

**UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF MINNESOTA**

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In re:	Jointly Administered Under Case No. 17-30673 (MER)
Gander Mountain Company, Overton's, Inc.,	Case No. 17-30673 Case No. 17-30675
Debtors.	Chapter 11 Cases

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**OBJECTION TO DEBTORS' STATEMENT RE  
RECLAMATION AND TWENTY DAY CLAIMS**

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Grundens USA, Ltd. ("Grundens") hereby objects to the Debtors' Statement of Reclamation and Twenty Day Claims (the "Statement") on the ground that it does not provide factual support for the positions taken by the Debtors regarding reclamation claims, and misapplies the law applicable to such claims.

Grundens is the holder of a \$374,477.51 reclamation claim, having appropriately given the notice and complied with the Court's Order. Debtors essentially concede the validity of Grundens' reclamation claim other than the global point applicable to all claimants; their only objection to Grundens' claim is set forth in footnote 1, p. 1 of Exhibit A to the Statement.

However, Debtors do not provide either the factual or the legal support for its position. Citing one case, *In re Dana Corp.*, 367 B.R. 409, 419 (Bank., S.D.N.Y 2007), Debtors argue that because there is senior secured debt ahead of reclamation claims, the reclamation claims are valueless.

The conclusion does not follow from the facts. First, it is NOT true that simply because there is senior secured debt ahead of reclamation claims the reclamation claims have no value.

Were there \$1 million in inventory, with a \$100,000 senior secured lien, there would still be significant value in the inventory to support legitimate reclamation claims.

Instead, the Debtors must demonstrate the senior creditors' claims exceed the value of the inventory before their proposition can possibly be valid. They have made no such showing.

Second, even if the senior secured claims on their face exceed the value of the inventory, if the senior creditors were or could have been paid in full from other assets, leaving value in the inventory for reclamation claims, then the reclamation claims should be allowed. Again, the Debtors make no showing respecting their failure to pay the senior creditors, or, in the absence of such payment, the remaining assets in the estate from which the senior creditors will or will not be paid.

Debtors will no doubt argue this is in essence a marshaling argument, and that reclamation claimants have no right to require the senior creditors to marshal assets in order to preserve value in the inventory. Grundens understands the Court's Final Order Approving Postpetition Financing, etc. [Dkt. No. 443], para. 39, precludes the direct application of marshaling to the detriment of the senior creditors. But the DIP Order only prevents marshaling against the senior creditors – it does not preclude the hypothetical marshaling required here.

Given the sale of the inventory, Grundens does not assert a right to any particular inventory. But it does assert a right to an administrative claim on account of the inventory sold.

Grundens hereby joins in and adopts the legal arguments made and to be made by other reclamation claimants.

Accordingly, Grundens objects to the Statement and requests allowance of an administrative claim in the amount of \$374,477.51.

Dated: September 29, 2017

Respectfully submitted,

/s/ Alan D. Smith  
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