



COURT NEWS

Chief Judge Barry Russell

2004

Jon D. Ceretto, Executive Officer/Clerk

INDUCTION CEREMONY HELD FOR JUDGE MAUREEN A. TIGHE

The formal induction ceremony for Judge Maureen A. Tighe was held on March 4, 2004, in courtroom 1675 in the Edward R. Roybal Federal Building and Courthouse in Los Angeles. Adam N. Torres, United States Marshal, opened the court, the calendar was called to order by Sheri Carter, District Court Executive and Clerk of Court, and Chief District Judge Consuelo B. Marshall and Chief Bankruptcy Judge Barry Russell welcomed the guests. Circuit Judge Michael Daly Hawkins



Circuit Judge Michael Daly Hawkins administers the Oath of Office.

extended greetings from the Ninth Circuit and administered the Oath of Office to Judge Tighe. Lee Michaelson, Judge Tighe's life partner, enrobed Judge Tighe; and Judge Tighe's parents presented

her with a gavel symbolizing judicial authority. Judith Pfauth van Baarlen and District Judge Nora M. Manella remarked on Judge Tighe's life and career accomplishments. Judge Tighe thanked her family, friends, and colleagues for attending the ceremony and providing her with support over the years. Executive Officer/Clerk of Court, Jon D. Ceretto, then called the calendar completed and adjourned the ceremony. A reception, held in the Edward R. Roybal Federal Building and Courthouse lobby, followed the ceremony.

eFile Volume Expands/Processing Time Improved

In February 2004, the Court made technical enhancements to *eFile* software thereby reducing the processing time for adversary proceedings and new petitions originating from outside of the Los Angeles division service area to about three minutes. Additional servers were also added to several divisions to improve performance.

With the announcement of the chapter 7 *eFile* program on December 4, 2003, *eFile* volume in every category has increased significantly. For the eight weeks

through February 2004, over 10% of all chapter 7 petitions had been filed through *eFile*, compared to just under 8% in December 2003 - a 30% increase. A remarkable 66% of all complaints filed in the eight weeks through February 2004 had been filed through *eFile*, a 65% increase over the 40% share for last year. For the eight weeks through February 2004, 25% of all relief from stay motions had been filed through *eFile*, an increase of 28% over the almost 20% share for 2003. Also, through February 2004, 508 attorneys had registered to use *eFile*, a 30% increase since

the *eFile* chapter 7 petition program was implemented.

eFile currently accepts the electronic submission of chapter 7 voluntary petitions, Motions for Relief from the Automatic Stay, and complaints from registered attorneys. If you are not already registered to use *eFile*, you can register online from the *eFile* home page, which can be accessed from Electronic Services -> *eFile* section of the Court's web site at www.cacb.uscourts.gov. The *eFile* Support Center is available to assist you and may be reached at (213) 894-2365 from 9:00 a.m. - 4:00 p.m. Monday through Friday (excluding federal holidays).

ONLINE CASE FILES EXPANDED TO INCLUDE ALL CHAPTER 7 CASES

With the expansion of its online case files to include chapter 7 asset cases, effective March 1, 2004, the Court is no longer maintaining paper case files for any newly filed chapter 7 case, regardless of asset/no-asset status. The Court first introduced electronic files when it began maintaining 100% online case files for its chapter 7 no-asset cases filed on or after October 1, 2003. The Court continues to maintain paper case files for chapter 11, 12, and 13 cases, and adversary proceedings. Electronic case files offer greater convenience and improved accessibility to case information for the public. Case file documents can be viewed for a fee from a computer with an Internet connection using webPACER. To register to use webPACER, visit the PACER Service Center website at www.pacer.psc.uscourts.gov or call (800) 676-6856. Case file documents can also be viewed from public terminals located in each division. Public Notice 04-002 regarding the availability of paper case files may be found on the Court's web site, www.cacb.uscourts.gov at Notices & Orders -> Public Notices.

NEW PANEL TRUSTEES APPOINTED AND ATTEND ORIENTATION AT THE COURT

Eight new trustees have been appointed to the panel of chapter 7 trustees who administer cases in the Central District of California. The trustees are: David L. Hahn, Sam S. Leslie, Elissa D. Miller, and Jason M. Rund for the Los Angeles Division; Christopher R. Barclay and David W. Newman for the Riverside Division; and David R. Hagen and Diane C. Weil for the San Fernando Valley Division. The new appointments bring the total number of Central District panel members to 52. The new trustees serving the Los Angeles and Riverside divisions began receiving case assignments in February and March 2004. The new trustees in the San Fernando Valley Division will begin receiving cases in future months. Contact information for the new trustees may be found under General Information -> Panel Trustee Information on the Court's web site at www.cacb.uscourts.gov.

The Court held an orientation for the new trustees, their case administrators, and members of the Office of the U.S. Trustee on February 19, 2004, in the Los Angeles Division. Chief Judge Barry Russell and Executive Officer/Clerk of Court Jon D. Ceretto provided opening remarks. Members of the Clerk's Office presented an overview of *eFile* and general Court operations, as well as other information and resources to assist the trustees in their business with the Court. The training presentation concluded with a tour of Intake and a question and answer period. The Court congratulates those joining the trustee panel.

DAP SEEKING PRO BONO ATTORNEY VOLUNTEERS

If you are a bankruptcy attorney looking for a volunteer opportunity, Public Counsel's Debtor Assistance Program (DAP) is seeking volunteer attorneys to provide one-to-one bankruptcy assistance to low-income clients. The Public Counsel Law Center is the largest pro bono law firm in the nation, and is the public interest law office of the Los Angeles County and Beverly Hills Bar Associations. To become a volunteer, call Public Counsel at (213) 385-2977, extension 115.

THE LOS ANGELES FREE CLINIC OFFERS CHAPTER 7 TRAINING

The Los Angeles Free Clinic is offering chapter 7 training designed to teach (or refresh) legal professionals to assist clients in preparing a chapter 7 bankruptcy. The training will be held on Saturday, April 24, 2004 from 8:45 a.m. - 1:45 p.m. at 8405 Beverly Boulevard, Los Angeles. The cost of the training is \$80 for attorneys, \$50 for nonprofit organization members, and \$25 for students. A Chapter 7 Consumer Bankruptcy Manual and corresponding sample forms packet are included in the price of the training. To register, please contact: Christine F. Robinson or Anjelica Carrillo at (323) 337-1709. MCLE: 4.25 hours.

JNS COPY SERVICE CEASES OPERATION IN THE NORTHERN DIVISION

On February 17, 2004, JNS Copy Service (JNS), the on-site copy service for the Court, ceased operation in the Northern Division. Items available in electronic format that JNS formerly supplied are available from the Clerk's Office in the Northern Division at a cost of \$.10 per page. Copies of case file documents that are not available in electronic format cost \$.50 per page. JNS continues to provide full services at the Los Angeles, Riverside, Santa Ana, and San Fernando Valley divisional offices. For more information about obtaining copies/forms in the Northern Division, please call (805) 884-4800.

DIGITAL COURT RECORDING SYSTEM IMPLEMENTATION CONTINUES

Following on the heels of the successful implementation of the digital court recording system in the San Fernando Valley Division on December 8, 2003 (see *Digital Court Recording System Implementation Begins* in the January - February 2004 issue of Court News), the new system debuted in the Riverside Division on March 1, 2004. The digital court recording equipment is replacing old analog tape-recording equipment throughout the District. Audio recordings of digitally recorded hearings are available on a compact disc instead of on a tape cassette. The fee for purchasing a reproduction of an audio recording remains \$26. A revised *Audio Recording Order Form* (formerly titled, *Tape Order Form*) is being made available in each division as they begin using the new system. Digital recordings have superior sound quality and clarity, and include playback options not available with analog recording systems. District-wide use of the system is expected by mid-2004.

CHAPTER 9 BANKRUPTCY CASE FILED IN LOS ANGELES

Tri-City Mental Health Center filed an incomplete chapter 9 petition in the Los Angeles Division on February 13, 2004, which the Ninth Circuit assigned to Chief Judge Barry Russell (LA04-13167BR). The Tri-City petition listed more than 1,000 creditors, estimated assets of \$1-10 million, and estimated debts of \$10-50 million. This mental health center is a public agency serving the San Gabriel Valley. An image of the petition is available at Notices & Orders -> Cases of Interest section of the Court's web site at <www.cacb.uscourts.gov>. All documents filed in the case are available online and may be viewed through webPACER.

Other chapter 9 cases filed in past years in the Central District include Ventura Port District (ND93-12918RR), County of Orange (SA94-22272JR), Orange County Investment Pools (SA94-22273JR), and City of Desert Hot Springs (RS01-30756DN).

SERVICEMEMBERS CIVIL RELIEF ACT OF 2003 TAKES EFFECT

The Servicemembers Civil Relief Act of 2003 (Pub. L. 108-189), took effect on December 19, 2003. The Act revised the Soldiers' and Sailors' Civil Relief Act of 1940, and provides certain relief and protections to servicemembers. Although the Act does not directly amend the Bankruptcy Code, it may have an effect upon issues arising within a bankruptcy case. Practitioners are strongly encouraged to become familiar with the provisions of the Act, and can find the full text of the Act on the legislative information page of the Library of Congress web site at <<http://thomas.loc.gov>>.

Court Statistics January - February 2004

	2004 ESTIMATE	2003 TOTAL	% CHANGE 04 vs 03
Case Filings:			
Chapter 7	55,196	65,227	-15%
Chapter 11	284	371	-23%
Chapter 13	5,820	10,088	-42%
TOTAL	61,300	75,686	-20%
Complaints:			
Dischargeability	1,466	2,055	-29%
Recover Money/Property	4,723	3,712	27%
All Other	480	401	20%
TOTAL	6,669	6,168	9%
Motions:			
Personal Property	4,828	6,346	-24%
Real Property	4,502	6,525	-31%
Unlawful Detainer	641	883	-27%
Other RFS	441	504	-13%
Dismiss	9,531	9,916	-4%
Dismiss/Convert	179	241	-26%
Fees, Employment, Expense:	8,779	11,196	-22%
TOTAL	28,901	35,611	-19%
National Filing Trends			
	12-Month period ending 12/2003	12-Month period ending 12/2002	% Change
Chapter 7	1,176,905	1,109,923	6.0%
Chapter 11	9,404	11,270	-16.6%
Chapter 13	473,137	455,877	3.8%
TOTAL	1,659,446	1,577,070	5.2%

20 Largest and Other Cases of Interest Filed in the Last 24 Months							
	Debtor Name	Case Number	Date Filed	Chapter	Asset Level in Millions	Liability Level in Millions	Last Milestone
Largest Cases (over \$100 M Assets)	Consolidated Freightways Corporation of Delaware	RS-02-24284-MG	09/03/02	11	\$1,110	\$2,211	Exclusive period to file plan extended
	Daewoo Motor America, Inc.	LA-02-24411-BB	05/16/02	11	\$232	\$56	Plan confirmed
	USA Sogo Inc.	LA-03-18660-SB	04/18/02	7	\$177	\$314	Notice of possible dividend
	Imperial Credit Industries, Inc.	LA-03-28969-ES	07/17/03	11	\$169	\$291	Exclusive period to file plan extended
	Vista Hospital Systems, Inc.	RS-03-18901-DN	06/10/03	11	\$142	\$132	Plan confirmed
	InterDent Service Corporation	SA-03-13594-JR	05/09/03	11	\$139	\$348	Plan confirmed
	Sun World International, Inc.	RS-03-11370-DN	01/30/03	11	\$138	\$121	Exclusive period to file plan extended
High Profile Cases*	Opal Concepts, Inc.	SA-02-15441-JR	07/16/02	11	\$50-100	Over \$100	Evidentiary hearing on disgorgement motion set
	OAN Services, Inc.	ND-02-13720-RR	12/17/02	11	\$94	\$124	Compromise & settlement agreement approved
	Centis Inc.	SA-02-15865-JB	07/31/02	11	\$55	\$940	Plan and disclosure statement filed
	Illuminations.com, Inc.	LA-04-10427-SB	01/12/04	11	\$52	\$55	Motion to extend deadline re: leases
	QualPro Corporation	SA-02-19719-JB	12/18/02	11	\$47	\$218	Plan and disclosure statment filed
	Spectrum Restaurant Group, Inc.	SA-03-15911-RA	08/06/03	11	\$39	\$107	Stipulation re: exclusive period to file plan
	Granada Hills Community Hospital	SV-02-20579-AG	11/26/02	11	\$35	\$32	Notices of sale of estate property
	Strouds Acquisition Corporation	LA-03-23620-ER	05/20/03	11	\$27	\$36	Disclosure statement hearing set
	Clothestime Stores, Inc.	SA-03-14555-RA	06/13/03	7	\$15	\$49	Administrative claims payment requests
	Athletes First, LLC	SA-03-14549-RA	06/13/03	11	\$11	\$50	Second request for extension of exclusive period to file plan
	Tri-City Mental Health	LA-04-13167-BR	02/13/04	9	\$1-10	\$10-50	Deadline for objections to petition established
	Aaron Tonken	LA-04-12883-EC	02/10/04	7	\$1-10	\$10-50	Time for filing schedules extended
	Checkmate Staffing, Inc.	SA-03-19318-JR	12/29/03	11	\$22	\$31	Claims bar date set

*Based on a combination of Asset and Liability Levels, number of creditors, high activity, and/or name recognition.

Court News

is published by the United States Bankruptcy Court for the Central District of California as an informational service for the practitioners and public of our Court.

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Suggestions and comments are always welcome.
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