

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.

PETER H. CARROLL
Chief Judge

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CENTRAL DISTRICT WELCOMES NEW BANKRUPTCY JUDGES JULIA W. BRAND AND NEIL W. BASON

The United States Bankruptcy Court for the Central District of California is pleased to welcome two new judges to the bench, Julia W. Brand and Neil W. Bason. The two judges were sworn in on October 24 by Chief Judge Peter H. Carroll in Los Angeles.

Judge Brand fills the position left vacant by Judge Geraldine Mund, who retired in February and continues to sit as a recalled judge. Judge Brand will take over Judge Robles' chapter 13 calendar starting November 7. Judge Bason fills the last temporary judgeship authorized for the Central District, and will take over Judge Donovan's chapter 13 calendar starting November 7. Both judges will maintain chambers in Los Angeles.

Approximately 30 guests attended the swearing-in, including Judges Barry Russell and Sandra R. Klein, Clerk of Court Kathleen J. Campbell, and Judges Brand and Bason's staff, family and friends.

The Honorable Julia W. Brand

Judge Brand brings over 20 years of experience in bankruptcy law to the bench. Prior to her appointment, Judge Brand was a shareholder in the corporate bankruptcy and restructuring group of Brownstein Hyatt Farber Schreck, LLP. She had been of counsel at Danning, Gill, Diamond & Kollitz, LLP from 2009 to 2010, a partner at Liner Grode Stein Yankelevitz Sunshine Regenstreif & Taylor, LLP from 2007 to 2009, and a partner at Katten Muchin Rosenman, LLP from 1991 to 2007. Judge Brand received her B.A. from the University of California at Los Angeles in 1981 and her J.D. from the University of Southern California Gould School of Law in 1985.



The Honorable Neil W. Bason

Before Judge Bason's appointment to the bench, he was special counsel at Duane Morris, LLP from 2009 to 2011, and at Howard Rice Nemerovski Canady Falk & Rabkin, PC from 2008 to 2009. He served as law clerk to U.S. Bankruptcy Judge Dennis Montali in San Francisco from 2000 to 2008. Judge Bason was a guest lecturer at the University of California Hastings College of the Law in 2008. He has volunteered with Project Open Hand, a San Francisco-based nonprofit that feeds people who have serious illnesses, and with the AIDS Legal Referral Panel, which provides *pro bono* legal assistance to people with HIV/AIDS in the Bay Area. Judge Bason graduated from Johns Hopkins with a B.A. in 1984 and received his J.D. at Boston University School of Law in 1988.



For more information,
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COURT CLOSED

Friday, November 11, 2011
Veterans Day

Thursday, November 24, 2011
Thanksgiving Day

Friday, November 25, 2011
State of California Holiday

Monday, December 26, 2011
Christmas Holiday Observed

Monday, January 2, 2011
New Year's Holiday Observed

EMERGENCY MATTERS ONLY

Friday, December 23, 2011
Friday, December 30, 2011

CHANGES TO BANKRUPTCY COURT FEE SCHEDULE

Effective November 1, the U.S. Bankruptcy Court's filing fees increase. For the new fee schedule, please refer to Public Notice 11-021, the Abbreviated Fee Schedule, or the Court Manual Section 1.1, all of which can be found on the Court's website.

INVESTITURE OF JUDGE SANDRA R. KLEIN

On October 27, the investiture ceremony of Judge Sandra R. Klein was held in a packed courtroom at the Edward R. Roybal Federal Building and Courthouse in Los Angeles, California. The ceremony began with U.S. Marshal David Singer giving the opening of court, followed by Judge Klein's family from Chicago (Colleen, Joe, Mack, Rosie and Sadie Klein) leading the Pledge of Allegiance. Clerk of Court Kathleen J. Campbell called the calendar, and Chief District Judge Audrey B. Collins and Chief Bankruptcy Judge Peter H. Carroll welcomed the distinguished judges and agency heads in attendance from the U.S. Court of Appeals, District Court, the California Court of Appeals, and LA Superior Court, as well as 19 bankruptcy judges from the Central District of California.

Chief Judge Carroll began by outlining Judge Klein's educational achievements, which include graduating *magna cum laude* when earning both her undergraduate and law degrees, and earning her M.B.A. as a member of the Honor Society. Judge Klein's choice to pursue a legal career was described as arising from her desire for greater professional challenges. After clerking for U.S. District Judge Lourdes G. Baird and Senior Judge Arthur L. Alarcón of the U.S. Court of Appeals for

the Ninth Circuit, Judge Klein discovered her love of litigation while working at O'Melveny & Myers LLP. Chief Judge Carroll shared that Judge Klein has a reputation for being "tough on bankruptcy fraud" from her work as a Special Assistant U.S. Attorney, Regional Criminal Coordinator for the U.S. Trustee Program, and later acting chief of the Criminal Enforcement Unit of the Department of Justice, U.S. Trustee Program. Judge Klein was also described as a deeply caring friend and family member.

Before Judge Klein was administered the oath, Chief District Judge Collins commented that Judge Klein was "always a pleasure to have in court," and was well-liked, even by opposing counsel. Judge Klein was then clothed in her judicial robe by her husband Richard Faulkner and her parents David and June Klein. Speakers for the ceremony included Loyola Law School Professor Laurie L. Levenson, retired U.S. District Court Judge Lourdes G. Baird, and Senior Judge Arthur L. Alarcón of the U.S. Court of Appeals for the Ninth Circuit. Professor Levenson first explained that having Judge Klein as a law student in her class proves "sometimes you just get lucky," and that "we are all lucky to have Sandy Klein as a member of the bankruptcy bench." Retired Judge Baird thanked



Judge Klein for making her transition to the bench go smoothly when she clerked during Judge Baird's first years on the federal bench, and said that the Court is likewise "fortunate" to have Judge Klein. Judge Alarcón congratulated Judge Klein, adding she "has prepared herself well to become a bankruptcy judge" since her days as his law clerk. Judge Alarcón credits hiring Judge Klein as his law clerk as one of his "wisest decisions."

Judge Klein thanked everyone in attendance, quoting former Supreme Court Justice Sandra Day O'Connor: "We do not accomplish anything in this life alone." Judge Klein attributes her accomplishments to the upbringing her parents provided her and the support of her husband, mentors, family, friends and colleagues. Chief Judge Carroll closed the ceremony by congratulating Judge Klein, thanking those in attendance, and inviting all to a reception in the lobby of the Roybal Courthouse.

ELECTRONIC PUBLIC ACCESS FEE INCREASE

In response to increasing costs for maintaining and enhancing the Public Access to Court Electronic Records (PACER) system, effective April 1, 2012, the electronic

public access (EPA) fee will increase from \$.08 to \$.10 per page. However, PACER users who do not accrue charges of more than \$15 in a quarterly billing cycle would

not be charged a fee (the current exemption is \$10 per quarter). This means that 75 to 80 percent of all users will still pay no fees.

EARLE HAGEN GOLF TOURNAMENT RAISES OVER \$28,000 FOR THE DEBTOR ASSISTANCE PROJECT

The third annual Earle Hagen Memorial Golf Tournament was held on September 19 at the Braemar Country Club in Tarzana, CA. The event is in memory of Earle Hagen, who practiced law for over 40 years and is remembered for his exceptional service and representation of consumers. The tournament was sponsored by the Central District Consumer Bankruptcy Attorney Association and the Los Angeles Bankruptcy Forum.

This year, Judges Vincent P. Zurzolo, Ernest M. Robles, Maureen A. Tighe, Victoria Kaufman, Robert Kwan, Catherine E. Bauer, Scott C. Clarkson, and Recalled Judge Geraldine Mund participated in the event, along with approximately 90 attorneys, trustees, and other members of the legal community. The tournament raised over \$28,000 with all proceeds going to Public Counsel's Debtor Assistance Project, which provides *pro bono* resources for debtors without legal representation.

CHIEF JUDGE PETER H. CARROLL SPEAKS AT 25TH ANNUAL CCBA INSTITUTE

On September 23, Chief Judge Peter H. Carroll spoke at the 25th Annual Central California Bankruptcy Association (CCBA) Institute in Fresno, CA. Sponsored by the CCBA and the San Joaquin College of Law in Fresno, the Institute is a two-day conference designed for attorneys, accountants, lenders, consultants, and others who deal with individuals and businesses under financial stress.

Chief Judge Carroll spoke on a panel entitled "Lienstripping Moot Court: Delayed Lam Roasting and Other 'Hot' Topics" along with Bankruptcy Judges Roger L. Efremsky and William Lafferty of the Northern District of California, Oakland Division. The three panelists sat as a fictitious bankruptcy appellate panel and heard oral arguments from two attorneys. Over 100 people attended the presentation.

CASE NUMBER REMINDER FOR APPEALS DOCUMENTS

The District Court case number must be listed on all appeal documents subsequent to the Notice of Appeal. Upon receiving a Notice of Appeal, District Court sends all parties a CV-26, or Notice Regarding Appeal From Bankruptcy Court, which provides the District Court case number to be used on all subsequent filings.

The instructions on the CV-26 state: "Hereafter, this District Court case number must appear on all documents filed in this appeal, along with the Bankruptcy Court case number(s) and adversary case number(s)..." Failure to list all the required case numbers causes unnecessary delay in the Bankruptcy and District Courts.

CM/ECF Tips

Please remember that when the Financial Management Course certificate is being filed, the Financial Management Course – Debtor event code is to be used for single debtor cases. The Financial Management Course – Joint Debtor is for cases with two debtors. When selecting the Financial Management Course – Joint Debtor, CM will ask the user: "Have you already filed the certificate for the Debtor?" The user must select "Yes" or "No," then click "Next" in order to complete the filing. If only the joint debtor's certificate is being filed, "No" must be selected.

Filing Statistics

Central District of California - Percent Increase in Filings January - October 2011* to January - October 2010

-8.6% ↓	4.7% ↑	9.9% ↑	-4.4% ↓
2011: 84,713	2011: 1,004	2011: 29,409	2011: 115,126
2010: 92,644	2010: 959	2010: 26,770	2010: 120,373
Chapter 7	Chapter 11	Chapter 13	Total

National - Percent Increase in Filings 12 Mo. Period Ending June 31, 2011 to Same Period Ending June 31, 2010

-4.6% ↓	-11% ↓	1.9% ↑	-2.8% ↓
2011: 1,083,671	2011: 12,714	2011: 432,333	2011: 1,529,560
2010: 1,133,320	2010: 14,272	2010: 424,242	2010: 1,572,597
Chapter 7	Chapter 11	Chapter 13	Total

*Based on estimated filing data for October 2011.

Top 20 Cases of Interest Filed in the Last 24 Months*

RCR Plumbing and Mechanical, Inc.

RS-11-41853-WJ Chapter 11, Filed 10/12/2011, Assets \$10-50 million and Liabilities \$10-50 million. Order granting motion for payment and honoring pre-petition payroll obligations and employee gas expense account system entered 10/14/2011. Order granting motion to use cash collateral and compelling turnover of estate funds granted on an interim basis entered 10/14/2011. Other first day motions set for hearing 11/1/2011. Debtor filed an application to employ Kurtzman Carson Consultants as noticing agent.

FFPE, LLC, a Delaware LLC AKA: Pat & Oscar's Restaurants

SA-11-23246-ES, Chapter 7, Filed 9/21/2011, Assets \$0-50,000 and Liabilities \$1,000,001 - \$10 million. Order Granting Trustee 's Motion Authorizing immediate abandonment of three properties: Temecula; El Cajon and Carlsbad.

Summer View Sherman Oaks Apartments. LLC, a Delaware Limited Liability Co.

SA-11-19800-AA, Chapter 11, Filed 08/15/11, Assets \$10-50 million and Liabilities \$10-50 million. 341(a) Mtg 9/20/2011. Motion for 11 U.S.C. Section 543(d)(1) Relief from Turnover of Property (& to the Extent Necessary for Relief from Automatic Stay) filed on 8/29/2011. Application for Order Authorizing Employment of Cirrus Asset Mgmt., Inc. as Mgmt. Co. for debtor filed 9/14/2011. Schedules filed 9/28/2011.

The Grande Holdings Limited

LA-11-41459-BB, Chapter 15, Filed 7/22/11. Assets between Over \$100,000 and Liabilities over \$100. Status conference set on 10/25/2011. Status report filed by creditor Fred Kayne on 10/14/2011.

Figueroa Tower I LP, Figueroa Tower II, LP, Figueroa Tower III, LP (jointly administered)

SV11-18760-GM; SV11-18761-GM; SV11-17862-GM, Chapter 11, Filed 07/14/11, Assets \$50-100 million and Liabilities \$50-100 million. Order Granting Application to Employ Levene, Neale, Bender, Yoo & Brill LLP filed on 8/31/2011. Amendment to Creditor's Matrix filed on 8/17/2011.

Westrim Inc. dba Westrim Crafts

SV-11-15313-GM, Chapter 11, Filed 04/29/2011, Assets \$1-10 million and Liabilities \$10-50 million. Motion to Convert Case from Chapter 11 to Chapter 7 filed on 10/3/2011.

Encino Corporate Plaza, L.P.

SV-11-14917-GM, Chapter 11, Filed 04/20/11, Assets \$10-50 million and Liabilities \$1-50 million. Order Granting Exclusivity Period to file Plan of reorganization to 11/16/2011 & exclusive period to obtain acceptance of a plan of reorganization to 1/15/2012. Motion for Relief filed by Wells Fargo Bank, N.A. on 8/25/2011.

Verdugo Mental Health

LA-11-22739-PC, Chapter 11, Filed 03/25/11, Assets \$1-10 million and Liabilities \$1-10 million. Final report of the Verdugo Mental Health Patient Care Ombudsman filed on 10/19/2011.

Rio Rancho Super Mall LLC

RS-11-16835-CB, Chapter 11, Filed 03/02/11, Assets \$10-50 million and Liabilities \$10-50 million. Stipulation between Debtor and Wilshire State Bank re extension of time for debtor to file and serve the Disclosure Statement and Plan extended to 10/7/2011. The hearing on the Disclosure Statement is set for 11/15/2011.

HomeSuites, LLC

ND-11-10163-RR, Chapter 11, Filed 01/12/11, Assets \$1-10 million and Liabilities \$1-10 million. Final Hearing re Motion for relief from the automatic stay with supporting declarations real property re:4454-4468 Hummel Dr, Santa Maria, CA 93455 scheduled for 12/8/2011.

Sexy Hair Concepts, LLC

SV-10-25922-GM, Chapter 11, Filed 12/21/10, Assets \$50-100 million and Liabilities \$50-100 million. Case terminated on 10/14/2011.

AVP Pro Beach Volleyball Tour, Inc.

LA-10-56761-BB, Chapter 11, Filed 10/29/10. Assets between \$100,001-\$500,000 and Liabilities between \$1-\$10 million. Scheduling report filed by attorney for Debtors in Possession on 9/26/2011.

Crystal Cathedral Ministries, a California non-profit corporation

SA-10-24771-RK, Chapter 11, Filed 10/18/10. Assets and Liabilities \$50-\$100 million. Motion to set last day to file POC filed 9/20/2011, Amended Disclosure Statement and Chapter 11 Plan filed 9/21/2011, Monthly Operating Report ending 8/31/2011 filed 9/22/2011, Motion disallowing claims filed 9/30/2011, Adversary 11ap01409 by Official Committee of Unsecured Creditors filed 9/30/2011.

Toni Braxton

LA-10-51909-BR, Chapter 7, Filed 9/30/10. Assets between \$1-10 million and Liabilities between \$10-50 million. Discharge of debtor entered on 8/26/2011.

Liberty Entertainment, Inc.

LA-10-51881-BR, Chapter 7, Filed 8/30/10. Assets between \$500,000 to \$1 million and Liabilities between \$1-10 million. Amended Statement of Financial Affairs filed on 1/26/2011.

Garden Grove Dermatology Center Inc.

SA-10-19195-ES (Lead of 6 Cases), Chapter 11, Filed 7/06/10. Assets between \$500,000 to \$1 million and Liabilities between \$1- \$10 million. Order to show cause Motion to find creditor continued to 10/4/2011, 341(a) Meeting continued to 10/6/2011.

WestCliff Medical Laboratories, Inc./BioLabs, Inc.

SA-10-16743-TA, SA-10-16746-TA, Chapter 11, Filed 5/19/10. Assets and Liabilities between \$50-\$100 million. Order granting Fourth Stipulation to continue hearing 11/9/2011, Order granting Motion for Order Imposing a Stay Continuing Automatic Stay filed 9/28/2011, Adversary 11ap01405 filed, Notice of Removal filed 9/28/2011, Order approving Motion to establish Bar Date for 10/31/2011.

The Pasadena Playhouse State Theatre of California, Inc.

LA10-28586-TD, Chapter 11, Filed 5/10/10. Assets between \$100,001 to \$500,000 and Liabilities between \$1-10 million. Case closed 9/12/11.

Ocean Parks Hotels - TOY LLC/Ocean Park Hotels - TOP LLC

SV-10-15358-GM, SV-10-15359-GM, Chapter 11, Filed 5/6/10. Assets and Liabilities between \$10-\$50 million. Amended to Schedules filed 9/9/2011.

Bander Law Firm, LLP

LA-10-15066-AA, Chapter 7, Filed 2/12/10. Assets between \$1-100 million and Liabilities between \$500,001-\$1 million. Order entered on 9/13/2011 granting motion authorizing trustee to release and destroy debtor's books and records.

*Based on a combination of asset and liability levels, number of creditors, high activity, and/or name recognition.