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**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

**DECLARATION OF JEREMY ROBERTS IN SUPPORT OF THE SECOND
MOTION OF THE DEBTORS FOR AN ORDER PURSUANT TO 11 U.S.C.
§ 1121(d) EXTENDING THE PERIOD DURING WHICH THE DEBTORS HAVE
THE EXCLUSIVE RIGHT TO FILE A PLAN OF REORGANIZATION AND
SOLICIT ACCEPTANCES THEREOF**

I, Jeremy Roberts, declare as follows in support of the Debtors' motion for an order (i) extending the period during which the Debtors have the exclusive right to file a plan or plans of reorganization (the "Exclusive Filing Period") by approximately four (4) months, through and including January 31, 2009; and (ii) extending the period during which the Debtors have the exclusive right to solicit acceptances thereof (the "Exclusive Solicitation Period" and, together with the Exclusive Filing Period, the "Exclusive Periods") through

and including March 31, 2009, or approximately sixty (60) days after the expiration of the Exclusive Filing Period, as extended:

1. I am Executive Vice President of Quebecor World (USA) Inc. (“QWUSA”), a corporation organized under the laws of the State of Delaware and one of the above-captioned debtors and debtors-in-possession (collectively, the “Debtors”).

2. In this capacity, I am generally familiar with the Debtors’ day-to-day operations, business and financial affairs, books and records.

3. The Debtors are one of the two largest commercial printers in the United States and, taken together, constitute a complex and sophisticated operation. The Debtors consist of 53 different entities with operations in 29 states that encompass numerous forms of printing and binding, direct mail operations, and freight and transportation services. The Debtors employ approximately 19,500 employees, of which approximately 4,380 are represented by labor unions. In addition to the geographic reach of the Debtors’ operations and the variety of services that they provide to their customers, each of the Debtors’ printing and/or mailing facilities is itself a complicated business operation. Moreover, the Debtors’ operations are linked to their Canadian parent, Quebecor World Inc. (“QWI”), and to QWI’s international operations.

4. The Debtors’ businesses and corporate structure support the requested extension of the Exclusive Periods. The Debtors’ Chapter 11 Cases qualify as complex cases. During the early stages of these Chapter 11 Cases, the Debtors devoted significant time and resources to reducing and eliminating inefficiencies, stabilizing their postpetition

business operations and solidifying their relationships with customers, vendors, employees, lessors, service providers and other key constituencies.

5. Nearly eight months into these Chapter 11 Cases, the Debtors have made enormous progress toward successfully reorganizing their businesses. Nevertheless, as might be expected, many unexpected challenges have arisen during this time period, and additional challenges remain for the Debtors. These challenges arise, in part, from the intricacies of the cross-border relationship that the Debtors maintain with their ultimate corporate parent, QWI, and its non-debtor affiliates, as well as from the complex financial structure necessitated by the multi-national nature of the Debtors' businesses.

6. Accordingly, subsequent to the Debtors filing of their First Extension Motion, the Debtors have determined that, in light of the size of these cases, the need to address the operational issues associated with their businesses and the challenges arising from the cross-border nature of their financial affairs, the Debtors will require a period of time longer than the four month extension of time initially granted by this Court in order to formulate and confirm a plan of reorganization.

7. Indeed, as a result of the many operational, corporate and cross-border issues that confronted the Debtors during the early stages of these Chapter 11 Cases, the Debtors have only recently been able to file their Schedules of Assets and Liabilities and Statements of Financial Affairs (the "Schedules"). Now that the Schedules are completed and filed, the Debtors are finally in a position to establish a claims bar date, which will allow the Debtors to begin the process of evaluating the universe of claims against their estates and developing a plan that addresses these claims consistent with the requirements

of the Bankruptcy Code. In light of the cross-border nature of their restructuring efforts, the Debtors are coordinating this claims process with the procedures being implemented in the Canadian proceedings of QWI, and anticipate filing an application seeking approval of a claims bar date and applicable procedures and notices thereof with this Court in the near future.

8. Moreover, in light of the extensive nature of the Debtors' business operations and the complexity of these Chapter 11 Cases, as well as the cross-border issues that must be accommodated in connection with the restructuring of their financial affairs, the Debtors respectfully submit that an extension of the Exclusive Periods is justified, as the Debtors' ongoing dialogue with their various creditor groups has now advanced, and a level of confidence has been achieved, such that the Debtors are in a position to develop a comprehensive restructuring plan that will serve as the basis for a plan of reorganization.

9. During the first seven months of these Chapter 11 Cases, the Debtors have made substantial progress in addressing a number of the major issues facing their estates as of the Petition Date.

10. The Debtors' achievements in resolving key restructuring issues to date include:

- Conducting ongoing negotiations with the Debtors' prepetition and postpetition lenders, the Creditors' Committee, other creditor constituencies and parties in interest regarding the terms and conditions of the requisite loan documentation and final order authorizing the Debtors to obtain \$1

billion in postpetition financing, including the granting and perfection of the collateral package securing such financing;

- Addressing pressing issues related to preserving the Debtors' rights under certain prepetition leases and executory contracts that are essential to the Debtors' business operations;
- Entering into significant new or modified customer contracts, such as a new agreement with Simon & Schuster, Inc., a long term contract extension of a printing agreement with R.D. Manufacturing Corporation, a subsidiary of Readers Digest, and extended and expanded agreements with Dex Media Inc., Parade Publications and Local Insight Media Holdings, Inc.
- Conducting meetings with and providing information (including a detailed five year business plan) to key creditor constituencies, including the Creditors' Committee, an ad hoc committee of noteholders and the Debtors' prepetition lenders;
- Negotiating with the Debtors' insurers regarding the continuation of the Debtors' workers' compensation program;
- Negotiating with utility providers in order to ensure uninterrupted utility service to the Debtors;
- Addressing daily operational issues including inquiries from, and negotiations with, customers, vendors, 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, including plant managers and salespeople;
- Seeking authority to continue and implement certain management incentive compensation programs;
- 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 numerous reclamation claims and establishing procedures for section 503(b)(9) claims that have been filed since the Petition Date;
- Initiating a broad review of the Debtors' obligations under executory contracts and unexpired leases of real and personal property;
- 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;
- Negotiating and closing on the sale of QWI's European operations, which was approved at a joint hearing in both the U.S. Proceedings and Canadian Proceedings on June 17, 2008; and
- Determining procedures for filing Monthly Operating Reports and filing such Reports;
- Filing the Schedules for all 53 Debtors;
- Analyzing the tax consequences incident to the restructuring of the Debtors' financial affairs;

- Reviewing all of the Debtors' unexpired nonresidential real property leases and seeking authority to assume, reject or extend the period by which the Debtors must assume or reject, the Debtors' nonresidential real property leases; and
- Working to resolve the numerous day-to-day operational issues that arise in connection with the commencement of chapter 11 cases by a multi-billion dollar business.

11. The fact that the Debtors have been largely devoted to these and other issues during the first seven months of the Chapter 11 Cases, particularly in light of the demonstrated success of the Debtors in making progress on these issues, justifies the requested extension of the Exclusive Periods.

12. Further, the Debtors have been successful in stabilizing numerous aspects of their business operations by anticipating and addressing concerns from customers, employees, vendors and others. Moreover, the Debtors have been cooperative with all of the key stakeholders in these Chapter 11 Cases, including the Creditors' Committee, the ad hoc committee of noteholders, prepetition lenders and trade vendors. The Debtors have no interest in creating any undue delay with respect to these Chapter 11 Cases. Indeed, the Debtors' goal is to minimize the time that they spend in chapter 11, move forward expeditiously with formulating a plan of reorganization and, ultimately, successfully emerge from chapter 11.

13. The \$1 billion secured debtor in possession financing facility approved by the Court provides the Debtors with sufficient liquidity to pay their postpetition bills in the

ordinary course of business. Further, the Debtors are continuing to seek to lower costs by disposing of under-performing assets and reducing overhead. As a result, the Debtors are satisfying their postpetition obligations and have the ability to continue to do so.

14. The Debtors' efforts to-date demonstrate that reasonably strong prospects exist for the Debtors to file a viable plan of reorganization. The Debtors have successfully attended to pressing issues that arose within the first several weeks of these Chapter 11 Cases, and have stabilized their business operations. Customers continue to place new orders and enter into new contracts with the Debtors, and vendors and creditors are continuing to do business with the Debtors.

15. The Debtors have successfully worked with creditor groups in a number of areas, including matters related to the Debtors' postpetition financing facility; employee benefits and compensation; treatment of certain trade creditors, vendors, utility providers and lessors; asset dispositions and retention of professionals. A suitable extension of the Exclusive Periods will give the Debtors the flexibility and time necessary to permit the Debtors to continue to make progress in creditor negotiations.

16. The Debtors are not seeking an extension of the Exclusive Periods to pressure creditors into accepting the Debtors' reorganization demands. These Chapter 11 Cases have not been pending long enough to result in material prejudice to any creditors, and there is no indication that the Debtors are using the chapter 11 process to extract particular demands from any creditor group. To the contrary, the purpose of the Debtors' present request for an extension of the Exclusive Periods is, among other things, to ensure

that the Debtors have an opportunity to respond to and address the concerns of all creditor groups in formulating restructuring proposals and, ultimately, a plan of reorganization.

17. In addition, several contingencies exist in these Chapter 11 Cases, including (a) establishment of a claims bar date; (b) a complete review of the Debtors' unexpired equipment leases and executory contracts; (c) consideration of potential dispositions of certain of the Debtors' assets; and (d) development and implementation of restructuring initiatives across the Debtors' lines of business. Only after Debtors address these and other issues may the Debtors be in a position to formulate a viable plan for the Debtors' emergence from chapter 11.

I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct.

Executed on September 8, 2008.

/s/ Jeremy Roberts
Jeremy Roberts