

## Creditor and Creditors' Committee

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Miller Canfield has extensive expertise representing creditors' committees and individual creditors in bankruptcy cases. We help creditors realize that they, too, have rights in bankruptcy and insolvency settings, and we help them maximize recoveries using those rights.

As counsel to official committees of unsecured creditors in some of the largest cases filed in Michigan and elsewhere, Miller Canfield has extensive experience:

- Analyzing and, where necessary, prosecuting objections to debtor-in-possession financing and to a debtor's proposed plan
- Investigating and prosecuting claims and causes of action against insiders and other third parties
- Navigating the plan process or, where appropriate, conversion to a liquidation case
- Reconciling claims reconciliation
- Ensuring that the debtor is using its best efforts in a sale process to maximize the value of its assets for the benefit of creditors

Our knowledge and expertise in all aspects of chapter 11 cases – from financing motions to asset sales – allow us to effectively advocate creditor positions throughout the case.

## Representative Matters

- **Creditor Committee Representation Raises Recoveries**

Miller Canfield represented the creditors' committee in the bankruptcy case of Bison Building, a regional home supply chain. The case culminated in confirmation of a plan of liquidation. Through the plan, Miller Canfield received authorization to resolve the debtors' preference case litigation. Miller Canfield reviewed and resolved hundreds of potential preference cases in a business-respectful manner that raised estimates of unsecured creditor recoveries from an initial 45-55% of prepetition claim amounts to an estimated 72%.

- Miller Canfield has served as counsel to the creditor committee cases in many cases, including:
  - In Re: Lapeer Industries, Inc. (Michigan)
  - In Re: Straight Up Enterprises, Inc. (Michigan)
  - In Re: Michigan Sporting Goods Distributors, Inc. (Michigan)
  - In Re: National Home Centers, Inc., et al. (Arkansas)
  - In Re: ByTec, Inc. (Michigan)
  - In Re: Manis Lumber Co., et al. (Georgia)
  - In Re: Wickes, Inc. (Illinois) as Special Counsel to Creditors' Committee Regarding Director and Officer Liability
  - In Re: Jay's Foods, L.L.C. (Illinois)
- **Continuation of Successful Factoring Relationship in Bankruptcy**

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Obtained court approval to continue a successful factoring relationship to trucking companies in bankruptcy (with additional bankruptcy-specific client protections), resulting in full payment to the client and successful reorganization of trucking company debtors.

- **Recovery in Full for Hot Tub Manufacturer**

A Miller Canfield client had previously followed our guidance and perfected security interests in hot tubs it sold to distributors. When one of those distributors filed for bankruptcy protection, the bankruptcy team parlayed the client's proper preparation into a full recovery in the bankruptcy case.

- **Oil and Gas Lessor Protection**

Our client leased mineral rights to a company that filed for chapter 11 bankruptcy protection in Michigan. The debtor asserted that it could use out-of-state law to cancel all of its debts to our client and the other mineral owners and use the minerals to fund its bankruptcy case. Ruling in favor of our client, the bankruptcy court held that all past-due royalty payments under the mineral leases needed to be paid before the debtor could assume the leases and use them to exit its bankruptcy case.