

# Weekly Bankruptcy Analysis

## February 13-19, 2023

*Written by:*

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The 7,350 bankruptcy cases filed last week were somewhat higher than the number of filings during the same week each of the last two years. However, filings for the week were down by more than 40 percent from the same week in 2020 (pre-pandemic).

<b>Bankruptcy Filings - February 13 - 19, 2023</b>				
<b>Type of Case</b>	<b>Number Filed</b>	<b>Percent Change From Same Week Last Three Years</b>		
		<b>2023</b>	<b>2022</b>	<b>2021</b>
<b>Total</b>	<b>7,350</b>	<b>9.6%</b>	<b>12.3%</b>	<b>-41.7%</b>
<b>- Chapter 7</b>	<b>4,113</b>	<b>2.2%</b>	<b>-12.3%</b>	<b>-46.0%</b>
<b>- Chapter 11</b>	<b>106</b>	<b>45.2%</b>	<b>15.2%</b>	<b>-56.6%</b>
<b>- Chapter 13</b>	<b>3,126</b>	<b>20.1%</b>	<b>78.4%</b>	<b>-33.9%</b>
<b>- Other Cases*</b>	<b>5</b>	<b>66.7%</b>	<b>-50.0%</b>	<b>-75.0%</b>
<b>* Chapters 9, 12 and 15</b>				

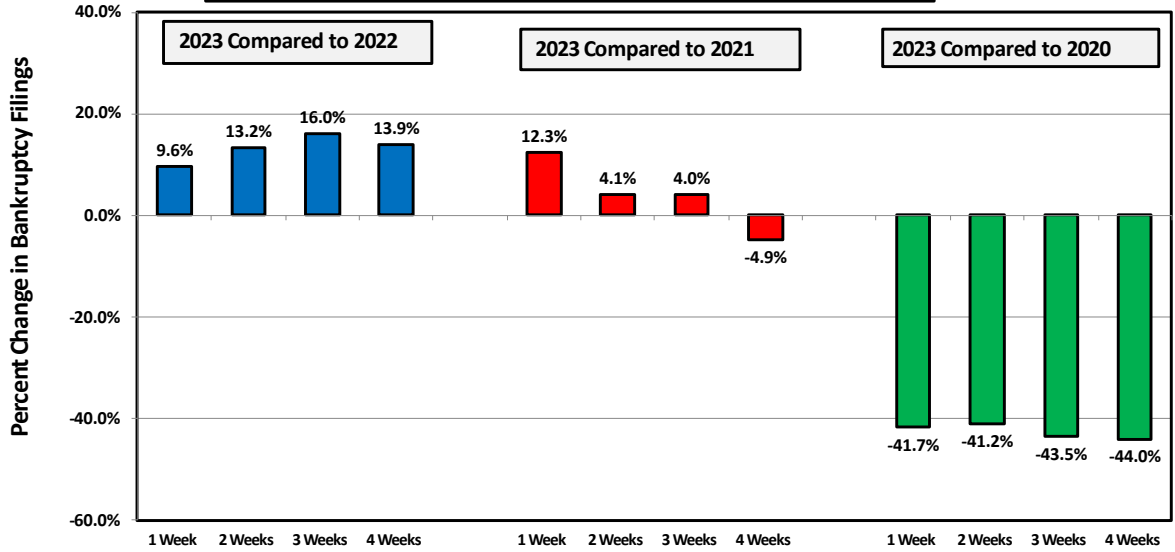
The following charts show recent weekly filing trends by chapter compared to 2022, 2021 and 2020.

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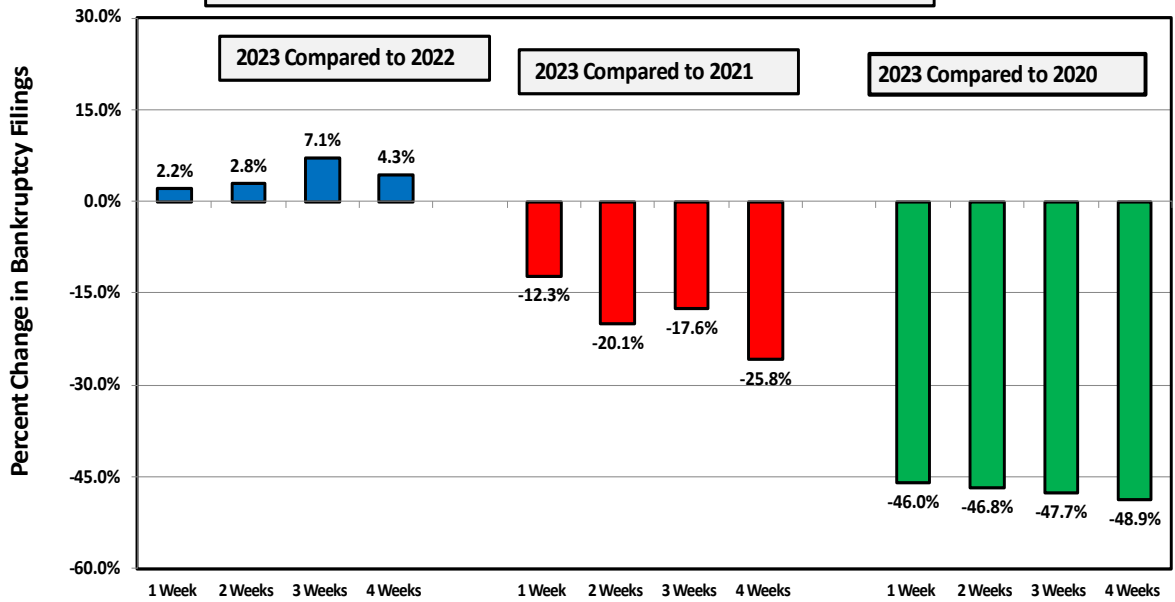
Week Ending  
February 19

### Bankruptcy Filing Trends (All Chapters) Percent Change From 2022, 2021, and 2020



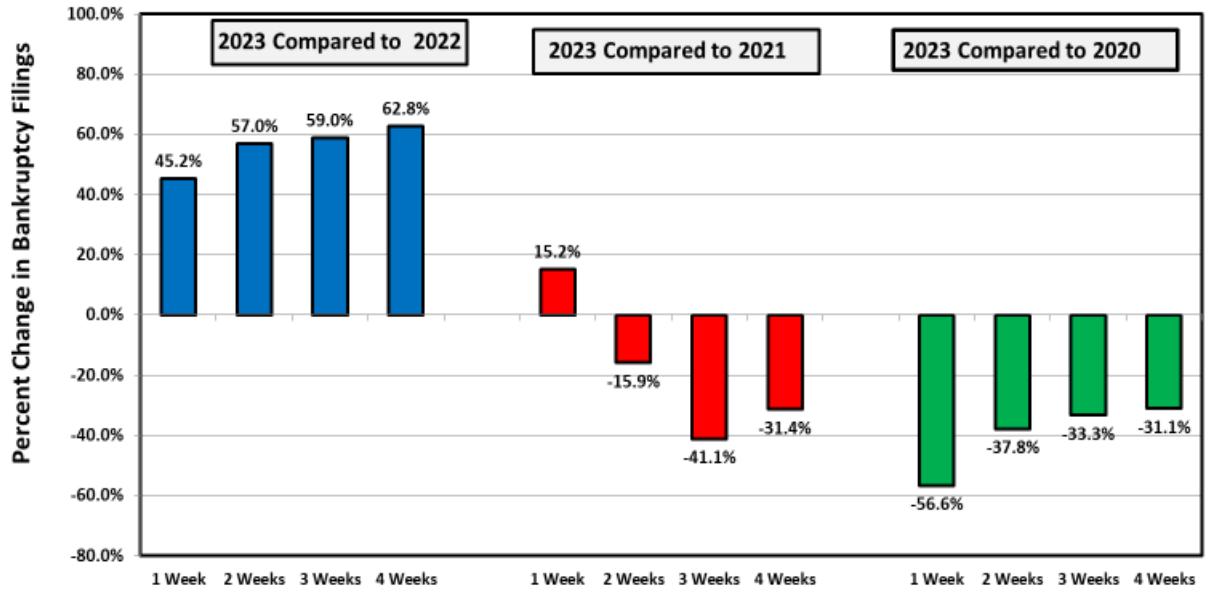
Week Ending  
February 19

### Chapter 7 Filing Trends Percent Change From 2022, 2021, and 2020



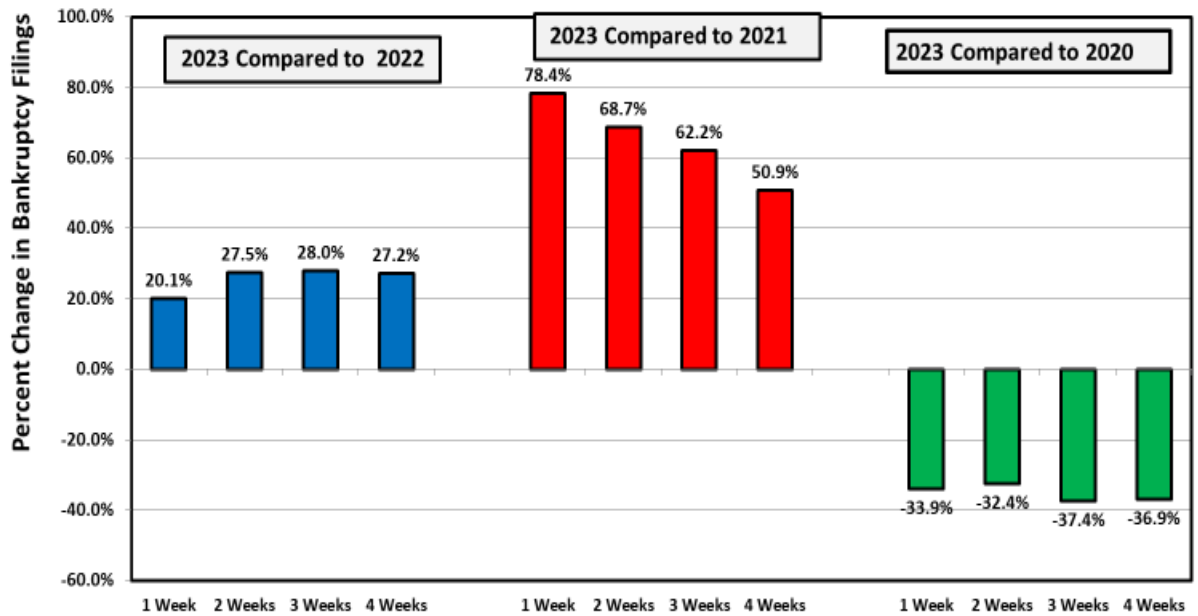
Week Ending  
February 19

### Chapter 11 Filing Trends Percent Change From 2022, 2021, and 2020



Week Ending  
February 19

### Chapter 13 Filing Trends Percent Change From 2022, 2021, and 2020



## Chapter 11 Cases

The 106 chapter 11 cases filed last week marked the fifth consecutive week in which more than 100 chapter 11 cases were filed. During 2022, there were only nine weeks in which more than 100 chapter 11 cases were filed. However, many of the cases filed during the week were related filings by corporate subsidiaries. Excluding related filings, the caseload last week was about the same as this time the last two years.

There were four large or notable chapter 11 cases filed during the week. On Feb. 13, biopharmaceutical company Scintilla Pharmaceuticals, Inc. filed in the Southern District of Texas, along with one related entity. On Feb. 14, home goods retailer Tuesday Morning Corp. filed (for the second time) in the Northern District of Texas, along with six related entities. Software provider Avaya Inc. filed (also for the second time) on Feb. 14 in the Southern District of Texas, along with 20 related entities. Finally, auto parts maker Stanadyne Inc. and three related entities filed in Delaware on Feb. 16.

<b>Types of Chapter 11 Cases Filed</b>				
	<b>February 13 - 19</b>			
	<b>2023</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>
<b>Total Filed</b>	<b>106</b>	<b>73</b>	<b>92</b>	<b>244</b>
<b>Solo Cases</b>	<b>61</b>	<b>70</b>	<b>61</b>	<b>87</b>
<b>Parent Cases</b>	<b>7</b>	<b>1</b>	<b>4</b>	<b>14</b>
<b>Child Cases</b>	<b>38</b>	<b>2</b>	<b>27</b>	<b>143</b>
<b><i>Filed By Individuals</i></b>	<b>11</b>	<b>32</b>	<b>18</b>	<b>39</b>
<b>Subchapter V Cases</b>	<b>36</b>	<b>32</b>	<b>38</b>	<b>N/A</b>

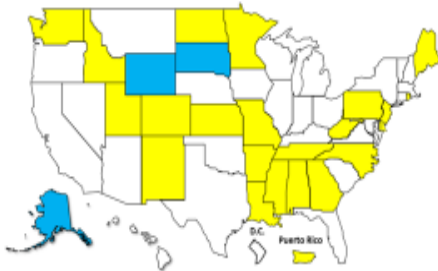
## Filings Trends by State

In 2019, bankruptcy filings rose slightly after eight consecutive annual declines. Filings fell sharply in 2020 and 2021 after the onset of the pandemic. Filings continued to decline in 2022, but at a much slower rate. The following chart shows the trends by state from 2019-22.

### Filing Trends By Year 2019 - 2022

Decline 20% or More   Decline 10% to 19.9%   Decline 0% - 9.9%   Increase

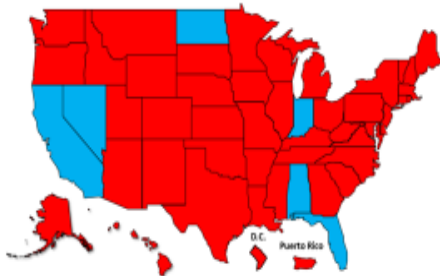
2019 (National = +.2%)



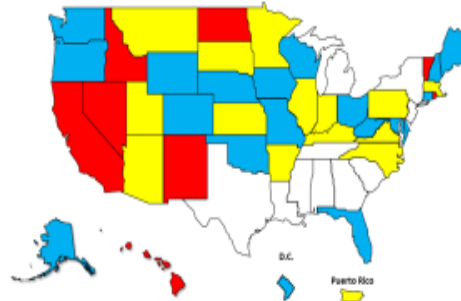
2020 (National = -29.7%)



2021 (National = -24.0%)



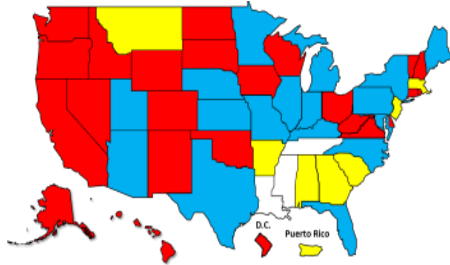
2022 (National = -6.3%)



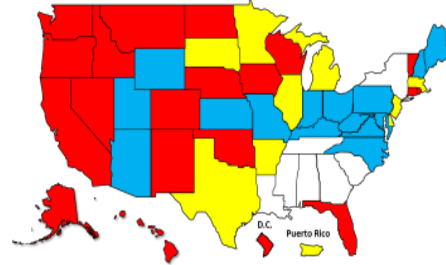
In 2022, although filings were down for the year, they increased during the last two quarters of the year. At the beginning of the year, filings had been falling in nearly every state. By the last quarter of 2022, filings were on the rise in a majority of states.

**Filing Trends By Quarter During 2022**

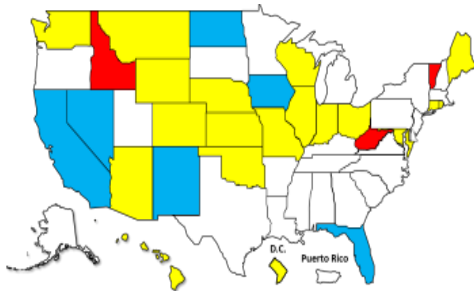
**Q-1 (National = -16.4%)**



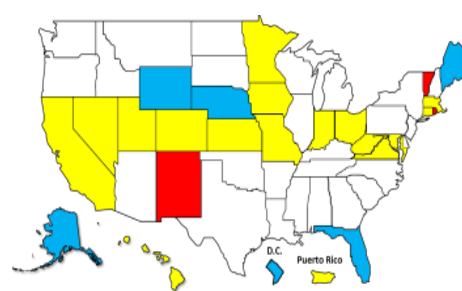
**Q-2 (National = -13.0%)**



**Q-3 (National = +3.2%)**



**Q-4 (National = +4.3%)**

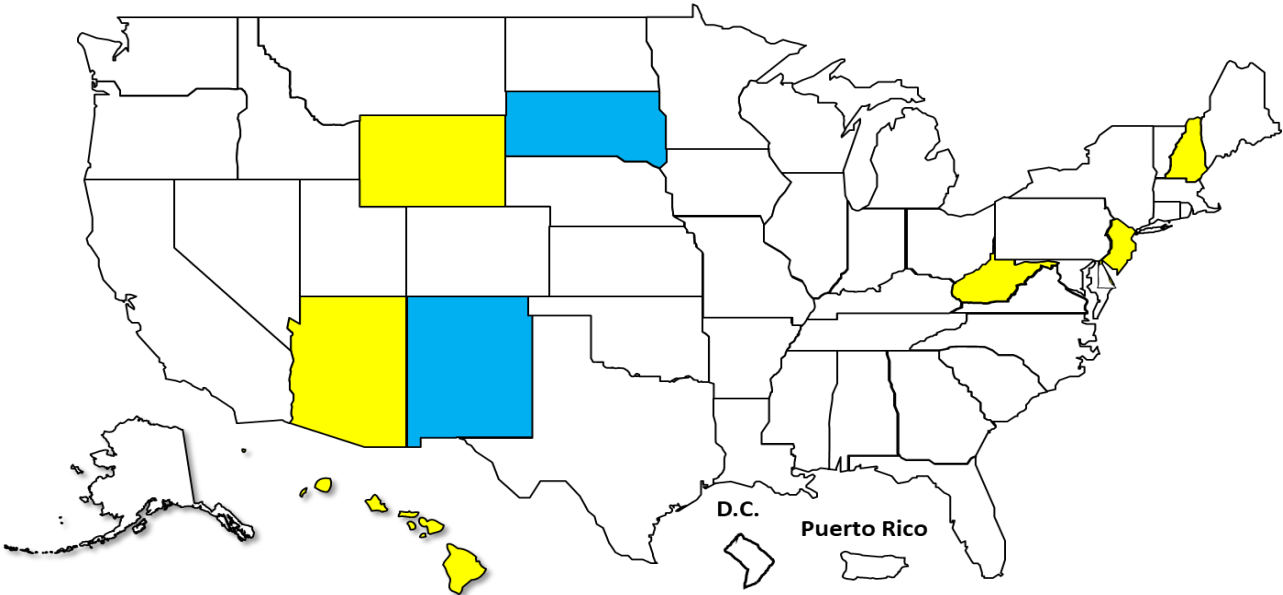


During the first seven weeks of 2023, filings have risen in nearly every state compared to the same time period last year. With increasing debt levels and high inflation, it is likely that bankruptcy filings will show a substantial increase during the rest of 2023. However, it is unlikely that filings will return to pre-pandemic levels for a least a year or two.

**Filing Trends – First Seven Weeks of 2023**

**National Average = 16.2% Increase**

**Decline 20% or More**   **Decline 10% to 19.9%**   **Decline 0% - 9.9%**   **Increase**



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