

insights

TYPES NOT MAPPED YET November 13, 2023 | TTR not mapped yet | Mark S. Indelicato

Mark Indelicato Joins Bloomberg Law Podcast to Discuss WeWork's Path to Reorganize

Thompson Coburn's New York Managing Partner [Mark Indelicato](#) joined the *Bloomberg Law Podcast* to discuss WeWork's Chapter 11 restructuring plan and the aggressive path forward.

Mark discussed the first steps WeWork will take and how it will continue forward. "What WeWork is going to attempt to do is right-size the business," he said. "The first step is, they cut a deal with ... about 98% of their secured lenders to convert a substantial amount of the secured debt to equity. They've begun the process of ridding themselves of leases that are a drain on the company, and it seems that they're going to look to right-size it to a profitable core and continue the business going forward."

On whether it's unusual that the company's restructuring plan is already hashed out with lenders, Mark said, "In today's day and age, I think it's becoming more common" as the cost of bankruptcies has increased. He agreed the timeline is fast and noted that "there are a lot of players ... and I suspect a lot of the work has been done already to identify the leases and the locations in which they're going to target. But doing all of that and having it resolved by the end of March is aggressive." He continued, "What you're looking at is market conditions, compounded by a pandemic, compounded by interest rates, have required them to restructure their debt."

[Click here](#) to listen to the full podcast.

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