Court News



This Issue

CM/ECF Upgrade, Judgeships P.1

Judge Russell Honored, General Order P.2

Privacy Policy, Change to Conversions P.3

Top 20 Cases of Interest P.4

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.

VINCENT P. ZURZOLO Chief Judge

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Executive Officer/Clerk of

Court

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Chief Deputy - Operations

Suggestions and comments are always welcome.

Please call (213) 894-0996 or email us at Cristina_Bautista@cacb. uscourts.gov.

CM/ECF Upgrades to Affect System Access

All electronic systems, including CM/ ECF and LOU, will be unavailable.

The Court will be upgrading to a new version of CM/ECF, the nationally-supported case management system. To minimize a long disruption to the public, the system will be upgraded from 5:00 P.M. on Thursday, March 5, 2009 through 9:00 A.M. on Monday, March 9, 2009. As a result, all electronic systems, including CM/ECF (Live and Training), PACER, LOU, and VCIS, will be unavailable.

The new version of CM/ECF includes minor changes to various screens, such as the Docket Activity report and Query screens. Attorneys will also see new screens requesting additional information from Schedules and the Means Test form.

The Court will be open during normal business hours on Friday, March 6, 2009, to accept unavoidable paper-based filings at the Intake windows. However, only manual receipts will be issued, and judge and trustee assignments will not be provided until Monday, March 9, 2009.

Ninth Circuit Judicial Council Approves Filling Two Judgeships

The Judicial Council of the Ninth Circuit approved the Central District's request to fill two vacant bankruptcy judgeships in the Riverside division in February.

The Judicial Council originally discussed the proposal at their October 30, 2008 meeting, but decided to defer voting on the request until end-of-the-year filing statistics were available. Riverside division experienced a 110% increase in filings in 2008.

Official notices and application information will soon be available on the Court web site.

CM/ECF Tip:

Instructions for Running Large Reports

The Court's CM/ECF system is utilized by judges, court staff, attorneys, trustees, and limited filers each and every day. With so many parties utilizing the system at the same time, running large reports on CM/ECF can slowdown its performance for all users. For this reason, we strongly recommend that the scope of your reports be limited to no more than 7 days and no more than one division at a time. Also, please avoid running your large reports during peak hours (10:00 a.m. to 4:00 p.m.).



San Fernando Valley Bar Association trustee Adam Grant and Judge Barry Russell.



Judge Geraldine Mund.

San Fernando Valley Bar Association Honors Judge Russell.

Judge Russell is this year's recipient of the Stanley Mosk Legacy of Justice Award.

The San Fernando Valley Bar Association held its annual Judges' Night on February 19, 2009, at the Hilton Hotel in Woodland Hills. Judge Barry Russell was honored with the Stanley Mosk Legacy of Justice Award for his many years of service to the community. Judges Geraldine Mund, Maureen Tighe, and Kathleen Thompson also attended.

Judge Russell was praised for his dedication in working with federal law enforcement, mentoring the Court's many externs, and leading the Court mediation program. The San Fernando Valley Bar Association officers said that while Judge Russell presides

in the Los Angeles division, the association considers him an honorary San Fernando Valley judge due to his residence in the area.

Judge Mund also delivered a State of the Court speech where she encouraged all attorneys to take advantage of the online CM/ECF training and gave an update on the Court Mediation program. All of the judges agreed the event was a great opportunity to meet with Los Angeles Superior Court judges and the local bar.

General Order 09-01 Entered Vacating Obsolete Orders

The Court has entered General Order 09-01, which vacated previous General Orders that are obsolete, superseded, or have been incorporated into the Local Bankruptcy Rules as of January 5, 2009.

The Local Bankruptcy Rules recently underwent an extensive revision to improve readability and includes rules that have become common practice, such as requirements for electronic filing and noticing.

For specific details, please see General Order 09-01, which is available on the Court's web site at www.cacb.uscourts. gov, under Forms/Rules/ General Orders> General Orders



Reminder: Privacy and Protection of Personal Information

Personal identifiers must be redacted when filing case documents.

In 2001, the Judicial Conference adopted a policy on privacy and public access to personal information in civil and bankruptcy case filings. Because the majority of case documents are widely available to the public, attorneys or other parties must redact personal identifiers—such

as Social Security numbers, financial account numbers, dates of birth, and names of minor children—when filing documents.

The Administrative Office of the United States Courts is currently revisiting this policy and is looking at new issues that may have arisen since its implementation. While potential plans include modifying the CM/ECF system to remind litigants of their obligation to redact identifier information, it is ultimately the responsibility of the attorney or party filing the document, and not the Clerk's Office, to ensure that a party's privacy rights are protected.

For more information on the United States Courts' privacy policies, please visit www. privacy.uscourts.gov.

Change to Chapter 13 Conversion Procedures:

Under the new Local Bankruptcy Rules effective January 5, it is no longer necessary to lodge a proposed order when filing a Debtor's Notice of Conversion if the case has not been previously converted.

The Court will give notice of the conversion to all creditors, interested parties, and the US Trustee once the debtor files the Notice of Conversion and a Proof of Service showing that they notified the US Trustee and Chapter 13 trustee.

For more information, please refer to the Local Bankruptcy Rules or the Helpful Hints section of the Court Manual on the Court's web site, www.cacb.uscourts.gov, under Forms/Rules/General Orders> Court Manual.

Filing Statistics

Central District of California - Percent Increase in Filings

January - February 2008 to January - February 2009*

64% 1 2009: 9,306 2008: 5,684 Chapter 7 **83% 1** 2009: 128 2008: 70

53% 12009: 2,928
2008: 1,914

61% 1 2009: 12,362 2008: 7,668

Chapter 11 Chapter 13

Total

National - Percent Increase in Filings
12 Mo. Period Ending Sept. 30, 2008 to Same Period Ending Sept. 30, 2007

40% 1 2008: 679,982 2007: 484,162 Chapter 7 **49% 1** 2008: 8,799 2007: 5,888

Chapter 11

14% 1 2008: 353,828 2007: 310,802 Chapter 13 **30%** 1 2008: 1,042,609 2007: 800,852 Total

*Based on estimated filing data for February 2009.

Top 20 Cases of Interest Filed in the Last 24 Months

Right Start Acquisition Co.

SV-09-11132-MT, Chapter 11, Filed 2/3/2009. Assets and Liabilities between \$1-100 million. Scheduling and case management conference set for 4/27/09.

StarRibs North, LP

SA-08-17182-TA (LEAD of 11), Chapter 11, Filed 11/6/2008. Assets and Liabilities between \$1-100 million. Motion to convert case from Chapter 11 to 7 or dismiss filed 2/03/09, with hearing set for 3/4/09.

Palmdale Hills Property, LLC

SA-08-17206-ES (LEAD of 14), Chapter 11, Filed 11/6/2008. Assets and Liabilities over \$100 million. Adversary case 8:09-ap-01083-ES filed on 2/20/09, complaint for injunctive relief.

Karykeion Inc.

SV-08-17254-MT, Chapter 11, Filed 9/22/2008. Assets and Liabilities at \$1-100 million. Adversary case 1:09-ap-01034 filed 1/30/09. Adversary case 1:09-ap-01043 filed 2/6/09.

Century City Doctors Hospital, LLC

LA-08-23318-SB, Chapter 7, Filed 08/22/2008. Assets and Liabilities between \$1-100 million. Order entered granting trustee's motion extending the time to assume lease or executory contract and certain unexpired leases of certain personal property and to abandon certain tangible personal property.

Woodside Group, LLC

RS-08-20682-PC, Chapter 11, Filed 8/20/2008. Assets and Liabilities unknown. Hearing on debtor's motion to approve disclosure statement; approving plan solicitation, notice and voting procedures, extending exclusive periods and establishing plan confirmation deadlines and procedures set for 3/23/09.

IndyMac Bancorp, Inc.

LA-08-21752-BB, Chapter 7, Filed 07/31/2008. Assets between \$1-100 million and Liabilities over \$100 million. Hearing set for 3/12/09 regarding application for compensation for trustee Alfred Siegel.

Shoe Pavilion, Inc.

SV-08-14939-MT, Chapter 11, Filed 7/15/2008. Assets and Liabilities at \$1 - 100 million. Notice of change of address for debtor filed 1/7/09.

Estate Financial Mortgage Fund, LLC

ND-08-11535-RR, Chapter 11, Filed 07/01/2008. Assets over \$100 million and Liabilities between \$1-100 million. Hearing regarding an interim application for compensation set for 3/25/09.

Fremont General Corporation

SA-08-13421-ES, Chapter 11, Filed 6/18/2008. Assets and Liabilities over \$100 million. Order granting motion for order approving stipulation between the debtor, Fremont Reorganizing Corporation, and the Credit Suisse Securities (USA) LLC signed 2/20/2009.

eStyle, Inc.

LA-08-13518-SB, Chapter 11, Filed 03/19/2008. Assets and Liabilities between \$1-100 million. Hearing set for 3/17/09 regarding motion for approval of Chapter 11 disclosure statement.

Axium International, Inc.

LA-08-10277-BB, Chapter 7, Filed 01/08/2008. Assets and Liabilities over \$100 million. Order entered on 2/12/09 allowing creditor Compuware Corporation to file its late proof of claim.

Valley Health Systems, Inc.

RS-07-18293-PC, Chapter 9, Filed 12/13/2007. Assets and Liabilities at \$100 million. Hearing on debtor's objections to claims set for 2/24/09.

National R V Holdings, Inc

RS-07-17941-PC, Chapter 11, Filed 11/30/2007. Assets and Liabilities between \$1-100 million. Hearings on omnibus objections to claims continue through March. Several applications for compensation are set for hearing on 4/7/2009.

Solidus Networks, Inc., dba Pay by Touch

LA-07-20027-TD, Chapter 7, Filed 10/31/2007. Assets and Liabilities unknown. Order entered on 1/8/09 authorizing trustee to employ VPTAX Inc. as accountants.

Thorpe Insulation Company

LA-07-19271-BB, Chapter 11, Filed 10/15/2007. Assets and Liabilities over \$100 million. Hearing set for 4/2/09 regarding amended Chapter 11 plan.

Real Estate Partners, Inc., dba Coldwell Banker Commercial REP

SA-07-13239-TA, Chapter 11, Filed 10/8/2007. Assets and Liabilities between \$1-100 million. Order approving stipulation between debtor and plaintiff Pamela Counts regarding modification of the automatic stay to continue state court litigation signed 2/6/2009.

Great Circle Family Foods, LLC, DBA: Krispy Kreme Doughnuts

SA-07-12600-ES (LEAD of 6), Chapter 11, Filed 8/22/2007. Assets and Liabilities between \$1-100 million. Chapter 11 status conference order signed on 2/17/2009. Amended Disclosure Statement filed on 2/18/09 by debtor.

Quality Home Loans

SV-07-13006-GM, Chapter 7, Filed 8/21/2007. Assets at \$1 - 100 million and Liabilities over \$100 million. Chapter 11 Plan and Disclosure Statement filed on 12/24/08. Hearing set for 3/10/09 regarding Chapter 11 Plan. Motion for relief filed 2/10/09.

Alert Cellular, LLC

ND-07-10918-RR, Chapter 11, Filed 07/03/2007. Assets and Liabities between \$1-100 million. Chapter 11 status conference set for 4/20/09. Hearing regarding an objection to over 200 claims has been continued to 4/8/09.

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