## **Bankruptcy Law Section**

# Report to the DSBA Executive Committee May 1, 2007

# William H. Sudell, Jr. - Section Chair

## I. Introduction.

In the second year of the Bankruptcy Law Section's existence, we have attempted to capitalize on the organization created and momentum generated during the Section's first year. The Section is very pleased to count all six of Delaware's Bankruptcy Judges among our membership. Each of the Judges has volunteered to serve on at least one of the Section's committees (except the Social and Legislation Committees). We believe that the Section's effectiveness has been and will continue to be greatly enhanced by their participation.

## II. Section Membership.

There are currently approximately 280 members of the Section. These members include judges, sole practitioners, lawyers from a large number of firms and corporations, and government employed attorneys. The Section includes among its membership attorneys at all experience levels - - from the most junior to the most senior. We believe that our diverse membership will contribute to the success of the Section, as well as the success of the Delaware bankruptcy practice.

#### III. Section Organization.

The Bankruptcy Section is organized into ten (10) committees, which allows all of its members to participate in those areas of most interest to them. Officers of the Section for the period through June 30, 2007, who were elected at the Section's annual meeting on April 24, 2006, are as follows:

Chair:

William H. Sudell, Jr.

Morris, Nichols, Arsht & Tunnell LLP

Vice Chair (Business Bankruptcy):

Pauline K. Morgan

Young, Conaway, Stargatt & Taylor, LLP

Vice Chair (Consumer Bankruptcy):

Erin K. Brignola

Cooper, Levenson, Attorneys at Law

Secretary:

Bonnie Glantz Fatell Blank Rome, LLP

The next annual meeting of the Section will be on May 22, 2007, at 5:00 p.m. Among the business to be conducted at the meeting is the election of Section officers for the period from July 1, 2007 to June 30, 2008.

The current Committees and the Chairs/Co-Chairs of each Committee are as follows:

Committee

Chair/Co-Chair

Ch. 7/13 Practice

Michael B. Joseph

Ferry, Joseph & Pearce, P.A.

Jeoffrey L. Burtch

Cooch and Taylor, P.A.

Ch. 11 Practice

James Patton

Young, Conaway, Stargatt & Taylor, LLP

Norman Pernick Saul Ewing, LLP

Legislation

Mark D. Collins

Richards, Layton & Finger, P.A.

Litigation

Donna L. Culver

Morris, Nichols, Arsht & Tunnell LLP

Local Rules

Gregg M. Galardi

Skadden, Arps, Slate, Meagher & Flom, LLP

New Lawyers

Michael DeBaecke

Blank Rome, LLP

Publications/CLE

Bruce Grohsgal

Pachulski, Stang, Ziehl, Young, Jones & Weintraub

J. Kate Stickles Saul Ewing, LLP

Social

Mary Caloway

Klett, Rooney, Lieber & Schorling

David B. Stratton Pepper Hamilton, LLP

Technology

Adam G. Landis

Landis, Rath & Cobb LLP

Margaret E. Juliano

Morris, Nichols, Arsht & Tunnell LLP

U.S. Trustee/Bar Relations

Robert Brady

Young, Conaway, Stargatt & Taylor, LLP

The governing body of the Section is the Council, which consists of each officer of the Section, together with each chairperson of each Committee.

The Section has selected Adam G. Landis and Margaret E. Juliano to serve as the Section's technology liaisons to the DSBA.

#### IV. Activities.

The officers of the Section have met on several occasions to discuss Section matters and activities and frequently communicate between meetings. The Section Council has met quarterly -- on July 27, 2006, November 15, 2006 and February 14, 2007, and will meet again on May 16, 2007.

Much of the work of the Section is conducted at the Committee level. Illustrative, but not all inclusive, of the activities of the Section through the Committees are the following:

# Chapter 7/13 Practice Committee:

On September 26, 2006, the Committee held a CLE event entitled: "Chapter 13 Practice and Procedure in Delaware." Panelists included Judges Judith Fitzgerald and Brendon Shannon, William Jaworski, Esquire, Cynthia Carroll, Esquire, Vivian Houghton, Esquire and Michael Joseph, Esquire. Approximately 35 people attended this seminar.

On April 3, 2007, the Committee sponsored another CLE event entitled: "Delaware Chapter 13 Practice and Case law Review". Panelists included Judges Judith Fitzgerald and Brendon Shannon, Erin Brignola, Esquire and Michael Joseph, Esquire. Approximately 35 people attended this seminar. Immediately following the seminar a reception in honor of Judge Fitzgerald, who had completed her many years of service in Delaware on chapter 13 cases, was held at a local restaurant.

#### Chapter 11 Committee:

This Committee continues to examine the chapter 11 practice and works with the other committees to enhance the effectiveness of this practice.

#### Legislation Committee:

This Committee actively monitors legislative proposals that affect bankruptcy as well as general debtor and creditor rights laws.

# **Litigation Committee:**

The Litigation Committee has interfaced with the Local Rules Committee concerning possible revisions to the local rules impacting litigation in the Bankruptcy Court. The Committee has also formed a subcommittee to review and propose suggested revisions to chambers' procedures.

## Local Rules Committee:

During the past year, the Local Rules Committee worked with members of the Delaware Bankruptcy Court to revise and draft new local rules. These rules became effective February 1, 2007 and are posted on the Court's website. The Committee further worked with the Court to establish an annual public review and comment period. This occurred last October and proved successful in generating comments and rule revisions. This year's review and comment period will also be in October.

# New Lawyers Committee:

This Committee has sought to develop means to further the Committee's goals of providing a forum and opportunity for younger lawyers to (i) meet each other and more experienced bankruptcy lawyers and judges outside the more formal case context, and (ii) continue to learn and grow as Delaware bankruptcy lawyers. On May 23, 2007, the Committee is hosting a CLE presentation geared for newer lawyers relating to debtor-in-possession financing, followed by a social event for all members of the Section.

## Publications/CLE Committee:

In 2006–2007, the Committee has arranged continuing legal education programs for the four Bench-Bar meetings scheduled for this year, some for CLE credit and some not. These sessions are free to participants. The Committee also was involved with the Third Circuit Judicial Conference in planning for the annual Eastern District of Pennsylvania Bankruptcy Conference held in February 2007. The Committee has assisted the consumer bankruptcy bar in its Chapter 13 Practice & Procedure in Delaware educational session. The Committee also is considering (i) an annual seminar offering continuing legal education on selected topics, and/or (ii) a Bankruptcy Judges roundtable. The primary decision point will be whether, with the other programs already undertaken, we will have saturated the market too fully for meaningful participation.

The Committee has worked closely with the DSBA in the past, and will continue to do so in the future, with respect to: (i) preparation and circulation of the written materials; (ii) e-mail notices/advertisement of the seminar for members of the Bankruptcy Section and other reorganization and restructuring professionals; (iii) staffing at the seminar to ensure that attorneys register and sign-in/sign-out at the seminar; and (iv) in preparing the application necessary to obtain CLE approval for the various programs.

In 2006-2007, the Committee further explored the potential of Section sponsored publications, including a newsletter and case law update. In addition, the Committee has requested the Court's assistance in posting opinions on the Court's website in a "searchable" format and intends to have further discussions with the Court in this regard.

#### Social Committee:

A cocktail party/reception was hosted by the Committee at the American Bankruptcy Institute's Mid-Atlantic Bankruptcy Workshop in Cambridge, Maryland, on August 4, 2006. The Committee also helped organize a reception in April, 2007, honoring visiting Judge Fitzgerald for her work in the consumer bankruptcy area, which was attended by members of the consumer bankruptcy bench and bar. The Committee also plans to again sponsor a reception at the ABI Mid-Atlantic Workshop in August, 2007.

## Technology Committee:

This Committee is new this year. It constructed a webpage, which went "live" in January 2007, for the Bankruptcy Section that can be accessed from the DSBA website. The Committee is also looking into hosting videoconferenced CLE programs.

#### **U.S.** Trustee Committee:

This Committee has continued efforts to work cooperatively with the U.S. Trustee's Office to develop protocols and procedures on various aspects of the bankruptcy practice. Luncheon meetings of the Committee and the U.S. Trustee for the region that includes Delaware and her assistants were held on September 20, 2006 and February 15, 2007.

# V. Carry-Over to 2007-2008 of Funds Ear-Marked For the Section.

The Section understands that there are funds available for its use in two DSBA accounts totaling approximately \$35,000. Approximately \$30,500 of that amount resulted from a June 9, 2006, CLE program sponsored jointly by the Section and the American Bankruptcy Institute, entitled Delaware Views from the Bankruptcy Bench and Bar. The Section requests that the funds not used by June 30, 2007, be carried forward for use by the Section for CLE and other Section activities and uses in 2007-2008. Such uses will likely include a reception hosted by the Section at the American Bankruptcy Institute's Mid-Atlantic Bankruptcy Workshop in August 2007, sponsoring consumer bankruptcy lawyers' attendance at appropriate conferences, possibly sponsoring another "national" CLE event and other projects.

Respectfully Submitted,

William H. Sudell, Jr.

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