

# Maternity Retailer Files for Bankruptcy

The world's largest maternity retailer, Destination Maternity, [filed for bankruptcy](#) this week. The company has 183 stores across markets in the U.S., Canada, and Puerto Rico. Could its potential closure be a sign of things to come for the baby industry, as women have fewer babies and our population grows older?

The company blames increased competition in maternity clothing at a time when pregnancy numbers are declining for its demise. Lisa Gavales, chair of the "Office of the CEO," cited census figures which show that the birth rate in the U.S. declined 9.2 percent between 2008 and 2017, hitting the lowest levels since 1987.

Rebecca Matthias and her husband launched the company in 1982, and by 1990 had opened 40 stores. However, over the past five years, Destination Maternity's revenue fell by nearly one-third despite the company retaining its prominent place within the maternity apparel category.

I have [previously discussed](#) the far-reaching economic ramifications of an aging population. The economic effects will be still greater when the world's population actually starts to decline. There are differing long-range population projections about exactly when that could be – but if fertility rates stay below replacement rate it is certain that it will.

For instance, one Austrian Institute estimates that there is an 85 percent chance that the world's population will stop growing before 2100, and it is in fact most likely that global population will start to shrink before that, around 2070. A recent comprehensive study by the International Institute for

Applied Systems Analysis reached the same conclusion based on the input of over 550 experts.

So, will we see more business failures blamed on birth rates? Certainly, investment in my area of the world seems to be moving towards big, new retirement homes.

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