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# UNITED STATES BANKRUPTCY COURT DISTRICT OF ARIZONA

In re

DEWEY RANCH HOCKEY, LLC,

COYOTES HOLDINGS, LLC,

COYOTES HOCKEY, LLC, and

ARENA MANAGEMENT GROUP, LLC,

Debtors.

Case No. 2:09-bk-09488 (Jointly Administered)

Chapter 11

SUPPLEMENTAL EVIDENCE IN SUPPORT OF DEBTORS' RESPONSE TO NHL'S (A) RENEWED MOTION FOR DETERMINATION OF (I) AUTHORITY TO MANAGE THE BUSINESS AND AFFAIRS OF THE DEBTORS, AND (II) THAT WILLIAM DALY IS THE REPRESENTATIVE OF THE ESTATES OR (B) IN THE ALTERNATIVE, MOTION FOR APPOINTMENT OF A CHAPTER 11 TRUSTEE

This Filing Applies to:

- All Debtors
- ☐ Specified Debtors

Per the parties' agreement, the following represents supplemental evidence that supports Debtors' response in opposition to the NHL's renewed control motion. Thus, Debtors include below the general topics contained in the response, along with supplemental citations to

documents recently produced in this matter, transcripts of depositions recently taken in this matter, and other associated documents.

#### **PRE-PETITION**

August 27, 2009 deposition of Jerry Moyes, relevant portions of which are attached hereto as **Exhibit 1**, 35:11-24; 54:21-24; 60:11-61:5; 61:19-62:6; 63:14-23; 67:19-25; 74:9-75:2; 83:1-84:9; 102:18-21; 103:21-104:4; 106:10-107:5; 120:23-121:3; 124:7-16; 127:6-18; 128:7-17; 199:12-22 (UNDER SEAL).

August 25, 2009 deposition of Earl Scudder, relevant portions of which are attached hereto as **Exhibit 2**, 22:20-23:9; 71:22-72:9; 101:1-17; 112:23-113:1.

(UNDER SEAL) August 28, 2009 deposition of Richard Rodier, relevant portions of which are attached hereto as Exhibit 3, 28:16-30:15.

#### THE PSE NEGOTIATIONS

July 30, 2009 deposition of Jeff Shumway, relevant portions of which are attached hereto as **Exhibit 4**, 114:1-12; 114:16-23; 116:16-117:2; 118:7-119:3; 120:13-121:18.

(UNDER SEAL) Rodier depo., Ex. 3, 28:16-30:15; 35:9-37:22; 41:17-46-15; 58:13-64:1; 117:4-118:14; 292:1-24.

Scudder depo., Ex. 2, 69:8-70:2; 71:22-72:9; 74:1-75:4; 76:1-20; 85:2-6; 85:11-20; 86:2-87:11; 102:1-13; 108:2-7; 112:23-113:1; 120:5-17; 126:12-127:4; 127:23-128:1; 128:11-14; 134:18-22; 134:23-135:2; 135:3-136:13; 149:1-19; 154:9-11; 208:4-10.

August 27, 2009 Moyes depo., Ex. 1, 37:4-12; 47:23-48:8; 75:24-76:3; 102:18-21; 103:21-104:4; 106:10-15; 120:23-121:3; 198:3-199:11 (UNDER SEAL).

## \$300+ MILLION INVESTED (THE NEALY DECLARATION)

July 29, 2009 deposition of Michael Nealy, relevant portions of which are attached hereto as **Exhibit 5**, 154:4-155:3; 158:2-160:3.

### REASON FOR OWNERSHIP

August 27, 2009 Moyes depo., Ex. 1, 9:6-22.

#### RELATIONSHIP WITH OTHER OWNERS

August 27, 2009 Moyes depo., Ex. 1, 11:4-6; 12:5-15.

#### **PROXIES**

August 27, 2009 Moyes depo., Ex. 1, 25:11-25; 51:24-53:15.

#### THE GOLDWATER INSTITUTE

Scudder depo., Ex. 2, 154:15-155:22; 157:9-158:22; 161:11-162:5; 195:16-197:17.

(UNDER SEAL) Rodier depo., Ex. 3, 261:4-262:3; 284:22-285:11; 302:2-8; 308:16-309:12.

August 27, 2009 Moyes depo., Ex. 1, 107:6-109:23; 112:21-113:13.

#### THE DATA ROOM

Rodier depo., Ex. 3, 289:9-292:24.

Scudder depo., Ex. 2, 176:1-177:10; 177:17-178:21; 180:13-181:5; 182:2-184:2.

August 27, 2009 Moyes depo., Ex. 1, 117:23-119:4.

#### EFFORTS TO MARKET TEAM

Scudder depo., Ex. 2, 20:16-21:3; 21:7-22; 24:21-25:6; 25:22-26:10; 27:1-28:13; 29:9-24; 29:25-30:13; 31:25-32:7; 41:23-42:23; 42:24-51:19; 46-51; 52:1-53:1; 54:24-55:12; pp. 59-68; 138:17-143:25; 169:2-170:16; 205:2-206:10; 207:2-13.

August 27, 2009 Moyes depo., Ex. 1, 31:17-32:12; 124:13-22; 127:6-18; 128:10-17.

#### NOTICE TO TICKETHOLDERS

Transcript from August 5, 2009 hearing, relevant portions of which are attached hereto as **Exhibit 6**, 33:17-35:21.

#### THE TRANSPORTATION CONTRACT

Moyes depo., Ex. 1, 92:9-93:16.

#### GRETZKY CONTRACT

Specimen e-mail attached hereto as **Exhibit 7** capturing an overview of the negotiations that occurred regarding Mr. Gretzky's employment contract.

August 27, 2009 Moyes depo., Ex. 1, 179:22-180:1; 181:13-18.

Scudder depo., Ex. 2, 88:15-91:3; 92:1-15; 93:4-95:2; 99:5-12.

## SUPPLEMENTAL ARGUMENT

In Debtors' response to the NHL's renewed control motion, Debtors pointed out that the NHL is inherently conflicted from being in charge of Debtors. For example, the NHL has made plain that it is only looking out for its own interests. *See Memorandum of Points and Authorities in Support of National Hockey League's Motion for Determination of (I) Authority to Manage the Business and Affairs of the Debtors, and (II)That William Daly is the Representative of the Estates, dated May 13, 2009* [Docket No. 91] at 3:2-4 ("the NHL's fundamental interest in taking control of the Coyotes is to preserve the viability, goodwill and success of the NHL as a major professional sports league rather than to protect any creditor interest."). Debtors also noted that the Court had cogently pointed out that the League wears various hats in this matter. In a colloquy with NHL's counsel, the Court noted at least four hats that the NHL wore. Transcript of May 19, 2009 hearing, 95:1-96:20.

With the NHL's recently submitted bid to purchase the Coyotes, the NHL has now donned a fifth hat and has created a further level of conflict for itself that precludes it from being a viable alternative to manage the Debtors. For this reason, alone, the NHL's request that Bill Daly be appointed the representative of the Estates should be denied.

RESPECTFULLY SUBMITTED this 31st day of August 2009.

## SQUIRE, SANDERS & DEMPSEY L.L.P.

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