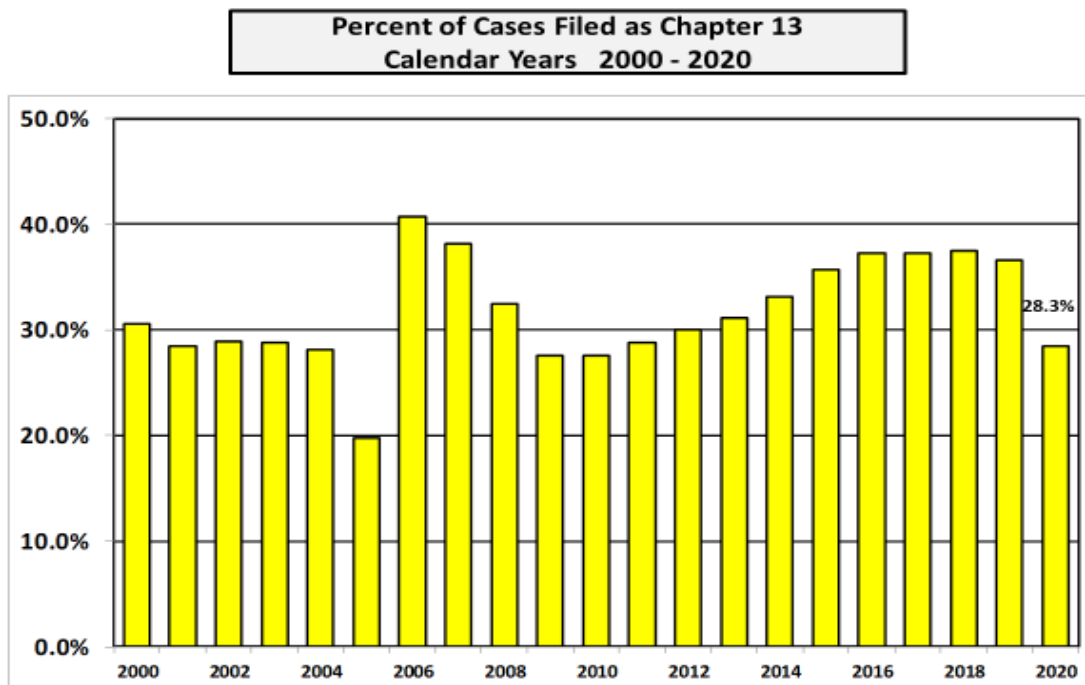
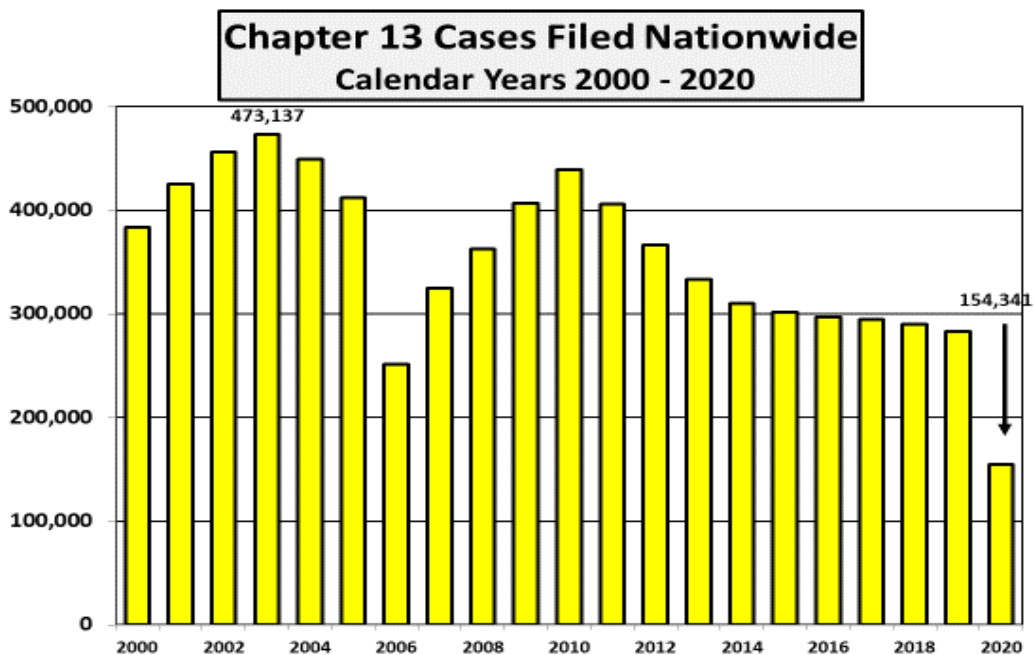
Chapter 7 case filings were down by 21.2 percent from 2019 due to the pandemic.



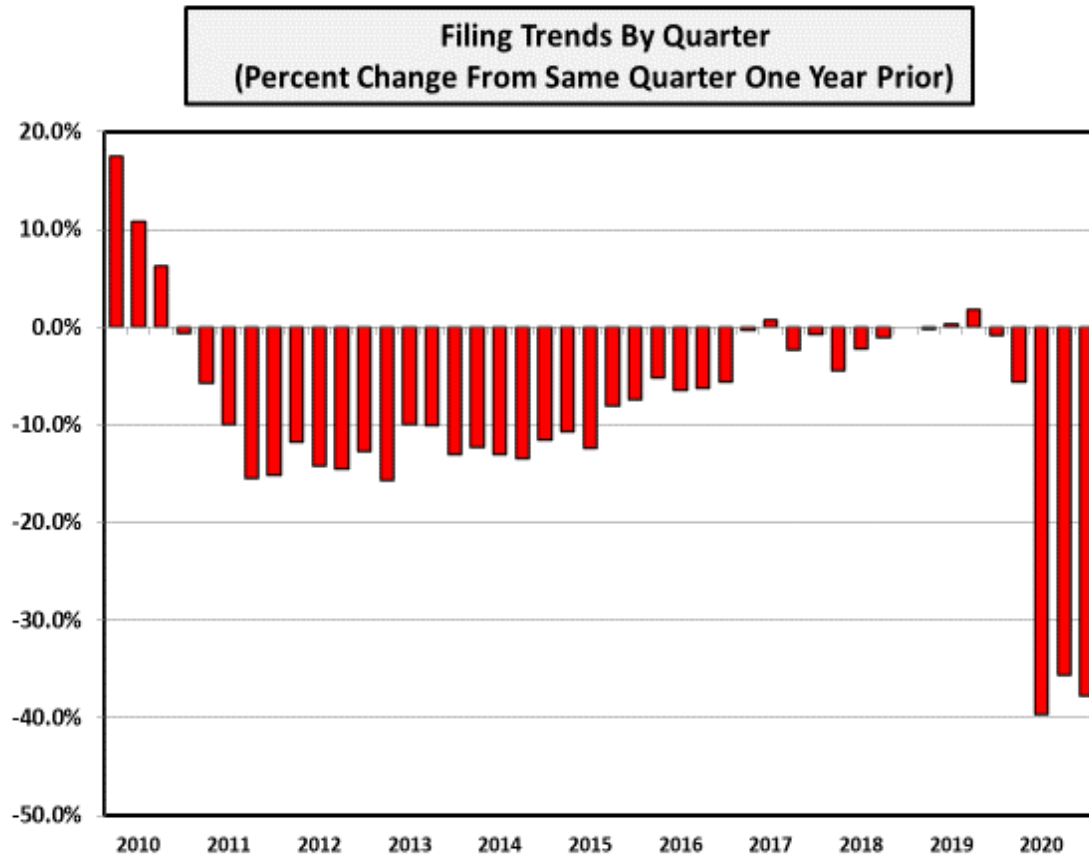
Chapter 11 filings were above 8,000 for the first time since 2013 but were still only about one-half as high as they were during the Great Recession.



Chapter 13 filings were down by over 45 percent from the prior year and were only about one-third as high as in 2003, the peak year for chapter 13. As a result, the proportion of cases filed as chapter 13 was under 30 percent for the first time since 2011.

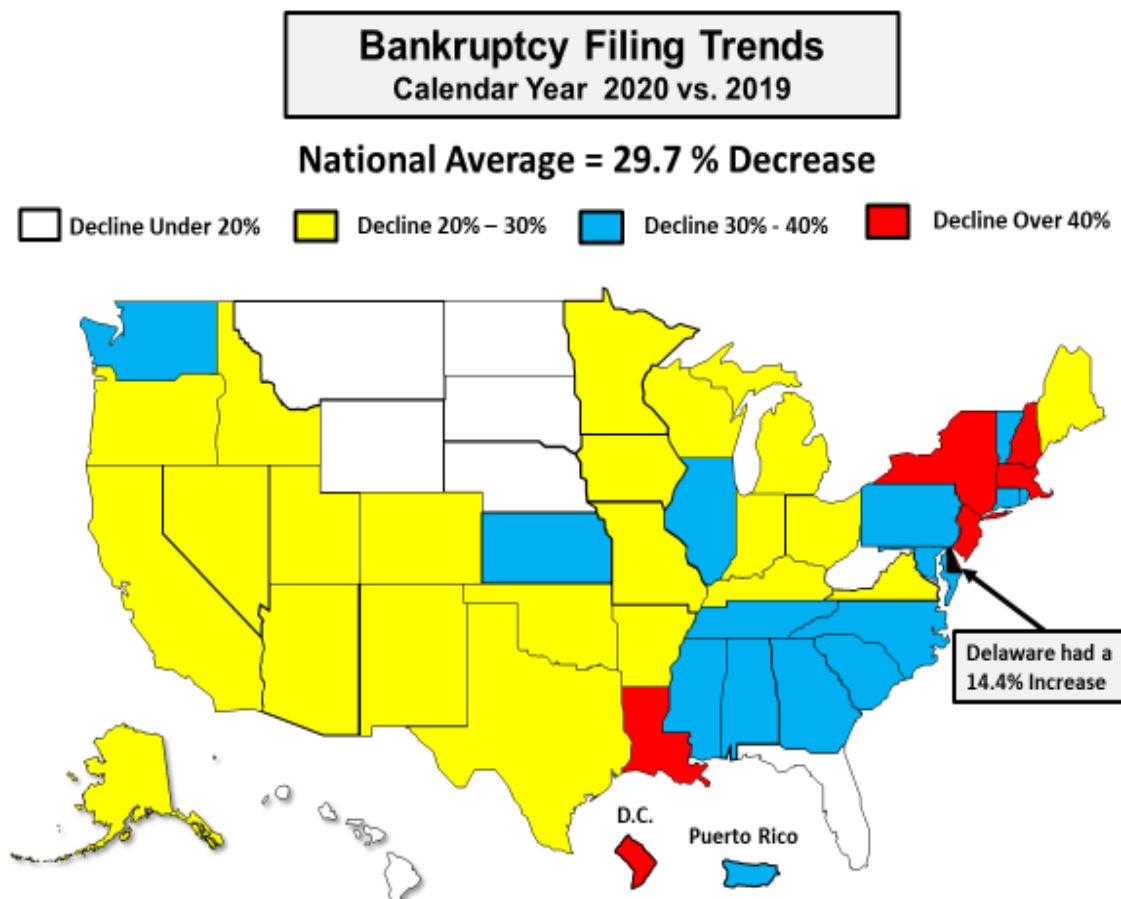


Filings by Quarter were down by nearly 40 percent for the last three quarters of the year as a result of the pandemic.

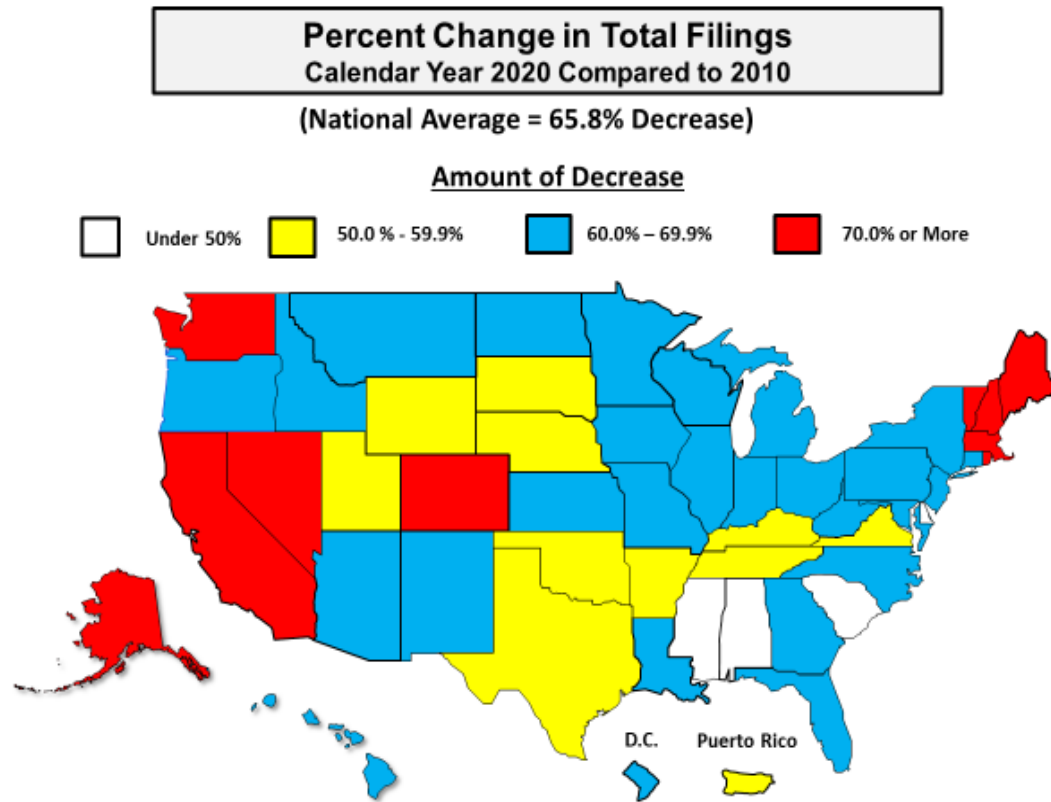


During 2020 the filing declines were generally more pronounced in the Eastern United States (see states colored red and blue).

Delaware was the only state to report an increase in filings during the year, due to the high volume of chapter 11 cases (and related filings) filed there.



Filings in 2020 were down nearly two-thirds compared to filings in 2010. During that time the largest declines were generally in New England and on the West Coast (see states colored red).



See the ABI Headlines for news of the latest filings at <https://www.abi.org/newsroom/headlines>