

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE NORTHERN DISTRICT OF ILLINOIS  
EASTERN DIVISION**

In re: ) Chapter 11  
)  
GULF PACKAGING, INC., ) Case No. 15-15249 (PSH)  
)  
Debtor. ) Honorable Pamela S. Hollis  
)  
) **Hearing Date: October 29, 2015**  
) **Hearing Time: 10:00 a.m.**  
) **Court Room: 644**

**NOTICE OF ROUTINE MOTION**

PLEASE TAKE NOTICE that on **October 29, 2015 at 10:00 a.m.**, or as soon thereafter as counsel may be heard, we shall appear before the Honorable Pamela S. Hollis of the United States Bankruptcy Court for the Northern District of Illinois, 219 South Dearborn Street, Chicago, Illinois, Courtroom No. 644, or whomever may be sitting in her place and stead, and then and there present the **Debtor's Routine Motion for Authorization to Abandon Personal Property**, a copy of which is attached hereto and hereby served upon you.

**PURSUANT TO LOCAL RULE 9013-9, THE PROPOSED ORDER ATTACHED TO THE MOTION MAY BE ENTERED BY THE COURT WITHOUT PRESENTMENT IN OPEN COURT UNLESS A PARTY IN INTEREST NOTIFIES THE COURT OF ITS OBJECTION PURSUANT TO LOCAL RULE 9013-9(c).**

Respectfully submitted,

GULF PACKAGING, INC.

By: /s/ Joseph D. Frank  
One of its attorneys

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UNITED STATES BANKRUPTCY COURT  
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	)	
In re:	)	Chapter 11
	)	
GULF PACKAGING, INC., <sup>1</sup>	)	Case No. 15-15249 (PSH)
	)	
Debtor.	)	
	)	

**DEBTOR’S ROUTINE MOTION FOR AUTHORIZATION  
TO ABANDON PERSONAL PROPERTY**

Gulf Packaging, Inc., the above-captioned debtor and debtor in possession (the “Debtor” “GPI” or the “Company”), respectfully requests the entry of an order, pursuant to 11 U.S.C. § 554(a), authorizing the Debtor to abandon personal property of inconsequential value. In support of this motion (the “Motion”), the Debtor states as follows:

**JURISDICTION AND VENUE**

1. The Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334. This matter is a core proceeding pursuant to 28 U.S.C. § 157(b)(2).
2. Venue is proper pursuant to 28 U.S.C. §§ 1408 and 1409.
3. The relief sought is appropriate and proper pursuant to 11 U.S.C. §554(a).

**INTRODUCTION**

4. On April 29, 2015 (the “Petition Date”), the Debtor filed with this Court its petition for relief under chapter 11 of title 11 of the United States Code (the “Bankruptcy Code”). The Debtor continues to operate its business and manage its properties as debtor in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code.

<sup>1</sup> The last four digits of the Debtor’s tax identification number are 5030.

5. On May 11, 2015, the Office of the United States Trustee appointed an official committee of unsecured creditors (the “Committee”). No request has been made for the appointment of a trustee or examiner.

### **BACKGROUND**

6. The Debtor is a national distributor of packaging equipment and supplies, which sells its product by and through several independent entities (“Affiliates”).<sup>2</sup> As of the Petition Date, there were over twenty (20) warehousing locations to better serve the Debtor’s customer base. Additional information about the Debtor, its business and corporate and capital structure is set forth in the *Declaration of Edward T. Gavin, CTP in Support of Chapter 11 Petition and First Day Pleadings* [Docket No. 14] (the “Gavin Declaration”), filed on the Petition Date.

7. As set forth in the Gavin Declaration, the Debtor is liquidating and winding down its business. To that end, the Debtor has been in discussions with various parties for the sale of its inventory and other assets. At the same time, the Debtor has also been working to draft a chapter 11 plan of liquidation (the “Plan”) and related disclosure statement (the “Disclosure Statement”).

8. Although the Debtor has succeeded in selling several assets in locations across the country, the Debtor holds certain inventory and personal property that, despite its best efforts, the Debtor has been unable to sell. This property includes certain “private label” items made to the specifications of particular customers that were unable or unwilling to purchase these items, as well as certain property in unsaleable condition.

9. In addition, certain of this property has been housed at warehouses owned or leased by the Affiliates and the Debtor pays those affiliates for storage of this property. One of the Debtor’s

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<sup>2</sup> As used herein, “Affiliate” means a company that has a relationship – formal or informal – to the Debtor, and sells packaging products under a variation of the Gulf name. Unless otherwise set forth, use of the term “Affiliate” is not intended to have the same meaning as the “affiliate” term of art defined in section 101(2) of the Bankruptcy Code. All rights with respect to this issue are reserved.

Affiliates has informed the Debtor that they intend to vacate their warehouse by October 31, 2015, which would require the Debtor to pay to move the assets located therein in order safeguard them past that date.

### **RELIEF REQUESTED**

10. The Debtor seeks the entry of an order, pursuant to 11 U.S.C. § 554(a), authorizing to the Debtor to abandon certain unsold inventory and personal property set forth on the list attached hereto as Exhibit A (the “Abandoned Assets”).

### **BASIS FOR THE RELIEF SOUGHT**

11. Pursuant to section 554 of the Bankruptcy Code, “[a]fter notice and a hearing, the trustee may abandon any property of the estate that is burdensome to the estate or that is of inconsequential value and benefit to the estate.” 11 U.S.C. § 554(a).

12. The Debtor has determined that, based on the nominal value of the Abandoned Assets and the ongoing or anticipated costs of storage or relocation of the Abandoned Assets, the Abandoned Assets are of inconsequential value to and are burdensome to the Debtor’s estate and should be abandoned.

13. In the exercise of its business judgment, the Debtor believes that abandonment of the Debtor’s Abandoned Assets, as described herein, is in the best interests of the Debtor’s estate and its creditors. Nevertheless, the Debtor will continue the prospect of selling any or all of the Abandoned Assets and, should such an opportunity come to fruition, the Debtor will amend this Motion prior to the hearing thereon.

### **NOTICE**

13. Notice of this Motion has been provided to: (i) the Office of the United States Trustee; (ii) counsel to the Committee; (iii) counsel to FCC, LLC, the Debtor’s primary secured

creditor; and (iv) those other parties who have requested service of papers in this case pursuant to Rule 2002 of the Federal Rules of Bankruptcy Procedure.

WHEREFORE, the Debtor respectfully requests that the Court enter an order authorizing, but not directing, the Debtor to abandon the Abandoned Assets set forth on Exhibit A to this Motion.

Respectfully submitted this 22<sup>nd</sup> day of October, 2015.

**FRANKGECKER LLP**

/s/ Joseph D. Frank

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-and-

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**COUNSEL TO THE DEBTOR**