

# The Largest Bankruptcy Filings

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Our country has had numerous large bankruptcy filings by a variety of corporate industries. Some of the largest filings include:

- **Lehman Brothers Holdings Inc.** was a 158 year old investment bank that filed in 2008, listing \$638 billion in assets at the time of filing, making it the largest bankruptcy.
- **Washington Mutual** filed bankruptcy in 2008 due to the country's subprime mortgage crisis
- **WorldCom Inc.**, the nation's number two long-distance company, filed bankruptcy in 2002 because it had incorrectly accounted \$3.8 billion in operating expenses.
- **General Motors**, once the king of the automotive industry, filed bankruptcy in 2009 and used \$30 billion debtor-in-possession loans from the U.S. Treasury to restructure itself.
- **CIT**, filed bankruptcy in 2009 listing 71 billion in assets. The implosion of the credit market dealt CIT a blow it couldn't overcome.
- **Enron Corp.** was a Texas energy company that filed its case in 2001, due to a whistleblower exposing a scheme to keep \$500 million of debt off of the company's books, which ultimately led to an investigation by the Securities Exchange Commission. Many of Enron's executives were sentenced to prison.
- **Conseco** was an insurance and finance company that was forced to file for bankruptcy in December 2002. It reorganized and reduced debt to \$1.4 billion, emerging in less than a year after selling its finance business.
- **Borders Group Inc.** filed in February of 2011, listing \$1.28 billion in assets and \$1.29 billion in debts as of December 25, 2010. Borders was unable to restructure and was forced to close its stores.
- **Kmart** filed bankruptcy in 2002 and was cited as being the largest retail bankruptcy case in the nation's history at that time. Kmart secured \$2 billion in debtor-in-possession financing and was successfully restructured under Sears Holding.
- **Delta Airlines Inc.** filed its case in 2005, blaming the increasing jet-fuel prices and growing competition for its financial problems.

- **Pacific Gas & Electric Co. was** California's largest utility company and filed for bankruptcy protection from creditors in 2001 because of the state's 1996 deregulation law and unreimbursed power costs. Pacific cited **\$9 billion in debt.**
- **Blockbuster** filed its bankruptcy case in 2010 and cited nearly \$1 billion in debt.
- **Chrysler** was forced into bankruptcy in April of 2009 by President Obama. At the time, it was the largest manufacturer in history to file Chapter 11,

**Whether you own a large company or a "mom and pop" store, bankruptcy is an option if your business is experiencing financial distress.**

*If you are interested in learning how filing a Chapter 7 or Chapter 13 bankruptcy could benefit you, contact [The Koplen Law Firm](#). Bankruptcy is designed to give people who are in financial difficulty a "fresh start." Thus, if your debts are causing you undue stress, you should call us at [\(845\) 623-7070](#) for a consultation to discuss whether bankruptcy is the right option for you. Our offices are located in New City and New York City, New York.*