

Report: Biggest Bankruptcy Wave Has Yet to Hit

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The [worldwide bankruptcy wave](#) is taking its sweet time getting to shore.

That's according to a report by a German subsidiary of business information firm Dun & Bradstreet that says those thinking the economic cataclysm has crested are in for a rude awakening, [The New York Times's DealBook reports](#).

The [report by D&B Deutschland](#) says that the U.S. and Europe will be hit with a flood of filings in the second half of this year, with U.S. bankruptcies increasing by 60 percent. Business failures in the rest of Europe will be less pronounced, the reports says, predicting that Spain will see the highest increase in insolvencies.

Industries already crippled by the economic downturn, such as automotive and retail, will continue to suffer the most as consumers cut back on orders.

The Times reports that a German newspaper, The Handelsblatt, [compares it to a vicious cycle](#): companies need capital to survive, but as their cash flow decreases, prospective lenders head for the hills.

What better way to avoid getting swamped by a wave?

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