

Practices

Related Practices

Bankruptcy and Insolvency Litigation
Directors and Officers Liability
Litigation
Fiduciary and Receiver
Representation
Professional Liability Litigation

Related Sectors

Real Estate

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Bankruptcy, Business Insolvency, and Restructuring Representation

Diamond McCarthy attorneys have earned the respect of clients, the courts and even opposing counsel for our ability to handle all the complex aspects of business insolvency and bankruptcy, including workouts, restructuring and creditors' rights matters.

In today's economic climate, tight credit often precludes angel investors from rescuing troubled companies. As a result, many companies choose to liquidate through Chapter 7 filings, rather than attempt to operate under Chapter 11 arrangements. For debtors and creditors alike, the legal counsel they retain must offer the talent and skill required to move through liquidation and recovery proceedings with expediency and efficiency. Our deep experience in bankruptcies, combined with our firm's attractive value proposition, offers clients the ability to meet both objectives while receiving partner-level attention and participation. In one recent matter, Diamond McCarthy was able to wrap up Chapter 7 proceedings for a client in record time – within seven weeks of the filing date.

In Chapter 11 bankruptcies, our attorneys provide debtor and creditor counsel to develop workout, reorganization and restructuring plans to satisfy secured and unsecured creditors. We also provide counsel to take advantage of financing and investment opportunities that may arise. We have decades of experience in representing corporate debtors, both public and private, as well as company directors and officers, guarantors, creditor committees, ad hoc committees, secured lenders, Section 363 asset purchasers and other parties.

In addition to our bankruptcy and restructuring expertise, our bankruptcy litigation team is fully prepared to provide bankruptcy court support and pursue matters through litigation proceedings as circumstances warrant.

Representative Experience

Appalachian Fuels

- Acted as lead trial counsel for the Creditors Committee in the Appalachian Fuels LLC and related company bankruptcies in the Eastern District of Kentucky in connection with the investigation and pursuit of claims arising from this coal mining company's losses of more than one hundred million dollars. Claims involve a multitude of companies, former officers and directors, insurers and professional firms.

Logix Communications Corporation – Official Committee of Unsecured Creditors

- Counsel for the Official Committee of Unsecured Creditors of Logix Communications Corporation, representing the unsecured creditors committee in the Chapter 11 bankruptcy of this telecommunications competitive local exchange carrier in Texas, Louisiana, Oklahoma and Florida. Case issues included investigating lien avoidance and debt recharacterization claims, making a Louisiana World demand to allow the unsecured creditors committee to bring claims on behalf of the debtor's estate, negotiating the recovery for, and protecting the interests of unsecured creditors.

PJJ Management Corporation – Official Committee of Unsecured Creditors

- Counsel for the Official Committee of Unsecured Creditors of PJJ Management Corporation and its affiliates and general bankruptcy counsel for the unsecured creditors committee in the Chapter 11 cases of these specialty engineering and manufacturing debtors. Issues included contesting cash collateral and plan confirmation, investigating claims against the debtors' officer and directors and certain secured creditors and negotiating and obtaining improved treatment for unsecured creditors in the debtors' Chapter 11 plan of reorganization.

Consolidated Roofing Bankruptcy

- Debtors' counsel for Consolidated Roofing and Waterproofing, Inc. and eleven related companies as debtors in possession in Chapter 11 bankruptcy cases and representing this nation-wide network of commercial roofing companies from pre-bankruptcy planning through plan confirmation. Diamond McCarthy handled issues related to construction project bonding and surety issues, enforcing the automatic stay, secured creditor negotiations, and 363 asset sales.

Consolidated Equipment Companies, Inc., Con-Equip, Inc. and Owsley & Sons, Inc

- Debtors' counsel for Consolidated Equipment Companies, Inc., Con-Equip, Inc. and Owsley & Sons, Inc. as debtors in possession, representing the largest commercial crane retailers in the southeastern United States, with over \$100 million in senior secured debt in their Chapter 11 bankruptcy cases. Important issues included prepetition planning, debtor in possession financing, cash collateral, 363 asset sales and plan formulation and confirmation.

Grail Semiconductor Bankruptcy

- On behalf of the chapter 7 trustee of the bankruptcy estate of Grail Semiconductor Inc., presently pending in the Bankruptcy Court for the Eastern District of California, Mr. Sullivan recovered \$1.35 million against the debtor's former law firm Niro Law Ltd. and obtained a \$2.25 million settlement with the debtor's pre-petition litigation funder. In that same case, Diamond McCarthy negotiated with another of the debtor's former law firms Schwartz, Rimberg & Morris, LLP, successfully avoiding the law firm's asserted security interest and providing for an estate recovery from the Schwarz firm's prosecution of a case against a third party.

Howrey LLP

- Howrey LLP is one of the largest law firm bankruptcies in US history with over 750 lawyers and offices throughout the world in Belgium, France, Germany, the Netherlands, Spain, Taiwan and the United Kingdom. The DOJ appointed Allan Diamond as the Chapter 11 Trustee for the Howrey LLP law firm bankruptcy estate to wind down the global operations and oversee the recovery and monetization of its assets, including litigation claims. recovered upwards of a hundred million dollars for the Howrey bankruptcy estate to date.

For more information on our representative experience please reach out to our initial contacts or email michael.evian@diamondmccarthy.com.