

## Bankruptcy Experts: Middle Market's 'Day of Reckoning is Coming'

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Joe Coleman was quoted in a recent article from Texas Lawbook about the impact of the COVID-19 pandemic on business bankruptcies and a second wave of bankruptcy filings that may be coming in 2021.

According to the article, "1,790 companies filed in Texas to restructure in 2020, making the state the most popular in the union for declaring bankruptcy." However most of these were larger companies and the bankruptcies coming are likely to be more "middle market and smaller companies, which will be much more difficult to restructure. And many may end up as Chapter 7 liquidations."



*"A lot of band aids have been put on small and middle market businesses," said Joe Coleman, a partner at Kane Russell Coleman & Logan. "PPP money helped delay the inevitable but a day of reckoning is coming and it is coming soon for many middle and smaller market companies," Coleman said. "I think we are going to have an absolutely crazy year ahead. We've recently added two bankruptcy lawyers and I hope that's enough."*

Joe Coleman and other bankruptcy experts say

"the next escalation in Chapter 11 filings will involve middle market companies in healthcare, elderly care, hospitality, entertainment, fitness and commercial real estate."

"The question for many in these industries is, what are their businesses going to look like at the end of this?" Coleman said. "I don't think bankruptcy filings by oil and gas companies are going to slow down in the near future. There are a lot of middle market oil and gas service companies, suppliers and even E&P companies that are barely surviving."

*Joe Coleman in an interview with Texas Lawbook editor, Mark Curriden*

[Read the full Texas Lawbook article.](#)

[View a related presentation by Joe Coleman, "My Customer Just Filed for Bankruptcy – What do I do?"](#)

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