

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF OHIO
EASTERN DIVISION**

In re:) Chapter 11
)
AcuSport Corporation,) Case No. 18-52736
)
Debtor.) Honorable John E. Hoffman, Jr.

**MOTION FOR AN ORDER EXTENDING DEBTOR’S TIME TO FILE SCHEDULES
OF ASSETS AND LIABILITIES AND STATEMENT OF FINANCIAL AFFAIRS**

AcuSport Corporation, the debtor and debtor in possession (“*Debtor*” or “*AcuSport*”) in this chapter 11 case (the “*Case*”), files this motion (the “*Motion*”) for entry of an order, pursuant to sections 105(a) and 521(a) of title 11 of the United States Code (the “*Bankruptcy Code*”), Rules 1007(c) and 9006(b) of the Federal Rules of Bankruptcy Procedure (the “*Bankruptcy Rules*”), and Rule 9006-1 of the Local Rules of Bankruptcy Procedure for the Southern District of Ohio (the “*Local Rules*”), extending Debtor’s time to file its Schedules of Assets and Liabilities (the “*Schedules*”) and Statement of Financial Affairs (the “*SOFA*”) to and through the date that is forty-five days after the date of the filing of this Motion. In support of this Motion, Debtor respectfully states as follows:

JURISDICTION AND VENUE

1. This Court has jurisdiction over this Motion pursuant to 28 U.S.C. §§ 157 and 1334. This is a core proceeding pursuant to 28 U.S.C. § 157(b). Venue is proper pursuant to 28 U.S.C. §§ 1408 and 1409.

BACKGROUND

2. On May 1, 2018 (the “*Petition Date*”), Debtor filed a voluntary petition for relief under chapter 11 the Bankruptcy Code. Debtor continues to manage and operate its business as a debtor in possession pursuant to 11 U.S.C. §§ 1107 and 1108.

3. No request has been made for the appointment of a trustee or examiner, and no official committee has been appointed in this Case.

4. A detailed description of Debtor's business, capital structure, and events leading to this Case is more fully set forth in the Declaration of John K. Flanagan (the "*Flanagan Declaration*") filed contemporaneously herewith, which is incorporated herein by reference.

5. AcuSport is recognized nationwide as one of the leading distributors of outdoor and shooting sports products. The company is headquartered in Bellefontaine, Ohio and has regional sales offices in Pennsylvania, Georgia, Minnesota, Montana, California and Texas. To ensure and enable customer service to the West Coast, AcuSport also operates a warehouse and distribution facility located in Salt Lake City, Utah.

6. As part of its business, AcuSport provides consulting services to independent retailers, helping them to efficiently acquire products, utilize state-of-the-art business tools and provide value-added services that increase profitability and strengthen retailers' businesses. AcuSport's commitment to independent retailers is the cornerstone of its business.

7. AcuSport prospered for years following its inception in 1982, with substantial sales growth leading to the expansion of its facility in Bellefontaine. However, AcuSport began to experience financial difficulty in late 2016 and early 2017.

8. In the time leading up to the 2016 presidential election, consumers were concerned about the possibility of stricter gun control laws, which led to increased sales of firearms and accessories. As a result, AcuSport, along with other firearms businesses, prepared for a spike in demand by, among other things, purchasing substantial amounts of inventory. Contrary to expectations, no spike in demand for firearms occurred following the 2016 election. Indeed, demand decreased. The reduction in sales directly impacted AcuSport's gross revenue,

and, ultimately, its bottom line. The harm to AcuSport's financial position was further exacerbated because AcuSport had expected — and prepared for — an increase in sales. The reduction in sales negatively impacted AcuSport's operational performance, resulting in defaults under AcuSport's prepetition secured credit agreement, and ultimately, the company entered into a series of forbearance agreements with the Prepetition Lenders.

9. In connection with the forbearance agreements with the Prepetition Lenders, AcuSport retained Huron Consulting Services LLC as its financial advisor and Huron Transaction Advisory LLC as its investment banker. AcuSport also agreed to seek a refinancing process of its secured debt obligations. Huron Transaction Advisory LLC was retained for the purposes of preparing, marketing, and leading the consummation of one or more potential strategic alternatives, including a refinancing process, and eventually, a sale process. In that regard, AcuSport spent several months prior to the filing of this Case exploring potential sales and other strategic options.

10. AcuSport eventually obtained an offer from United Sporting Companies, Inc. ("*United*") to purchase (through an affiliate), among other things, AcuSport's inventory, real estate, equipment, technology, and certain other intangible assets. In order to effectuate a transaction to United (or another higher or better bidder or bidders), and to maximize the value of its assets for the benefit of all its constituents, AcuSport filed for bankruptcy relief and has sought the approval of bidding and sale procedures with United as the stalking horse.

RELIEF REQUESTED

11. By this Motion, Debtor seeks entry of an order, pursuant to sections 105(a) and 521(a) of the Bankruptcy Code, Bankruptcy Rules 1007(c) and 9006(b), and Local Rule 9006-1, extending Debtor's time to file its Schedules and SOFA to and through June 14, 2018.

BASIS FOR RELIEF REQUESTED

12. Pursuant to section 521 of the Bankruptcy Code and Bankruptcy Rule 1007, Debtor is required to file its Schedules and SOFA no later than fourteen days after the Petition Date. *See* 11 U.S.C. § 521(a); Fed. R. Bankr. P. 1007(b) and (c). However, Bankruptcy Rule 1007(c) permits bankruptcy courts to extend a debtor's deadline for filing statements "for cause shown." *See* Fed. R. Bankr. P. 1007(c). In addition, Bankruptcy Rule 9006(b) generally empowers bankruptcy courts to enlarge the time for actions to be taken under the Bankruptcy Rules "for cause shown" in "[the bankruptcy court's] discretion." *See* Fed. R. Bankr. P. 9006(b). Courts in the Southern District of Ohio routinely extend this deadline, granting relief similar to the relief sought in this Motion. *See, e.g., In re Eden Cryogenics, LLC*, No. 14-53294 [Docket No. 51] (Bankr. S.D. Ohio May 27, 2014); *In re Stelzer-James L.P.*, No. 13-53768 [Docket No. 33] (Bankr. S.D. Ohio May 21, 2013); *In re Milacron, Inc.*, No. 09-11235 [Docket No. 49] (Bankr. S.D. Ohio March 11, 2009); *In re Triad Resources, Inc.*, No. 08-62733 [Docket No. 53] (Bankr. S.D. Ohio January 9, 2009); *In re The Antioch Company*, No. 08-35741 [Docket No. 61] (Bankr. S.D. Ohio Nov. 14, 2008); *In re The Wornick Co.*, No. 08-10654 [Docket No. 93] (Bankr. S.D. Ohio Feb. 19, 2008); *In re Huffey Corp.*, No. 04-39148 [Docket No. 39] (Bankr. S.D. Ohio Oct. 21, 2004). Thus, the Court may also exercise its equitable powers to grant the relief requested herein.

13. Debtor estimates that its matrix includes approximately 6,500 parties that may be interested in this Case. Debtor has begun gathering the information needed in order to prepare and file its Schedules and SOFA. However, given the circumstances, Debtor has a relatively small administrative staff, and properly completing its Schedules and SOFA will require the accumulation, review, and analysis of a significant amount of information and documents. Prior to filing its chapter 11 petition in this Case, Debtor focused much of its efforts on financial

restructuring and marketing for the sale of its business. As a result, the fourteen-day time period provided by Bankruptcy Rule 1007(c) does not give Debtor sufficient time to complete its Schedules and SOFA properly. Further, Debtor (and its employees) must devote their time and attention to business operations during the initial critical weeks of this Case. Debtor anticipates the Schedules and SOFA will be completed no later than June 14, 2018.

14. Accordingly, Debtor respectfully requests an extension of thirty-one (31) days to file its Schedules and SOFA (for a total of forty-five (45) days from the Petition Date). Nevertheless, Debtor will make a good-faith effort to complete the Schedules and SOFA as soon as reasonably practicable within the additional time requested herein.

15. Based on the foregoing, and given the importance of Schedules and SOFA in any chapter 11 case, Debtor submits the relief requested herein is appropriate and necessary, in the best interests of its estate and its creditors, and should be granted.

NOTICE

16. Notice of this Motion has been provided to the following parties or, in lieu thereof, to their counsel, if known: (a) the Office of the United States Trustee for the Southern District of Ohio; (b) Debtor's twenty (20) largest unsecured creditors; and (c) the agent for Debtor's primary secured lender group, Wells Fargo Bank, National Association. Debtor respectfully submits that such notice is appropriate under the circumstances and no other or further notice need be given.

REQUEST FOR WAIVER OF MEMORANDUM IN SUPPORT

17. Debtor requests that the Court deem the contents of this Motion to be sufficient for purposes of satisfying the memorandum in support of Local Rule 9013-1(a). The relief requested in the Motion raises no novel issues of law.

WHEREFORE, Debtor respectfully requests that the Court enter an order, substantially in the form attached hereto as Exhibit A, granting the relief requested herein and such other and further relief as the Court may deem just and proper.

Dated: May 1, 2018

Respectfully submitted,

/s/ Thomas R. Allen

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EXHIBIT A

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF OHIO
EASTERN DIVISION**

In re:) Chapter 11
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AcuSport Corporation,) Case No. 18-52736
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Debtor.) Honorable John E. Hoffman, Jr.

**ORDER EXTENDING DEBTOR’S TIME TO FILE SCHEDULES OF ASSETS
AND LIABILITIES AND STATEMENT OF FINANCIAL AFFAIRS**
[RELATED TO DOC. NO. X]

Upon the motion (the “*Motion*”)¹ of AcuSport Corporation, the debtor and debtor in possession (“*Debtor*”), in this chapter 11 case (the “*Case*”), for entry of an order (this “*Order*”), pursuant to sections 105(a) and 521(a) of title 11 of the United States Code (the “*Bankruptcy Code*”), Rules 1007(c) and 9006(b) of the Federal Rules of Bankruptcy Procedure (the “*Bankruptcy Rules*”), and Rule 9006-1 of the Local Rules of Bankruptcy Procedure for the Southern District of Ohio (the “*Local Rules*”), extending Debtor’s time to file its Schedules of

¹ Capitalized terms used but not defined herein shall have the meanings ascribed to them in the Motion.

Assets and Liabilities (“*Schedules*”) and Statement of Financial Affairs (“*SOFA*”) [Docket No. ___]; and upon consideration of the Flanagan Declaration and the entire record of this Case; and it appearing that the Court has jurisdiction to consider the Motion pursuant to 28 U.S.C. §§ 1334 and 157; and it appearing that the Motion is a core matter pursuant to 28 U.S.C. § 157(b)(2); and it appearing that venue is proper pursuant to 28 U.S.C. §§ 1408 and 1409; and it appearing that due and adequate notice of the Motion has been given under the circumstances, and that no other or further notice need be given; and it appearing that the relief requested in the Motion is in the best interests of Debtor’s estate, its creditors, and other parties in interest; and after due deliberation, and good and sufficient cause appearing therefor, the Court finds that the relief requested in the Motion is well taken and should be granted.

IT IS ORDERED that:

1. The Motion is granted.
2. The time within which Debtor shall file its Schedules and SOFA, as required by Bankruptcy Rule 1007, is hereby extended to and through June 14, 2018.
3. This Order shall be without prejudice to Debtor’s rights to seek an additional extension.
4. This Court shall retain jurisdiction and power with respect to all matters arising from or related to the implementation or interpretation of this Order.

IT IS SO ORDERED.

Submitted By:

/s/ Thomas R. Allen

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Richard K. Stovall (0029978)

J. Matthew Fisher (0067192)

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