



## P R E S S E RELEASE

**Fraud:**

### **Bankruptcy: When Is Enough Enough?**

**A lot of companies close every day and then emerge again without the debt and the responsibility that forced the original company to file for bankruptcy. A new analysis from Greens Erhvervsinformation shows that it is the same persons who speculate in letting others pay the debt.**

**Søborg d. 26. november 2009:** "It is very few people, who deliberate speculate in fraud. When you see the same name again and again involved in a bankruptcy there must be something wrong with the law in this area," says Bo Rasmussen from Greens Erhvervsinformation. According to him, there is nothing in the current law preventing a person from starting up businesses over and over. Often, it is the same persons who are involved in bankruptcies shows a new analysis from Greens Erhvervsinformation, based on 42.000 person names and 59.000 bankruptcies.

#### **97 bankruptcies**

The facts of the analysis confirm that it is way too easy for creative minds, to start up new business. Behind one out of 100 bankruptcies is a person who has been involved in 4 or more bankruptcies. One example in the analysis is a woman who in just one year had 25 bankruptcies. She is not even the record holder in the analysis. According to the information from Greens Erhvervsinformations the record holder has 97 bankruptcies over a period of less than 3½ years – many of the bankruptcies in the travelling business. A line of business known for a lot of bankruptcies mainly because it is too easy to start new businesses over and over again.

"In every company you need to investigate and find information about the persons behind the companies you are doing business with. You have to be more focused on the information about the persons and also be alert to the line of business generally known for a lot of bankruptcies" says Bo Rasmussen and continues:

"If you find a person who has many bankruptcies behind them, it is only fair for you as a customer and a supplier to ask more detailed questions about it. In this way you can prevent direct and indirect losses for either your company or yourself".

#### **Dont do any business**

The analysis is also showing that 10 persons alone is responsible for a minimum of 271 bankruptcies.

Bo Rasmussen recommends that you are alert to persons who have more than 3 or more bankruptcies behind them, but still calls for common sense in general when doing business. It's all about gathering information about the company and the persons and find out if there is a reasonable explanation for the bankruptcies.

"There is a big difference about having 3 bankruptcies over 1 year or having 3 bankruptcies over a period of 10-15 years. The only way to avoid losing money on persons who speculate in bankruptcies is not doing any business with them at all" says Bo Rasmussen.

#### **For More Information:**

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#### **About Greens Erhvervsinformation:**

Greens database contains information about the Danish business community and public sector. The database contains detailed information about 220.000 companies in Denmark and biographies of the 10.000 most important decision makers in the Danish public and private sectors. The database is updated on a daily basis by local information specialists, making the information always up to date and the quality second to none. The on-line product is mainly suitable for sales and marketing activities, company analysis, among other things.