ISSUE 03 MAY-JUNE 2018

# 2018

### **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.

## SHERI BLUEBOND

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.

On June 28, the Orange County Bankruptcy Forum will hold a retirement celebration for Judge Jury in the courtyard of the Riverside Division from 4 p.m. to 7 p.m. <u>See the flyer for</u> <u>details</u>.

### united states bankruptcy court central district of california

# This Issue

Judge Meredith A. Jury to Retire, Judge Erithe A. Smith Inducted into American College of Bankruptcy P. 1

Law Day Event Kicks off Central District Civics Contest P. 2

Federal Career Day; Judges Jury, Saltzman, and Brand Hold Panel on Elimination of Bias P. 3

Top 20 Cases P. 4

### JUDGE MEREDITH A. JURY TO RETIRE, CASES TO BE REASSIGNED JUNE 29

On June 29, Judge Meredith A. Jury will retire from the bench after nearly 21 years as a bankruptcy judge. The Central District Consumer Bankruptcy Attorney Association's 2017 Judge of the Year, Judge Jury has presided over the city of San Bernardino's chapter 9 filing, a massive case that has been ongoing since 2012.

Also on June 29, Judge Jury's pending cases and related bankruptcy proceedings will be reassigned to other judges at the Riverside and Santa Ana Divisions according to the terminal digit of the case number, as specified in the tables below. The judge's initials at the end of the case and adversary proceeding numbers will be changed to those of the judge to whom the matter has been reassigned.

Chapter 7, 9, and 11 Bankruptcy Cases and Related Adversary Proceedings			
Cases Ending in Digit	Reassigned to Judge	Judge's Initials	
1, 3	Judge Wayne Johnson	WJ	
5, 7	Judge Mark D. Houle	MH	
9, 0	Judge Scott H. Yun	SY	
2, 4	Judge Mark S. Wallace	MW	
6, 8	Judge Scott C. Clarkson	SC	

### Chapter 13 Bankruptcy Cases and Related Adversary Proceedings

Cases Ending in Digit	Reassigned to Judge	Judge's Initials
1, 3, 5	Judge Wayne Johnson	WJ
2, 7, 9, 0	Judge Mark D. Houle	МН
4, 6, 8	Judge Scott H. Yun	SY

# JUDGE ERITHE A. SMITH INDUCTED INTO AMERICAN COLLEGE OF BANKRUPTCY

On March 16, Judge Erithe A. Smith was inducted into the American College of Bankruptcy in a ceremony at the Smithsonian Donald W. Reynolds Center for American Art and Portraiture in Washington, D.C. Chief Judge Sheri Bluebond and Judge Maureen A. Tighe, both Fellows of the American College of Bankruptcy, were in the audience for Judge Smith's induction into Class XXIX.



(continued on page 2)

For more information, visit our web site at www.cacb.uscourts.gov.



### **COURT CLOSED**



Monday, May 28– Memorial Day



### Accessing Court Information by Twitter

The Court has tweeted over 3,700 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. (continued from page 1)

The American College of Bankruptcy is a prestigious organization of bankruptcy and insolvency professionals whose Board of Regents selects new members each year. The selections are based on four criteria: "(i) the highest professional qualifications and ethical standards... (ii) the highest level of character, integrity, professional expertise and leadership... (iii) a commitment to fostering and furthering the objectives of the College; [and] (iv) sustained evidence of scholarship, teaching, lecturing and distinguished published writings on bankruptcy practice or insolvency practice."

Judge Smith joins several of her colleagues from the Central District as a Fellow of the American College of Bankruptcy. Along with Chief Judge Bluebond and Judge Tighe, Judges Barry Russell, Geraldine Mund, Robin L. Riblet, and Thomas B. Donovan have been inducted.



### LAW DAY EVENT KICKS OFF CENTRAL DISTRICT CIVICS CONTEST

On March 2, the U.S. Bankruptcy Court and U.S. District Court for the Central District of California hosted a Law Day event for almost 40 students from Blair High School in Pasadena. The event was held in conjunction with the Ninth Circuit Civics Contest, an essay and video contest for high school students, with the theme: "The 14th Amendment: 150 Years after Ratification, What Does Equal Protection Mean to Students?"

At the beginning of the 2018 Law Day event, students shared lunch with numerous judges, lawyers and other professionals. During the lunch, the students discussed their post-graduation plans as well as their career goals and the volunteers acted as mentors to the students, providing advice, encouragement and support. Chief District Judge Virginia A. Phillips and District Judge John A. Kronstadt participated in the event, as did Chief Bankruptcy Judge Sheri Bluebond and Bankruptcy Judges Barry Russell, Thomas B. Donovan (Ret.), Erithe A. Smith, Victoria S. Kaufman, and Sandra R. Klein. Clerk of Court Kathy Campbell and members of her staff also attended.

Judge Klein provided a brief history of the 14th Amendment and highlighted Justice Kennedy's discourse on it from <u>Obergefell</u>, emphasizing his comment, "The nature of injustice is that we may not always see it in our own times." Next, Judge Klein introduced the Law Day guest

speakers, Dr. Terrence Roberts and Prof. Kimberly West-Faulcon, who had an engaging conversation about the significance of the Equal Protection Clause to our nation's history and our society today. As one of the Little Rock Nine, Dr. Roberts was an eyewitness to the desegregation of American public schools. He is a recipient of the Congressional Gold Medal and the NAACP's Springarn Medal. Prof. West-Faulcon, the James P. Bradley Endowed Chair of Constitutional Law at Loyola Law School, is the former director of the NAACP Legal Defense and Educational Fund.



### FEDERAL CAREER DAY

On April 5, the San Fernando Valley Division hosted Federal Career Day for 25 students from Santa Clarita's College of the Canyons. Federal officers representing various agencies shared their insight and advice about pursuing careers in government. Agents from the FBI, Federal Public Defender, U.S. Attorney's Office, U.S. Pretrial Services, IRS, DEA, ICE, U.S. Probation, U.S. Marshals Service, and the Federal Protective Service took part in a panel discussion moderated by Bankruptcy Judge Maureen A. Tighe. The panelists discussed preferred degrees and educational backgrounds, day-to-day activities in their respective careers, and job screening and application procedures. Afterwards, the panelists and students continued the discussion over lunch.

# JUDGES JURY, SALTZMAN, AND BRAND HOLD PANEL ON ELIMINATION OF BIAS

On March 27, the Inland Empire Bankruptcy Forum hosted "Elimination of Bias Program: Sex-Based Bias in the Workplace," a conversation with Judges Meredith A. Jury, Deborah J. Saltzman, and Julia W. Brand. President-elect and Program Chair Cathy Ta, an attorney at Best, Best & Krieger, moderated the event, held at the Riverside Marriott. Ms. Ta introduced the topic and led the discussion, which took up the concepts of implicit bias and role-based gender bias, the number of women enrolled in law school, compensation of female attorneys, and women's representation in the legal profession, private practice, and state and federal judgeships.

### **CM/ECF TIPS**

#### Using 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. If you click on Search and enter a keyword, such as "relief" for relief from stay, CM will list all of the areas where the word "relief" appears. This is an excellent way to verify event codes prior to filing documents.

Filing a Motion to Redact (for Protective Order to Restrict Access Pers. ID (LBR Form F9037-1.1)(Fee)(motion)

When filing a Motion to Redact:

- Access the appropriate form from the Court's <u>website:</u> <u>www.cacb.</u> <u>uscourts.gov</u> > Select Forms > Local Bankruptcy Rules Forms > Select Form F 9037-1.1.
- Ensure the form is signed by both the Movant and Attorney.
- File using the specific event Bankruptcy > BK – Motion/ Applications > Redact (for Protective Order to Restrict Access Pers. ID (LBR Form F9037-1.1)(Fee) (motion).
- 4. Pay the required fee.

Filing Requests to Be Removed from Notice of Electronic Filing (NEF)

The Request to Be Removed from Notice of Electronic Filing (NEF) can be submitted in three different ways, depending on how you are associated within a case.

- If your party is Courtesy NEF only: you must file a "Request to be Added or Removed from Courtesy Notification of Electronic Filing (NEF)" at BK – Courtesy NEF > Request for Removal from Courtesy Notice of Electronic Filing (NEF).
- If your party is a Creditor /Client: you must draft a document in standard pleading format entitled "Request to Be Removed from Notice of Electronic Filing (NEF)." To file this pleading, please use BK – Notices > Notice, and in the modify text box, type out the full caption "Request to Be Removed from Notice of Electronic Filing."
- 3. If your party is Courtesy NEF and Creditor/Client: you must draft a document in standard pleading format entitled "Request to Be Removed from Notice of Electronic Filing (NEF)" and list all names the attorney is listed as representing. To file this pleading, please use BK – Notices > Notice, and in the modify text box, type out the full caption "Request to Be Removed from Notice of Electronic Filing."

If you have any questions, please call the ECF Help Desk at (213) 894-2365. The ECF Help Desk is open Monday through Friday from 9 a.m. and 4 p.m., 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. Order granting debtor's motion to extend exclusivity period for filing a Chapter 11 Plan and Disclosure Statement entered 3/26/18 - exclusivity period extended through and including 6/30/18. Order granting motion to extend time to file a Chapter 11 Plan entered 3/26/18 - extended to 6/30/18. Monthly operating report No. 3 for the month ending 2/28/18 filed 4/5/18. Meeting of creditors continued to 4/18/18 @ 2 p.m. at Rm 720, 3801 University Ave., Riverside, CA.

#### 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. Application for order approving appointment of trustee and fixing bond filed 4/4/18. Order approving appointment of Chapter 11 trustee entered 4/6/18.

#### British Motorcars Ventura, Inc. DBA Land Rover Jaguar Ventura

ND-17-10489-DS, Chapter 11, Filed 03/22/17. Assets \$1-10 million and Liabilities \$1-10 million. Case closed 3/15/18.

#### Cartel Management, Inc

LA-17-11179 DS, Chapter 11, Filed 01/03/17. Assets \$0.5-\$1 million and Liabilities \$1-10 million. Notice of (1) confirmation hearing on debtors' joint plan of reorganization, dated February 21, 2018 (2) Deadline to vote on debtors' joint plan of reorganization and (3) Deadline to object to confirmation of debtors' joint plan of reorganization.

#### ColorFX, Inc.

SV-17-10830-VK, Chapter 11, Filed 03/31/17. Assets \$1-10 million and Liabilities \$1-10 million. Scheduling and case management conference continued to 6/7/18 at 1 p.m.

#### CompCare Medical, Inc.

RS-18-12748-SC, Chapter 11, Filed 04/03/18. Assets \$0.5-\$1 million and Liabilities \$0.5-\$1 million. Chapter 11 voluntary petition filed 4/3/18. Order (1) Setting scheduling hearing and case management conference and (2) Requiring status report entered 4/4/18. Status conference scheduled for 5/15/18 @ 1:30 p.m., 3420 Twelfth Street, Room 126, Riverside, CA. Meeting of creditors to be held 5/2/18 @ 2:30 p.m. Rm 720, 3801 University Ave., Riverside, CA. Order approving stipulation between U.S. Trustee and Debtor CompCare Medical Inc. to appoint a patient care ombudsman entered 4/10/18. Order granting motion to set last day to file proofs of claim entered 4/11/18. Notice of bar date for filing proofs of claim in a chapter 11 case filed 4/11/18 - Proofs of claim due by 7/3/18. Government proofs of claim due by 10/9/18.

#### Dana Hollister

LA-18-12429-NB, Chapter 11, Filed 03/06/18. Assets \$10-50 million and Liabilities \$10-50 million. Stipulation to continue the hearing on debtor's motion for order authorizing use of estate property not in the ordinary course of business was filed on 4/23/18.

#### Hoag Urgent Care Tustin Inc.

SA-17-1303077-TA, (Lead case to JNTADMIN cases) Hoag Urgent Care -Huntington Harbour, Hoag Urgent Care -Orange Inc., Hoag Urgent Care -Anaheim Hills, Inc., Cypress Urgent Care, Inc. Laguna Dana Urgent Care Inc. SA-17-13078-TA SA-17-13079-TA SA-17-13080-TA SA-17-13089-TA SA-17-13090-TA, Chapter 11, Filed 8/2/17, Assets \$1-10 million and Liabilities \$1-10 million. Notice of Appeal filed 3/15/18, Order approving stipulation to continue hearing on the Motion by UST to dismiss or convert case continued to 5/2/18 at 10 a.m. and any or all deadlines associated therewith are also continued accordingly. Order granting stipulation to continue hearing on the small business develop corp. to 4/4/18 at 11 a.m. Opening Letter - Notice of Acknowledgement, Appellate Panel Notice of Transcripts Designated, Statement of Issues on Appeal filed 3/28/18. Order Approving the Second Stipulation by and among each of the debtor Entities and related Entities to Extend the Deadline of file Proof of Claim through and including June 29, 2018. Transfer of Claims filed 4/10/18. Status Conference continued to 6/27/18 at 11 a.m. crtrm 5B, Certificate of Readiness of Record of Appeal and Transcript Records Transmittal filed 4/12/18.

#### K&A Global Management Company

SV-16-13295-MT, Chapter 11, Filed 1/1/17/16. Assets \$1-10 million and Liabilities \$1-10 million. Post-confirmation status conference continued to 1/30/19 at 9:30 a.m. First and final application of Jeffrey S. Shinbrot, APLC, general reorganization counsel to chapter 11 debtor for approval of compensation to be heard on 4/25/18 at 9:30 a.m.

#### Lindley Fire Protection Co. Inc.

SA-17-10929-CB, Chapter 11, Filed 03/12/17. Assets \$1-10 million and Liabilities \$1-10 million. Order Granting Debtor's Motion authorizing Interim use of Cash Collateral of IRS on interim basis debtor has used cash collateral through 4/27/18. Debtor's Emergency Motion for Order Authorizing use of cash collateral of IRS and Status Hearing continued to 4/25/18 at 10 a.m. Monthly Operating Reports filed for February and March 2018. Hearing Held on UST Motion to Dismiss or Convert OFF Calendar.

#### Nasty Gal Inc.

LA-16-24862-BB, Chapter 11, Filed 11/09/16, Assets \$10-50 million and Liabilities \$10-50 million. Order entered on 4/23/18 approving stipulation between Province Inc., as Trustee of NG DIP Liquidating Trust, and System Integration Specialists Inc. to continue hearing on NG DIP Liquidating Trust's objection to proof of claim No. 219.

#### Penthouse Global Media Inc

SV-18-10098-MB (Lead case to JNTADMN 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-18-10108-MB, SV-18-10109-MB, SV-18-10110-MB, SV-18-10112-MB, SV-18-10113-MB, Chapter 11, Filed 01/11/18, Assets \$0- 50 million and Liabilities \$10-50 million. Scheduling and case management conference continued to 5/1/18 at 1:30 p.m. Hearing regarding motion to convert case from chapter 11 to 7 to be heard on 5/11/18 at 10 a.m. Hearing regarding objection to claim of Dream Media Corporation as assignee of Exworks Capital Fund I LTD continued to 5/15/18 at 1:30 p.m.

#### Shepherd University

LA-17-19964-BB, Chapter 11, Filed 08/14/17, Assets \$1- 10 million and Liabilities \$1-10 million. Notice of motion and motion of Bradley D. Sharp, chapter 7 trustee, for the production of documents and the oral examination of the person most knowledgeable at BRC Investment debt Fund I, LLC pursuant to Fed. R. Bankruptcy P. 2004; Memorandum of points and authorities; declaration of Bradley D. Sharp and Elissa D. Miller in support therefor was filed on 4/24/18.

#### Solid Landing Behavioral Health Inc.

SA-17-12213-CB (Lead case to JNTADMIN cases) Cedar Creek Recovery Inc, EMS Toxicology, Silver RockRecovery, Sure Haven Inc. SA-17-12213, SA-17-12218, SA-17-12221, SA-17-12222, SA-17-1223, Chapter 11, Filed 6/1/17, Assets \$50- 100 million and Liabilities \$10-50 million. Hearing granted re Motion to Reclassify Claims. Hearing continued to 8/29/18 at 10 a.m. on Post Conference. Hearing held confirmed Chapter 11 Plan filed by Creditors Committee 2/28/18. Motion for Relief from Stay Action in Non-Bankruptcy Forum Denied. Order Granting Reclassifying Secured Claims filed 3/2/18. Order Confirming Joint Plan of Liquidation filed 3/22/18. Application for Compensation hearing set 5/2/18 at 10 a.m. filed 4/12/18.

#### Styles For Less Inc.

SA-17-14396-MW, Chapter 11, Filed 11/6/2017, Assets \$10-50 million and Liabilities \$10-50 million. Status Conference and Renewal use of Cash Collateral hearings continued to 4/30/18 at 9 a.m., crtrm 6C. Motions and Claims disallowed filed 3/28/18 and Notice of Objection to claims filed 3/30/18. Debtor's Motion for Order Approving the Sale of Intellectual Property Assets and Compromise of Controversy with Wells Fargo Bank N.A.hearings set for 4/30/18 at 9 a.m.

#### Tours Incorporated, Inc.

SV-17-10256-MT, Chapter 11, Filed 1/31/17. Assets \$1-10 million and Liabilities \$1-10 million. Scheduling and case management conference continued to 3/21/18 at 9:30 a.m.

#### WHAA LLC

RS-17014661-MW, Chapter 11, Filed 6/2/17, Assets \$1-10 million and Liabilities \$1-10 million. Order continuing status conference to 8/9/18 @ 9 a.m. entered 3/29/18. Order approving sale of real property under Section 363(b) free and clear of all liens, claims and interests, and granting certain other related relief entered 4/4/18.

#### WJA Asset Management, LLC

SA-17-11996-SC (Lead case to JNTADMN cases) 5827 Winland Hills Drive Development Fund, Alabama Housing Fund, CA Express Fund, CA See Jane Go Fund, CA Whirl Fund, Clairton Residential Renewal, Equity Indexed Managed Fund, Luxury Asset Purchasing International, LVNV Multi Family, PMB Managed Fund, Prosper Managed Fund, TD Opportunity Fund, TD Reo Fund, Urban Produce Fund, Whirl Fund, WJA Express Fund, WJA Real Estate Opportunity Fund I, WJA Real Estate Opportunity Fund II, WJA Real Estate Opportunity Fund II, WJA Real Estate Opportunity Fund II, WJA Secure Real Estate Fund, WJA Secure Real Estate Comportantity Fund II, CA Real Estate Opportunity Fund II, SA-17-11996, SA-17-11997, SA-17-11998, SA-17-11999, SA-17-12000, SA-17-12001, SA-17-12002, SA-17-12003, SA-17-12004, SA-17-12005, SA-17-12006, SA-17-12009, SA-17-12010, SA-17-12011, SA-17-12012, SA-17-12015, SA-17-12016, SA-17-12018, SA-17-12019, SA-17-12014, SA-17-12015, SA-17-12016, SA-17-12018, SA-17-12019, SA-17-12014, SA-17-12015, SA-17-12016, SA-17-12017, SA-17-12019, SA-17-12017, SA-17-12015, SA-17-12016, SA-17-12018, SA-17-12019, SA-17-12014, SA-17-12015, SA-17-12016, SA-17-12017, SA-17-12019, SA-17-12014, SA-17-12015, SA-17-12016, SA-17-12017, SA-17-12019, SA-17-12017, SA-17-12015, SA-17-12016, SA-17-12018, SA-17-12019, SA-17-12014, SA-17-12015, SA-17-12016, SA-17-12017, SA-17-12019, SA-17-12014, SA-17-12015, SA-17-12016, SA-17-12017, SA-17-12019, SA-17-12014, SA-17-12015, SA-17-12016, SA-17-12018, SA-17-12019, SA-17-12014, SA-17-12015, SA-17-12016, SA-17-12017, SA-17-12019, SA-17-12014, SA-17-12015, SA-17-12016, SA-17-12017, SA-17-12019, SA-17-12017, SA-17-12017, SA-17-12017, SA-17-12015, SA-17-12016, SA-17-12018, SA-17-12019, SA-17-12014, SA-17-12015, SA-17-12126, SA-17-12127, SA-17-12285, Chapter 11, Filed 5/18/2017 & 5/25/2017 & 6/6/17, Assets \$1-5 million and Liabilities \$1-10 million. Hearings held 4/12/18 on Motion on Interim Application forder Approving Payment of Fees and Reimbursement of Expenses and Compensation Granted by Default as per Tenta

#### Zetta Jet USA, Inc.

LA-17-21386-SK, Chapter 11, Filed 09/15/17. Assets \$50-100 million and Liabilities \$50-100 million. Stipulated protective order with ECN Aviation, Inc. and Element Financial Corporation filed on 4/23/18. Request for payment and proof of post-petition chapter 11 claim was filed on 4/24/18.

#### Zetta Jet PTE Ltd.

LA-17-21387-SK, Chapter 11, Filed 09/15/17. Assets \$50-100 million and Liabilities \$50-100 million. Order entered on 4/19/18 granting the application of non-resident attorney Justin K. Edelson to appear in a specific case [LBR 2090-1(b)].