



# COURT NEWS

Chief Judge Vincent P. Zurzolo

2008

Jon D. Ceretto, Executive Officer/Clerk

## BANKRUPTCY COURT HOSTS DISCUSSION GROUPS ON "HOW SHOULD THE LOCAL RULES BE REVISED RELATED TO CHAPTER 7 DEBTOR REPRESENTATION"

On October 22, 2008, Judge Maureen Tighe hosted a "brown bag" discussion group on *How Should the Local Rules be Revised Related to Chapter 7 Debtor Representation* in the Roybal Courthouse. The discussion was held to gather comments and thoughts from the bar on a possible "Rights and Responsibilities Agreement" (RARA) for Chapter 7 Bankruptcy cases (similar to what is now being done for Chapter 13 cases). While no specific proposals or rule changes are currently pending, the Court is interested in Chapter 7 consumer debtor representation issues in the post-BAPCPA era.



Judge Tighe will moderate additional discussion groups this same topic at the Ronald Reagan Courthouse in Santa Ana on November 21st at 12 noon and at the Riverside Bankruptcy Courthouse on December 2nd at 12 noon, and the San Fernando Valley Courthouse on December 19 at 12 noon.

## TENTH ANNUAL LUNCHEON HONORS MEDIATORS

On October 10, 2008, the U.S. Bankruptcy and District Courts for the Central District of California co-hosted the Tenth Annual Appreciation Luncheon to honor Bankruptcy Court mediators and District Court settlement officers for 2007-2008. In attendance were District Court Judge Margaret M. Morrow, Chair, Civil Justice Report Act and Alternative Dispute Resolution Committee; Bankruptcy Judge Barry Russell, Mediation Program Administrator; Bankruptcy Judges Alan M. Ahart and Sheri Bluebond; as well as a number of District Court and Magistrate Judges.



Judge Barry Russell  
United States Bankruptcy Court  
Central District of California



Judge Margaret M. Morrow  
United States District Court  
Central District of California

Judge Russell recognized the outstanding achievements of a number of the Court's mediators for their service on the panel, including David W. Meadows, Catherine E. Bauer, Barry S. Glaser, Benjamin S. Seigel, Lawrence A. Diamant, Ralph S. Greer, Allan H. Ickowitz, Keith S. Dobbins, Stephen F. Biegenzahn, Bruce S. Schildkraut, Franklin C. Adams, William M. Burd, Karen L. Grant, Marc S. Cohen, Herbert Katz, and Diane C. Weil.

## CHANGES TO REQUESTS FOR SPECIAL NOTICE AND COURTESY NOTIFICATION OF ELECTRONIC FILING

Since September 15, 2008, the Court has not processed Requests for Special Notices without a reasonable basis in fact and law. All filers of Requests for Special Notices must certify in writing that they have met the above criteria or the request will not be process. For more information on these procedures, please check Public Notice 08-014, which can be found on the Court's Web site [www.cacb.uscourts.gov](http://www.cacb.uscourts.gov) under *News/Notices/Publications>Notices>Public Notices*.

Additionally, registered CM/ECF users who wish to receive courtesy electronic notification of documents filed in a particular bankruptcy case may now submit a request to the Court using the form "Request for Courtesy Notification of Electronic Filing (NEF)." This form has been made available on the Court's website [www.cacb.uscourts.gov](http://www.cacb.uscourts.gov) under *Forms/Rules/General Orders>Court Forms*.

All requests made for a courtesy NEF must be filed electronically with the Court and the electronic notifications will be delivered via the Court's CM/ECF system as an NEF. Notifications will not be delivered by mail, telephone, facsimile, or any other forms of transmission. In addition, requests made at the Intake Window will not be accepted.

## CM/ECF UPGRADE POSTPONED

On October 10, 2008, the United States Bankruptcy Court for the Central District of California postponed the upgrade to version 3.2 of CM/ECF. This postponement was attributable to systems performance degradation observed in Court's that recently converted to the news version of CM/ECF. The delayed upgrade to version 3.2 will also postpone the implementation of the Judicial Conference Policy regarding access to transcripts and their redaction. A Public Notice will be posted once the Court is ready to upgrade to version 3.2.

## UPCOMING CHANGES TO LOCAL BANKRUPTCY RULES

Local Bankruptcy Rules ("LBRs") changes are coming soon. The Court has undertaken a lengthy and thorough process to revise the LBRs. For example, many provisions from existing LBRs and General Orders have been relocated into existing or new rules to conform to the national numbering system. Other LBRs establish procedures regarding electronic notice and service, or are rewritten for simplicity and clarity. A draft of the LBRs were posted on the Court's website for public comment in August 2008, including a cross-reference of old rule numbers with proposed new numbers. Subsequently, the Board of Judges submitted a draft for District Court approval. Once approved, a Public Notice will be issued to advise of the effective date of the new LBRs.

## REMINDER: REQUEST FOR PUBLIC COMMENTS ON PROPOSED AMENDMENTS TO FEDERAL RULES OF BANKRUPTCY PROCEDURE

Now through February 17, 2009, the Judicial Conference's Advisory Committee on Bankruptcy Rules is seeking public comment on proposed amendments to the Federal Rules of Bankruptcy Procedure. The committee is requesting feedback on the new Bankruptcy Rules 1004.2 and 5012, and the amendments to Bankruptcy Rules 1007, 1014, 1015, 1018, 4004, 5009, 7001, and 9001.

The full text of the proposed amendments and explanatory Committee Notes are in the Request for Comment pamphlets posted at [www.uscourts.gov/rules](http://www.uscourts.gov/rules).



**CM/ECF TIPS!**

**Payment of Filing Fees Due at Time of Filing -**

The ECF system will automatically lock out a user who has not paid a filing fee when electronic filing a document requiring the fee. Lockout allows the user to login to the ECF system, but access to menus is limited to "Utilities". If you are locked out of the ECF system, click on "Utilities", "Internet Payments Due" and pay any outstanding fees via Pay.Gov. If you suspect you were locked out in error, please call the ECF Support Center at (213) 894-2365.

**Reminder to Run the Judge Trustee/Assignment Program-**

After opening a new bankruptcy case and **uploading** the Creditors, you must immediately run the Judge/Trustee Assignment Program (under Bankruptcy-BK-Judge/Trustee Assignment) to assign the judge, trustee (if applicable) and 341 meeting date to the case in CM/ECF. Failure to run the Judge/Trustee Assignment program will prevent the creditors and trustee (if applicable) from receiving timely notice of the 341 a Meeting and other events happening in the case.

**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) 894-1266 or e-mail us at <Vanessa\_Keith Garcia@cacb.uscourts.gov>.

**NOVEMBER/DECEMBER HOLIDAYS - COURT CLOSED**

- TUESDAY, NOVEMBER 11, 2008 - VETERANS' DAY
- THURSDAY, NOVEMBER 27, 2008- THANKSGIVING DAY
- FRIDAY, NOVEMBER 28, 2008 (STATE OF CALIFORNIA HOLIDAY)
- THURSDAY, CHRISTMAS DAY - DECEMBER 25, 2008
- FRIDAY, DECEMBER 26, 2008 - **EMERGENCY MATTERS ONLY**
- THURSDAY, NEW YEARS DAY - JANUARY 1, 2009
- FRIDAY JANUARY 2, 2009 - **EMERGENCY MATTERS ONLY**



**FILING STATISTICS**

	2008 Estimated Jan-Oct	2007 Actual Jan - Oct	Percentage Change
<b>Central District of California</b>			
Chapter 7	39,673	20,651	92.1%
Chapter 11	660	271	143.5%
Chapter 13	12,585	6404	96.5%
Total <sup>1</sup>	52,918	27,326	93.7%

	12 Month Period Ending 6/30/08	12 Month Period Ending 6/30/07	Percentage Change
<b>Nationally</b>			
Chapter 7	615,748	450,332	36.7%
Chapter 11	7,293	5,586	30.6%
Chapter 13	344,421	294,693	16.9%
Total <sup>1</sup>	967,462	750,611	28.9%

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	Milestones
Thorpe Insulation Company	LA-07-19271-BB	10/15/2007	11	Over \$100	Over \$100	Hearing set on 10/30/08 re motion to approve compromise under Rule 9019.
Century City Doctors Hospital, LLC	LA-08-23318-SB	8/22/2008	7	\$10 to \$50	\$50 to \$100	Hearing set on 10/28/08 re relief from stay motion filed by Hrayr Shahinian of a non-bankruptcy action issue pending at the LA Superior Court.
IndyMac Bancorp, Inc.	LA-08-21752-BB	7/31/2008	7	\$50 to \$100	\$100 to \$500	Opposition to motion for order confirming interim chapter 7 trustee as permanent chapter 7 trustee filed by creditor Wilmington Trust Company on 10/16/08.
Solidus Networks, Inc., dba Pay by Touch	LA-07-20027-TD	10/31/2007	11	unknown	unknown	Order converting case to chapter 7 entered on 10/10/08.
Axiom International, Inc.	LA-08-10277-BB	1/8/2008	7	\$100 - 500	\$100 - 500	Order entered on 10/14/08 setting hearing on 11/6/08 on Spherion Corporation's motion for order authorizing 2004 exam of Ikon Office Solutions and production of documents.
eStyle, Inc.	LA-08-13518-SB	3/19/2008	11	\$1 - 10	\$1 - 10	Motion for order approving stipulation between Debtor In Possession, Official Unsecured Creditors Committee and "Bridge Lenders" filed on 10/8/08. Hearing to be held on 11/4/08.
Alert Cellular, LC	ND-07-10918-RR	7/3/2007	11	\$1-100	\$1-100	Hearing re (1) Third and final fee applications scheduled for 1/29/08; (2) Motion for approval of Ch. 11 disclosure statement cont'd to 10/20/08; (3) Objection to over 200 claims scheduled for 11/4/08.
Estate Financial Mortgage Fund, LLC	ND-08-11535-RR	7/1/2008	11	Over \$100	\$1	Order granting application to employ Omni Mgmt as noticing, claims and balloting agent entered 10/8/08. Hearings re: (1) Application for fees scheduled; (2) Motion to authorize and/or establish procedures to authorize (a) real property sales, the making of related distributions and payment of related closing costs and reimbursement, including brokerage commissions (b) loan payoffs and reconveyances (c) related compromises (d) the making of secured advances (e) loan collection, administration and enforcement, including foreclosures, forbearances and deeds in lieu scheduled for 10/22/08.
Valley Health Systems, Inc.	RS-07-18293-PC	12/13/2007	9	\$100	\$100	Hearing on plaintiff's motion for preliminary injunction and temporary restraining order set for 10/28/08. Hearing on motion to dismiss adversary set for 11/07/08.
National R V Holdings, Inc	RS-07-17941-PC	11/30/2007	11	1 - 100	\$1 - 100	Hearing on motion to approve chapter 11 disclosure statement continued to 11/04/08. Hearings on second interim fee applications set for 11/04/08.
Woodside Group, LLC	RS-08-20682-PC	8/20/2008	11	Unknown	Unknown	186 Related cases filed. An order for joint administration of all 186 cases was signed on 9/3/08. An order for relief under chapter 11 was entered 9/16/08.
Great Circle Family Foods, LLC, DBA: Krispy Kreme Doughnuts	SA-07-12600-ES (LEAD of 6)	8/22/2007	11	\$1-100	\$1-100	Disclosure Statement and Plan were filed 10/15/08. Disclosure Statement hearing set for 12/16/08 @10:30am.
People's Choice Home Loan, Inc., a Wyoming corporation	SA-07-10765-RK (LEAD of 3)	3/7/2007	11	Over \$100	Over \$100	Hearings for Applications for Compensation set for 11/12/08 @ 11:00am.
Real Estate Partners, Inc., dba Coldwell Banker Commercial REP	SA-07-13239-TA (LEAD of 8)	10/8/2007	11	\$1 - 100	\$1 - 100	Statement Professional Fee Statement of Buchalter Nemer, P.C. Number 7. (August 2008) (w/certificate of service) Filed by Creditor Committee Equity Committee. Filed 9/9/08. Statement Winthrop Couchot, P.C. Professional Fee Statement, No. 11, August 2008 Filed by Debtor Real Estate Partners, Inc.. (Winthrop, Marc). Filed 9/19/08.
Fremont General Corporation	SA-08-13421-ES	6/18/2008	11	Over \$100	Over \$100	Chapter 11 Status Order Signed on 8/19/2008. Status Conference is continued to November 20, 2008 @10:30a.m. -Motion to Extend Exclusivity Period for Filing a Chapter 11 Plan and Disclosure Statement in which only the Debtor may File a Plan and Solicit Acceptances Thereto. Filed by Debtor Fremont General Corporation on 9/22/08.
Shoe Pavilion, Inc.	SV-08-14939-MT	7/15/2008	11	50 - 100 Million	\$10 - 50	Schedules filed 8/29/08. Motion for Relief hrg. 9/29/08. Adversary for Passport QT Inc v. Wells Fargo Retail Finance Llc et al filed on 10/3/08.
Ronco Corporation	SV-07-12000-GM (LEAD of 2)	6/14/2007	11	Unknown	Unknown	Order Granting Motion to Authorize Trustee To Terminate 401K Plan of Ronco Corporation entered 9/4/08
California TD Investments LLC	SV-07-13003-GM (LEAD of 3)	8/21/2007	11	\$13.0	\$117	Debtor's change of address filed 8/19/08. Order granting Motion for Relief entered 10/6/08. Status hrg. Continued to 10/28/08 @ 10:00 AM.
Quality Home Loans	SV-07-13006-GM	8/21/2007	11	\$130.0	\$177	Comments of US Trustee to fee applications of professionals filed 9/5/08. Order Granting Motions for Relief entered on 9/10/08 & 10/6/08. Amended Ch. 11 Plan of Reorganization filed 10/15/08. Disclosure Stmt. Filed 9/22/08.
Care Level Management	SV-08-12913-MT (Lead of 17 jointly administered cases)	5/7/2008	11	\$4	\$11	Case dismissed on 9/30/08.

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