



COURT NEWS

Chief Judge Vincent P. Zurzolo

2008

Jon D. Ceretto, Executive Officer/Clerk

DEBTOR ASSISTANCE PROJECT HOLDS ANNUAL PRO BONO AWARD RECEPTION

On April 17, 2008, the Debtor Assistance Project (DAP) hosted its Annual Pro Bono Award Ceremony. The award ceremony was held to honor members of the bar who helped contribute to the local community with their pro bono work.

Marisa Hawkins, Staff Attorney for Public Counsel Debtor Assistance Project and Consumer Law Project, led with the opening remarks. She was followed by Martin Zohn, of Proskauer Rose and the Vice-Chairman of Public Counsel's Board of Directors, Paul Freese, Public Counsel's Director of Litigation, and the Central District Bankruptcy Court's Chief Judge Vincent Zurzolo.

Judge Zurzolo led the presentation of the William J. Lasarow Award for Outstanding Pro Bono Service in Bankruptcy, the DAP's highest honor, by recognizing the contributions of the award recipients. Judge Thomas Donovan presented the award to Faye Barta, while Judge Maureen Tighe presented to Henry Toles, which was accepted by James King.

Faye Barta was recognized for her longtime volunteer work offering assistance to *pro se* debtors at reaffirmation hearings in the San Fernando Valley division. Henry Toles was recognized for giving countless hundreds of hours to pro bono work through the Los Angeles Free Clinic's bankruptcy project and most recently through his participation in the Self-Help Desk project in Woodland Hills.

The DAP is a program of Public Counsel Law Center, the largest pro bono law office in the nation. As in the past, the DAP has continued to work closely with the Los Angeles and San Fernando Valley divisions to provide free legal services to qualifying low income debtors in Los Angeles County. The Project seeks volunteer attorneys who can provide bankruptcy assistance such as preparation of Chapter 7 petitions, debtor defense in non-dischargeability actions, counseling of *pro se* debtors at reaffirmation hearings, debtor consultations at evening bankruptcy clinics. For more information about volunteering, please contact Ted Zepeda at (213) 385-2977 ext. 125 or tzepeda@publiccounsel.org.



(Left to Right):
Ret. Judge William J. Lasarow,
Judge Maureen Tighe, James King, Faye C. Barta,
Judge Thomas Donovan, Marissa Hawkins



Chief Judge Vincent P. Zurzolo

COURT CLOSED



Memorial Day Observed
Monday, May 26, 2008

BANKRUPTCY FILINGS IN THE FIRST QUARTER OF FISCAL YEAR 2008 HIGHEST IN THE NATION

The Central District of California led the nation by receiving 10,481 filings during the first quarter of fiscal year 2008. The number of filings represented an increase of 89% over the first quarter in 2007. Approximately two-thirds of the district's filings occurred in the Los Angeles (36%) and Riverside (28%) divisions.



Overall, bankruptcy filings district-wide rose 91% in 2007, from 17,802 to 34,028, and outpaced the national average by 53%. Filings continue to rebound from a 79% drop in 2006, which was the first full 12-month period subsequent to the Bankruptcy Abuse Prevention and Consumer Protection Act of 2005 (BAPCPA).

THE SAN FERNANDO VALLEY SELF-HELP DESK OFFERS BANKRUPTCY SEMINARS EVERY MONDAY

The San Fernando Valley Self-Help Desk is now offering bankruptcy seminars every Monday from 1:30 pm - 2:30 pm. The seminars will no longer be offered on the first Thursday of each month. In each seminar, a volunteer from the bar will talk about bankruptcy filing requirements and other useful information.

The Self-Help Desk opened on September 17, 2007, to provide *pro se* debtors with access to bankruptcy information, forms, and counsel. It is open every Monday, except for court holidays, from 1:00 pm - 3:00 pm. For more information please contact Neighborhood Legal Services at (800) 433-6251 ext. 122.

CONSENT TO ELECTRONIC NOTICE AND SERVICE OF DOCUMENTS ON U.S. TRUSTEE EFFECTIVE APRIL 1, 2008

The U.S. Trustee recently consented to electronic notice and service on most documents filed with the United States Bankruptcy Court for the Central District of California. This applies in all bankruptcy cases regardless of petition date, and in all adversary proceedings filed on or after April 1, 2008. The announcement and applicable guidelines were provided in **Public Notice 08-007**. The public notice can be found on the Court's web site www.cacb.uscourts.gov under *News/Notices/Publications>Notices>Public Notices*.

Additional questions regarding the U.S. Trustee's consent to electronic notice and service should be directed to the ECF Help Desk at (213) 894-2365.

JUDGE ERNEST M. ROBLES TO PRESIDE OVER RIVERSIDE DIVISION RELIEF FROM STAY MOTIONS

Effective May 1, 2008, Judge Ernest M. Robles will preside over all Relief From Stay motions in chapter 7 and 13 Riverside Division cases assigned to Judge Peter H. Carroll and Judge Meredith A. Jury, except motions to impose/continue the stay under 11 USC § 362(c)(3) and (4).

These changes were announced in **Public Notice 08-008**. The public notice also outlined the following information and procedures for these motions:

Scheduling a Hearing. To schedule Riverside Division Relief From Stay motions on Judge Robles' calendar, refer to Judge Robles' self-calendaring instructions for the Riverside Division on the Court's website at www.cacb.uscourts.gov (select *Information>Judge E. Robles > Forms/Instructions/Procedures/Self-Calendaring*).

Delivery of Chambers Copies. A paper copy of Judge Robles' Riverside Division Relief From Stay documents filed through the Court's CM/ECF system must be immediately delivered (in person or by mail) to the **Intake Section** of the Riverside Division.

Location of Hearings. Judge Robles will hear Riverside Division Relief From Stay motions by telephonic conference unless there are special circumstances that require video hearings. Please consult Judge Robles' instructions on the Court's website at www.cacb.uscourts.gov (select *Information >Judge E. Robles > Forms/Instructions/Procedures/Self-Calendaring*) for details on appearances and locations.

Submitting Orders. All Riverside Division Relief From Stay Orders for Judge Robles must be submitted electronically through the Court's Lodged Order Upload (LOU) program.

For specific information regarding Judge Robles' Riverside Division Relief From Stay matters, please call (951) 774-1085.

**REASSIGNMENT OF THE JUDGE MITCHEL R. GOLDBERG'S
BANKRUPTCY CASES AND ADVERSARY PROCEEDING**

On April 1, 2008, the vast majority of pending bankruptcy cases and related adversary proceedings assigned to Judge Mitchel R. Goldberg were reassigned to Judge David N. Naugle.

For Judge Goldberg's reassigned cases and adversary proceedings the judge code following these case and proceeding numbers will be changed to reflect the new judge's initials: "PC" for Judge Carroll, "MJ" for Judge Jury, and "DN" for Judge Naugle.

For additional information or questions regarding the reassigned cases, as well as exceptions, please check **Public Notice 08-006** for the appropriate contact number. The public notice can be found on the Court's web site www.cacb.uscourts.gov under *News/Notices/Publications> Notices>Public Notices*.

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.

Jon D. Ceretto
Executive Officer/Clerk

Michael E. Rotberg
Chief Deputy - Operations

Suggestions and comments are always welcome.

Please call (213) 894-1296 or e-mail us at [<John_Kohler@cacb.uscourts.gov>](mailto:John_Kohler@cacb.uscourts.gov).

FILING STATISTICS

	2008 Estimate Jan-Apr	2007 Actual Jan - Apr	Percentage Change
Central District of California			
Chapter 7	12,647	7,176	76.2%
Chapter 11	139	86	61.6%
Chapter 13	4,038	2131	89.5%
Total ¹	16,824	9,393	79.1%
	12 Month Period Ending 12/31/07	12 Month Period Ending 12/31/06	Percentage Change
Nationally			
Chapter 7	519,364	360,890	43.9%
Chapter 11	6,353	5,163	23.1%
Chapter 13	324,771	251,179	29.3%
Total ^{1,2}	850,488	617,232	37.8%

1 - Excludes Chapter 9, Chapter 12, Chapter 15, and Section 304 filings.

USBC - Central District of California

20 Largest and Other Cases of Interest Filed in the Last 24 Months*

Debtor Name	Case Number	Date Filed	Chapter	Asset Level in Millions	Liability Level in Millions	Milestone Reported in March-April Issue
APX Holdings, LLC	LA-06-10875-EC	3/16/2006	7	Over \$ 100	Over \$ 100	Status conference continued to 4/30/08 re application for allowance and payment of administrative expense.
Marion Knight, aka Suge Knight	LA-06-11187-VZ	4/4/2006	11	\$ 4	\$ 137	Order entered on 4/9/08 granting trustee's motion to confirm sale of two causes of action.
Death Row Records, Inc	LA-06-11205-VZ	4/4/2006	11	Undetermined	\$ 111	Hearing set for 4/29/08 re motion for 2004 examination.
Thorpe Insulation Company	LA07-19271-BB	10/15/2007	11	Over \$ 100	Over \$ 100	Hearing set for 5/14/08 re motion for protective order of Official Committee of Unsecured Creditors.
Brotman Medical Center	LA07-19705B B	10/25/2008	11	\$ 1mil to \$100 mil	\$ 1mil to \$100 mil	Motion set for hearing on 5/21/08 for first quarterly application for Buchalter Nemer for allowance and payment of professional fees and expenses.
Solidus Networks, Inc., dba Pay by Touch	LA 07-20027 TD	10/31/2008	11	unknown	unknown	Order entered on 4/21/08 authorizing sale of assets of Pay By Touch Payment Solution, LLC free and clear of lien, claims and encumbrances.
Alert Cellular, LC	ND-07-10918-RR	7/3/2007	11	\$ 1-100	\$ 1-100	Hearing re: motion for approval of Ch. 11 disclosure statement continued to 4/24/08.
Los Osos Community Services District	ND-06-10548-RR	8/25/2006	9	\$ 1-10	Less than \$ 1	AP 06-1098 status conference re: removed complaint scheduled for 6/1/08. AP 06-1099 Order approving compromise of controversy entered 4/1/08.
Valley Health Systems, Inc.	RS-07-18293-PC	12/13/2007	9	\$ 100	\$ 100	Creditors Committee has filed several application to employ counsel and financial advisors. Hearing set for 5/20/08 to assume lease.
National R V Holdings, Inc	RS-07-17941-PC	11/30/2007	11	1- 100	1- 100	Proof of claim deadline is 5/28/08. DIP has filed several motions to approve settlement agreements.
Great Circle Family Foods, LLC, DBA: Krispy Kreme Doughnuts	SA-07-12600-ES (LEAD of 6)	8/22/2007	11	\$ 1-100	\$ 1-100	Order Granting Further Extending Debtors' Plan Exclusivity Periods Except with Respect to The Official Committee of Creditors Holding Unsecured Claims (Related Doc # 130 Signed on 4/21/2008. The Debtors' Exclusive Periods to File Plans and Obtain Acceptan
People's Choice Home Loan, Inc., a Wyoming corporation	SA-07-10765-RK (LEAD of 3)	3/7/2007	11	Over \$ 100	Over \$ 100	Motion for approval of chapter 11 disclosure statement /Motion for Order: (1) Approving Debtors' Disclosure Statement; (2) Fixing Various Deadlines Relating to Plan Confirmation; (3) Approving Form of Ballot, Solicitation Letter, and Notice, (4) Authori
Real Estate Partners, Inc. DBA: Coldwell Banker Commercial REP	SA-07-13239-TA (LEAD of 8)	10/8/2007	11	\$ 1- 100	\$ 1- 100	Order Granting Motion to Extend Exclusivity Period to August 5, 2008 for Filing a Chapter 11 Plan and to Solicit Acceptances (Related Doc # 144- Signed on 4/8/2008 (Entered: 04/08/2008)
MTI Technology Corporation	SA-07-13347-ES	10/15/2007	11	\$ 1- 100	\$ 1- 100	Chapter 11 Status Conference Order (S/C continued to 6/5/08 at 10:30am) Signed on 3/28/2008. [with certificate of mailing] (Entered: 03/31/2008)
PureBeauty, Inc.	SV-06-10545-KT	4/18/2006	11	\$ 10-50	\$ 50	Order granting Motion to extend time to file Objections to 5/5/08; Hrg. Re: Motions to Disallow Claims - 6/10/08 @ 10:00 AM.
Owmit Mortgage Solutions Inc	SV-06-12579-KT	12/28/2006	11	\$ 698.0	\$ 819	Order extending claims bar date to 4/18/08; Hrg. Re: Motion for reconsideration of Order Extending Claims Bar Date on 5/13/08 @ 10:00 AM; 76 Motions for Relief filed during this period & assigned hearing dates.
Ronco Corporation	SV-07-12000-GM (LEAD of 2)	6/14/2007	11	Unknown	Unknown	Hrg. Re: Application to Employ Ives, Kirwan & Dibble as Special Litigation Counsel on 4/16/08 @ 10:00 AM; Adversary 108-ap-01033 filed on 2/13/08.
Specialty International Inc.	SV-07-12715-KT	8/2/2007	11	Unknown	Unknown	Hrg. Re: Motion to Extend Exclusivity Period for Filing Ch. 11 Plan & Disclosure Statement on 4/22/08 @ 10:00 AM.
Callifornia TD Investments LLC	SV-07-13003-GM (LEAD of 3)	8/21/2007	11	\$ 13.0	\$ 117	Order extending plan deadline to 4/21/08; Debtor's acceptance of Plan extended to 6/20/08; Hrgs re: Motions to Convert Case continued to 10/27/08 - 10/31/08 @ 10:00 AM; Adversary 108-ap-01026 filed on 2/1/08
Quality Home Loans	SV-07-13006-GM	8/21/2007	11	\$ 130.0	\$ 177	Hrg. Re: Motion for Relief from Automatic Stay on 4/15/08 & 4/22/08 @ 10:00 AM; Adversary 108-ap-01195 filed 4/8/08.
AREI Newhall 10 LLC	SV07-15156-MT (Lead of 17 Jointly Administered cases)	12/25/2007	11	Under \$ 1	\$ 24	Adversary 108-ap-01168 filed on 3/18/08. Continued Hrg. Re: Motion for Relief from Stay on 5/12/08 @ 100 PM.

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