

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

-----X
:

In re: : Chapter 11

:

Velti Inc., *et al.*,¹ : Case No. 13-12878 (PJW)

:

: (Jointly Administered)

Debtors. :

:

-----X

**MOTION OF DEBTORS AND DEBTORS IN POSSESSION
TO SHORTEN NOTICE AND OBJECTION PERIODS FOR THE
MOTION OF DEBTORS AND DEBTORS IN POSSESSION FOR AN ORDER
ESTABLISHING EXTENDED DEADLINE FOR FILING PROOFS OF CLAIM**

The above-captioned debtors and debtors in possession (collectively, the “Debtors”), by and through their counsel, DLA Piper LLP (US), hereby submit this motion (the “Motion to Shorten”) for entry of an order under Rule 9006 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”) and Rules 9006-1(c) and 9006-1(e) of the Local Rules of Bankruptcy Practice and Procedure for the United States Bankruptcy Court for the District of Delaware (the “Local Rules”), shortening the applicable notice periods for hearing and response on the *Motion of Debtors and Debtors in Possession for Entry of an Order Establishing Extended Deadlines for Filing Proofs of Claim*, a copy of which is attached hereto as Exhibit A (the “Motion”).² In support of the Motion to Shorten, the Debtors respectfully submit the following:

¹ The Debtors are the following six entities (the last four digits of their respective taxpayer identification numbers follow in parentheses): Velti Inc. (4475), Air2Web, Inc. (5572), Air2Web Interactive, Inc. (2364), Velti North America, Inc. (8900), Velti North America Holdings, Inc. (3953) and Velti US Holdings, Inc. (8299). The mailing address of each of the Debtors, solely for purposes of notices and communications, is 201 California Street, 14th Floor, San Francisco, California 94111.

² Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to them in the Motion.

Jurisdiction and Venue

1. The Court has jurisdiction over this matter under 28 U.S.C. §§ 157 and 1334. This is a core proceeding under 28 U.S.C. § 157(b). Venue is proper in this district under 28 U.S.C. §§ 1408 and 1409.

Background

A. The Chapter 11 Case

2. On November 4, 2013 (the “Petition Date”), each of the Debtors filed with this Court a voluntary petition for relief under chapter 11 of the Bankruptcy Code. The Debtors continue to operate their businesses as debtors in possession. On November 12, 2013, the Office of the United States Trustee (the “U.S. Trustee”) appointed the Committee of Unsecured Creditors (the “Committee”).

3. The Debtors are direct and indirect subsidiaries of Velti plc (together with its affiliates, the “Company”). As of the Petition Date, the Company operated through three separate divisions: Mobile Marketing Business Unit (“MMBU”), Performance Marketing and Advertising. The MMBU offered a business-to-business service that assisted enterprises in optimally engaging their end-user customers by utilizing MMBU’s technology through the mobile channel. The MMBU consisted largely of the Company’s acquisitions of debtor Air2Web, Inc. and non-debtor affiliate Mobile Interactive Group, Ltd., a company formed under the laws of England and Wales.

4. On the Petition Date, the Debtors filed a motion to approve, among other things, the procedures governing the competitive bidding process for the MMBU, including the related assets owned by the Debtors (collectively, the “Assets”), and the sale of the Assets pursuant to such procedures (the “Sale”). On December 20, 2013, the Court entered an order approving the

Sale to an affiliate of the Debtors' pre- and post-petition secured lenders ("GSO"). The Sale closed on January 3, 2014.

5. On March 6, 2014, the Debtors filed the *Debtors' Plan of Liquidation Under Chapter 11 of the Bankruptcy Code* [Docket No. 295] (the "Plan") and the *Disclosure Statement for the Debtors' Plan of Liquidation Under Chapter 11 of the Bankruptcy Code* [Docket No. 297] (the "Disclosure Statement"). A hearing to consider the adequacy of the Disclosure Statement is currently scheduled for April 10, 2014.

B. The Bar Date

6. By order entered December 2, 2013, the Court extended the period in which the Debtors were required to file their schedules of assets and liabilities and statements of financial affairs (collectively, the "Schedules") up to and including December 13, 2013. On December 13, 2013, the Debtors timely filed the Schedules.

7. On February 7, 2014, this Court entered the *Order Granting Motion of Debtors and Debtors In Possession for an Order Establishing Deadlines for Filing Proofs of Claim and Sections 503(b)(9) Claim Requests and Approving the Form and Manner of Notice Thereof* [Docket No. 270] (the "Claims Bar Date Order"). By the Claims Bar Date Order, this Court established March 17, 2014 at 5:00 p.m. (prevailing Eastern Time) (the "Bar Date") as the deadline for each person or entity other than Governmental Units (as such term is defined in section 101(27) of the Bankruptcy Code), to file a proof of claim against the appropriate Debtor.

8. On or before February 15, 2014, as directed by the Bankruptcy Court in the Claims Bar Date Order, BMC Group, Inc. (the "Claims Agent") served the notice of the Bar Date and proofs of claim on all of the parties identified in Bankruptcy Rule 2002(a)(7), including, but not limited to, all creditors and other known holders of claims as of the Petition

Date, including all persons or entitled listed in the Schedules. The proof of claim forms served by the Claims Agent on the creditors listed in the Schedules included an indication of whether the creditor had a scheduled claim, and if so the amount and priority of that claim.

9. Recently, the Debtors were informed that the proof of claim forms served by the Claims Agent on 12 of the creditors listed in the Schedules (the “Affected Creditors”) erroneously described the scheduled amount of those creditors’ claims. As a consequence, the Debtors believe that the Affected Creditors may not have timely submitted proofs of claim.

Relief Requested

10. The Debtors hereby request that the Court enter an order (i) shortening the notice period for the Motion pursuant to Bankruptcy Rule 9006 and Local Rule 9006-1(e), (ii) setting an expedited hearing to take place on April 10, 2014 at 10:30 a.m. Eastern Daylight Time on the relief requested in the Motion, (iii) requiring that any objections to the relief requested in the Motion be filed on or before that hearing and (iv) granting such other and further relief as the Court deems proper.

Basis for Relief

11. Local Rule 9006-1(c) requires that all motion papers be filed and served at least eighteen (18) days prior to a hearing date scheduled for such motion, and twenty one (21) days if notice is given by mail, unless the Bankruptcy Rules state otherwise. *See* Local Rule 9006-1(c). Local Rule 9006-1(e) permits scheduling on less notice on written motion specifying the exigencies justifying shortened notice.

12. Here, causes exists to shorten notice and conduct a hearing on the Motion on an expedited basis. The Motion relates to the deadline for the Affected Creditors to file proofs of claim, and the amount and priority of the Affected Creditors’ claims necessarily implicates voting on the Plan. A hearing to approve the Disclosure Statement and to determine the

procedures for soliciting votes on the Plan is set for April 10, 2014, and it is contemplated that a hearing to consider confirmation of the Plan will take place on May 29, 2014. So that the Affected Creditors will know the scheduled amount and priority of their claims for voting purposes and be able to submit their proofs of claim before the hearing to consider confirmation of the Plan, the Debtors seek entry of an order approving the extended deadline for the Affected Creditors to submit proofs of claim. To avoid delay to the Plan confirmation process, the Extended Deadline must be established quickly.

13. Additionally, Local Rule 9006-1(c) requires that the objection deadline with respect to motions be scheduled to permit all objections to be filed and served at least (7) days before the hearing date. Should the Court grant this Motion to Shorten, the Debtors request that objections to the Motion be made prior to or at the hearing on the Motion.

14. The Debtors believe that there is no prejudice to parties being imposed by the relief requested in the Motion. The Motion seeks to correct clerical error for the Debtors' claims register and for voting purposes on the Plan as well as notifying the Affected Creditors of the error so that they can file proofs of claims.

15. Neither the U.S. Trustee nor the Committee oppose the relief sought in this Motion to Shorten.

Notice

16. Notice of this Motion has been provided to: (a) the US Trustee, (b) counsel to the Committee, (c) the United States Attorney's Office for the District of Delaware, (d) the Securities and Exchange Commission, (e) GSO, (f) those parties requesting notice pursuant to Bankruptcy Rule 2002; and (g) the Affected Creditors.

WHEREFORE, the Debtors respectfully request that the Court enter an order, substantially in the form attached hereto as Exhibit B: (i) granting the relief requested herein and (ii) granting such other and further relief as the Court may deem proper.

Dated: April 7, 2014
Wilmington, Delaware

Respectfully submitted,

/s/ Stuart M. Brown
Stuart M. Brown (DE 4050)
DLA PIPER LLP (US)
1201 North Market Street, Suite 2100
Wilmington, Delaware 19801
Telephone: (302) 468-5700
Facsimile: (302) 394-2341
Email: stuart.brown@dlapiper.com

-and-

Richard A. Chesley (IL 6240877)
Matthew M. Murphy (IL 6257958)
Chun I. Jang (DE 4790)
DLA PIPER LLP (US)
203 N. LaSalle Street, Suite 1900
Chicago, Illinois 60601
Telephone: (312) 368-4000
Facsimile: (312) 236-7516
Email: richard.chesley@dlapiper.com
matt.murphy@dlapiper.com
chun.jang@dlapiper.com

ATTORNEYS FOR DEBTORS AND DEBTORS IN
POSSESSION