

UNITED STATES BANKRUPTCY COURT
DISTRICT OF DELAWARE

IN RE: . Chapter 11
COMMERCECONNECT MEDIA HOLDINGS, .
INC., *et al.*, . Case No. 09-12765 (BLS)
 . (Jointly Administered)
 .
 . September 8, 2009
 . 1:00 p.m.
Debtors. . (Wilmington)
 .

TRANSCRIPT OF PROCEEDINGS
BEFORE THE HONORABLE BRENDAN L. SHANNON
UNITED STATES BANKRUPTCY COURT JUDGE

APPEARANCES:

For the Debtors: John H. Knight, Esq.
Richards, Layton & Finger, P.A.

Steven J. Reisman, Esq.
Timothy A. Barnes, Esq.
Curtis, Mallet-Prevost, Colt
& Mosle, LLP

For Genesis: Carl Neff, Esq.
Ciardi, Ciardi & Astin, P.C.

For the US. Trustee: Patrick Tinker, Esq.
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1 THE CLERK: All rise.

2 THE COURT: Please be seated. Mr. Knight.

3 MR. KNIGHT: Good afternoon, Your Honor.

4 THE COURT: Good afternoon.

5 MR. KNIGHT: John Knight from Richards, Layton &
6 Finger for the Debtors. Your Honor, first of all thank you
7 for the extra time.

8 THE COURT: Happy to oblige.

9 MR. KNIGHT: We were able to make productive use of
10 it, and did resolve the only extant objection today.

11 THE COURT: Okay.

12 MR. KNIGHT: Your Honor, as you're aware, this is
13 our first hearing before Your Honor, because this is
14 obviously a prepack case and - -

15 THE COURT: Right.

16 MR. KNIGHT: - - Judge Carey - -

17 THE COURT: Was kind enough to - -

18 MR. KNIGHT: Yes, Your Honor.

19 THE COURT: - - pinch hit for me.

20 MR. KNIGHT: I think - -

21 THE COURT: I did, just so that the record is clear
22 - -

23 MR. KNIGHT: Yes.

24 THE COURT: - - and so that you're aware, I have
25 reviewed the materials from the first day, in particular the

1 first day affidavit and I have listened to the proceedings
2 from your first day hearing before Judge Carey, so I think I
3 have a pretty good handle on where you are.

4 MR. KNIGHT: Very good, Your Honor. Just to sort of
5 fill in any gaps, I will yield the podium to my co-counsel.
6 Our co-counsel here is the Curtis Mallet-Prevost firm.

7 THE COURT: Sure.

8 MR. KNIGHT: And Steven Reisman will take the
9 podium. Thank you.

10 THE COURT: Okay. Mr. Reisman.

11 MR. REISMAN: Thank you, Your Honor. Steven
12 Reisman, Curtis, Mallet-Prevost, Colt & Mosle on behalf of
13 the Debtors. First off, I want to say it's a pleasure to be
14 here today, and we want to thank Your Honor for taking the
15 time to review the first day, the transcript - -

16 THE COURT: Okay.

17 MR. REISMAN: - - and the motions that have been
18 filed. I heard what was just said, and I'm glad that you had
19 an opportunity to review that. With respect to, with respect
20 to the people that are in the courtroom, I just want to
21 introduce Your Honor to a couple of people who are here, and
22 are instrumental in connection with what will, which will
23 hopefully be, which what will hopefully be a successful
24 restructuring in a 35 day time period and a short time period
25 thereafter for exiting. Your Honor, in the courtroom today,

1 and I'd ask these people to stand when they're identified,
2 just so that you know who they are, is the Chief Executive
3 Officer of the Debtors, Charlie Carnaval.

4 THE COURT: Okay.

5 MR. REISMAN: In addition in the Chief Financial
6 Officer, Jim Ogle.

7 THE COURT: Okay.

8 MR. REISMAN: Also in the courtroom, Your Honor, is
9 Sam Greene and Patrick Dumont of Miller Buckfire.

10 THE COURT: Very good.

11 MR. REISMAN: Miller Buckfire are the investment
12 bankers and financial advisors for the Debtors here. Your
13 Honor, with respect to their retention, I'm not trying to
14 jump out of order, but it's sort of just a nice train of
15 thought. With respect to their retention, they're going to
16 file a supplemental disclosure. And my understanding from
17 Mr. Tinker of the US Trustee's Office is once that
18 supplemental disclosure is filed, and assuming the plan is in
19 fact confirmed today and the disclosure statement is in fact
20 approved, there will be no further issue with respect to
21 their retention - -

22 THE COURT: Okay.

23 MR. REISMAN: - - and the order can be entered.

24 THE COURT: That sounds fine.

25 MR. REISMAN: At that point in time, we'll submit a

1 certificate of no objection or certificate of the resolution
2 of the objection.

3 THE COURT: Good.

4 MR. REISMAN: Your Honor if I can give you a little
5 bit of background. I know that you've read the affidavit of
6 Mr. Ogle.

7 THE COURT: I have.

8 MR. REISMAN: I'm happy to be interrupted at any
9 time with any questions you have. There are essentially four
10 Debtors here. The Debtors are headquartered in Fort
11 Atkinson, Wisconsin. There are approximately 430 hourly and
12 salaried employees that utilize, and the company utilizes
13 approximately 250 independent contractors. Cygnus, as we
14 call these Debtors, Your Honor, is located in 12 locations in
15 11 states throughout the country. 2008 revenue of
16 approximately \$107 million. That revenue is down in 2009.
17 Projected to be somewhere in the neighborhood of \$71 million.
18 Let's see how the year ends up. But the company is making
19 every effort to maximize that revenue, and to maximize the
20 bottom line.

21 THE COURT: Okay.

22 MR. REISMAN: This restructuring is necessary in
23 order to do that. Your Honor, Cygnus essentially is a
24 business to business provider in three areas. Publishing,
25 interactive, and expositions. It's interesting, they have 44

1 publications, they have 35 websites. And they also have 33
2 annual trade shows. They publish magazines such as, I don't
3 know if Your Honor would be familiar with any of these. I
4 was not, in fact, other than one which my wife knew, Kitchen
5 & Bath Design News. Firehouse Roll Up, Law Enforcement
6 Technology. They're a business to business provider. They
7 help businesses become stronger.

8 THE COURT: Right.

9 MR. REISMAN: So they are involved in the business
10 of making other businesses stronger. Your Honor, with
11 respect to this company, essentially what we're going to be
12 seeking approval of today with respect to approval of the
13 disclosure statement and the plan is a pure balance sheet
14 restructuring. And that's what this case is, with the
15 exception of one small item, and that small item is the
16 motion to reject two leases. Which will be on for Your Honor
17 on October 20th. And that's just to cap the 502(b)(6) claim
18 and pay that claim in full.

19 THE COURT: Sure.

20 MR. REISMAN: We're hopeful that we'll be able to
21 reach a resolution of that motion without the need to come
22 back before Your Honor on October 20th. Your Honor, the
23 balance sheet of this company is pretty simple. There is
24 essentially first lien debt, second lien debt, there's some
25 preferreds. There are 21 lenders that make up the first lien

1 facility, there are three lenders that make up the second
2 lien facility. The first lien facility is 173 million, the
3 second lien is 33 million. Essentially the second lien is
4 being wiped out other than for some out of the money
5 warrants. And with respect to the first lien, they are going
6 to essentially own all of the equity of this company, and the
7 company is going to have \$60 million in first lien debt when
8 it arises coming out of bankruptcy. Your Honor, skipping
9 ahead just a little bit, I'm sure you read in Mr. Ogle's
10 affidavit and the other submissions about the attempted out
11 of court restructuring. The reason we're here today, and I'm
12 not trying to point a finger, but in this case there really
13 is no other reason why we're here today other than the fact
14 that we needed 100% of the first lien class. We could not
15 get - -

16 THE COURT: And you didn't get it.

17 MR. REISMAN: We couldn't get it.

18 THE COURT: Right.

19 MR. REISMAN: We tried very hard to get that. The
20 Genesis fund, which filed the objection here which we've
21 resolved and we're thankful that we were able to resolve that
22 objection. We're not thankful to be here today in the
23 context of the, of the restructuring, but if we have to be
24 here, we'll hopefully be out of bankruptcy in a very quick
25 time period. And there hopefully will not be any long-term

1 repercussions to this business, which we do not expect, as a
2 result of this pre-packaged filing. Essentially, Your Honor,
3 the plan, as filed, was, it's necessary, was necessary to
4 file it because of Levine Leichtman and Genesis and, because
5 they were a hold out. We've received approval and the
6 submission by - - oh, actually, I don't mean to jump around a
7 little bit. But in the courtroom as well is Jeff Stein of
8 Garden City Group. He's an affiant. We wanted to have him
9 here as well.

10 THE COURT: I saw the affidavit.

11 MR. REISMAN: Okay. My apologies to Mr. Stein - -

12 THE COURT: That's fine.

13 MR. REISMAN: - - and Garden City Group for
14 overlooking them. But the votes of the various classes here
15 have carried. I'm going to turn the podium over, in a moment
16 Your Honor, to my partner, Tim Barnes to deal with what will
17 hopefully be, and from Your Honor's perspective and I'm sure
18 from everyone in the courtroom, a relatively quick disclosure
19 statement and plan confirmation hearing. We believe that
20 we've satisfied the requirements of 1125 and 1129 with
21 respect to the disclosure statement and the plan
22 respectively. The voting took place pre-petition from the
23 time period July 27th through July 30th. We received the
24 approval of all of the requisite classes that voted, and that
25 were entitled to vote. The unsecured claims here are

1 unimpaired, Your Honor. As you will see - -

2 THE COURT: Right.

3 MR. REISMAN: - - or as you have seen from the
4 plan. With that I believe we've covered everything that I
5 wanted to cover. With respect to cash collateral that was
6 going to be on the calendar today, a certificate of no
7 objection has been filed and I understand - -

8 THE COURT: That order has been signed.

9 MR. REISMAN: Yes. Thank you, Your Honor. We
10 believe - - if you give me one moment?

11 THE COURT: Sure.

12 MR. REISMAN: We believe that we've satisfied, or
13 will through the evidentiary record that I'd like to make
14 here. Which is, on file, essentially, you have with the
15 court, the affirmation of Mr. Ogle submitted in connection
16 with the first day filings and in connection with
17 confirmation. We also have the declaration of Jeffrey Stein
18 of Garden City Group regarding the methodology and tabulation
19 of the ballots for accepting or rejecting the plan. We also
20 have the memorandum of law, the various plan supplement
21 documents. The affidavit, or excuse me, the declaration of
22 Mr. Ogle in support of and approval of the disclosure
23 statement and in support of the plan. And we also filed with
24 the court the proposed findings of fact and conclusions of
25 law. With respect to the declaration of Mr. Stein and the

1 declaration of Mr. Ogle, if there are no objections from any
2 party, or if Your Honor doesn't have any questions, I'd like
3 to move those into evidence.

4 THE COURT: Does anyone wish to cross examine Mr.
5 Stein or Mr. Ogle? Very good. They're admitted.

6 MR. REISMAN: Okay. Your Honor, with that I'm going
7 to turn it over to my partner Tim Barnes to handle the heavy
8 lifting.

9 THE COURT: Okay.

10 MR. REISMAN: Thank you.

11 THE COURT: Mr. Barnes.

12 MR. BARNES: Good afternoon, Your Honor. Tim Barnes
13 from Curtis, Mallet-Provost, Colt & Mosle on behalf of the
14 Debtors. Your Honor, again, thank you for indulging us with
15 the extra time. As Mr. Reisman said, that time was well
16 spent, I believe, in that the one and only official objection
17 that we've received to the plan I believe has now been
18 resolved with some additional language to the plan. There
19 were also some, a while back we had some informal comments
20 that we received from the United States Trustee. Those
21 comments we had drafted towards in the confirmation order
22 which the Court has seen. There was already language in the
23 confirmation order addressing those, and I believe that that
24 addressed the issue that the US Trustee had raised as well.

25 THE COURT: Okay.

1 MR. BARNES: Your Honor, the Court has already
2 represented that it read the pleadings, the declarations, and
3 I would, I would - -

4 THE COURT: I have also read the memorandum of law.

5 MR. BARNES: Which - -

6 THE COURT: And I don't believe that I need a full
7 presentation on all the 1123 and 1129 factors to these, that
8 remain uncontested.

9 MR. BARNES: I'm about as thankful for that as you
10 are, I think, Your Honor. So thank you so much.

11 THE COURT: It's not a Friday afternoon, but there
12 really - -

13 MR. BARNES: Very much appreciate that. We have, of
14 course, in addition to the memorandum of law and the
15 declarations that have been on file, there was the original
16 motion that was on file, and the confirmation order that was
17 filed in draft form, I believe on Thursday of last week,
18 prior to the delivering of the agenda and the hearing binder
19 to Your Honor.

20 THE COURT: Right.

21 MR. BARNES: We have a black line with changes to
22 that - -

23 THE COURT: That would be helpful.

24 MR. BARNES: May I approach?

25 THE COURT: Sure. Thank you.

1 MR. BARNES: What you have there is just black line
2 pages to the confirmation order.

3 THE COURT: Okay.

4 MR. BARNES: And if I could, I'll step through that
5 very quickly with you and explain what we've changed. On
6 what is page 3 of the confirmation order, what you'll see is
7 some cleaning up, essentially, where we have inserted the
8 docket numbers of things that were filed on or after the
9 actual delivery of the order to the Court, and that we have
10 defined the plan supplement, as that was delivered that day
11 as well. On page 4 of the confirmation order, we have now
12 inserted a definition of Genesis. That is Genesis, the
13 objecting party. That's useful later on in one of the black
14 line comments I'll read to you in a moment. And also put
15 some cleanup references to the docket. On page 17 to the
16 confirmation order, we have struck, therefore, the definition
17 of Leichtman Fund, which is the fund, I believe, that holds
18 the Genesis investment. But Genesis is actually the party
19 involved. I believe that their counsel made that request.
20 That we reference Genesis specifically.

21 THE COURT: Okay.

22 MR. BARNES: Your Honor, that gets us through,
23 really, the brief and sort of very uncontroversial changes.
24 The rest are also uncontroversial, but not necessarily brief.
25 In paragraph 18 of the confirmation order, Your Honor, what

1 we have here is a change that has been requested by the agent
2 to the first lien facility. That is the Class III claimants
3 under the plan. The issue here, Your Honor, is that the
4 distributions to the Class III creditors are being made
5 through the agent. And we wanted to make absolutely certain
6 that that mechanism worked correctly. And on further reading
7 of the plan and the confirmation order, the Debtors and the
8 agent agreed that there, it wasn't as clear as it could have
9 been. So what we've done is we've made, we've made a few
10 changes to the treatment of those claims. And what we
11 specifically said here, and these are not changes to the
12 underlying rights of the parties, is that the distributions
13 will be done in accordance with the plan, and that the rights
14 and obligations of the parties who are receiving such
15 distributions will be as defined in the plan and the plan
16 supplement.

17 THE COURT: So the plan and plan supplement govern.

18 MR. BARNES: That's correct with respect - -

19 THE COURT: Okay.

20 MR. BARNES: - - with respect to that. What we
21 have, you have a new debt instrument, you have new warrants,
22 you have new stock. And just wanted to make it absolutely
23 certain that those documents controlled.

24 THE COURT: Okay. On the next page, as it relates
25 to the scope of the releases, which is really the meat of the

1 Genesis objection, I have had an opportunity to review the
2 interlineation and I do understand the attachment, which
3 reads, and I will read it for the record so that it's
4 complete, that there is, at the end of the proposed additions
5 is a sentence that says, "Notwithstanding the foregoing, or
6 anything in this confirmation order, the plan, or the plan
7 supplement to the contrary, Article 7D of any exculpations
8 set forth therein shall not waive, release, or otherwise
9 impair any claim of Genesis arising out of or related to any
10 actions, omissions, or failure to act, other than in
11 connection with or in furtherance of the plan and/or the plan
12 supplement." I assume that that language has been negotiated
13 and is satisfactory to Genesis. Is that correct?

14 MR. BARNES: Your Honor, that's my understanding,
15 but I'll allow Genesis' counsel to speak.

16 MR. NEFF: Good afternoon, Your Honor.

17 THE COURT: Good afternoon.

18 MR. NEFF: Carl Neff of Ciardi Ciardi on behalf of
19 Genesis. Your Honor, that's correct. Genesis filed the
20 objection with regards to the impact of releases and other
21 provisions of the plan, including exculpations as to the
22 causes of action that would be, that Genesis would be able to
23 commence. Since filing of the objection, the parties have
24 worked out language that clarifies that third party releases
25 do not apply to Genesis, and that other language has been,

1 other modifications have been added to clarify that nothing
2 in the plan shall impair in any way the causes of action that
3 Genesis may commence for actions that were not in furtherance
4 of the plan. Your Honor, with that language and
5 understanding, our objection is resolved.

6 THE COURT: Okay. I've had an opportunity to review
7 it. I think I understand it. Okay.

8 MR. BARNES: Thank you, Your Honor. The language
9 that you've seen is now being interlineated in a clean copy
10 of the order.

11 THE COURT: Oh, good.

12 MR. BARNES: We're expecting that at any time here,
13 through the courtroom door.

14 THE COURT: Okay.

15 MR. BARNES: Your Honor, one last change which was
16 simply to the notice of entry of the disclosure statement.
17 And that was, again, correcting a reference with respect to
18 the as filed documents. Your Honor, with that, I believe
19 that that resolves all of the either formal or informal
20 objections and comments that we received to the plan and
21 disclosure statement. As you know, we're here before the
22 Court asking for what is essentially three things. We're
23 asking for the Court to approve the solicitation procedures
24 that were, that were implemented, as implemented by the
25 Debtors prior to the commencement of this case. In doing

1 that, we're asking that the Court rule on the adequacy of the
2 disclosure statement.

3 THE COURT: Um-hum.

4 MR. BARNES: And finally we're asking that the Court
5 confirm the plan. I believe that the documents that I just
6 presented to the Court lay out the elements of every one of
7 those things. I will point out, Your Honor, that as is set
8 forth in the documents, we do, are fairly proud of the fact
9 that we've got overwhelming support of this plan. The two
10 impaired classes that are voting on this plan were Classes
11 III and IV. And in Class III, as is set forth in the voting
12 declaration, Class III that we received all but I think 6
13 million of 173 million of claims by dollar amount, and 23 out
14 of 24 holders. And Class III voted in favor of the plan. So
15 we, essentially at that point have 96% acceptance by number.
16 I'm sorry. 95% acceptance by number and 96 by dollar amount,
17 I believe.

18 THE COURT: Okay.

19 MR. BARNES: We have 100% acceptance of Class IV,
20 the other impaired voting class. Class V, the general
21 unsecureds, are unimpaired. They're pass through claims.
22 They continue to have their rights vis a vis the Debtors.
23 Did not, were not solicited with respect to this plan.

24 THE COURT: Okay.

25 MR. BARNES: So with that, Your Honor, rather than

1 go through the elements as you heard, the Court has already
2 indicated you'd rather we not do, I believe we can rest on
3 the evidentiary presentation Mr. Reisman put into record.
4 And we would ask that the Court rule in favor of the
5 disclosure statement and the plan.

6 THE COURT: All right. Well before the Debtors
7 close their case in chief, I would ask whether or not anyone
8 wishes to be heard in connection with the Debtors' request
9 for approval of the disclosure statement, approval of the
10 solicitation procedures, and confirmation of the plan. Okay.
11 Anyone else wish to be heard at all? In connection with the
12 matter. Okay. Very well. I'm satisfied with the record
13 before me, and I will not require further testimony or
14 evidence. And so the Debtors, I'm satisfied, have rested
15 their case, and I believe that they have carried their burden
16 as to each of the forms of relief that they are requesting.
17 Specifically, and I realize that we may have, to some extent,
18 truncated the hearing today, but I believe that the record
19 itself, as submitted and as appearing today and as appearing
20 on the docket, is overwhelming that the Debtors have carried
21 their burden under Bankruptcy Code §1129 for purposes of
22 approval of the plan and confirmation of the plan. And
23 similarly under 1125 for purposes of plan disclosure. In so
24 ruling, I rely upon the affidavit of Mr. Ogle, and in
25 confirming the plan I rely upon the affidavit and declaration

1 of Mr. Stein. For - - Stein or Steiner? Stein. For
2 purposes of determining that the Debtors have satisfied the
3 voting requirements set forth under §1126. Starting from the
4 beginning, I am satisfied again, from review of the docket
5 and from all of the proceedings in these cases that the
6 Debtors have proposed and complied with the solicitation
7 procedures that are compliant with the applicable Bankruptcy
8 Code sections and the Bankruptcy Rules. That the
9 solicitation was appropriately handled. That the result of
10 the solicitation effort was overwhelming support from the
11 parties that were entitled to vote. Sufficient to obtain the
12 plan confirmation. I am similarly satisfied that under §1125
13 that the disclosure statement that accompanied the plan met
14 the standards required and articulated in the Debtors'
15 memorandum for approval of a disclosure statement. And
16 finally, as it relates to §1129 and confirmation of the plan,
17 I will further note that relying upon the matters of record
18 that I've already identified that the Debtors have again
19 carried their burden under §1129 as to all of the elements.
20 And I will further note that I rely in particular in that
21 regard on the Debtors' memorandum that identified, in detail,
22 each of the elements that a debtor is required to obtain in
23 order to win, or to meet in order to win confirmation of a
24 plan, and that these Debtors have carried them, each of those
25 elements on an uncontested basis. So based upon the record

1 before me, and reviewing the revised form of order that has
2 been submitted to me in black line form, and that I expect to
3 see following the hearing under certification again, I
4 believe confirmation of the plan is appropriate, approval of
5 the disclosure statement is appropriate, and I am satisfied
6 that the Debtors have appropriately conducted the
7 solicitation of the plan. So based upon that, I will confirm
8 the plan.

9 MR. BARNES: Thank you, Your Honor.

10 THE COURT: Okay.

11 MR. BARNES: Your Honor, I think we have, before we
12 close the hearing today, we have one or two cleanup issues.
13 One is that there is one additional motion that's on the
14 agenda for today.

15 THE COURT: I saw that.

16 MR. BARNES: Yeah. That was a motion to extend the
17 deadline for filing the schedules and statements - -

18 THE COURT: Right.

19 MR. BARNES: - - of the Debtors. Essentially what
20 was going on there, Your Honor, is they were due last week,
21 but we were confirming today, hopefully, and now that the
22 Court has in fact confirmed, I believe that the US Trustee is
23 in agreement that we do not need to file the schedules and
24 statements in this case. Now that the confirmation order has
25 been entered.

1 THE COURT: Okay. Do I need to enter the order on
2 - - you, I guess I, I don't think that we dealt with the
3 question of shortening notice. I viewed this as sort of
4 routine. Even though it's unusual relief, it's routine in a
5 case of, like this. Do I need to enter that order?

6 MR. BARNES: Yeah. I believe so, Your Honor.

7 THE COURT: Okay.

8 MR. BARNES: Because what it does is it effectuates
9 the final waiver - -

10 THE COURT: Okay.

11 MR. BARNES: - - so that we don't have to file
12 those going forward.

13 THE COURT: Okay.

14 MR. BARNES: We were relying, up until today's
15 hearing, on the automatic extension under the Delaware Rules
16 - -

17 THE COURT: Right.

18 MR. BARNES: - - having filed the motion. But if
19 you could enter that order we would appreciate it.

20 THE COURT: All right. I will enter the order that
21 waives the requirement for filing of schedules and
22 statements.

23 MR. BARNES: Thank you. And then, of course, as was
24 referenced earlier by my partner Steve Reisman, I believe
25 that the entry of the confirmation order, therefore,

1 resolves, but for the additional disclosure that will be
2 agreed to between Miller Buckfire and the US Trustee,
3 resolves the objection on the Miller Buckfire retention.

4 THE COURT: Yeah. And I guess, but that supplement
5 has to be filed before I sign the order?

6 MR. BARNES: I think that - -

7 THE COURT: Or can I sign the Miller Buckfire order?

8 MR. BARNES: I think that is correct.

9 THE COURT: Mr. Tinker, good afternoon.

10 MR. TINKER: Good afternoon, Your Honor. We have
11 worked out language, agreed language with Miller Buckfire.
12 It simply needs to be filed. We had objected to the
13 retention on disclosure grounds, but also on 328 grounds.

14 THE COURT: Right.

15 MR. TINKER: Because the plan is being confirmed, at
16 least that's my anticipation, that would resolve the 328, 330
17 issue needing the disclosure. My understanding is that they
18 will be submitting the documentation for compensation as
19 well. So it's a predicate for that.

20 THE COURT: Okay.

21 MR. TINKER: But that should be forthcoming, I would
22 believe - -

23 THE COURT: All right.

24 MR. TINKER: - - pretty shortly.

25 THE COURT: I'll look for it.

1 MR. BARNES: Thank you. Your Honor, I think with
2 that I would turn the lectern back to my partner, Steve
3 Reisman, and, to close up the presentation for today.

4 THE COURT: Okay. I have signed the order as it
5 relates to the waiver of the schedules requirement. Mr.
6 Reisman?

7 MR. REISMAN: Your Honor, if I could just take one
8 moment. I just wanted the record just to reflect our thanks
9 to the Court for - -

10 THE COURT: Well, it was Judge Carey did most of the
11 lifting.

12 MR. REISMAN: But for the Court as stepping in here
13 right and reviewing everything so that we could get this
14 disclosure statement approved and plan confirmed today. And
15 to your chambers for being so accommodating with respect to
16 scheduling and with respect to scheduling - -

17 THE COURT: Do you have dates going out for - -

18 MR. REISMAN: - - even on the first days.

19 THE COURT: Do you have dates going out for further
20 omnibus - -

21 MR. REISMAN: We have October 20th, which happens to
22 fall right in the middle of the NCBJ, I believe.

23 THE COURT: Okay.

24 MR. REISMAN: I'm not sure if Your Honor is planning
25 on being there or not.

1 THE COURT: I wasn't invited. I will not be
2 attending, no. It doesn't - -

3 MR. REISMAN: Probably, probably a good thing for
4 Las Vegas in and of itself.

5 THE COURT: No. The NCBJ is a little tricky when
6 you have little kids in school. So - -

7 MR. REISMAN: So, but - -

8 THE COURT: I prefer the summer events.

9 MR. REISMAN: But I did want to say thank you, as I
10 said, Your Honor - -

11 THE COURT: Sure.

12 MR. REISMAN: - - to Your Honor, and to Your
13 Honor's chambers. To Mr. Tinker of the US Trustee's Office,
14 is very accommodating with respect to their comments and
15 working with us to resolve our objections. With respect to
16 ABRY, the private equity fund that owned this and that
17 stepped up to the plate here. And they're not getting a
18 recovery on their equity investment. There is no hold up
19 value in connection with this. To Mr. Ogle, the Chief
20 Financial Officer. Also to GE and their counsel, Janet
21 Henderson of Sidley Austin, who sort of worked with us night
22 and day. I know Your Honor gets to see us for, you know, all
23 of about an hour, but there's - -

24 THE COURT: Oh, I'm acutely aware of what goes - - I
25 mean, I am aware of the amount of time, effort, and energy

1 that goes into a case like this, that really means that you
2 can have two hour long hearings, and less work would mean
3 more hearings. So I appreciate the effort.

4 MR. REISMAN: And last but not least, Your Honor, I
5 want to say to, you know, Zolfo Cooper did a great job here
6 from the Debtors' perspective. Same with Miller Buckfire in
7 getting this out of court restructuring almost done out of
8 court, but for one. And then seeing it through to the end
9 here. But last but not least, Your Honor, from the whole
10 group here, Mr. Knight and Mr. Kaufman, from Richards Layton

11 - -

12 THE COURT: What did they do?

13 MR. REISMAN: Well I have to tell you were very
14 helpful in guiding us through this process and assisting and
15 sort of working tireless days and nights in getting to where
16 we are here today. Hopefully we'll only need to be before
17 Your Honor one more time. And hopefully that will only be

18 - -

19 THE COURT: Are you going to get - - well, I was
20 wondering about the scheduling. Are you going to be able to
21 get fees up and done on the 20th?

22 MR. REISMAN: It's our hope to have it done by the
23 20th, Your Honor. It's also our hope to have the, a
24 stipulation to present to Your Honor rather than have a
25 litigated hearing under what the 502(b)(6) claim is here. I

1 don't want to forget, actually, Mr. Harner who I believe is
2 on the line from Paul Hastings, with respect to the second
3 liens and their cooperation in getting this done through the
4 Chapter 11 process, and cooperating in the out of court. The
5 only other matter, which hopefully we will not have a, need a
6 hearing for, is the entry of the final decree. It's our
7 hopeful of winding this case up and getting the final decree
8 entered before the end of the year, Your Honor.

9 THE COURT: That would be ideal. If you can get
10 that up and done. Obviously, if you need time on my
11 calendar, that would be fine. But it looks like the balance
12 of the case should be fairly routine. And if issues arise
13 with respect to the lease rejections or with fees or other
14 matters, then we'll be here. But otherwise, it seems like
15 this matter is going to roll itself forward pretty routinely.

16 (The remainder of the page is intentionally left blank.)

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1 MR. REISMAN: It's a plan for us to go effective
2 very quickly since the documentation is essentially done.

3 THE COURT: Um-hum.

4 MR. REISMAN: And we've just got the I's dotting and
5 T's crossing to do that.

6 THE COURT: Okay. Very good. Is there anything
7 further? All right. We'll stand in recess. Thank you
8 again, counsel.

9 ALL: Thank you, Your Honor.

10 (Whereupon at 2:59 p.m. the hearing in this matter was
11 concluded for this date.)

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17

18 I, Jennifer Ryan Enslin, approved transcriber for
19 the United States Courts, certify that the foregoing is a
20 correct transcript from the electronic sound recording of the
21 proceedings in the above entitled matter.

22

23 /s/Jennifer Ryan Enslin
24 Jennifer Ryan Enslin
25 43 Bay Boulevard
Newark, DE 19702
(302)836-1905

September 14, 2009

UNITED STATES BANKRUPTCY COURT
District of Delaware

In Re:

CommerceConnect Media Holdings, Inc.
1233 Janesville Avenue
Fort Atkinson, WI 53538
EIN: 52-2241749

Chapter: 11

Case No.: 09-12765-BLS

NOTICE OF FILING OF TRANSCRIPT AND OF DEADLINES RELATED TO RESTRICTION AND REDACTION


A transcript of the proceeding held on 09/08/09 was filed on 09/15/09 . The following deadlines apply:

The parties have 7 days to file with the court a *Notice of Intent to Request Redaction* of this transcript. The deadline for filing a *request for redaction* is 10/07/09 .

If a request for redaction is filed, the redacted transcript is due 10/19/09 .

If no such notice is filed, the transcript may be made available for remote electronic access upon expiration of the restriction period, which is 12/15/09 unless extended by court order.

To review the transcript for redaction purposes, you may purchase a copy from the transcriber (see docket for Transcriber's information) or you may view the document at the clerk's office public terminal.



Clerk of Court

Date: 9/16/09

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