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OKD and the death of big retail

Some stores, restaurants and bars won't reopen because they were never very profitable in the first place and their owners simply don't have the money to keep them going. Some won't reopen because the owners have weighed the odds and don't want to take the risk given the continued uncertainty, even though they have the money to continue. And some will be left to fail because the owners have stripped the business bare and never had any intention of putting any of the money back. It's too early to classify Czech business failures along these lines, but a slew of large U.S. retail bankruptcies already shows that heavy debt is often one of the main culprits. As the New York Times reported last week, private-equity companies often used leveraged buyouts to purchase household names such as J. Crew and Neiman Marcus and then charged them millions of dollars in interest and fees. For a Czech to understand the death of big retail in the U.S., it helps to think of OKD.

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