

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE WESTERN DISTRICT OF PENNSYLVANIA**

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In re:)	
)	
ACR MANAGEMENT, L.L.C., <i>et al.</i> , ¹)	Case No. 04-27848-MBM
)	Chapter 11
Debtors.)	(Jointly Administered)
)	
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LIEBHERR-WERK EHINGEN GMBH,)	Docket No.: _____
)	
Movant,)	Related Docket No.: 1277
)	
v.)	Objection Deadline: March 8, 2005
)	Hearing Date: March 15, 2005 at 3:00 p.m.
ACR MANAGEMENT, L.L.C., <i>et al.</i> ,)	
)	
Respondents.)	
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**RESPONSE OF THE DEBTORS TO [CM/ECF#1277] MOTION OF
LIEBHERR-WERK EHINGEN GMBH FOR RELIEF FROM AUTOMATIC STAY TO
CONTINUE WITH LITIGATION OF ALL CROSSCLAIMS
AGAINST THE DEBTORS IN GENE WALLIS LITIGATION**

The above-captioned Debtors-in-Possession (collectively, the “Debtors”) by and through their undersigned attorneys, hereby submit this response (the “Response”) to the motion (filed on February 16, 2005, CM/ECF#1277, (the “Motion”) filed by Liebherr-Werk Ehingen GmbH (“Liebherr” or the “Movant”), for relief from the automatic stay to continued with the litigation of all crossclaims against the Debtors the litigation commenced by Gene Wallis against the Debtors for alleged personal injuries.² In support of this Response, the Debtors respectfully represent as follows:

¹ The Debtors are the following entities: ACR Management, L.L.C., Anthony Crane Rental Holdings, L.P., ACR/Dunn Acquisition, Inc., Anthony Crane Capital Corporation, Anthony Crane Holdings Capital Corporation, Anthony Crane International, L.P., Anthony Crane Sales & Leasing, L.P., Anthony International Equipment Services Corporation, Anthony Sales & Leasing Corporation, Carlisle Equipment Group, L.P., Carlisle GP, L.L.C., Husky Crane, Inc., Anthony Crane Rental, L.P., d/b/a Maxim Crane Works, Maxim Crane Works, LLC, Sacramento Valley Crane Service, Inc., The Crane & Rigging Company, LLC, Thompson & Rich Crane Service, Inc.

² All capitalized terms not otherwise defined herein shall have the meanings ascribed to them in the Motion.

RELEVANT BACKGROUND

1. On or about March 5, 2001, allegedly Gene Wallis during the course of his employment sustained personal injuries to his body when a replacement link on a cable line attached to a crane broke, causing the cable line to hit Mr. Wallis at a high rate of speed. AVS Services, L.L.C. (“AVS”) owned the crane, but the crane was being operated by one of Debtors’ employees.

2. Prior to the Petition Date, the Movant initiated a proceeding against the Debtors in the 113th Judicial District Court of Harris County, Texas, Cause No. 2002-20675 (the “Action”), alleging causes of action in negligence.

3. The Movant also initiated the Action against AVS and Liebherr, the manufacturer of the crane. As part of the Action, Liebherr filed crossclaims against all other co-defendants, including the Debtors.

4. By the Motion, Liebherr now seeks relief from the automatic stay to allow the Action to continue as to all claims, crossclaims, and counterclaims, with recovery limited to any available insurance proceeds.

5. In the time period relevant to the incident giving rise to the Action, the Debtors were covered by several layers of third party liability and indemnity coverage pursuant to various policies (the “Policies”). Pursuant to the terms of some of these Policies, there may have been retentions and/or deductibles.

CONDITIONS TO MOVANT’S RELIEF

6. The Debtors do not object to the Movant’s request for this Court to lift the automatic stay so as to permit the Action to continue, so long as (i) the relief is limited to liability covered by the Policies, (ii) the relief does not seek to impose or allow the Movant to impose

liability upon the Debtors' insurers beyond the express terms of the Policies; (iii) the only relief that the Movant may pursue as to the Debtors directly or indirectly, shall be to participate in the distribution afforded pre-petition unsecured claims based upon any timely-filed Proof of Claim that was filed by the Movant, if any, by the Bar Date; (iv) and the relief does not cause the Debtors to bear extraordinary expense.

7. Accordingly, the Debtors request that the Movant's relief be conditioned upon the following:

- a. The relief from stay be limited, as to the Debtors, to allowing the Movant to liquidate its claims and recover from any applicable insurance coverage, and the Movant may not seek to enforce any judgment obtained against any asset of the Debtors, or property of the Debtors' estate other than their applicable insurance coverage; provided however, the Movant not be precluded from pursuing recovery upon the Movant's claims from any other party to the Action that may, for any cognizable reason, be liable therefore.

WHEREFORE, the Debtors respectfully request that this Court enter an Order (i) granting the Motion subject to the above conditions; or (ii) granting such other relief the Court deems just and proper.

Dated: Pittsburgh, Pennsylvania
March 8, 2005

CAMPBELL & LEVINE, LLC
/s/ Salene R. Mazur
Douglas A. Campbell (PA I.D. #23143)
David B. Salzman (PA I.D. #39360)
Salene R. Mazur (PA I.D. #86422)
1700 Grant Building
Pittsburgh, PA 15219
Telephone: (412) 261-0310
Facsimile: (412) 261-5066

Co-Counsel for the Debtors and Debtors in Possession