

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

In re:)	Chapter 11
)	
J.L. FRENCH AUTOMOTIVE CASTINGS,)	Case No. 09-12445 (KG)
INC., <i>et al.</i>)	(Jointly Administered)
)	
Debtors. ¹)	

**APPLICATION FOR ORDER PURSUANT TO 11 U.S.C. §§ 327(a) AND
328(a), FED. R. BANKR. P. 2014(a) AND DEL. BANKR. L. R. 2014-1
AUTHORIZING THE RETENTION OF GREAT AMERICAN
ADVISORY & VALUATION SERVICES, L.L.C. AS APPRAISER,
NUNC PRO TUNC TO AUGUST 17, 2009**

J.L. French Automotive Castings, Inc. and its affiliated chapter 11 debtors, debtors and debtors in possession (collectively, the “Debtors” or the “Company”), hereby seek entry of an order authorizing the retention and employment of Great American Group Advisory & Valuation Services, L.L.C. (“Great American”), as the Debtors’ appraiser in these chapter 11 cases, *nunc pro tunc* to August 17, 2009.

In support of this Application, the Debtors submit the Declaration of Bill Soncini in Support of the Application dated as of the date hereof (the “Supporting Declaration”), attached hereto as Exhibit A. In further support of this Application, the Debtors respectfully state as follows:

¹ The Debtors in these cases along with the last four digits of each of the Debtors’ federal tax identification numbers are: J.L. French Automotive Castings, Inc., (3670); French Holdings LLC, (0518); Nelson Metal Products LLC (4939); Allotech International LLC (5832); J.L. French LLC (8901); J.L. French Automotive, LLC (7075); Central Die, LLC (7793). The Debtors’ headquarters and mailing address is: 3101 South Taylor Drive, Sheboygan, WI 53082.

Jurisdiction And Venue

1. This Court has jurisdiction to consider this matter pursuant to 28 U.S.C. § 1334. This is a core proceeding pursuant to 28 U.S.C. § 157(b)(2) and venue is proper in this district pursuant to 28 U.S.C. §§ 1408 and 1409.

Relief Requested

2. By this Application, the Debtors request that this Court enter an order, pursuant to sections 327(a) and 328(a) of title 11 of the United States Code, 11 U.S.C. §§ 101-1532 (the “Bankruptcy Code”), rule 2014(a) of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”), and rule 2014-1 of the Local Rules of Bankruptcy Practice and Procedure of the United States Bankruptcy Court for the District of Delaware (the “Local Rules”), authorizing and approving the Debtors’ employment and retention of Great American, *nunc pro tunc* to August 17, 2009, the date that Great American commenced providing services to the Debtors, as the Debtors’ appraiser.

3. As required by Bankruptcy Rule 2014(a), this Application sets forth (i) the specific facts showing the necessity for Great American’s employment, (ii) the reasons for the selection of Great American as appraiser for the Debtors, (iii) to the best of the Debtors’ knowledge, all of Great American’s connections, if any, to certain parties in interest in these chapter 11 cases, (iv) the professional services to be rendered by Great American, and (v) the proposed arrangement between the Debtors and Great American for Great American’s compensation. See Fed. R. Bankr. P. 2014(a).

I. Debtors' Need To Retain Great American

4. Pursuant to the terms of the Debtors' debtor-in-possession financing agreement approved by the Court (the "DIP Financing Agreement"), the Debtors are obligated to pay in full all loans drawn thereunder prior to the effective date of the Debtors' proposed plan of reorganization (the "Plan"). The Debtors' financial advisors have contacted numerous lenders (the "Potential Exit Facility Lenders") and obtained preliminary proposal for exit financing that would enable the debtors to repay the DIP Financing Agreement obligations (the "Exit Financing").

5. The Potential Exit Facility Lenders have informed the Debtors that in connection with any potential Exit Financing, they will require current appraisals and/or collateral audits of the Debtors' inventory and accounts receivable to support their due diligence. Rather than having to reimburse each Potential Exit Facility Lender for its individual appraiser's costs, the Debtors determined it that would be most cost-effective to retain its own professional to prepare the required information, which each Potential Exit Facility Lender would then be able to rely on. To that end, the Debtors previously sought and obtained the Court's approval to immediately engage an appraiser.²

6. Each of the Potential Exit Facility Lender has consented to the Debtors' retention of Great American as such appraiser. In accordance with the Payment Authorization Order, the Debtors are filing to this application to formally retain Great American.

II. Great American's Qualifications

² See this Court's order entered on August 17, 2009 [Docket No. 231] authorizing the Debtors "to immediately engage an asset appraiser and/or a collateral auditor..." (the "Payment Authorization Order").

7. Great American is one of the country's leading asset disposition and valuation firms and is well suited for the type of appraisal and the collateral audit required by the Debtors.

III. Great American's Disinterestedness

8. To the best of the Debtors' knowledge, information and belief, other than as set forth herein or in the Supporting Declaration, Great American has no connection with the Debtors, their creditors, the United States Trustee for District of Delaware, or any other party with an actual or potential interest in the Debtors' chapter 11 cases or their attorneys or accountants.

9. To the best of the Debtors' knowledge, information and belief, based on (and other than as set forth in) the Supporting Declaration, Great American does not hold or represent any interest adverse to the Debtors' estates. The Debtors believe that Great American a "disinterested person," as that term is defined in section 101(14) of the Bankruptcy Code, as modified by section 1107(b) of the Bankruptcy Code, and that the employment of Great American is necessary and in the best interests of the Debtors, their estates, and their creditors.

IV. Services To Be Provided By Great American

10. Great American will provide, among others, some or all of the following services:

- (a) advise the Debtors with gross and net liquidation values of its inventory based on various liquidation scenarios;
- (b) on-site visits to gather data on the balance and condition of inventory;
- (c) analysis of inventory turnover and gross margins by product type; and

- (d) presenting reports and results to Potential Exit Facility Lenders as necessary.

11. The Debtors require an experienced and knowledgeable appraiser to perform these professional services. Great American has substantial experience in the appraisal of auto parts inventories . As a result, Great American is well-qualified to perform these services in these chapter 11 cases. Subject to this Court's approval of this Application, Great American is willing to serve as the Debtors' appraiser and perform the services described above.

V. Great American's Compensation

12. On August 11, 2009, the Debtors and Great American agreed to the scope of Great American's services, as more fully set forth in the engagement letter (the "Engagement Letter"), attached hereto as Exhibit B. The Debtors and Great American agreed to a fee of \$16,500, inclusive of all out of pocket and administrative costs, for the provision of such services.

13. Great American intends to apply to the Court for payment of compensation and reimbursement of expenses in accordance with applicable provisions of the Bankruptcy Code, Bankruptcy Rules, Local Rules, the guidelines promulgated by the Office of the U.S. Trustee, and pursuant to any additional procedures that may be established by this Court in the Debtors' chapter 11 cases.

Basis For Relief

14. Section 327(a) of the Bankruptcy Code provides, in pertinent part, that a debtor-in-possession is authorized, with the court's approval, to employ "appraisers . . . that do not hold or represent an interest adverse to the estates, and that are disinterested persons, to represent or assist [the debtor-in-possession] in carrying out [its] duties under [the Bankruptcy

Code].” 11 U.S.C. § 327(a). Section 328(a) of the Bankruptcy Code provides, in pertinent part, that a debtor-in-possession, with the court’s approval, “may employ or authorize the employment of a professional person under section 327 . . . on any reasonable terms and conditions of employment, including on a retainer, on an hourly basis, on a fixed or percentage fee basis, or on a contingent fee basis. . . .” 11 U.S.C. § 328(a).

No Previous Request

15. No previous request for the relief sought herein has been made to this or any other court.

Notice

16. Notice of this Application has been provided to the following parties or, in lieu thereof, to their counsel, if known: (i) Office of the United States Trustee; (ii) the administrative agent for the Debtors' postpetition lenders; (iii) the administrative agents for the Debtors' prepetition secured lenders; (iv) counsel to certain of the prepetition secured lenders; (v) creditors holding the forty largest unsecured claims against the Debtors on a consolidated basis as identified in Debtors' petitions, or their legal counsel (if known); (vi) those persons who have requested notice pursuant to Rule 2002 of the Federal Rules of Bankruptcy Procedure; and (vii) any other persons as required by Del. Bankr. LR 9013-1(m). The Debtors submit that, in light of the nature of the relief requested, no other or further notice need be given.

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WHEREFORE, the Debtors respectfully request entry of an order, substantially in the form attached to this Application, (i) authorizing and approving the Debtors' retention and employment of Great American as their appraiser in these chapter 11 cases and (ii) granting such other and further relief the Court may deem just and proper.

Dated: September 2, 2009

J.L. French Automotive Castings, Inc.
(for itself and on behalf of its affiliated
Debtors and Debtors in Possession)

By: 

Thomas Musgrave

Chief Executive Officer and President