



TAMPA BAY BANKRUPTCY CENTER, P.A.

PHONE: (813) 200-4133

TOLL FREE: (800) 965-5074

February 17, 2011

Borders Bankruptcy Good News for Some, Bad News for Others

Borders Inc. which has recently filed for bankruptcy protection is closing about 200 out of 642 of its stores nationwide. This represents about 30% of its total number of stores. This has inevitably made some prime real estate vacant. In metro Atlanta, for example, where 5 Borders stores will be closed, the property previously occupied by them is expected to be filled relatively quickly.

The five stores are located at 3101 Cobb Parkway in Atlanta, 1605 East-West Connector Road in Austell, 1705 Mall of Georgia Blvd. in Buford, 605 Ernest W. Barrett Parkway in Kennesaw and 3630 Peachtree Parkway in Johns Creek. In addition to these five, Borders has already closed two other stores earlier.

<http://tampabankruptcy.pro/blog/>

The immediate vacancy of these properties that have good visibility, ample parking space and easy access is good news for retailers who wish to enter or expand into the Atlanta market.

On the other hand, the Borders bankruptcy is having a negative impact on their publishers. Many publishers who did business with Borders are unsecured creditors. As such, many have not expressed optimism of getting paid their dues.

One such publisher, Peachtree Publishing has all but given up hope of getting back the \$30,000 Borders owes them. This amount represents about 3.5% of company sales, prompting Peachtree to sell more to schools and libraries. Peachtree stopped selling books to Borders since the beginning of the year.

Likewise, August House publisher has also stopped doing business with Borders for the last 18 months. Its president, Steve Floyd said he prefers to lose out on the business rather than not be paid for it. Some of the titles carried by August House include 'Stone Soup' and 'Uglified Ducky'. Even August House's insurer stopped insuring their shipments to Borders.

Borders Group president Mike Edwards said that the bookstore chain had to file for bankruptcy due to lower customer spending and a lack of liquidity. But he concluded that this "decisive action" will give Borders the chance to reorganise itself as a successful business for the long term.

If you or your business would like to file for bankruptcy protection, please call us at (813) 200 4133 for a free consultation. Bankruptcy is your right and might just save your business.

<http://tampabankruptcy.pro/blog/>