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

JUDGE MAUREEN A. TIGHE APPOINTED CHIEF BANKRUPTCY JUDGE

On January 1, 2019, Judge Maureen A. Tighe assumed the post of Chief Bankruptcy Judge for the Central District of California. Judge Tighe succeeds Judge Sheri Bluebond, who has served as Chief Bankruptcy Judge since 2015. She is the Central District's eighth Chief Bankruptcy Judge.



Judge Tighe was appointed to the bench in 2003. In November 2017, Chief Circuit Judge Sidney R. Thomas announced her reappointment to a second 14-year term. Judge Tighe received her B.A. and J.D. from Rutgers University, where she was Editor-in-Chief of the Rutgers Law Review.

She clerked for District Judge Harold Ackerman in New Jersey and worked in private practice in New York before joining the U.S. Attorney's Office in Los Angeles in 1988. Over the decade she spent as an assistant U.S. attorney, Judge Tighe came to specialize in fraud, with a particular interest in bankruptcy fraud. She gained even more bankruptcy expertise during the five years in the Office of the U.S. Trustee that preceded her appointment as a judge.

The Passing of the Gavel from Judge Bluebond to Judge Tighe will take place at the Richard H. Chambers U.S. Court of Appeals in Pasadena on Thursday, January 31, at 4 p.m.

REVISED LOCAL BANKRUPTCY RULES EFFECTIVE JANUARY 2

Amendments to five of the Court's Local Bankruptcy Rules have been approved by the Board of Judges and will take effect January 2.

LBR 2091-1, "Attorneys – Withdrawal, Substitution, and Change of Address," has been amended to clarify the process for withdrawal or substitution of an attorney and to require a motion when an individual represented by an attorney desires to represent him- or herself.

LBR 7026-1(b)(1), "Discovery Conference and Disclosures," has been amended to remedy ambiguities about when Rule 26 disclosures must be made.

LBR 9011-2(b), "Persons Appearing without Counsel," has been amended to clarify what it means for an individual to appear personally.

LBR 9013-1(j), "Motion Practice and Contested Matters," has undergone a technical revision for consistency: "unrepresented" has been replaced with "self-represented."

LBR 9021-1(b)(3), "Orders and Judgments," has been amended to address an inconsistency between 9021-1 and judges' practices related to the holding period for lodged orders.

The revised LBRs have been posted on the [Local Bankruptcy Rules](#) page of the [Court's website](#), along with a redline summary of the revisions.

COURT CLOSED

Tuesday, January 1—
New Year's Day
Monday, January
21—Birthday of Martin
Luther King, Jr.
Monday, February 18—
Washington's Birthday

EMERGENCY MATTERS ONLY:

Monday, December 31



Accessing Court Information by Twitter

The Court has tweeted over 3,900 times since 2011, and its Twitter account has over 800 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.

NINTH CIRCUIT CIVICS CONTEST ON FOURTH AMENDMENT ANNOUNCED

The Ninth Circuit has announced the theme of its annual civics contest for high school students. In 2019, contestants will consider “The Fourth Amendment in the 21st Century: What Is an ‘Unreasonable Search and Seizure’ in the Digital Age?” Essay and video submissions will choose some or all of the Supreme Court decisions Katz v. United States, United States v. Jones, Riley v. California, Carpenter v. United States, Kyllo v. United States, California v. Ciraolo, Florida v. Riley, and Dow Chemical Co. v. United States, in which the Supreme Court has applied the Fourth Amendment to new technology, and discuss the impact of those cases, if any, on the contestants’ lives. Individual students may submit an essay or a video, and teams of up to three students may collaborate on a video. A student may participate in both the essay and video competitions, but may submit only one essay and be involved in producing only one video.

High school students in the Central District are encouraged to enter the local contest, whose winners will receive cash prizes—\$1,000 for first place, \$750 for second place, and \$500 for third place—and advance to the circuit-wide contest. The Central District’s first-place prize also includes a trip to this year’s Ninth Circuit Judicial Conference in Spokane, Washington, with a parent or guardian. Contest rules and entry instructions will be available from January 2 at www.ca9.uscourts.gov/civicscontest.

LOS ANGELES BANKRUPTCY SELF-HELP DESK TO REOPEN JANUARY 7

The Los Angeles Bankruptcy Self-Help Desk is closed and will reopen on Monday, January 7, 2019. During the closure, self-represented parties may visit the Self-Help Desks in the San Fernando Valley or Riverside.

ORANGE COUNTY BANKRUPTCY CASE CLOSES AFTER 24 YEARS

The County of Orange filed a chapter 9 bankruptcy petition at the Santa Ana Division on December 6, 1994. Twenty-four years later, on November 15, 2018, the order of discharge was entered and the case closed.

Judge John E. Ryan was the first to preside over the case, then the largest municipal bankruptcy in U.S. history. (It has since been overtaken by the chapter 9 filings of Detroit, Michigan, and Jefferson County, Alabama.) The New York Times [reported](#) that the filing “shook the market for public borrowing across the country . . . threatening to make it more expensive for many localities to borrow” and “left some Wall Street firms facing the potential of big losses.” Public interest in the case was so great that Judge Ryan established two overflow areas for spectators and instituted a color-coded pass system for reporters, attorneys, parties, and the public.

Since Judge Ryan’s retirement in 2007, his colleague, Judge Erithe A. Smith, who was appointed to the bench several months before the Orange County case was opened, has presided over the chapter 9. It leaves behind over 300 file folders and nearly 6,000 docket entries.

JUDGE ROBERT N. KWAN PROFILED IN DAILY JOURNAL

On November 6, the *Daily Journal* published a profile of Judge Robert N. Kwan. The article, by Andy Serbe, describes Judge Kwan’s voluminous library, the view of Chinatown from his chambers, and the mountains of legal documents that require his attention: “Stacks of papers that make up literal walls go through his offices every month.”

Since the financial crisis, judges’ workloads have remained steady despite the decrease in filings, Judge Kwan explains. “The number of cases has gone down but the amount of work hasn’t gone

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down because we're busy, and we're busy because there seems to be more litigation and having more contested litigation matters. That's what I've noticed. That means more trials, more contested evidentiary hearings."

The profile follows Judge Kwan's path to the bankruptcy bench, which began while he was an assistant U.S. attorney in the Central District of California. Though he had not studied bankruptcy in law school, bankruptcy tax cases made up "about 40 percent" of his caseload at the U.S. Attorney's Office, Judge Kwan recalls. He learned bankruptcy law through Department of Justice instruction while he was working in the tax division of the U.S. Attorney's Office.



A former law clerk of Judge Kwan's who is now an attorney points out the extensive trial experience the judge gained as an assistant U.S. attorney. Attorneys who have appeared before Judge Kwan note his thorough grounding in bankruptcy law, his careful consideration of the matters before him, and the sophistication of his legal analysis.



DORSEY HIGH VISITS FOR FEDERAL COURTHOUSE EXPLORATION DAY

On December 6, approximately 35 students from Dorsey High School participated in Federal Courthouse Exploration Day, or FED Day, at the Los Angeles Division. The event included a courtroom session, during which Chief District Judge Virginia A. Phillips, District Judge Suzanne H. Segal, and Bankruptcy Judge Sandra R. Klein discussed their favorite amendments to the Constitution and notable Supreme Court decisions interpreting those amendments. Chief Judge Phillips focused on the First Amendment, Judge Segal on the Fourth Amendment, and Judge Klein on the Equal Protection Clause of the 14th Amendment.

The students then shared lunch with more than 50 volunteers (judges, lawyers, and other professionals) who provided advice and guidance regarding the students' short-term and long-term career plans. Joining the judges mentioned above were Chief Bankruptcy Judge Sheri Bluebond and Magistrate Judges Maria A. Audero, Paul L. Abrams, and Karen L. Stevenson. FED Day ended with a jobs panel of federal employees from the Bankruptcy Court, U.S. Probation and Pretrial Services, the Federal Public Defender's Office, the U.S. Marshals Service, and the Drug Enforcement Agency. They provided the students with an overview of the job opportunities available with the federal government, and emphasized the importance of staying in school, working hard, and setting career goals.

CM/ECF TIPS

Avoiding Duplicate Charges/Payments – Online Credit Card Payments

When making payments in CM/ECF via Pay.gov, please remember:

- Do not use the browser button at any time during the payment process.
- Do not double-click the Submit payment button at any time.
- If you have submitted payment and you encounter computer problems, do not attempt to submit payment again.

Doing any of the above may result in a duplicate charge to the attorney's credit card.

If at any time you experience any problems processing your payment or have questions concerning payment, please call the ECF Help Desk at (213) 894-2365 between the hours of 9 a.m. and 4 p.m., Monday through Friday, excluding federal holidays.

Forgotten CM/ECF Password

To reset your CM/ECF password:

1. Go to <https://ecf.cacb.uscourts.gov>.
2. Click on the link Central District of California – Document Filing System.
3. Click on the link at the end of the sentence "If you forgot your CM/ECF password, you can request a password here."
4. Enter your ECF login ID at the prompt and click "Submit."

The CM/ECF program will send an email to the email address you have on record with the Court. If you need to verify the email address in CM/ECF is current, please call the ECF Help Desk at (213) 894-2365 between the hours of 9 a.m. and 4 p.m., Monday through Friday, excluding federal holidays.

Top 20 Cases of Interest*

Auto Strap Transport, LLC

RS-16-19936-MH, Chapter 11, Filed 12/01/17. Assets \$1-10 million and Liabilities \$10-50 million. Notice of continued case management conference filed by debtor 10/31/18 - hearing continued to 12/4/18 at 2 p.m. Crtrm 303. Motion to dismiss chapter 11 bankruptcy case filed by debtor 12/5/18 - hearing set 1/8/19 at 2 p.m. Crtrm 303. Chapter 11 status report for 12/18/18 filed by debtor 12/11/18. Supplemental to chapter 11 status report for 12/18/18 filed 12/11/18. Supplemental to chapter 11 status report filed 12/12/18 and 12/13/18.

Bikram's Yoga College of India LP, a Limited Partnership

(Lead case to JNTADM cases) Bikram Choudhury Yoga, Inc, a California Corporation, Bikram Inc, a Delaware Corporation, Yuz Inc., a California Corporation International Trading Representative, LLC, a Delaware Limited Liability Company ND-17-12045-DS, ND-17-12046-DS, ND-17-12047-DS, ND-17-12048-DS, Chapter 11, Filed 11/09/2017, Assets Under \$1 and Liabilities \$10-50 million. Hearing continued to 1/8/19 at 1:30 p.m. re notice of motion and motion for relief from the automatic stay with supporting declarations. Unlawful detainer re nonresidential property 6865 Speedway Boulevard, Suite Q103, Las Vegas, NV 89115; motion [and notice] for order requiring production of documents from certain banks and financial institutions; memorandum of points and authorities; and declaration of David M. Riley with proof of service filed on 12/20/18 by Trustee Robbin L Itkin.

CompCare Medical, Inc.

RS-18-12748-SC, Chapter 11, Filed 04/03/18. Assets \$0.5-\$1 million and Liabilities \$0.5-\$1 million. Small business operating report for filing period 10/31/18 filed by debtor 11/12/18. Post confirmation chapter 11 status report filed 12/11/18. Small business operating report for filing period 11/1/18 filed 12/13/18.

Cosmedx Science Inc

RS-16-16043-WJ, Chapter 11, Filed 07/19/18. Assets \$1-10 million and Liabilities \$1-10 million. Status report re trustee's report of sale and statement filed by trustee 10/30/18. Continuance of meeting of creditors filed by trustee 11/19/18 - meeting continued to 1/24/19 at 3 p.m., 3801 University Ave., Riverside, CA.

Dana Hollister

LA-18-12429-NB, Chapter 11, Filed 03/06/18. Assets \$10-50 million and Liabilities \$10-50 million. Order granting motions for professional compensation signed on 9/21/18. Order approving agent's motion for order: (1) authorizing sale of estate's interest in personal property (restaurant equipment) out of the ordinary course of business, free and clear of all liens, claims and interests without overbid; (2) determining that buyer is a good faith purchaser; and (3) waiving the 14-day stay.

Elas, LLC dba Calnopoly LLC

SV-18-12494-VK, Chapter 11, Filed 10/08/18. Assets \$1-10 million and Liabilities \$1-10 million. Order setting (1) deadlines concerning chapter 11 plan and disclosure statement and (2) continued status conference entered on 12/6/18. Order setting last day to file proofs of claim entered on 12/13/18. Hearing regarding motion for order authorizing use of cash collateral on an interim basis pending a final hearing and provide adequate protection to secure Ocwen Loan Servicing, LLC continued to 12/20/18 at 2 p.m. Scheduling and case management conference continued to 6/20/19 at 1 p.m.

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 date pending (status conference has not been set).

MidiCi Group LLC

SV-18-12354-VK, Chapter 11, Filed 09/21/18. Assets \$1-10 million and Liabilities \$1-10 million. Order approving employment of Greenberg & Bass LLP as bankruptcy counsel entered on 11/14/18. Scheduling and case management conference continued to 1/24/19 at 1 p.m.

PB-1 LLC

SV-18-12855-MT, Chapter 11, Filed 11/27/18. Assets \$1-10 million and Liabilities \$1-10 million. Scheduling and case management conference to be heard on 2/6/19 at 10 a.m.

Penthouse Global Media Inc

SV-18-10098-MB (Lead case to JNTADM cases) Penthouse Global Broadcasting, Inc, Penthouse Global Licensing, Inc, Penthouse Global Digital, Inc, Penthouse Global Publishing, Inc, GMI Online Ventures, Ltd, Penthouse Digital Media Productions, Inc, Tan Door Media, Inc, Penthouse Images Acquisitions, Ltd, Pure Entertainment Telecommunications, Inc, fka For Your Ears Only, Ltd, XVHUB Group, Inc, fka Giant Swallowtail Inc, General Media Communications, Inc, General Media Entertainment, Inc, fka Penthouse Video, Inc, Danni Ashe, Inc, Streamray Studios, Inc, SV-18-10099-MB, SV-18-10101-MB, SV-18-10102-MB, SV-18-10103-MB, SV-18-10104-MB, SV-18-10105-MB, SV-18-10106-MB, SV-18-10107-MB, SV-18-10108-MB, SV-18-10109-MB, SV-18-10110-MB, SV-18-10111-MB, SV-18-10112-MB, SV-18-10113-MB, Chapter 11, Filed 01/11/18, Assets \$0- 50 million and Liabilities \$10-50 million. Stipulation by and among WGCZ Ltd, S.R.O. and David K. Gottlieb, the chapter 11 trustee for the bankruptcy estates of Penthouse Global Media, Inc. to resolve issues concerning documents and data information to be produced by WGCZ Ltd, S.R.O. to the trustee filed on 11/26/18. Scheduling and case management conference continued to 1/8/19 at 1:30 p.m.

Philmar Care LLC

SV-18-12966-MB, Chapter 11, Filed 12/10/2018, Assets \$1- 10 million and Liabilities \$1-10 million. Motion to extend deadline to file case opening documents filed on 12/18/18. Hearing regarding emergency motion for order (1) authorizing the maintenance of existing bank accounts and (2) authorizing the continued use of cash management system continued to 12/21/18 at 9 a.m.

Richard Phillip Dagres

SV-18-11729-VK, Chapter 11, Filed 07/20/18. Assets \$1-10 million and Liabilities \$1-10 million. Order authorizing extension of deadline for disclosure statement and plan of reorganization to 3/1/19 entered on 11/30/18. Scheduling and case management conference continued to 1/10/19 at 1 p.m.

Robert Edward Zukerman

SV-18-11150-VK, Chapter 11, Filed 05/04/18. Assets \$1-10 million and Liabilities \$1-10 million. Scheduling and case management conference continued to 1/24/19 at 1 p.m.

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. Continued status conference hearing to be held on 1/16/19 at 10 a.m. at Crtrm 5D, 411 W Fourth St., Santa Ana, CA 92701. Order granting stipulation between the debtors and Family Tree Produce, Inc. resolving omnibus objection of Family Tree Produce, Inc. to debtors' emergency motions for order (A) authorizing interim use of cash collateral, (B) granting adequate protection for use of prepetition collateral, and (C) granting related relief entered 12/11/18.

Technology Solutions & Services Inc,

RS-18-18339-MH, Chapter 11, Filed 10/02/2018, Assets \$1- 10 million and Liabilities \$10-50 million. Notice of continued meeting of creditors filed 10/15/18 rescheduling meeting to 11/8/18 at 2:30 p.m., 3801 University Ave., Rm 720, Riverside, CA. Disclosure statement for chapter 11 liquidating plan proposed by debtor filed 10/29/18. Chapter 11 plan of reorganization filed by debtor 10/29/18. Motion for approval of disclosure statement for chapter 11 liquidating plan filed by debtor 11/6/18 - hearing scheduled 12/18/18 at 2 p.m. Crtrm 303. Scheduling and case management conference continued to 12/18/18 at 2 p.m. Crtrm 303. Amended Schedules E/F, verification of master mailing list of creditors filed 11/8/18. Monthly operating report 2 filed 12/12/18.

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. Amended Schedule A/B for non-individual and amended statement of financial affairs for non-individual filed by debtor 10/24/18. Notice to amend or correct debtor's name and address issued 11/9/18. Amended monthly operating report 1 and 2 filed 11/16/18.

Valley C LLC

SV-18-11786-MB, Chapter 11, Filed 08/22/2018, Assets \$1- 10 million and Liabilities \$1-10 million. Hearing regarding motion for interim and final orders (i) authorizing the debtor to (A) obtain post-petition financing, (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 and (iii) granting related relief continued to 1/9/19 at 1:30 p.m. Scheduling and case management conference continued to 1/9/19 at 1:30 p.m.

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-18-20166 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-18-20181, Chapter 11, Filed 08/31/2018, Assets \$500-\$1 Billion Liabilities \$100-500 million. Order approving stipulation continuing hearing regarding motion to reject professional services agreement with sports, orthopedic and rehabilitation associates and related executory contracts and unexpired leases continued from 12/12/18 at 10 a.m. to 12/19/18 at 10 a.m.

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. Ombudsman report for the period of 9/13/18 through 10/26/18 filed by health care ombudsman. Motion to dismiss and/or convert Chapter 11 case filed by U.S. Trustee on 11/2/18 - hearing set 12/4/18 at 2 p.m. Crtrm 303. Voluntary dismissal of motion to dismiss and/or convert filed by U.S. Trustee on 11/16/18. Notice of hearing on the patient care ombudsman's first interim report - hearing set 11/27/18 at 2 p.m. Crtrm 303. Notice of bar date for filing proofs of claim in a chapter 11 filed by debtor - bar date deadline of 1/31/19 for creditors. Governmental units deadline is 2/11/19. Motion to extend exclusivity period for filing a chapter 11 plan and disclosure statement filed by debtor on 11/20/18 with order granting entered on 12/12/18 - exclusivity period for debtor extended to 6/11/19. Hearing held re status conference on 11/13/18 and continued to 12/18/18 at 2 p.m. Crtrm 303.

Zacky & Sons Poultry, LLC.

LA-18-23361-RK, Chapter 11, Filed 11/13/17. Assets \$50-100 million and Liabilities \$50-100 million. Chapter 11 voluntary petition for non-individuals filed 11/13/18. Order approving application of debtor in possession to employ LKP Global Law, LLP as special employment and labor counsel entered on 12/17/18. Order approving application of debtor and debtor in possession to employ Levene Neale Bender Yoo & Brill LLP as bankruptcy counsel entered on 12/17/18. Order approving application of debtor and debtor in possession to employ GlassRatner Advisory & Capital Group, LLC as financial advisor entered on 12/17/18. Debtor's chapter 11 case status report filed by debtor Zacky & Sons Poultry, LLC on 12/26/18.

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