

**UNITED STATES BANKRUPTCY COURT  
WESTERN DISTRICT OF LOUISIANA  
LAFAYETTE DIVISION**

<b>IN RE:</b>  <b>PICCADILLY RESTAURANTS, LLC, ET AL.,</b>  <b>DEBTORS</b>	* <b>CASE NO. 12-51127</b> * * <b>(JOINT ADMINISTRATION)<sup>1</sup></b> * * <b>CHAPTER 11</b> * * <b>JUDGE ROBERT SUMMERHAYS</b>
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**OBJECTION TO 503(b)(9) CLAIM OF BOWLIN HEATING & A/C INC.**

**NOW INTO COURT**, through undersigned counsel, come the above-captioned debtors and debtors-in-possession (collectively, the “Debtors”),<sup>2</sup> who submit this Objection to the 503(b)(9) Claim of Bowlin Heating & A/C Inc., (“Bowlin”) and in support thereof, show as follows:

**I. JURISDICTION AND VENUE**

1. This Court has jurisdiction over this matter pursuant to 28 U.S.C. § 1334. Venue is proper in this Court pursuant to 28 U.S.C. §§ 1408 and 1409. This matter is a core proceeding within the meaning of 28 U.S.C. § 157(b)(2).

**II. BACKGROUND**

2. On September 11, 2012, the Debtors filed for relief in this Court under chapter 11 of Title 11 of the United States Code (the “Bankruptcy Code”). The Debtors are operating their businesses and managing their properties as debtors-in-possession pursuant to Bankruptcy Code §§ 1107 and 1108.

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<sup>1</sup> Jointly administered with *In re Piccadilly Food Service, LLC*, 12-51128 (Bankr. W.D. La. 2012), and *In re Piccadilly Investments, LLC*, 12-51129 (Bankr. W.D. La. 2012).

<sup>2</sup> The debtors in these Chapter 11 cases include Piccadilly Restaurants, LLC, Piccadilly Food Service, LLC, and Piccadilly Investments, LLC.

3. No trustee or examiner has been appointed. However, an Official Committee of Unsecured Creditors was appointed in these Chapter 11 cases on October 23, 2012.

4. The Debtors' bankruptcy cases are being jointly administered for procedural purposes only, pursuant to Bankruptcy Code § 105(a) and Bankruptcy Rule 1015(b). (Dkt. No. 43).

5. On October 2, 2012, the Debtors filed a Motion for an Order Establishing Procedures for the Assertion, Resolution, and Satisfaction of the Claims Asserted Pursuant to Bankruptcy Code Section 503(b)(9). (Dkt. No. 165).

6. The Court granted that Motion on November 2, 2012. (Dkt. No. 275).

7. Pursuant to the Court's order, to submit a valid 503(b)(9) claim, a vendor was required (a) to prepare a Proof of 503(b)(9) Claim that set forth the value of the goods that the claimant contended the Debtors had received within 20 days prior to the Petition Date, and (b) attach documentation to that Proof of 503(b)(9) claim, including invoices, receipts, bills of lading and the like, that identified the goods on which the 503(b)(9) Claim was based. Id.

8. All Proof's of 503(b)(9) Claims were required to be filed and served, so as to be received by the Debtors' counsel no later than the 120th day after the Petition Date, i.e., January 9, 2013, at the following address: Jones, Walker, Waechter, Poitevent Carrere, and Denegre, LLP, 201 St. Charles Ave., 49th Floor, New Orleans, Louisiana 70170, Attn: Mark A. Mintz. Id.

9. Following this 503(b)(9) claim submission deadline, the Debtors were allowed until March 11, 2013, to file objections to 503(b)(9) claims with the Court. Id.

10. Bowlin's 503(b)(9) claim was received by Debtors' counsel on January 14, 2013. See Exhibit A.

11. Pursuant to the Court's order of November 2, 2012, the Debtors' now tender this objection to Bowlin's 503(b)(9) claim.

### III. LAW AND ARGUMENT

#### A. Legal Standards Governing Objections

12. Section 503(b)(9) of the Bankruptcy Code provides that after notice and a hearing there shall be an allowed administrative expense for:

[T]he value of any goods received by the debtor within the 20 days before the date of the commencement of a case under this title in which the goods have been sold to the debtor in the ordinary course of such debtor's business.

13. This Court's order of November 2, 2012, Establishing Procedures For the Assertion, Resolution, Allowance and Satisfaction of Claims Asserted Pursuant to Bankruptcy Code Section 503(b)(9), and the text of Section 503(b)(9) collectively provide several requirements that any 503(b)(9) claim must satisfy before it may be deemed valid.

14. A creditor bears the burden to establish that its 503(b)(9) claim satisfies all of these requirements. In re WETCO Restaurant Group, LLC, No. 07-51169, 2008 WL 1848779, at \*2 (Bankr. W.D. La. Apr. 23, 2008).

15. A valid 503(b)(9) claim must be based on the Debtors' receipt of "goods" from the creditor, not services. Cf. In re Pilgrim's Pride Corp., 421 B.R. 231, 239-40 (Bankr. N.D. Tex. Sept. 16, 2009). "Goods" is not defined in the Bankruptcy Code, but courts generally utilize the definition of goods used by the Uniform Commercial Code. See 4 Collier on Bankruptcy ¶ 503.16 (Alan N. Resnick & Henry J. Sommer eds., 16th ed. 2012); In re Deer, No. 06-02460-NPO, 2007 WL 6887241, at \*1-2 (Bankr. S.D. Miss. June 14, 2007).

16. The Uniform Commercial Code defines "goods" as all things that are movable at the time of identification to a contract of sale or when a security interest attaches; this "goods"

definition does not include general intangibles. See Uniform Commercial Code § 2-103(k) and 9-102(44).

17. Where a creditor asserts a 503(b)(9) claim based on the Debtors' alleged receipt of a mixture of goods and services, the 503(b)(9) claim is only valid, if at all, to the extent a specifically identified, quantified portion of the claim is tied to the receipt of goods alone, separate and apart from the provision of services. See In re Pilgrim's Pride Corp., 421 B.R. at 237 and n.7.

18. Section 503(b)(9) states that in order to qualify for allowed administrative expense treatment, goods must be "received by the debtor" "within the 20 days before the date of the commencement of a case." The Debtors' bankruptcy cases commenced on September 11, 2012. Thus, only 503(b)(9) claims based on goods received by the Debtors on August 22, 2012, through and including September 10, 2012, (the "Statutory 20-Day Period") are valid.

19. Finally, as noted previously, pursuant to this Court's order of November 2, 2012, all Proof's of 503(b)(9) Claims were required to be filed and served, so as to be received by the Debtors' counsel no later than the 120th day after the Petition Date, i.e., January 9, 2013, at the following address: Jones, Walker, Waechter, Poitevent Carrere, and Denegre, LLP, 201 St. Charles Ave., 49th Floor, New Orleans, Louisiana 70170, Attn: Mark A. Mintz. Any 503(b)(9) claim received by Debtors' counsel after that date is untimely.

#### **B. Objection To Bowlin's 503(b)(9) Claim**

20. Through its 503(b)(9) claim, Bowlin seeks \$11,539.69. See Exhibit A.

21. This claim is objected to in its entirety.

22. First, the claim was untimely. Debtors did not receive this claim until January 14, 2013, after the January 9, 2013 503(b)(9) claim deadline.

23. Second, two out of the three invoices attached to the claim are dated before the Statutory 20-Day Period.

24. Third, the one invoice which is dated within the Statutory 20-Day Period, is for a mixture of goods and services, and fails to identify what portion of the charge, if any, is solely attributable to materials, i.e., goods.

25. Accordingly, Bowlin's claim for 503(b)(9) administrative expenses should be denied.

#### IV. CONCLUSION

26. For the foregoing reasons, the Debtors' pray that the Court sustain the Debtors' Objection and deny Bowlin's claim for an allowed 503(b)(9) administrative expense. The Debtors' also request all other general and equitable relief to which they may be entitled.

/s/ Mark A. Mintz

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