



## **“Debt Restructuring During an Economic Downturn - Tips on Successful Debt Restructuring”**

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A good way to avoid bankruptcy is to restructure your debt using a debt settlement professional to help reach an agreement with creditors. You can ultimately settle your commercial debt with a 60% reduction in the overall burden amount. Debt restructuring can provide your company a chance to get started with a fresh record.

When the economy is difficult, usually businesses are affected as much as consumers are. An economic downturn that leads to a significant decrease in ordered goods and services can adversely affect a business such that overall payables amount begins to grow, invoices slip past the 90-days-past-due mark, and the not meeting payroll becomes a real possibility. If the business world were a perfect place, every company would retain enough cash reserves to survive a serious downturn with minimal disruption to the normal business processes. But this is not always the case. The cost of operating a business in today's highly competitive marketplace can make it so only the well-established companies have enough resources to survive a difficult economic period without lasting damage.

Proper management and budgeting is required to restore the company to full financial health and prosperity. To reduce your overall commercial debt, you need to perform a serious review of your expenses and an accurate assessment of your current marketplace. You can then determine if your customer base will allow for an increase in prices. After you have done this, you can determine the proper amount of these additional revenues to apply to the principal of your debt burden. A good debt settlement company can assist help you with this process.

A debt settlement company can achieve a good bargaining position if they



are negotiating with multiple vendors simultaneously. For example, they can negotiate for 50% payments from 6 of the creditors, then the vendor of these creditors will end up getting more than if they received 100% from 2 companies and the others declared bankruptcy and they got nothing. The effort required to chase debt amounts through bankruptcy courts is a good reason for vendors to accept and out-of-court settlement.

Although economic downturns are usually not long lasting, it takes special work to keep a business viable during these periods. An excellent way to avoid bankruptcy is to restructure debt using a debt settlement professional to assist with the creditor negotiations. Effective debt restructuring can provide your company with an opportunity to start over.

To learn more about reducing your commercial debt by 60%, order Andre's book directly from Amazon.com, or get details here:

[www.AndreLarabie.com](http://www.AndreLarabie.com)

Andre Larabie is a published writer and successful business coach. Get a free excerpt from his book on commercial debt reduction at:

[www.AndreLarabie.com](http://www.AndreLarabie.com)

### **About The Author**

André Larabie, PhD, is distinguished for his expertise in Teaching, Coaching, Business Turnaround and Consulting, Commercial Debt Resolution, Consumer Debt Collection, Mediation and Arbitration. He has owned and operated 2 collection agencies, a Factoring Organization, and a Business/Management Consulting Practice in both the USA and Canada.

Dr. Larabie has authored many college-level publications in Canada, including the following Doctorate Dissertations: "Starting a Factoring/Financing Company," "The Opening of a Business College," and "The Psychological Ramifications of Online Education."