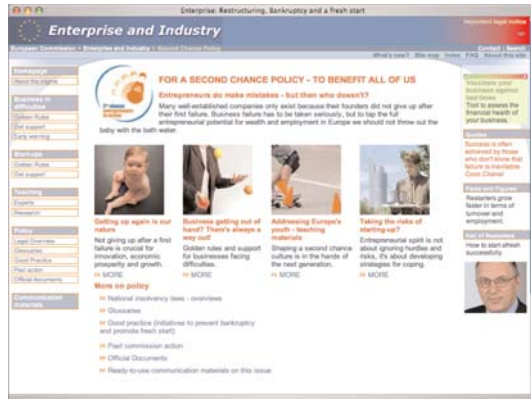


Further information online



Visit <http://ec.europa.eu/sme2chance> and find out more about

- » what bankruptcy is in reality – not a synonym for fraud;
- » how failed entrepreneurs managed their restart;
- » facts and figures on business failure and restart in Europe;
- » the wide-ranging impact of the stigma of business failure;
- » the economic benefits of reducing the stigma attached to business failure.

Did you know that ...

- » the great majority of insolvent companies are small firms?
- » most failed entrepreneurs tried hard to rescue their business?
- » only few bankruptcies involve some kind of fraud?
- » even small business owners who failed through no fault of their own frequently do not only lose property but social integration and personal reputation as well?
- » the stigma of business failure is costly because it encourages entrepreneurs in financial distress to conceal problems rather than to face them?
- » the stigma of business failure is costly because it discourages start-ups and consequential job creation?
- » studies have shown that re-starters often do better than first-time starters although they have to overcome additional obstacles?



European Commission
Directorate-General for Enterprise and Industry

Giving up after a failed business?

Getting up again is in our nature



Support 2nd chance to benefit all of us

“Anyone who has never made a mistake has never tried anything new” – Albert Einstein knew that, too. **Research, discovery** and many **learning** processes generally need several attempts. If today we fly around the world it is because aviators and innovative entrepreneurs once dared to try and try ... again.

Entrepreneurship is inherently **risky** – business creation and business death are a normal economic phenomenon. Global competition and new paths imply hidden obstacles and unexpected sources of mistakes. These can easily be fatal for vulnerable businesses, especially smaller ones.

It is impossible to rescue every enterprise, but today's failure frequently holds the germ of tomorrow's success.

A **fresh start** can mitigate the negative impact of an insolvency on jobs, consumers and creditors. Restarters learn from their mistakes and are generally more successful second time round. Also their businesses grow faster in terms of turnover and employment. Unfortunately, restarters are still a minority.

Restarters infuse a business with their experience

Some testimonials of real restarters:



“Insolvency was a shock, but we have learned a lot.”
(Manuela Mutschler)



“Applying for insolvency is probably the hardest decision in an entrepreneur's life but I did not want to fool either myself or the others.”
(Alfred Lanfer)

I was taught that the way to progress is neither swift nor easy
Marie Curie



Nobody is perfect ...

We all know that we should ...

- » choose the right friends and
- » enquire about somebody's taste before buying a present, and
- » have regular medical check-ups.

It seems so easy, but often we do not take the right decision at the right moment.

... entrepreneurs aren't either!

The everyday life of entrepreneurs is challenging: Customer services, identifying business opportunities, cost controlling, personnel management, marketing, cash management, strategic planning, keeping an eye on competitors, accounts, networking ...

The everyday tasks of entrepreneurs involve multiple sources of problems and errors. But only those who do nothing make no mistakes.