

United States Bankruptcy Court  
Central District of California

Theodor C. Albert, Chief Judge  
Kathleen J. Campbell, Executive Officer / Clerk of Court



## JUDGE SCOTT CLARKSON'S NEW ABI eBook RELEASED

Hon. Scott C. Clarkson's new American Bankruptcy Institute ebook titled *27 Articles for Bankruptcy Judges: A Bankruptcy Judge's Insights on Trying to Get It Right* provides an insider's look at judicial conduct, including the right (and wrong) way of doing things. The ebook serves as a useful guide for both new and seasoned judges, practitioners thinking of becoming judges, judicial staff, and anyone who conducts business in and around the courts.

Judge Clarkson's writings are divided into 27 essays, a nod to author T.E. Lawrence's classic set of guidelines under the same name on military leadership during World War I. "This is really a book about the reemergence of civility both in and out of court, and how both judges and the legal profession may strive to promote civility, honesty and integrity throughout the legal system," Judge Clarkson said.

ABI Editor-at-Large Bill Rochelle, author of ABI's Rochelle's Daily Wire, noted Judge Clarkson's ebook is a delight and "It's chock full of hints for newly minted judges." *27 Articles for Bankruptcy Judges: A Bankruptcy Judge's Insights on Trying to Get It Right* is now available via the American Bankruptcy Institute Store at the following link: <https://store.abi.org/27-articles-for-bankruptcy-judges-a-bankruptcy-judge-s-insights-on-trying-to-get-it-right.html>.



## UPDATES TO THE COURT'S STRATEGIC PLAN UNDERWAY

By: Honorable Julia W. Brand

With the Court's current Strategic Plan set to expire on December 31, 2024, the Court has embarked on the process of drafting a new Strategic Plan. The Committee is comprised of Judges Julia W. Brand (chair), Mark D. Houle, Martin R. Barash, and Ronald A. Clifford III; Executive Officer/Clerk of Court Kathleen J. Campbell; Chief Deputy of Operations Benjamin Varela; Chief Deputy of Administration John C. Hermann; Director of Human Resources and Court Services Beryl Dixon; Manager, Planning & Research Blake Francois; and Senior Court Analyst Dr. Estella Chavarin.

The purpose of the Strategic Plan is to define the direction of the Court for the next five years. The Strategic Plan will identify the Court's mission and vision, identify a set of issues and goals, and formulate key strategies that address the issues and goals.

The Strategic Plan Committee commenced its work in March 2024. The Committee began by analyzing the existing plan and identifying changes that should be made to the Plan, in light of the societal and organizational changes that have occurred since the development of the current Strategic Plan, including, for example, the increased use of technology in the courtroom and the greater ability of parties to appear in court remotely. Once a draft plan is completed, the Committee will seek feedback from internal and external stakeholder groups. The Committee will consider the comments of the stakeholders and revise the draft plan, as appropriate. The draft plan will then be submitted to the Board of Judges for their review. After any additional changes are incorporated, the Plan will be submitted to the Board of Judges for approval. The Committee expects this process to be completed by December 2024 so that the plan may be implemented in January 2025.

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.

Suggestions and comments are always welcome. Please email us at [editor@cacb.uscourts.gov](mailto: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>

## SYRACUSE UNIVERSITY COLLEGE OF LAW DELEGATION VISIT

By: Deborah Chang, Law Clerk to the Honorable Julia W. Brand

On March 14, 2024, the United States Bankruptcy Court for the Central District of California, Los Angeles Division, hosted 20 law students, one faculty, and one staff member from the Syracuse University College of Law. The students are 25–35-year-old law students in their second or third year of law school with some graduating this coming May. Many of them are career professionals and have careers either in law or in other industries. They come from all over the country and are pursuing their degree via the law school's online platform, JDinteractive. The delegation observed hearings before the Honorable Julia W. Brand, which included contested chapter 7 and chapter 11 matters. They then participated in discussions with Judge Brand, Judge Sandra R. Klein, and Judge Neil W. Bason, which covered questions including their favorite and least favorite matters to hear, why they decided to become judges, and advice they would give to new attorneys. The judges were very happy to share their experiences and insights, and the students were very engaged. After the discussion, Kathy Campbell, Executive Officer/Clerk of Court, presented an overview of the court. The visit ended with a brief tour of the 9th floor by Kevin Hernandez, Operations Manager (Los Angeles).



## JUDGE DEBORAH J. SALTZMAN REAPPOINTED

On March 11, the United States Court of Appeals for the Ninth Circuit announced that Judge Deborah J. Saltzman would be appointed to a second 14-year term on the bench. Judge Saltzman's reappointment was effective March 18. Judge Saltzman has served the Court since 2010 and has served in the Central District's Riverside, Los Angeles, San Fernando Valley and Northern divisions. Since joining the Bankruptcy Court, Judge Saltzman has served on the Ninth Circuit Wellness Committee and Bankruptcy Judges Education Committee and the District Court Attorney Liaison Committee. She currently serves on the Bankruptcy Court Executive Committee, Rules Committee, and Case Management Committee and participates in the Court's training of new law clerks and externs.

## THE CENTRAL GUIDE INFORMATIONAL SESSIONS ONLINE

In December 2021, the Court announced the release of The Central Guide, a new digital tool to replace the Court Manual. The Central Guide allows users to look up a specific Local Bankruptcy Rule ("LBR") and links to forms and instructions that match that LBR. Pertinent information found on the websites of the U.S. Trustee, U.S. District Court, Bankruptcy Appellate Panel, and Ninth Circuit Court of Appeals is also linked to The Central Guide. Join us for an informational session on the new features of the Central Guide, how to navigate the new tool, and more. Court staff will be available to answer any questions.

Did you miss a detail from a previous session that you would like to review, or do you want to revisit one of The Central Guide's new features? A recorded session of The Central Guide Informational Session is now available. [Click here](#) (link is external to the U.S. Bankruptcy Court, Central District of California) to view the recorded session.

| Free Information Sessions: The Central Guide  |                 |
|---|-----------------|
| April 8, 2024   | 2:00pm – 3:00pm |
| June 10, 2024   | 2:00pm – 3:00pm |
| October 8, 2024   | 2:00pm – 3:00pm |
| December 9, 2024  | 2:00pm – 3:00pm |
| Join ZoomGov Meeting: <a href="https://cacb.zoomgov.com/j/1603696570">https://cacb.zoomgov.com/j/1603696570</a><br>Meeting ID: 160 369 6570 Password: TCG2024 |                 |
| Registration not required   |                 |

## RECRUITMENT FOR NINTH CIRCUIT JUDICIAL CONFERENCE LAWYER REPRESENTATIVES

Qualified applicants who are interested in serving as a Ninth Circuit Judicial Conference Lawyer Representative are invited to submit an application to the United States District Court, Central District of California, by June 14, 2024. Submit completed applications to [LawyerReps\\_CACD@cacd.uscourts.gov](mailto:LawyerReps_CACD@cacd.uscourts.gov). The selected Lawyer Representatives will be representative of the entire district and reflect the diversity of lawyers practicing before the Court.

Judges of the Ninth Circuit Court of Appeals and of each of the 15 district courts of the circuit appoint lawyer representatives. Lawyer representatives serve as a liaison between the federal bench and bar, fostering open communications between judges and lawyers and providing support and advice in the functioning of the courts within the circuit. Attorneys serving as lawyer representatives work closely with district, bankruptcy and magistrate judges in their home districts. They participate as members on various committees and help plan local district conferences, often serving as speakers or facilitators.

For more information, please view the [Notice from the Clerk](#) on the District Court's website.

## HOLIDAY CLOSURES

Monday, May 27 - Memorial Day

Wednesday, June 19 - Juneteenth National Independence Day

## BANKRUPTCY STATISTICS

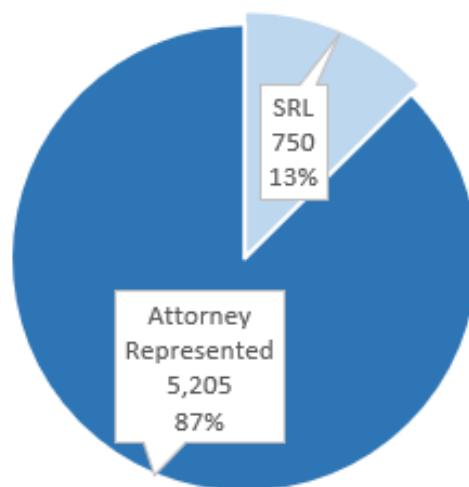
The data below represents filings year to date thru March 31, 2024. Statistics based on internal filings data.

| Divisional Filings YTD | Ch 7  | Ch 11 | Ch 13 | Total | % change from previous YTD |
|------------------------|-------|-------|-------|-------|----------------------------|
| Los Angeles            | 2,024 | 55    | 445   | 2,524 | 28.05%                     |
| Northern               | 295   | 5     | 50    | 350   | 50.21%                     |
| Riverside              | 1,442 | 4     | 271   | 1,717 | 32.48%                     |
| San Fernando Valley    | 429   | 15    | 93    | 537   | 28.77%                     |
| Santa Ana              | 689   | 19    | 117   | 825   | 25.00%                     |
| Total                  | 4,879 | 98    | 976   | 5,953 | 30.06%                     |

| Business Filings | Ch 7 | Ch 11 | Ch 13 | Total |
|------------------|------|-------|-------|-------|
| 2024 YTD         | 276  | 90    | 13    | 379   |
| 2023 YTD         | 225  | 63    | 18    | 306   |

Central District of CA - Filings YTD



The interactive Statistics Dashboard is a feature on 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 pro se (SRL) 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 "Interactive Statistics" through the link: <https://cacb-ecf.sso.dcn/ecfstatsdash/>

## TOP 10 CASES OF INTEREST\*

| Debtor                             | Case Number    | Chapter | Filed    | Assets               | Liabilities           |
|------------------------------------|----------------|---------|----------|----------------------|-----------------------|
| AfterShock Comics, LLC             | SV-22-11456-MB | 11      | 12/19/22 | \$10 - \$50 million  | \$10 - \$50 million   |
| Better Nutritionals, LLC.          | RS-22-14723-MH | 7       | 12/20/22 | \$50 - \$100 million | \$100 - \$500 million |
| Beverly Community Hospital Asso.   | LA-23-12359-SK | 11      | 04/19/23 | \$1 - \$10 million   | \$100 - \$500 million |
| Elite Investment Management Group  | LA-23-15752-NB | 11      | 09/05/23 | \$10 - \$50 million  | \$10 - \$50 million   |
| K3B Enterprises, LLC               | SV-24-10406-VK | 11      | 03/14/24 | \$10 - \$50 million  | \$1 - \$10 million    |
| Ittella International LLC          | LA-23-14154-SK | 11      | 07/02/23 | \$10 - \$50 million  | \$10 - \$50 million   |
| Heycart Inc.                       | SA-24-10483-TA | 11      | 02/28/24 | \$1 - \$10 million   | \$10 - \$50 million   |
| The Litigation Practice Group P.C. | SA-23-10571-SC | 11      | 03/20/23 | \$1 - \$10 million   | \$10 - \$50 million   |
| TRX Holdco, LLC                    | SA-22-10948-SC | 7       | 06/08/22 | \$10 - \$50 million  | \$10 - \$50 million   |
| Windsor Terrace Healthcare, LLC    | SV-23-11200-VK | 11      | 08/23/23 | \$1 - \$10 million   | \$1 - \$10 million    |

\*Based on a combination of asset and liability levels, and/or name recognition.

## BANKRUPTCY FRAUD PROSECUTIONS

The following information has been provided by the Office of the United States Trustee:

### USA v. Slingerland

Chapter 7 debtor, Youth Policy Institute (YPI), was an anti-poverty agency that provided job training, after school programs, and other services to some of Los Angeles city's low income neighborhoods. YPI filed a Chapter 7 petition in the Los Angeles Bankruptcy Court on November 5, 2019. YPI had conducted several internal audits and discovered that Howard Dixon Slingerland (who was president and CEO of YPI for 23 years) had misappropriated \$1,770,342 from YPI. Slingerland claimed that the payments were reimbursements for his business expenses. In November 2021, the chapter 7 trustee filed an adversary complaint for recovery of the funds. On January 17, 2023, the U.S. Attorney's Office filed an information alleging that Slingerland had committed one count of conversion and intentional misapplication of funds from an organization receiving federal funds and a second count for filing a false federal tax return. On December 12, 2023, Slingerland pleaded guilty, and the U. S. District Court entered its judgment and order of commitment. Slingerland will serve six months in the Lompoc federal prison, two years of supervised release, 200 community service hours, and will pay restitution in the amount of \$750,470.56. Slingerland must report to the U.S. penitentiary at Lompoc, California no later than March 25, 2024. [Press Release](#)

### USA v. Beal

Stephen William Beal pleaded guilty to wire fraud in violation of 18 U.S.C. 1343, Social Security Fraud in violation of 18 U.S.C. 408(a) (1), and Concealment of Bankruptcy Assets in violation of 18 U.S.C. § 152(1). As to the bankruptcy fraud charge, Beal pleaded guilty to failing to report in a bankruptcy proceeding \$350,000 he received from his late wife's accidental death policy. (Case No. 2:20-cr-00060-JLS). Sentencing is currently scheduled March 28, 2024.

In a separate trial, Beal was found guilty by a federal jury of building and planting a package bomb that detonated inside an Aliso Viejo day spa in May 2018, killing his ex-girlfriend, causing serious injuries to two spa clients, and damaging a commercial office building. Earlier this year, Beal was sentenced to life in prison. [Press Release](#) and [Press Release Sentencing](#)

