



Effects of the COVID-19 Pandemic on Litigation, Bankruptcy, AR Management and Best Practices

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Introductions



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Agenda

1

Litigation

2

Bankruptcy

3

AR Management & Best Practices



The background of the slide is a black and white photograph of a classical building. It features a series of tall, fluted columns on the left and right sides. In the foreground, there are wide, stone steps leading up towards the building. A horizontal purple bar runs across the middle of the slide, intersecting the central text area.

1

Effects of the COVID-19 Pandemic on Litigation



The Court System

- How the judiciary responded to the crisis
- Delays in setting hearings, few if any trials and long waits for hearing dates



Zoom – The New Courtroom

- Zoom mediations

How did they work?

How, if at all, did the results differ?



Communications

- Remittances – dealing with long post office delays in delivery
- Overall communications between agencies, lawyers, and clients during COVID

A wooden gavel is positioned diagonally across the upper right portion of the frame. It has a multi-tiered head and a smooth handle. Below the gavel's head, a wooden block with similar tiered rings is visible. The background consists of several vertical, slightly blurred lines, possibly representing a forest or a set of scales. The entire image is overlaid with a semi-transparent blue filter.

Are we out of the woods yet?

Effects of the COVID-19 Pandemic on Bankruptcy

How the pandemic impacted cases filed in the bankruptcy courts

Business and Non-Business Filings, years ending December 31, 2017-2021

Year	Business	Non-Business	Total
2021	14,347	399,269	413,616
2020	21,655	522,808	544,463
2019	22,780	752,160	774,940
2018	22,232	751,186	773,418
2017	23,157	765,863	789,020

**Bankruptcy
filings drop
24 percent**

How the pandemic impacted cases filed in the bankruptcy courts

Total bankruptcy filings by chapter, years ending December 31, 2017-2021

Year	Chapter 7	Chapter 11	Chapter 12	Chapter 13
2021	288,327	4,836	276	120,002
2020	378,953	8,333	560	156,377
2019	480,206	7,020	599	286,979
2018	475,575	7,095	498	290,146
2017	486,347	7,442	501	294,637

Companies that filed bankruptcy

MODELL'S
SPORTING GOODS

JCPenney

LUCKY ♣ BRAND
EST. 1990

Lord & Taylor

Stein Mart

ascena
retail group inc.



Friendly's

Christopher
& Banks

belk



J.CREW

Neiman Marcus

Brooks Brothers



Hertz

Tuesday Morning

GNC
LIVE WELL

MEN'S WEARHOUSE

JOS. A. BANK

How did the courts adapt?



Electronic Filings



Zoom and Teleconferencing



Non-essential Hearings Stayed or Postponed



Electronic Signatures versus Wet Signatures

What can be expected in the future?

1

Subchapter V Chapter 11 Filings

2

More Teleconferencing and Video Conferencing

3

3 year Inflation Adjustment

What are the benefits and risks to the Media industry?

1

Who will be filing bankruptcy in the future

2

Collections are up

3

Distributions continue

An aerial, black-and-white photograph of a dense urban environment. The image shows a grid of streets filled with cars and trucks, surrounded by tall, multi-story buildings. The perspective is from directly above, looking down on the city. A purple horizontal bar with a white number '3' in a square is overlaid on the image.

3

A Winning Formula

Sales + Collections =
Customer Retention and
Cash in the Bank

Preemptive Steps to Maximize Sales

New Clients

1

Obtain signed credit applications and orders.

2

Explain your terms and conditions.

3

Explain your billing process, including due date.

4

Provide client an example of how your invoice will look and how to read your invoice.

5

Confirm with client that they have budgeted for the ad schedule.

6

Encourage client to notify you the same day they learn of any issues concerning the commercial.

7

Send contract confirmations on both local and national.

In the beginning stages of a new sale, these steps may assist you in training a new client to pay by their due date. The client's knowledge of knowing they have signed your credit application and orders, coupled with the explanation of your terms and conditions, billing process, due date, budgeting confirmation, and discrepancy issues will help you improve the probability of collection on a timely basis.

Advertising Collections



Types of Collection Contact



In-Person Visits

Why most effective, but not efficient



Contact by Phone

Effective and efficient



Written Communication

May consider for small balances and to confirm arrangements, or if in-person visits and phone are not possible

Collection Contact Conduct

Be courteous and professional.

Listen intently.

Be prepared to ask questions if your understanding of the conversation is confusing.

Always use specific amount such as “**1,500.00**” or “balance in full”, so there is no misunderstanding on how much is past due.

Use the words “**will**” vs. “can”, “**mail**” vs. “send”, “**today**” or “**specific date**” vs. “now” or “immediately”.

Example: “***Will** you mail a check **today** in the amount of \$1,500.00, which pays in full invoice #51406 dated **April 30, 2007?***” By using this verbiage, it forces the advertiser to respond with either “**Yes**” or “**No**” and also puts a picture in his mind of a check, envelope and stamp.

Always ask for the full payment and do not hint that less is acceptable.

Be firm, but flexible.

Be prepared to resell the value of advertising on KTNV-News 13.



Collection Action Plan

Prompt follow-up and persistence is important in the early stages of the training of your client to pay for services rendered in a timely manner and in the collection of past due invoices.



Thank You!
