

Hearing Date: **March 20, 2008 at 10:00 a.m.**  
Objection Deadline: **March 13, 2008 at 4:00 p.m.**

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**UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK**

In re	Chapter 11
Quebecor World (USA) Inc., <u>et al.</u> ,	Case No. 08-10152 (JMP)
Debtors.	Jointly Administered
	Honorable James M. Peck

**DEBTORS' MOTION FOR ENTRY OF AN ORDER AUTHORIZING FURTHER  
EXTENSION OF TIME TO FILE SCHEDULES OF ASSETS AND LIABILITIES AND  
STATEMENTS OF FINANCIAL AFFAIRS**

The above-captioned debtors and debtors in possession (collectively, the "Debtors") hereby move the Court (the "Motion") for the entry of an order, substantially in the form attached hereto as Exhibit A, granting the Debtors a further extension of time within which to file their schedules of assets and liabilities and statements of financial affairs. In support of this Motion, the Debtors respectfully represent as follows:

**Jurisdiction**

1. The Court has jurisdiction over this matter pursuant to 28 U.S.C. § 1334. This matter is a core proceeding within the meaning of 28 U.S.C. § 157 (b)(2).
2. Venue is proper pursuant to 28 U.S.C. §§ 1408 and 1409.

3. The statutory predicates for the relief requested herein are sections 105(a) and 521 of the United States Bankruptcy Code, 11 U.S.C. §§ 101-1330 (the “Bankruptcy Code”) and Rule 1007(c) of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”).

### **Background**

4. On January 21, 2008 (the “Petition Date”), the 53 Debtors filed their voluntary petitions for relief (the “Chapter 11 Cases”) under chapter 11 of title 11 of the United States Code (the “Bankruptcy Code”).

5. The Debtors are operating their businesses and managing their properties as debtors-in-possession pursuant to §§ 1107(a) and 1108 of the Bankruptcy Code. No request has been made for the appointment of a trustee or examiner in this case.

6. On January 31, 2008, an Official Committee of Unsecured Creditors (the “Creditors Committee”) was appointed.

7. On January 20, 2008 the Debtors’ corporate parent, Quebecor World, Inc. (“QWI”) together with each of the Debtors commenced a proceeding before the Superior Court, Commercial Division, for the Judicial District of Montreal (the “Canadian Court”) for a plan of compromise or arrangement (the “Canadian Proceeding”) under the Canadian Companies’ Creditors Arrangement Act (“CCAA”).<sup>1</sup> Each of the Debtors was joined in the Canadian Proceeding, in order that each Debtor may obtain the protection of a stay under the CCAA as well as under the Bankruptcy Code.

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<sup>1</sup> The Canadian Court appointed Ernst & Young, Inc. to serve as Monitor for the Canadian Proceeding, and UBS Investment Bank is serving as a financial advisor in connection with the Canadian Proceeding.

## **The Debtors' Business**

8. The Debtors collectively operate the second largest commercial printing business in the United States, maintaining approximately 78 facilities in 29 states. QWI is a Canadian corporation and the corporate parent of the Debtors, having been incorporated on February 23, 1989 pursuant to the Canada Business Corporations Act to combine the assets constituting what was then the printing division of Quebecor Inc. (QWI, together with the Debtors and all of QWI's debtor and non-debtor subsidiaries and affiliates are referred to herein as "QW World").

9. QW World's key customers include the largest publishers, retailers and catalogers in the geographic areas in which QW World operates. In the magazine group, QW World prints magazines for publishers, including, for example, 15 magazine titles for Time, Inc.,<sup>2</sup> Cosmopolitan for Hearst Corp., *Elle* for Hachette-Filippachi Magazines US, *ESPN the Magazine* for Walt Disney Corp., *Forbes* for Forbes Inc. and *In Touch Weekly* for Bauer Publishing USA, while QW World's retail insert group includes customers such as CVS, Sears, JC Penney, Kohl's, and Walgreens. QW World's operations also encompass (a) catalogs for customers such as Williams-Sonoma, Oriental Trading Company, Victoria's Secret, IKEA, Cabelas and Bass Pro, (b) books for McGraw-Hill, Scholastic, Simon & Schuster, Thomas Nelson, Time-Warner and Pearson Education, (c) directories for Yellow Book USA, RH Donnelly, Windstream and Frontier in the United States, the Yellow Pages Group in Canada, as well as Telemex and Telefonica in Latin America and (d) direct mail services.

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<sup>2</sup> These include *Time*, *Fortune*, *Money*, *Sports Illustrated*, *People*, *Entertainment Weekly*, *Southern Living*, *Cooking Light* and *Coastal Living*.

### **Relief Requested**

10. Pursuant to section 521(1) of the Bankruptcy Code, a debtor must file a schedule of its assets and liabilities and a statement of financial affairs.<sup>3</sup> By this Motion, the Debtors seek entry of an order pursuant to Bankruptcy Rule 1007(c) extending the time within which they are required to file their schedules of assets and liabilities, schedules of current income and expenditures, schedules of executory contracts and unexpired leases, and statements of financial affairs (collectively, the “Schedules and Statements”). Specifically, the Debtors request an additional 90 days from the current March 6, 2008 deadline, so that the Schedules and Statements would be due by June 4, 2008. Such an extension is necessary because the Debtors and their advisors have devoted most of their resources to the numerous pressing and emergency issues that have arisen in the weeks following the commencement of these Chapter 11 Cases. Moreover, an extension is necessary because of the substantial effort required to prepare Schedules and Statements in light of the scope and complexity of the Debtors’ operations, the manner in which the Debtors manage their business and the need to gather and review the requisite information from each of the 53 Debtors.

11. By order dated January 23, 2008, this Court authorized a thirty day extension, granted without prejudice to their right to seek one or more further extensions, of the Debtors’ time to file their Schedules and Statements to March 6, 2008. By this Motion, the Debtors seek an additional 90 days to file their Schedules and Statements, i.e., until June 4, 2008.

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<sup>3</sup> Each of the Debtors filed with its respective petition a consolidated list of the Debtors’ 60 largest creditors. Where a debtor files a list of creditors with its petition, Bankruptcy Rule 1007(c) allows the debtor to file their Schedules and Statements within 15 days of the Commencement Date.

12. The Debtors have expended substantial efforts responding to the many exigencies incident to the commencement of a chapter 11 case of this size and complexity. Since January 23, 2008, the date the Debtors' initial extension was granted, the Debtors, their advisors and attorneys have actively engaged in numerous tasks related to the chapter 11 process and the operation of their business, including:

- Conducting meetings with and providing information to key creditor constituencies, including the Creditors' Committee and certain bondholders;
- Negotiating with the Debtors' prepetition and postpetition lenders, the Creditors' Committee, other creditor constituencies and parties in interest regarding the terms of a final order authorizing the Debtors to obtain postpetition financing;
- Negotiating with the Debtors' insurers;
- Responding to numerous objections to the Debtors' proposal of adequate assurance to utility providers in order to ensure uninterrupted utility service to the Debtors;
- Addressing daily operational issues including inquiries from, and negotiations with, customers, vendors, utility providers, shipping companies and warehouses;
- Enforcing the Debtors' rights under the automatic stay;
- Seeking relief authorizing the Debtors to pay and honor certain prepetition obligations to employees and salespeople for commissions;
- Coordinating with the Debtors' Canadian affiliates, Canadian professionals and the Canadian Court regarding the Canadian Proceeding and the implementation of a cross-border insolvency protocol;

- Reviewing in excess of 80 reclamation claims that have been filed since the Petition Date;
- Initiating a review of the Debtors' obligations under executory contracts and unexpired leases of real and personal property;
- Participation in four hearings before the court, including an emergency hearing and a hearing on final authorization to obtain postpetition financing to be held on March 6, 2008;
- Obtaining emergency relief in the form of authorization to assume certain executory contracts with the Debtors' freight forwarding stations and pay certain prepetition claims in connection therewith; and
- Working to resolve numerous day-to-day operational issues that arise in connection with the commencement of a chapter 11 cases by a multi-billion dollar business.

13. In addition, the Debtors have undertaken a review of their books and records in order to begin to assemble the information necessary to prepare the Schedules and Statements. Due to the complexity of the Chapter 11 Cases, the nature of the Debtors' business, limited staff available to perform the required internal review of the Debtors' business and affairs and the other matters incident to the commencement of these cases, the Debtors submit that the initial 45-day period they had to file the Schedules and Statements will not be sufficient. The Debtors' work to date on the Schedules and Statements, together with their understanding that other pressing matters are certain to arise in the near future, have led them to the conclusion that it will not be possible to complete the Schedules and Statements within the current deadline.

14. The size of the Chapter 11 Cases, the volume of material that must be compiled and reviewed by the Debtors' limited staff and the Debtors' desire to compile and file complete and accurate Schedules and Statements provides ample basis for the requested extension for filing the Schedules and Statements.

#### **Basis For Relief**

15. On a consolidated basis, the Debtors' records reflect that as many as approximately 22,000 parties may potentially hold claims, and it is an extensive undertaking to gather all of information related to each creditor and the nature of its claim against the Debtors. Further, although these Chapter 11 Cases are being jointly administered for procedural purposes, the Debtors consist of 53 distinct entities, many of which are themselves complex businesses operating multiple facilities. Each Debtor has a unique collection of creditors; some creditors may have claims against more than one Debtor while others do not. The conduct and operation of the Debtors' business operations is a combination of certain centralized management operations and individual creditor transactions that occur at the operating level at the Debtors' numerous facilities. Given the size and complexity of their business operations, the number of creditors, and the fact that certain prepetition invoices may still be in process, the Debtors have begun, but have not yet finished, compiling the information required to complete the Schedules and Statements.

16. At this juncture, the Debtors estimate that a further extension of 90 days from March 6, 2008 is necessary for Debtors to continue the process of preparing the Schedules and Statements. Accordingly, the Debtors hereby request a further extension of time to file Schedules and Statements through June 4, 2008, without prejudice to the Debtors' right to seek additional extensions from this Court.

17. The initial 30-day extension requested by the Debtors was unusually short relative to initial extensions granted by other courts in this District. Courts in other large chapter 11 cases in this jurisdiction have granted initial extensions of time commensurate with the additional time sought by Debtors in this Motion. See e.g., In re Dana Corp., Case No. 06-10354 (BRL) (Bankr. S.D.N.Y. Mar. 3, 2006) (see Docket No. 726) (schedules due approximately 120 days after petition date); In re Calpine Corp. Case No. 05-60200 (BRL) (Bankr. S.D.N.Y. Dec. 20, 2005) (see Docket No. 40) (schedules due 75 days after the petition date); In re Delphi Corp., Case No. 05-44481 (RDD) (Bankr. S.D.N.Y. Oct. 8, 2005) (See Docket No. 223) (schedules due approximately 120 days after petition date); In re Bethlehem Steel Corp., Case No. 01-15288 (BRL) (Bankr. S.D.N.Y. Oct. 15, 2001) (see Docket No. 26) (schedules due 90 days after petition date); In re Sunbeam Corp., Case No. 01-40291 (AJG) (Bankr. S.D.N.Y. Feb. 6, 2001) (see Docket No. 36) (schedules due 75 days after the petition date).

18. In addition, courts in other large chapter 11 cases in this jurisdiction have granted multiple extensions of time to file schedules of assets and liabilities and statements of financial affairs. See In re Delta Air Lines, Inc., Case No. 05-17923 (PCB) (Bankr. S.D.N.Y. Sept. 16, 2005) (Docket No. 146) (granting initial 60 day extension), (Nov. 10, 2005) (Docket No. 1126) (granting additional 60 day extension) and (Jan. 23, 2006) (Docket No. 1893) (granting additional 60 day extension); In re Northwest Airlines Corp., Case No. 05-17930 (ALG) (Bankr. S.D.N.Y. Dec. 15 2005 (granting additional 60 day extension following initial 120 day extension); In re Loral Space & Commc'ns Ltd., Case No. 03-41710 (RDD) (Bankr. S.D.N.Y. Oct. 28, 2003) (granting additional 30 day extension following initial 90 day extension); In re Worldcom, Inc., Case No. 02-13533 (AJG) (Bankr. S.D.N.Y. April 8, 2003) (granting multiple extensions aggregating approximately 10 months); In re Adelphia Communications, Case No.

02-41729 (REG) (Bankr. S.D.N.Y. July 22, 2003) (granting two 90-day extensions and two 120-day extensions); In re Enron Corp., Case No. 01-16034 (AJG) (Bankr. S.D.N.Y. Apr. 11, 2002) (granting multiple extensions aggregating approximately 8 months).

19. Accordingly, the further extension requested by the Debtors in this Motion is not only necessary in light of the complexity of the Chapter 11 Cases and the pressing issues that the Debtors have had to address during the weeks following the Petition Date, but such extension is also reasonable under the circumstances and is consistent with the extensions that have been granted in other large cases in this District.

#### **Memorandum Of Law**

20. This Motion includes citations to the applicable authorities and a discussion of their application to this Motion. Accordingly, the Debtors respectfully submit that such citations and discussion satisfy the requirement that the Debtors submit a separate memorandum of law in support of this Motion pursuant to Rule 9013-1(b) of the Local Bankruptcy Rules for the Southern District of New York.

#### **Notice**

21. Notice of this Motion has been provided to all parties on the Notice List as set forth in the Case Management Order. A copy of the Motion is also freely available on the website of the Debtors' proposed claim and noticing agent, Donlin, Recano & Company, Inc. at [www.donlinrecano.com](http://www.donlinrecano.com).

#### **No Prior Request**

22. No prior motion for the relief requested herein has been made to this or any other court.

WHEREFORE, the Debtors respectfully request the entry of an order, substantially in the form attached hereto as Exhibit A, (a) granting the Debtors an extension of 90 days from the current deadline within which to file Schedules and Statements pursuant to Bankruptcy Rule 1007(a), resulting in a deadline of June 4, 2008 to file the Schedules and Statements, and (b) granting such other further relief as is just and proper.

Dated: March 5, 2008  
New York, New York

Respectfully submitted,

/s/ Michael J. Canning  
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**EXHIBIT A**

**UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK**

In re

Quebecor World (USA) Inc., et al.,

Debtors.

Chapter 11

Case No. 08-10152(JMP)  
Jointly Administered

Honorable James M. Peck

**ORDER GRANTING THE DEBTORS' MOTION FOR AN EXTENSION OF TIME  
WITHIN WHICH TO FILE SCHEDULES OF ASSETS AND LIABILITIES AND  
STATEMENTS OF FINANCIAL AFFAIRS**

Upon the motion (the "Motion")<sup>1</sup> of the above-captioned debtors (collectively, the "Debtors"), for entry of an order granting the Debtors a further extension of time within which to file their Schedules and Statements; it appearing that the relief requested is in the best interests of the Debtors' estates, their creditors, and other parties in interest; it appearing that this Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334; it appearing that this proceeding is a core proceeding pursuant to 28 U.S.C. § 157(b)(2); it appearing that venue of this proceeding in this District is proper pursuant to 28 U.S.C. §§ 1408 and 1409; it appearing that notice of the Motion and the opportunity for a hearing on the Motion was appropriate and that no other or further notice need be given; it appearing that the extension of time requested by the Debtors is reasonable under the circumstances; and after due deliberation and sufficient cause appearing therefor, it is hereby ORDERED THAT:

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

1. The Motion is granted as set forth herein.
2. The Debtors are granted an extension of 90 days from the current deadline to file the Schedules and Statements, until June 4, 2008.
3. Such extension is without prejudice to the Debtors' right to seek further extensions of the deadline to file the Schedules and Statements.
4. The terms and conditions of this order shall be immediately effective and enforceable upon its entry.
5. The requirement set forth in rule 9013-1(b) of the local bankruptcy rules for the Southern District of New York that any motion or other request for relief be accompanied by a memorandum of law is hereby deemed satisfied by the contents of the application or otherwise waived.
6. The court retains jurisdiction with respect to all matters arising from or related to the implementation of this order.

Dated: \_\_\_\_\_, 2008

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United States Bankruptcy Judge