AUGUST

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BANKRUPTCY COURT
CENTRAL DISTRICT
OF CALIFORNIA

Court News



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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.

MAUREEN A. TIGHE Chief Judge

KATHLEEN J. CAMPBELL Executive Officer/Clerk of Court

Suggestions and comments are always welcome.

Please email us at editor@cacb.uscourts.gov.

This issue and back issues of the Court News are available on the Court's website at http://www.cacb. uscourts.gov/publications.

HONORABLE SANDRA R. KLEIN HONORED BY GIRL SCOUTS OF GREATER LOS ANGELES AT ANNUAL GOLD CEREMONY AND GALA

On Saturday evening, June 8, 2019, the Girl Scouts of Greater Los Angeles held its first annual Gold Ceremony and Gala at Westfield Century City's open-air Atrium. The venue was a perfect backdrop to celebrate the 326 young women who received their Gold Award ,which is the highest and most prestigious honor bestowed on a Girl Scout. Young women who earn Gold Awards have transformed "an idea and vision for change into an actionable plan with measurable, sustainable, and far-reaching results." During the Gala, the Girl Scouts of Great Los Angeles also presented Woman of Distinction awards to the Honorable Sandra R. Klein, journalist Lisa Ling, and CEO Pattie Sellers.



Girl Scouts of Greater Los Angeles Board Chair Shelley Thompson, Judge Klein, CEO of Girl Scouts of Greater Los Angeles Lise Luttgens

Judge Klein was honored for creating the Girl Scouts Justice Patch and for co-founding a Girl Scout Troop for girls experiencing homelessness. Judge Klein created the Justice Patch Program after discovering that

Boy Scouts could earn a badge and learn about the law and legal profession by meeting judges and lawyers but Girl Scouts did not have a comparable opportunity. To date, Judge Klein has hosted visits to her courtroom by more than 150 Girl Scouts, who are working towards earning the Justice Patch. Judge Klein also partnered with Girl Scouts of Greater Los Angeles's community outreach team to establish a troop at a local shelter for girls experiencing homelessness. She and Loyola Law School Professor Laurie Levenson currently volunteer as the troop's co-leaders.

Judge Klein was joined by her husband Richard Faulkner, mother June Klein, childhood friend Janice Harris and her daughter Julia, bankruptcy court colleagues Chief Judge Maureen Tighe and Judge Erithe Smith, bankruptcy court staff Kimberly Rubal and Stephanie Rettier along with her daughter Eva Freijerio, mentor Professor Laurie Levenson and her husband Doug Mirell, all of whom beamed with pride as Judge Klein accepted her award. Judge Klein closed her remarks by quoting Girl Scout founder Juliette Gordon Lowe who said that "[t]he work of today is the history of tomorrow, and we are its makers."

PASSING OF JUDGE JAMES N. BARR

We are saddened by the loss of Judge James N. Barr, who passed away June 8. He was 78.

Judge Barr served on the bankruptcy bench from 1987 to 2006. In 1990, he oversaw the liquidation and sale of National Lumber and Supply, Inc., a chain of 20 home-improvement stores, and later the same year handled the FundAmerica case, an Irvine-based marketing firm charged with being a multi-million dollar pyramid scheme. In 2000, he presided over the Chapter 11 case of KPC Medical Management Inc., an Anaheim-based company, which was the largest for-profit medical group in Southern California at the time.



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Statistics Dashboard

Statistics <u>interactive</u> Dashboard is a new feature of the Court's website that provides up-to-date filing and closing data for chapter 7, 11, and 13 cases, as well as adversary proceedings. Users can view data sorted by division or from the entire Central District, or they can choose to view only se or business cases. . The Statistics Dashboard also displays year-by-year and month-by-month comparisons; another option compares each month of the current year to the corresponding month of the prior year. Access the new feature through the "Interactive Statistics" link on the Information tab of the Court's homepage (www.cacb.uscourts.gov), follow this link.

Accessing Court Information by Twitter

The Court has tweeted over 4,000 times since 2011, and its Twitter account has over 850 followers. The Court tweets announcements, Notices of Sale, Public Notices, and other timely information. In March 2015, the Court began tweeting judicial opinions.

You do not need a Twitter account to view the Court's tweets—just click on the Twitter logo on the home page of the (www.cacb.uscourts.gov). The postings are arranged in chronological order, making it easy to quickly catch up with what is going on at the Court. If you have a Twitter account, follow @cacbnews.

WEBSITE FEEDBACK

The U.S. Bankruptcy Court for the Central District of California continues to enhance its website based on feedback from users. Please let us know your thoughts about what is working well and what could be improved at www.cacb. uscourts.gov/contact.

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Judge Barr was known for his caring and kind demeanor and his commitment to mentoring young lawyers. Bankruptcy Judge Mark Houle, who clerked with Judge Barr from 1997 to 1998, has fond memories of Judge Barr: "Judge Barr was one of the kindest, most gentle people I've had the honor of knowing. He was a man of highest integrity and was also completely guileless – in fact, I can't recall him ever saying a bad word about a colleague, debtor, or attorney. He also cared deeply about mentoring the younger generation of attorneys, and it was his tradition to select two young attorneys each year that he thought did an excellent job in his courtroom to take to lunch. He will be missed."

He is survived by his wife, Phyllis, his son, Jamie, two daughters, Renae and Michele.

PROFILE OF JUDGE CLARKSON PUBLISHED BY STATE BAR OF CALIFORNIA

The latest subject in the series of judicial profiles from the State Bar of California's Insolvency Law Committee is Judge Scott C. Clarkson. Committee members Christopher Hughes, Misty Perry Isaacson, and Corey Weber met with Judge Clarkson to discuss his "personal and professional background, observations from the bench, and issues of interest." The profile spans the professional journey of Judge Clarkson and touches on his varied interests outside the Court. This judicial profile, like the others in the ILC's series, is posted on the State Bar of California's website.



COURT NEWS SURVEY

In an ongoing effort to improve service to the public, the staff of the Court News is conducting a survey to gain a better understanding of what you expect to see in this publication. We are asking for just a few moments of your time to make sure we hear your opinions and suggestions, so the Court News can best serve your interests.

The 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. The Court News has been a publication for over 13 years.

Please select the link below to the survey: https://www.surveymonkey.com/r/FV3LW7C

Deadline to respond to the survey is Wednesday, July 10, 2019.

THE CALIFORNIA BANKRUPTCY FORUM RAISES AND DONATES \$9,500

The California Bankruptcy Forum through its Pro Bono Project continued its commitment to Pro Bono by raising and donating \$9,500 for the La Reina Legal Clinic in Memory of John Melissinos. The La Reina Legal Clinic is administered through the Desert Center for Legal Education in Palm Springs, CA. The CBF supports the pro bono efforts of the various local Bankruptcy Forums and County Bar Associations throughout the state which are dedicated to support access to the bankruptcy courts in California.

The 2019 pro bono efforts were led by Sharon Weiss of Bryan Cave Leighton Paisner LLP and Ed Hays of Marshack Hays LLP. CBF's pro bono efforts have raised \$73,000 since its inception in 2012. For more information about CBF's commitment to pro bono, visit https://www.calbf.org/pro-bono-home/.





HONOR ROLL RECEPTION HELD FOR LOS ANGELES AND WOODLAND HILLS PRO BONO VOLUNTEERS

On June 8, the Court hosted an Honor Roll reception in conjunction with the Central District Consumer Bankruptcy Attorneys Association (*cdcbaa*) at Southwestern Law School. The *cdcbaa* was already hosting its "Judges on Trial!" program and agreed to have the Court host a breakfast reception prior to the event, in order to recognize the pro bono volunteers listed on the Court's Honor Roll. The Honor Roll is published on the Court's website under "Programs and Services for Attorneys," and is based on the names submitted on an ongoing basis by each of the Court's self-help desks to recognize volunteers from each organization. This breakfast reception focused on recognizing the volunteers from the Los Angeles and San Fernando Valley Divisions, specifically.

Self-help desk staff from Public Counsel and Neighborhood Legal Services attended, along with 20 attorney volunteers. Chief Judge Maureen Tighe, Hon. Ernest M. Robles, Hon. Catherine E. Bauer, and Hon. Martin R. Barash also attended the breakfast, along with Clerk of Court Kathleen J. Campbell and her staff. Each volunteer honored at the reception received a certificate of appreciation from the Court. Guests mingled over an assortment of fruit, pastries, breakfast burritos, scrambled eggs, and French toast. Chief Judge Tighe spoke at the reception and praised the efforts of the volunteers in assisting those who cannot afford attorney representation.

Volunteers at the Riverside Division were recognized in conjunction with an Inland Empire Bankruptcy Forum event in January. Judge Bauer hosted a reception in her chambers at the Santa Ana Division. Northern Division will be honoring volunteers at an event later this year.

CM/ECF TIPS

Incorrectly Filed Motion

To properly terminate or dispose an incorrectly filed motion in CM/ECF, use docket event, "Voluntary Dismissal of Motion," from the Bankruptcy Events menu, select BK — Other > Voluntary Dismissal of Motion.

<u>Trouble Accessing Lodged Order Upload (LOU)</u>

On occasion, you may click on the Lodged Order Upload link in CM/ECF and nothing happens. This indicates that your pop-up blocker is turned on. To turn off pop up blocker:

If using Internet Explorer:

Click on Tools > hover over pop up blocker > click turn off pop up blocker.

If using Google Chrome:

Click on Settings > Advanced > Content settings > Popups > change to Allowed

If using Mozilla Firefox:

Click on Options > Content > remove the check mark for Block Pop-up windows

Upon completion, log back into CM/ECF and retry. For additional information, please contact the ECF Support Desk at 213-894-2365.

Utilizing the Search Feature in CM/ ECF

The "Search" feature located on the blue menu bar in CM/ECF is a helpful tool when searching for an event code. By clicking on "Search" and entering a key word such as "Relief" for Relief from stay, CM will list all of the areas where the word "Relief" for example can be found. This is an excellent way to verify event codes prior to filing your documents.

Flattening and Shrinking the Document Image

All PDF files must be "flattened" prior to uploading in the court's CM/ECF system. Documents that have not been flattened prior to submission can result in poor image quality problems for all users who attempt to view the PDF via CM/ECF. Flattening files also reduces the file size of a fillable form by over 90 percent, conserving valuable resources for the court. CM/ ECF users who fail to flatten files will be contacted and asked to resubmit these files. To "flatten" the electronic file (i.e., to make the field data indistinguishable from the rest of the text in the form), "print" the form to PDF (using the print dialogue box) and file the resulting document. Detailed instructions for flattening and shrinking a PDF document titled, "Warning for Electronic Filers: Flattening PDF Files Required," are available on the court's website at www.cacb.uscourts. gov>CM/ECF.

Top 20 Cases of Interest*

Andrew Marc Pitsicalis

SV-19-10062-BK, Chapter 11, Filed 1/11/19. Assets under \$1 million and Liabilities under \$1 million. Order granting Trustee's motion to convert case to a Chapter 7 entered on 4/24/19.

Banner Mattress Inc.

RS-19-13381-SC. Chapter 11, Filed 4/22/19. Assets \$1-10 million and Liabilities \$1-10 million. Hearing Held 05/07/19 and Continued to 09/17/19 regarding Scheduling and Case Management Conference. Order Confirming First Amended Chapter 11 Liquidating Plan entered 05/14/19.

Cosmedx Science Inc

RS-18-16043-WJ, Chapter 11, Filed 07/19/18. Assets \$1-10 million and Liabilities \$1-10 million. Motion to Reclassify Claims Filed by Chapter 7 Trustee on 04/17/19 – Hearing Scheduled 06/04/19. Order Approving Settlement and Compromise of Accounts Receivable Disputes By and Between the Chapter 7 Trustee and (1) ESN Group, Inc., (2) Hain Celestial Group, Inc., (3) Fieldful, Ltd. Entered 05/16/19.

Elas, LLC dba Calnopoly LLC

SV-18-12494-VK, Chapter 11, Filed 10/08/18. Assets \$1-10 million and Liabilities \$1-10 million. Scheduling and case management conference continued to 6/20/19.

SV-19-22389-MB, Chapter 11, Filed 05/22/19. Assets \$1-10 million and Liabilities \$1-10 million. Hearing Regarding Motion to Approve Budget in Individual Chapter 11 Debtor and Authorize Debtor's Use of Cash Collateral Continued to 07/03/19. Scheduling and Case Management Conference to be Heard on

Hekmatjah Family Limited Partnership

SV-18-13023-VK, Chapter 11, Filed 12/17/18. Assets \$1- 10 million and Liabilities \$10-50 million. Scheduling and case management conference to be heard on 8/15/19.

FinCabiz, Inc.

SV-19-11386-VK, Chapter 11, Filed 06/03/19. Assets \$1-10 million and Liabilities \$1-10 million. Hearing Regarding Trustee's Motion to Dismiss or Convert to be Heard on 07/18/19.

Kendall Frozen Fruits, Inc.

SA-18-14052-SC, Chapter 11, Filed 11/05/18. Assets \$1-10 million and Liabilities \$1-10 million. Motion to Sell Property of the estate free and clear of liens hearing set 6/27/19. Monthly Operation Reports number 6 for the month ending 05/31/19 filed by the Trustee.

Mesko Restaurant Group II, Inc.

SA-19-11830-CB, Chapter 11, Filed 05/13/19. Assets \$500.001 - \$1 million and Liabilities \$10,000.001 - \$50 million. Schedules filed 06/10/19; Application to Employ filed 06/12/2019 hearing set 07/03/19; Motion to sell Property of the Estate Free and Clear of Liens filed 06/12/19 hearing set 07/03/19; Notice of setting/Increasing Insider Compensation with Proof of service filed 06/12/19.

MidiCi Group LLC

SV-18-12354-VK, Chapter 11, Filed 09/21/18. Assets \$1-10 million and Liabilities \$1-10 million. Hearing regarding confirmation of debtor's first amended Chapter 11 plan continued to 07/03/19. Scheduling and case management conference continued to 07/03/19.

Modern VideoFilm. Inc.

SA-18-11792-MW, Chapter 11, Filed 05/16/18. Assets \$1-10 million and Liabilities \$50-100 million. Order Granting Third Motion for Extension of Exclusive Periods to File A Plan to 06/10/19 and Solicit Acceptances to 09/09/19. Amended Chapter 11 Plan filed 06/05/19. Disclosure Statement Hearing Set for 07/17/19. Status Conference Continued to 07/17/19. Monthly Operating Reports number 13 for the month ending 05/31/19 filed by the Debtor.

SV-18-12855-MT, Chapter 11, Filed 11/27/18. Assets \$1-10 million and Liabilities \$1-10 million. Hearing regarding first amended Chapter 11 plan continued to 6/24/19. Hearing regarding motion for order approving debtor in possession construction financing on a first priority basis priming all liens except real property taxes continued to 6/24/19. Scheduling and case management conference continued to 6/24/19.

Rockin Artwork, LLC (Lead case to JNTADMN case) Purple Haze Properties, LLC SV-19-10051-VK SV-19-10052-VK, Filed 01-09-19. Assets under \$1 million and Liabilities under \$1 million. Order granting Trustee's motion to convert case to a Chapter 7 entered on 4/24/19.

Ruby's Diner, Inc. a California Corporation
SA-18-13311-CB, Chapter 11, Filed 09/05/18. Assets \$1-10 million and Liabilities \$1-10 million. Order Approving Stipulation to Continue Hearing on Debtors' Motion (1) Approving Disclosure Statement; (2) Schedule Confirmation Hearing; (3) Approve form and Manner of Notice of Confirmation Hearing; (4) Establish Procedures for Solicitation and Tabulation of Votes to Accept or Reject Plan; & (5) Establish the Deadline and Procedures for Filing Objection to Confirmation of the Plan - Hearing Continued to 08/07/19.

Technology Solutions & Services Inc,

RS-18-18339-MH, Chapter 11, Filed 10/02/2018, Assets \$1- 10 million and Liabilities \$10-50 million. Order confirming first amended Chapter 11 liquidating plan entered 05/14/19. Scheduling and Case Management Conference continued to 9/17/19. Effective date of plan is 06/13/19.

Three Chiefs and No Indians, LLC

RS-18-17106-WJ, Chapter 11, Filed 07/17/2018, Assets \$10- 50 million and Liabilities \$10-50 million. Summary of Ballots and Analysis for Accepting or Rejecting the First Amended Plan of Reorganization Filed by debtor on 05/20/19; Hearing on Confirmation of Chapter 11 Plan held 06/04/19 and Continued to 06/11/19; Order on Motion of Debtor for Sale of Property Free and Clear of Liens and Assumption and Assignment of Executory Contracts entered 06/11/19.

Valley C LLC
SV-18-11786-MB, Chapter 11, Filed 08/22/2018, Assets \$1- 10 million and Liabilities \$1-10 million. Hearing regarding Trustee's Motion to Dismiss or Convert
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SV-18-11786-MB, Chapter 11, Filed 08/22/2018, Assets \$1- 10 million and Liabilities \$1- 10 million an to be heard on 08/14/19. Hearing regarding Motion for Interim and Final Orders (1) Authorizing the Debtor to (A) Obtain Post-Petition Financing Pursuant (B) Grant Priming Liens and Super Priority Claims to the DIP Lender, and (C) Provide Adequate Protection to Prepetition Lenders, (ii) Scheduling a Final Hearing Pursuant to Bankruptcy Rules 4001 (B) and (C) and (iii) Granting Related Relief Continued to 07/17/19. Scheduling and Case Management Conference continued to 07/17/19.

Verity Health System of California, Inc. et al. (lead case), St. Louise Regional Hospital, Verity Holdings, LLC, St. Vincent Medical Center, St. Francis Medical Center, Seton Medical Center, O'Connor Hospital, Verity Medical Foundation, St. Vincent Dialysis Center, Inc., Saint Louise Regional Hospital Foundation, Verity Business Services, Seton Medical Center Foundation, De Paul Ventures, LLC, St. Francis Medical Center of Lynwood Foundation, O'Connor Hospital Foundation, St. Vincent Foundation, De Paul Ventures - San Jose Dialysis, LLC, LA-18-20151-ER LA-18-20162 LA-18-20163 LA-18-20164 LA-18-20165 LA-18-20167 LA-18-20168 LA-18-20169 LA-18-20171 LA-18-20172 LA-18-20173 LA-18-20175 LA-18-20176 LA-18-20178 LA-18-20179 LA-18-20180 LA Ad18-01375 set for 07/30/19. Adversary Status Conference regarding Ad19-01140 set for 08/27/19.

Visiting Nurse Association of the Inland Counties

RS-18-16908-MH, Chapter 11, Filed 08/15/2018, Assets \$1- 10 million and Liabilities \$10-50 million. Order Granting Motion to Extend Exclusivity Period for Filing a Chapter 11 Plan and Disclosure Statement Entered 6/12/2019 - Debtor's Exclusive Period Further Extended to 12/19/19. Debtor's Exclusive Period to Solicit Acceptance of Plan Further Extended to 03/13/20.

Zacky & Sons Poultry, LLC.

LA-18-23361-RK, Chapter 11, Filed 11/13/18. Assets \$50-100 million and Liabilities \$50-100 million. Hearing held on 06/10/19, Status Conference Continued to 08/21/19. Hearing regarding Motion for Entry of an Order Authorizing Sale of Substantially all of the Debtor's Real Estate Related Assets Free and Clear of all Liens, Claims, Encumbrances and Interests and Granting Related Relief set for 08/21/19.