



UNITED STATES BANKRUPTCY COURT  
CENTRAL DISTRICT OF CALIFORNIA

SEPTEMBER - OCTOBER

# COURT NEWS

Chief Judge Vincent P. Zurzolo

2007

Jon D. Ceretto, Executive Officer/Clerk

## ELECTRONIC ORDER LODGING PILOT BEGINS

On August 20, 2007, the Court began piloting an enhancement to ECF that accepts electronically lodged proposed orders using our court-developed calendaring program, CIAO!. During the pilot phase, which is scheduled to last approximately 30-45 days, proposed orders can only be uploaded for cases and adversary proceedings assigned to Chief Judge Vincent P. Zurzolo and Judge Alan M. Ahart. Once the pilot phase is successfully concluded, the upload of proposed orders into the ECF system will replace the current process by which proposed orders are physically lodged with the Court.



Proposed orders must be uploaded into ECF as a Microsoft WORD 2003 document. This enables the Court to edit or modify the proposed order, as applicable, a critical feature for our Court. Once uploaded, the orders can be reviewed by the Clerk's Office for compliance with the local rules and administrative procedures, and then routed electronically to the judge. Once the judge approves the order for entry, the judge's electronic signature will be affixed to the last page of the order and the order will be entered on the case docket in PDF format.

Procedures and more information are available on the Court's website under Electronic Systems & Status -> CM/ECF. If you have any questions, comments or suggestions related to electronically uploaded orders, please email [ECF\\_Support@cacb.uscourts.gov](mailto:ECF_Support@cacb.uscourts.gov), or call the ECF Help Desk at (213) 894-2365.

## PROPOSED AMENDMENTS PUBLISHED FOR PUBLIC COMMENT

The Judicial Conference Advisory Committees on the Appellate, Bankruptcy, Civil, and Criminal Rules have proposed amendments to federal rules and Official Forms, and requested that the proposals be circulated to the bench, bar, and public for comment. Most of the amendments are proposed in conjunction with the adoption of uniform time-computation rules. The public comment period ends on February 15, 2008. You can read the proposed amendments at <http://www.uscourts.gov/rules>.

## CONTINUING LEGAL EDUCATION CREDIT FOR CM/ECF TRAINING

Several attorneys have contacted the Court to inquire about whether they can receive Continuing Legal Education (CLE) for completing the CM/ECF Training program. The Court issues Certificates of Completion to attorneys who have successfully completed the program. Please note that only your local Bar association can make this determination, but that several Bar associations in other districts have authorized such CLE credit. Please consult your local Bar associations for more information.



## COURT CLOSED



LABOR DAY, MONDAY,  
SEPTEMBER 3, 2007

FRIDAY, SEPTEMBER 28, 2007  
(EMERGENCY MATTERS ONLY FOR ALL  
DIVISIONS WILL BE HANDLED AT THE  
LOS ANGELES DIVISION)



COLUMBUS DAY, MONDAY,  
OCTOBER 8, 2007



## HIGHLIGHTS OF THE ECF EVALUATION

Electronic Case Filing (ECF) has increased availability and efficiency in many ways; nevertheless, mastering a new system does not come without practice, and a little trial and error. In August 2007, the Central District of California surveyed attorneys in order to gather useful feedback in support of the Court's effort to provide service of the highest quality.

Survey questions focused on three main components of ECF, the helpfulness of Court resources, the training sessions, and overall user satisfaction. All attorneys who filed using ECF at least once between January 1 and June 30, 2007 were sent the survey. Distribution was done via email, and the response rate was over 40%.

We are delighted to hear from so many of you that the ECF Help Desk is "Top Notch." Ninety-eight percent of respondents found the Court's ECF Help Desk to be helpful, with nearly 50% of all respondents describing the ECF Help Desk as "outstanding" and another 31% as "very good." Additionally, 74% of respondents reported that ECF training classes were effective or of high quality, and 68% reported that the length of the training was about right.

Respondents confirmed our suspicion that docketing is the most challenging aspect of ECF. About half of the respondents suggested that selecting docket event codes was the single-most difficult aspect of ECF, and that any future training should focus on docketing. Still, about one-third of respondents said they had NO PROBLEMS with any aspect of ECF, and about one-quarter said they were comfortable with ECF just the way it is! We are still analyzing the responses and hope to make improvements based on the specific suggestions received.

## TRANSCRIPT REDACTION PROCEDURES REVISED TO REQUIRE REVIEW BY ATTORNEY

The Judicial Conference has recently adopted revisions to the transcript redaction procedures to require party's attorneys to review a transcript for personal information that should be redacted under the Judicial Conference's privacy policy.

- 1. Each party's attorney is required to review a transcript for information that should be redacted under the Judicial Conference's privacy policy:** Social Security numbers should be redacted to only the last four digits; birth dates should contain only the year of birth; individuals known to be minors should be referred to with initials; and financial account numbers should be redacted to the last four digits.
- 2. Within five business days of a court reporter's delivery of the transcript to the clerk of court, an attorney must file a notice with the court of his or her intent to request redaction of such information from the transcript.** An attorney is responsible for reviewing the opening and closing statements made on behalf of the party he or she represents, any statements made by the party, and the testimony of any witnesses called by the party. If no notice is filed during this five-day period, the Court may assume that redaction of personal data is not necessary, and may make the transcript electronically available to the public.
- 3. Once an attorney has filed a notice of intent to request redaction, he or she has 21 days to review the transcript and submit to the court reporter of transcriber a list of the places in the transcript where personal data to be redacted appears.** The Court may order this time extended, for good cause shown. The Court reporter or transcriber must redact the identifiers, as directed by the party, and then re-file the redacted transcript. Also during the time period, an attorney could, by motion, request that additional information be redacted. No remote electronic public access to the transcript will be allowed until the Court has ruled on any such motion.

**SAN FERNANDO VALLEY DIVISION TO OPEN SELF-HELP DESK**

On September 17, 2007, the San Fernando Valley Division will open a Self-Help Desk in the Intake area to provide *pro se* debtors with access to bankruptcy information, forms, and counsel. One afternoon each week, a trained paralegal will be provide walk-in members of the public with this service, but will not provide legal advice.



A flyer from the Self-Help Desk will be provided to all *pro se* filers to encourage filers with specific issues to seek the advice of counsel and warn of the common pitfalls that lead to case dismissal. The self-help program will also feature monthly seminars where a volunteer from the bankruptcy bar will provide information about filing bankruptcy. In the future, a monthly seminar will be held for creditors.

The Self-Help Desk is the result of a collaborative effort between the Bankruptcy Court, Neighborhood Legal Services of Los Angeles County, the Central District Consumer Bankruptcy Attorney's Association, and the San Fernando Valley Bar Association Attorney Referral Service. The various stakeholders were brought together by Bankruptcy Judge Maureen A. Tighe. Funding was provided for the first year by a grant from the Central District's Attorney Admissions Fund.

**JUDICIAL EMPLOYEE PRESENTED AWARD FOR EXCELLENCE IN ALTERNATIVE DISPUTE RESOLUTION**

Treating obstacles as challenges instead of barriers was a key factor in Susan M. Doherty receiving the prestigious Robert F. Peckham Award for Excellence in Alternative Dispute Resolution (ADR) at the 2007 Ninth Circuit Judicial Conference in Honolulu, Hawaii. The award acknowledges judicial employees who have advanced the delivery of effective court-based ADR programs in the Ninth Circuit.



Senior Circuit Judge Dorothy W. Nelson, Chair of the Ninth Circuit's Alternative Dispute Resolution Committee presented the award to Ms. Doherty.

Ms. Doherty has an extensive background in the ADR program. She was instrumental in the initial development and implementation of the program in 1994 after being hired as a career law clerk for Bankruptcy Judge Barry Russell. She also served as the program coordinator until taking a leave of absence in 1999. In 2004, she resumed her positions with Judge Russell and the mediation program.

**FILING STATISTICS**

	<b>2007 Actual Jan-Jul</b>	<b>2006 Actual Jan-Jul</b>	<b>Percent Change</b>
<b>Central District of California</b>			
Chapter 7	13,397	7,095	88.8%
Chapter 11	171	154	11.0%
Chapter 13	4,102	1,518	170.2%
Total*	17,670	8,767	101.6%
	<b>12 Month Period Ending 3/31/07</b>	<b>12 Month Period Ending 3/31/06</b>	<b>Percent Change</b>
<b>Nationally</b>			
Chapter 7	413,294	1,432,074	-71.1%
Chapter 11	5,199	6,497	-20.0%
Chapter 13	276,649	355,756	-22.2%
Total*	695,142	1,794,327	-61.3%

\* Excludes Chapter 9, Chapter 12, Chapter 15, and Section 304 filings

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
APX Holdings, LLC	LA-06-10875-EC	3/16/2006	7	Over \$100	Over \$100	Status conference continued to 12/14/07.
Marion Knight, aka Suge Knight	LA-06-11187-VZ	4/4/2006	11	\$4	\$137	Hearing for motion to use cash collateral set for 8/13/07.
Death Row Records, Inc	LA-06-11205-VZ	4/4/2006	11	Undetermined	\$111	Order entered on 8/3/07 denying relief from stay motion filed by Michael R. Harris.
Alert Cellular, LC	ND-07-10918-RR	7/3/2007	11	\$1-100	\$1-100	Emergency motions heard on 7/11/07. Additional cash collateral motions filed and heard on 7/23/07. Application to employ Omni Management Group, LLC as Noticing, Claims and Balloting Agent filed 7/31/07.
Los Osos Community Services District	ND-06-10548-RR	8/25/2006	9	\$1-10	Less than \$1	Motion for Authority to Obtain Credit Under Section 364(b), Rule 4001 (c) or (d) filed 8/8/07. Hearing set for 9/25/07; three adversary cases pending.
Santa Barbara Beach Holding, LLC	ND-06-10887-RR	11/22/2006	11	\$54	Over \$75	U.S. Trustee Motion to Convert or Dismiss filed 7/12/07. Hearing set for 9/12/07. Stipulated deadline for Debtor to file a motion to dismiss extended to 9/30/07.
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 Debtors' Emergency Motion for Joint Administration signed on 8/27/07. Hearing on Debtor's Motion for Authority to Use Cash Collateral with Proof of Service set for 9/11/07.
Window Rock Entertainment, DBA: Cortislim	SA-05-50048-RK	11/23/2005	11	\$18	\$162	First Status Post-Confirmation Report filed 6/5/07.
People's Choice Home Loan, Inc., a Wyoming corporation	SA-07-10765-RK (LEAD of 3)	3/20/2007	11	Over \$100	Over \$100	Motion to Extend Exclusivity Period for Filing a Chapter 11 Plan and Disclosure Statement filed 7/18/07. Hearing set for 9/11/07.
Jill Kelly Productions, Inc.	SV-05-15389-KT	8/8/2005	11	\$1-10	\$1-10	Three adversaries filed on 8/6/07 for recovery of money/property. Staus report filed on 8/14/07.
Persistence Capital, LLC	SV-05-16450-KT	9/13/2005	11	\$85	\$29	Motion for Trustee's Motion for Production of Documents and for oral examination of US Bank hearing set for 8/21/07.
10000 Millenium Plaza, LLC	SV-05-50021-GM	10/26/2005	11	\$50-100	\$30	Stipulation and Order to continue hearing on debtor's objection to claim 6/26/07.
Robert Blake, aka Michael J Gubitosi	SV-06-10125-GM	2/3/2006	11	\$0.5	\$50-100	Stipulation for Reduction in Application For Payment of Final Fees and/or Expenses of Former Bankruptcy Counsel for Debtor on 8/1/07.
PureBeauty, Inc.	SV-06-10545-KT	4/18/2006	11	\$10-50	\$50	Amendment to Ch. 11 Plan & Disclosure Statement filed 4/16/07. Hearing on 6/26/07 for Applications for Allowance & Payment of Compensation/Reimbursement of Expenses.
Bodies in Motion, Inc.	SV-06-10931-GM	6/20/2006	11	\$10-50	\$50	Applications for Compensation hearings held on 8/1/07.
Ownit Mortgage Solutions Inc	SV-06-12579-KT	12/28/2006	11	\$698.0	\$819	66(sixty-six) Motions for Relief filed during this period & assigned the following hearing dates - 8/9/07, 8/16/07, 8/23/07, 9/6/07, 9/20/07. 61 (sixty-one) Orders for Relief were Granted during this period.
Ronco Corporation	SV-07-12000-GM	6/14/2007	11	Unknown	Unknown	Ntc of Appointment of Creditor's Committee filed 7/5/07; 341(a) meeting on 8/7/07 9:00 AM; Opposition of discharge due 10/9/07; proof of claim deadline 11/5/07; Order granting Motion for Relief filed 7/18/07 on 8/15/07; Order sealing documents granted on
Ronco Marketing Corporation	SV-07-12001-GM	6/14/2007	11	Unknown	Unknown	341(a) meeting on 8/7/07; opposition of discharge due 10/9/07; proof of claim deadline 11/5/07; Motion to Convert case from Ch. 11 to Ch. 7 on 8/16/07.
Specialty International Inc.	SV-07-12715-KT	8/2/2007	11	Unknown	Unknown	Order Granting Motion Extending Time to file schedules to 9/14/07. 341(a) meeting on 9/13/07.
Swingline Equity Co. Inc.	SV-07-12744-MT	8/6/2007	11	Unknown	Unknown	Motion to Extend time to file schedules filed on 8/21/07. Order dismissing case with 180 day bar to re-file, filed on 8/22/07
Quality Home Loans, a California Corporation	SV-07-13006-GM (Lead Case)	8/21/2007	11	Unknown	Unknown	341(a) Meeting on 9/25/07 @ 10:00 AM; Motion for Extension of Time to File Schedules filed 8/29/07; Relief from Stay hearing on 9/11/07 @ 10:00 AM

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

### 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.

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Suggestions and comments are always welcome.  
Please call (213) 894-3778 or e-mail us at <Sidra\_Golwala@cacb.uscourts.gov>.