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Proposed Counsel to Debtors and Debtors in Possession

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF NEW JERSEY**

In re: SAM ASH MUSIC CORPORATION, Debtor.	Chapter 11 Case No. 24-14727 (SLM)
In re: SAMSON TECHNOLOGIES CORP., Debtor.	Chapter 11 Case No. 24-14738 (SLM)
In re: SAM ASH MEGASTORES, LLC, Debtor.	Chapter 11 Case No. 24-14732 (SLM)
In re: SAM ASH CALIFORNIA MEGASTORES, LLC, Debtor.	Chapter 11 Case No. 24-14728 (SLM)

In re:	Chapter 11
SAM ASH FLORIDA MEGASTORES, LLC,	Case No. 24-14730 (SLM)
Debtor.	

In re:	Chapter 11
SAM ASH ILLINOIS MEGASTORES, LLC,	Case No. 24-14731 (SLM)
Debtor.	

In re:	Chapter 11
SAM ASH NEVADA MEGASTORES, LLC,	Case No. 24-14734 (SLM)
Debtor.	

In re:	Chapter 11
SAM ASH NEW YORK MEGASTORES, LLC,	Case No. 24-14736 (SLM)
Debtor.	

In re:	Chapter 11
SAM ASH NEW JERSEY MEGASTORES, LLC,	Case No. 24-14725 (SLM)
Debtor.	

In re:	Chapter 11
SAM ASH CT, LLC,	Case No. 24-14729 (SLM)
Debtor.	

In re:	Chapter 11
SAM ASH MUSIC MARKETING, LLC,	Case No. 24-14733 (SLM)
Debtor.	

In re:	Chapter 11
SAM ASH MUSIC QUIKSHIP CORP.,	Case No. 24-14737 (SLM)
Debtor.	

**DEBTORS’ MOTION FOR ENTRY OF AN ORDER (I) DIRECTING
JOINT ADMINISTRATION OF CHAPTER 11 CASES AND
(II) GRANTING RELATED RELIEF**

TO THE HONORABLE UNITED STATES BANKRUPTCY JUDGE:

The above-captioned debtors and debtors in possession (collectively, the “Debtors”)¹ respectfully state as follows in support of this motion (this “Motion”):

Relief Requested

1. The Debtors seek entry of an order, substantially in the form attached hereto as **Exhibit A** (the “Order”): (a) directing procedural consolidation and joint administration of these chapter 11 cases; and (b) granting related relief. The Debtors request that the Court (as defined herein) maintain one file and one docket for all of the jointly administered cases under the case of Sam Ash Music Corporation, Case No. 24-14727 (SLM).

¹ A detailed description of the Debtors, their business, and the facts and circumstances supporting these chapter 11 cases is set forth in the *Declaration of Jordan Meyers, Chief Restructuring Officer of the Debtors, in Support of Debtors’ Chapter 11 Petitions and First Day Motions* (the “First Day Declaration”), filed contemporaneously herewith. Capitalized terms used but not defined herein shall have the meanings ascribed to them in the First Day Declaration.

Jurisdiction and Venue

2. The United States Bankruptcy Court for the District of New Jersey (the “Court”) has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334 and the *Standing Order of Reference of the Bankruptcy Court Under Title 11*, entered July 23, 1984, and amended on September 18, 2012 (Simandle, C.J.). The Debtors confirm their consent to the Court entering a final order in connection with this Motion to the extent that it is later determined that the Court absent consent of the parties, cannot enter final orders or judgments in connection herewith consistent with Article III of the United States Constitution.

3. Venue is proper pursuant to 28 U.S.C. §§ 1408 and 1409.

4. The bases for the relief requested herein are sections 105(a) and 342(c)(1) of title 11 of the United States Code (the “Bankruptcy Code”), rules 1015(b) and 2002 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”) and rules 9013-1 and 9013-5 of the Local Bankruptcy Rules for the District of New Jersey (the “Local Rules”).

Background

5. As set forth in the First Day Declaration, the Debtors are “The World’s Favorite Music Store®” having served thousands of musicians since 1924 as a family-owned manufacturer and specialty retailer of musical instruments and related equipment. As of the date hereof, the Debtors operate 42 stores and 4 distribution centers throughout the United States. The Debtors also operate an ecommerce business that primarily conducts sales domestically. Further, the Debtors operate a wholesale business, Samson, which designs, markets, distributes, and sells products to musical instrument and consumer electronic retailers, distributors, and sound contractors both domestically and internationally. The Debtors are headquartered in Hicksville, New York and currently employ approximately 830 employees.

6. On the date hereof (the “Petition Date”), each Debtor filed a voluntary petition for relief under chapter 11 of the Bankruptcy Code. The Debtors are operating their businesses and managing their properties as debtors in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code. No request for the appointment of a trustee or examiner has been made in these chapter 11 cases, and no official committees have been appointed or designated.

Basis for Relief

7. Bankruptcy Rule 1015(b) provides, in pertinent part, that “[i]f . . . two or more petitions are pending in the same court by or against . . . a debtor and an affiliate, the court may order a joint administration of the estates.” Fed. R. Bankr. P. 1015. The twelve (12) Debtor entities that commenced these chapter 11 cases are “affiliates” as that term is defined in section 101(2) of the Bankruptcy Code. Accordingly, the Bankruptcy Code and Bankruptcy Rules authorize the Court to grant the relief requested herein.

8. Joint administration is generally non-controversial, and courts in this jurisdiction routinely order joint administration in cases with multiple related debtors. *See, e.g., In re Thrasio Holdings, Inc.*, Case No. 24-11840 (CMG) (Bankr. D.N.J. March 1, 2024) (directing joint administration of chapter 11 cases); *In re Invitae Corp.*, Case No. 24-11362 (MBK) (Bankr. D.N.J. Feb. 16, 2024) (same); *In re Careismatic Brands, LLC*, Case No. 24-10561 (VFP) (Bankr. D.N.J. Jan. 24, 2024) (same); *In re DirectBuy Home Improvement, Inc.*, Case No. 23-19159 (SLM) (Bankr. D.N.J. Nov. 9, 2023) (same); *In re WeWork Inc.*, No. 23-19865 (JKS) (Bankr. D.N.J. Nov. 8, 2023) (same); *In re Rite Aid Corp.*, No. 23-18993 (MBK) (Bankr. D.N.J. Oct. 17, 2023) (same);

In re Bed Bath & Beyond, Inc., No. 23-13359 (VFP) (Bankr. D.N.J. Apr. 24, 2023) (same); *In re David's Bridal, LLC*, No. 23-13131 (CMG) (Bankr. D.N.J. Apr. 17, 2023) (same).²

9. Given the integrated nature of the Debtors' operations, joint administration of these chapter 11 cases will provide significant administrative convenience without harming the substantive rights of any party in interest. Many of the motions, hearings, and orders in these chapter 11 cases will affect each Debtor entity. The entry of an order directing joint administration of these chapter 11 cases will reduce fees and costs by avoiding duplicative filings and objections. Joint administration will also allow the Office of the United States Trustee for the District of New Jersey (the "U.S. Trustee") and all parties in interest to monitor these chapter 11 cases with greater ease and efficiency.

10. Moreover, joint administration will not adversely affect the Debtors' respective constituencies. This Motion seeks only administrative, not substantive, consolidation of the Debtors' estates. Parties in interest will not be harmed by the relief requested; rather, parties in interest will benefit from (a) the cost reductions associated with the joint administration of these chapter 11 cases, and (b) ease of reference to the Lead Case throughout the chapter 11 cases. Accordingly, the Debtors submit that the joint administration of these chapter 11 cases is in the best interests of their estates, their creditors, and all other parties in interest.

11. The Debtors request that all orders, pleadings, papers, and documents, except proofs of claim, lists, schedules, and statements, shall be filed and docketed in the case number assigned to 24- () (the "Lead Case"), bearing the caption as shown in Exhibit 1 to the Order attached hereto. All proofs of claim shall be filed and docketed under the case number representing

² Because of the voluminous nature of the orders cited herein, such orders have not been attached to this Motion. Copies of these orders are available upon request to the Debtors' proposed counsel.

the estate against which the claim is made, and a creditor of more than one estate shall file a proof of claim in each case in which a claim may be made, and only in the amount that the creditor may make a claim from that estate.

12. The Debtors also seek the Court's direction that a notation be entered on the docket in each of the Debtors' chapter 11 cases to reflect the joint administration of these cases.

13. Based on the foregoing, the Debtors submit that the relief requested is necessary and appropriate, is in the best interests of their estates and creditors and should be granted in all respects.

Reservation of Rights

14. Notwithstanding anything to the contrary herein, nothing contained in this Motion or any actions taken pursuant to any order granting the relief requested by this Motion is intended or should be construed as: (a) an implication or admission as to the amount of, basis for, or validity of any particular claim against the Debtors under the Bankruptcy Code or other applicable nonbankruptcy law; (b) a waiver of the Debtors' or any other party in interest's rights to dispute any particular claim on any grounds; (c) a promise or requirement to pay any particular claim; (d) an implication, admission, or finding that any particular claim is an administrative expense claim, other priority claim or otherwise of a type specified or defined in this Motion or any order granting the relief requested by this Motion; (e) a request or authorization to assume, adopt, or reject any agreement, contract, or lease pursuant to section 365 of the Bankruptcy Code; (f) an admission by the Debtors as to the validity, priority, enforceability, or perfection of any lien on, security interest in, or other encumbrance on property of the Debtors' estates; (g) a waiver or limitation of the Debtors', or any other party in interest's, claims, causes of action, or other rights under the Bankruptcy Code or any other applicable law; (h) an approval, assumption, adoption, or rejection

of any agreement, contract, lease, program, or policy under section 365 of the Bankruptcy Code; (i) a concession by the Debtors that any liens (contractual, common law, statutory, or otherwise) that may be satisfied pursuant to the relief requested in this Motion are valid, and the rights of all parties in interest are expressly reserved to contest the extent, validity, or perfection or seek avoidance of all such liens; (j) a waiver of the obligation of any party in interest to file a proof of claim; or (k) otherwise affecting the Debtors' rights under section 365 of the Bankruptcy Code to assume or reject any executory contract or unexpired lease.

Waiver of Memorandum of Law

15. The Debtors request that the Court waive the requirement to file a separate memorandum of law pursuant to Local Rule 9013-1(a)(3) because the legal basis upon which the Debtors rely is set forth herein and this Motion does not raise any novel issues of law.

No Prior Request

16. No prior request for the relief sought in this Motion has been made to this or any other court.

Notice

17. The Debtors will provide notice of this Motion to the following parties and/or their respective counsel, as applicable: The Debtors will provide notice of this Motion to the following parties or their respective counsel: (a) the Office of the U.S. Trustee for the District of New Jersey, Attn: Fran B. Steele, Esq. (Fran.B.Steele@usdoj.gov) and Peter J. D'Auria, Esq. (Peter.J.D'Auria@usdoj.gov); (b) the holders of the 30 largest unsecured claims against the Debtors (on a consolidated basis); (c) counsel for Tiger Finance LLC, Riemer & Braunstein LLP, Anthony B. Stumbo, Esq. and Steven E. Fox, Esq.; (d) the Internal Revenue Service; (e) the office of the attorney general for each of the states in which the Debtors operate; (f) the United States Attorney's Office for the District of New Jersey; and (g) any party that has requested notice

pursuant to Bankruptcy Rule 2002. The Debtors submit that, in light of the nature of the relief requested, no other or further notice need be given.

WHEREFORE, the Debtors respectfully request entry of the Order, substantially in the form attached hereto as **Exhibit A**, granting the relief requested herein.

DATED: May 8, 2024

Respectfully submitted,

COLE SCHOTZ P.C.

By: /s/ Michael D. Sirota

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Proposed Counsel to Debtors and Debtors in Possession

EXHIBIT A

Proposed Order

UNITED STATES BANKRUPTCY COURT DISTRICT OF NEW JERSEY	
Caption in Compliance with D.N.J. LBR 9004-1(b) COLE SCHOTZ P.C. Court Plaza North 25 Main Street P.O. Box 800 Hackensack, New Jersey 07602-0800 (201) 489-3000 (201) 489-1536 Facsimile Michael D. Sirota, Esq. msirota@coleschotz.com Ryan T. Jareck, Esq. rjareck@coleschotz.com Matteo Percontino, Esq. mpercontino@coleschotz.com <i>Proposed Counsel to Debtors and Debtors in Possession</i>	
In re: SAM ASH MUSIC CORPORATION, Debtor.	Chapter 11 Case No. 24-14727 (SLM)
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In re: SAM ASH CT, LLC, Debtor.	Chapter 11 Case No. 24-14729 (SLM)
In re: SAM ASH MUSIC MARKETING, LLC, Debtor.	Chapter 11 Case No. 24-14733 (SLM)

In re:

SAM ASH MUSIC QUIKSHIP CORP.,

Debtor.

Chapter 11

Case No. 24-14737 (SLM)

**ORDER (I) DIRECTING JOINT ADMINISTRATION OF CHAPTER 11 CASES AND
(II) GRANTING RELATED RELIEF**

The relief set forth on the following pages, numbered four (4) through six (6), is
ORDERED.

Page (4)

Debtors: SAM ASH MUSIC CORPORATION, *et al.*

Case No.: 24-14727 (SLM)

Caption of Order: ORDER (I) DIRECTING JOINT ADMINISTRATION OF CHAPTER 11 CASES AND (II) GRANTING RELATED RELIEF

Upon the *Debtors' Motion for Entry of an Order (I) Directing Joint Administration of Chapter 11 Cases and (II) Granting Related Relief* (the "Motion"),² of the above-captioned debtors and debtors in possession (collectively, the "Debtors"), for entry of an order (this "Order") (a) authorizing the Debtors to direct the joint administration of the Debtors' chapter 11 cases for procedural purposes only, and (b) granting related relief, all as more fully set forth in the Motion; and upon the First Day Declaration; and the Court having jurisdiction to consider the Motion and the relief requested therein pursuant to 28 U.S.C. §§ 157 and 1334 and the *Standing Order of Reference to the Bankruptcy Court Under Title 11* of the United States District Court for the District of New Jersey, entered July 23, 1984, and amended on September 18, 2012 (Simandle, C.J.); and this Court having found that venue of this proceeding and the Motion in this district is proper pursuant to 28 U.S.C. §§ 1408 and 1409; and this Court having found that the Debtors' notice of the Motion was appropriate under the circumstances and no other notice need be provided; and this Court having reviewed the Motion and having heard the statements in support of the relief requested therein at a hearing before this Court (the "Hearing"); and this Court having determined that the legal and factual bases set forth in the Motion establish just cause for the relief granted herein; and upon all of the proceedings had before the Court and after due deliberation and sufficient cause appearing therefor **IT IS HEREBY ORDERED THAT:**

1. The Motion is **GRANTED** as set forth herein.

² Capitalized terms used but not otherwise defined herein have the meanings ascribed to them in the Motion.

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Debtors: SAM ASH MUSIC CORPORATION, *et al.*

Case No.: 24-14727 (SLM)

Caption of Order: ORDER (I) DIRECTING JOINT ADMINISTRATION OF CHAPTER 11 CASES AND (II) GRANTING RELATED RELIEF

2. The above-captioned cases are hereby jointly administered by this Court for procedural purposes only.

3. Nothing contained in the Motion or this Order shall be deemed or construed as directing or otherwise effecting a substantive consolidation of these chapter 11 cases, and this Order shall be without prejudice to the rights of the Debtors to seek entry of an order substantively consolidating their respective cases.

4. The Debtors shall maintain, and the Clerk of the United States Bankruptcy Court for the District of New Jersey shall keep, one consolidated docket, one file, and one consolidated service list for these chapter 11 cases.

5. All pleadings, papers, and documents shall be filed in the Lead Case shall bear the caption as shown in **Exhibit 1** attached hereto.

6. The caption shown in Exhibit 1 attached hereto satisfies the requirements set forth in section 342(c)(1) of the Bankruptcy Code and Local Rule 9004-1.

7. All lists, schedules, and statements shall be filed and docketed in the specific Debtor's case to which they are applicable.

8. Any party in interest may request joint hearings on matters pending in any of these chapter 11 cases.

9. If pleadings, papers, or documents have been filed in any of the above-captioned cases other than the Lead Case prior to the entry of this Order, and those matters have not yet been heard and decided, the party who filed the pleading, paper, or document shall (i) refile the pleading,

Page (6)

Debtors: SAM ASH MUSIC CORPORATION, *et al.*

Case No.: 24-14727 (SLM)

Caption of Order: ORDER (I) DIRECTING JOINT ADMINISTRATION OF CHAPTER 11 CASES AND (II) GRANTING RELATED RELIEF

paper, or document in the Lead Case within three (3) business days of the entry of this Order, (ii) set the pleading, paper, or document for hearing before the judge assigned to the Lead Case, and (iii) notice the hearing to all appropriate parties.

10. The Clerk shall file a copy of this order in the Lead Case and each of the affiliated Debtor cases.

11. The Debtors shall file individual monthly operating reports for each Debtor and such reports shall be docketed in the Lead Case.

12. The requirement set forth in Local Rule 9013-1(a)(3) that any motion be accompanied by a memorandum of law is hereby deemed satisfied by the contents of the Motion or otherwise waived.

13. Notice of the Motion as provided therein shall be deemed good and sufficient notice of such Motion and the requirements of the Local Rules are satisfied by such notice.

14. Any party may move for modification of this Order in accordance with Local Rule 9013-5(e).

15. A true copy of this Order shall be served on all required parties pursuant to Local Rule 9013-5(f).

16. This Order shall be effective immediately upon entry.

17. The Court shall retain jurisdiction to hear and determine all matters arising from or related to the implementation, interpretation, and/or enforcement of this Order.

Exhibit 1

Case Caption

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF NEW JERSEY**

In re:

SAM ASH MUSIC CORPORATION, *et al.*,

Debtors.¹

Chapter 11

Case No. 24-14727 (SLM)

(Jointly Administered)

¹ The debtors in these chapter 11 cases, along with the last four digits of each debtor's federal tax identification number, are: Sam Ash Music Corporation (3915); Samson Technologies Corp. (4062); Sam Ash Megastores, LLC (9955); Sam Ash California Megastores, LLC (3598); Sam Ash Florida Megastores, LLC (7276); Sam Ash Illinois Megastores, LLC (8966); Sam Ash Nevada Megastores, LLC (6399); Sam Ash New York Megastores, LLC (7753); Sam Ash New Jersey Megastores, LLC (8788); Sam Ash CT, LLC (5932); Sam Ash Music Marketing, LLC (2024); and Sam Ash Quikship Corp. (7410). The location of debtor Sam Ash Music Corporation's principal place of business is 278 Duffy Avenue, P.O. Box 9047, Hicksville, NY 11802.