

Ian Peck in Texas Lawbook: ‘Conditions Seem Ripe for Substantial Restructuring Activity in 2025’

January 7, 2025 Ian Peck

PRACTICES Restructuring, Distressed Real Estate, Chapter 11 Debtor, Bankruptcy Litigation

Texas bankruptcy courts rebounded in late 2024 after initial challenges, including higher interest rates and judicial issues in the Southern District of Texas. Haynes Boone [Restructuring](#) Partner [Ian Peck](#) spoke with *The Texas Lawbook* about why he expects a busy 2025 and how firms and businesses are assessing the strengths of different bankruptcy venues.

Read more in the excerpt below:

Texas Lawbook: In the past three months, we have seen some big filings — J&J, CareMax, Vroom, WellPath, Vertex Energy and now Stoli’s. Why do you think we have seen a spike in business Chapter 11s?

Ian Peck: The timing of some of these filings is coincidental and tied to unique challenges that the companies are currently tackling — J&J, for example. Others are facing tough new post-pandemic norms, including inflation, decreased customer demand in certain segments, increased labor cost and new competition. Higher costs of goods and services coupled with continued interest rate pressure have also added strain to struggling businesses.

Lawbook: How busy has your bankruptcy practice been compared to one year ago?

Peck: 2023 was the busiest year in our restructuring team’s history, even surpassing the tidal wave of projects during the early stages of the pandemic. Then, after a slow start in early 2024, activity consistently began to build. Business filings from mid-2023 to mid-2024 were up significantly over the previous 12-month period. More importantly, larger cases (those with over \$1 billion in assets) are at their highest level since the pandemic. Heading into 2025, the need for restructuring advice, both in and out of court, is on the upswing, and we are definitely feeling the burn.

One interesting trend is the rise in prepackaged and pre-negotiated Chapter 11 cases, and I expect we may see many more speedy trips through Chapter 11 during 2025.

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