

UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re:

SCHOOL SPECIALTY, INC., *et al.*,¹

Debtors.

Chapter 11

Case No. 13-10125 (KJC)

Jointly Administered

Objection Deadline: N/A

Hearing Date: N/A

**MOTION OF DEBTORS FOR ENTRY OF AN ORDER SHORTENING NOTICE
AND OBJECTION PERIODS WITH RESPECT TO THE EMERGENCY MOTION OF
THE DEBTORS FOR AUTHORITY TO FILE UNDER SEAL CERTAIN DOCUMENTS
CONTAINED IN THE PLAN SUPPLEMENT**

School Specialty, Inc. and its affiliated debtors and debtors-in-possession (collectively, the “Debtors”) hereby move (the “Motion to Shorten”) for entry of an order in substantially the form attached hereto as Exhibit A (the “Proposed Order”), pursuant to section 105 of title 11 of the United States Code (the “Bankruptcy Code”), Rules 2002 and 9006 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”) and Rule 9006-1 of the Local Rules of Bankruptcy Practice and Procedure of the United States Bankruptcy Court for the District of Delaware (the “Local Rules”) shortening the notice of the hearing on, and objection period with respect to, the *Emergency Motion of the Debtors for Authority to File Under Seal Certain Documents Contained in the Plan Supplement* (the “Seal Motion”).² In support of this Motion to Shorten, the Debtors respectfully represent as follows:

¹ The Debtors in these cases, along with the last four digits of each Debtor’s federal tax identification number and state of incorporation, are: School Specialty, Inc. (Wisc.; 1239), Bird-In-Hand Woodworks, Inc. (N.J.; 8811), Califone International, Inc. (Del.; 3578), Childcraft Education Corp. (N.Y.; 9818), ClassroomDirect.com, LLC (Del.; 2425), Delta Education, LLC (Del.; 8764), Frey Scientific, Inc. (Del.; 3771), Premier Agendas, Inc. (Wash.; 1380), Sax Arts & Crafts, Inc. (Del.; 6436), and Sportime, LLC (Del.; 6939). The address of the Debtors’ corporate headquarters is W6316 Design Drive, Greenville, Wisconsin 54942.

² All capitalized terms not defined herein shall have the meanings ascribed to them in the Seal Motion.



Jurisdiction

1. This Court has jurisdiction to consider this matter pursuant to 28 U.S.C. §§ 157 and 1334 and the *Amended Standing Order of Reference from the United States District Court for the District of Delaware* dated as of February 29, 2012. Venue is proper in this Court pursuant to 28 U.S.C. §§ 1408 and 1409. This matter is a core proceeding pursuant to 28 U.S.C. § 157(b)(2).

2. The statutory predicates for the relief requested herein are section 105 of the Bankruptcy Code, Bankruptcy Rules 2002 and 9006, and Local Rule 9006-1.

Background

3. On January 28, 2013 (the “Petition Date”), each of the Debtors filed a voluntary petition for relief under chapter 11 of the Bankruptcy Code thereby commencing the instant Chapter 11 Cases. The Debtors continue to manage and operate their businesses as debtors-in-possession under sections 1107 and 1108 of the Bankruptcy Code. These Chapter 11 Cases are being jointly administered for procedural purposes only.

4. On February 5, 2013, the United States Trustee for the District of Delaware (the “U.S. Trustee”) appointed an official committee of unsecured creditors [D.I. 110] (the “Initial Creditors’ Committee”). On February 27, 2013, the U.S. Trustee reconstituted the Initial Creditors’ Committee [D.I. 330] (the “Creditors’ Committee”). No trustee or examiner has been appointed in the Chapter 11 Cases.

5. Information regarding the Debtors’ businesses, their capital and debt structure, and the events leading to the filing of the Chapter 11 Cases is contained in the *Declaration of Gerald T. Hughes in Support of Chapter 11 Petitions and First Day Relief* [D.I. 2].

6. On April 23, 2013, the Debtors filed the *Debtors' Amended Joint Plan of Reorganization Under Chapter 11 of the Bankruptcy Code* [D.I. 862] (the "Plan") and related *Disclosure Statement for Debtors' Amended Joint Plan of Reorganization Under Chapter 11 of the Bankruptcy Code* [D.I. 864]. On April 24, 2013, the Court entered an Order approving the Disclosure Statement on a conditional basis, and approving certain solicitation and related procedures on a final basis [D.I. 902] (the "Disclosure Statement Order"). On April 24, 2013, the Debtors filed the solicitation version of the *Disclosure Statement for Debtors' Amended Joint Plan of Reorganization Under Chapter 11 of the Bankruptcy Code* [D.I. 931] (the "Disclosure Statement"). A hearing to consider approval of the Disclosure Statement on a final basis and confirmation of the Plan is scheduled to take place on May 20, 2013 (the "Confirmation Hearing").

7. On May 9, 2013, the Debtors filed the *Notice of Filing of Supplement to Debtors' Joint Amended Plan Under Chapter 11 of the Bankruptcy Code* [Docket No. 1026] (the "Initial Plan Supplement"). On May 14, 2013, the Debtors filed the *Notice of Filing of First Amendment to Supplement to Debtors' Joint Amended Plan Under Chapter 11 of the Bankruptcy Code* [Docket No. 1044] (the "First Amended Plan Supplement") and on May 15, 2013, the Debtors filed the *Notice of Filing of Second Amendment to Supplement to Debtors' Joint Amended Plan Under Chapter 11 of the Bankruptcy Code* [Docket No. 1056] (the "Second Amended Plan Supplement," together with the Initial Plan Supplement and the First Plan Supplement (the "Plan Supplement").

Relief Requested

8. By this Motion to Shorten, the Debtors seek entry of an order, pursuant to section 105 of the Bankruptcy Code, Bankruptcy Rules 2002 and 9006, and Local Rule 9006-

1, shortening the notice of the hearing on, and the objection period with respect to, the Seal Motion so that it may be heard at the Confirmation Hearing.

Basis for Relief Requested

9. Local Rule 9006-1(c)(i) requires that all motion papers be filed and served at least 18 days prior to the hearing date scheduled for such motion, and 21 days prior to the hearing if notice is given by mail, unless the Bankruptcy Rules state otherwise. However, Local Rule 9006-1(e) authorizes the Court to schedule a motion for hearing on less notice than is required by the Local Rules or the Bankruptcy Rules on “written motion specifying the exigencies justifying shortened notice.” Del. Bankr. L.R. 9006-1(e). Bankruptcy Rule 9006(c) provides that the Court “may in its discretion with or without motion or notice” authorize the reduction of the notice requirements of Bankruptcy Rule 2002(b). The Debtors respectfully submit that the relief requested herein is necessary and appropriate under the circumstances.

10. Pursuant to Article VIII.A.4 of the Plan, as a condition to confirmation of the Plan, the Debtors must enter into a binding commitment for exit financing. Also, pursuant to Article V.H.1 of the Plan, as part of the restructuring transactions to be accomplished thereunder, the Debtors must, on or before the Effective Date, close on the Exit Facilities.

11. Certain documents with respect to the Exit Facilities, as set forth in the Seal Motion (collectively, the “Seal Documents”), contain confidential commercial information of both the Exit Lenders and the Debtors. Approval of the Seal Documents is being sought in connection with confirmation of the Plan, and accordingly, the Debtors request that the Court shorten notice so that the Seal Motion may be heard at the Confirmation Hearing.

Notice

12. Notice of this Motion to Seal has been or will be provided to: (i) the United States Trustee; (ii) counsel to the ABL DIP Agent; (iii) counsel to the agent under the Debtors' Prepetition Term Loan Agreement; (iv) counsel to the Ad Hoc DIP Agent; (v) the indenture trustee for the Debtors' convertible debentures; (vi) counsel for the *ad hoc* group of convertible debenture holders; (vii) counsel to the Creditors' Committee; (viii) counsel to the ABL Exit Lenders; (ix) counsel to the Term Loan Exit Lenders, and (x) all parties that have filed a notice of appearance in these Chapter 11 Cases pursuant to Bankruptcy Rule 2002. In light of the nature of the relief requested herein, the Debtors submit that no other or further notice is necessary.

[Remainder of page intentionally left blank.]

WHEREFORE, the Debtors respectfully request entry of the Proposed Order granting the Motion to Shorten and such other and further relief as may be just and proper.

Dated: May 17, 2013
Wilmington, Delaware

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Exhibit A

Proposed Order

UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re:

SCHOOL SPECIALTY, INC., *et al.*,¹

Debtors.

Chapter 11

Case No. 13-10125 (KJC)

Jointly Administered

Re: Docket No. ____

**ORDER SHORTENING NOTICE
AND OBJECTION PERIODS WITH RESPECT TO THE EMERGENCY MOTION OF
THE DEBTORS FOR AUTHORITY TO FILE UNDER SEAL CERTAIN DOCUMENTS
CONTAINED IN THE PLAN SUPPLEMENT**

Upon the motion (the “Motion to Shorten”)² of School Specialty, Inc. and its affiliated debtors and debtors-in-possession in the above-captioned cases (collectively, the “Debtors”), for entry of an order pursuant to section 105 of the Bankruptcy Code, Bankruptcy Rules 2002 and 9006, and Local Rule 9006-1 shortening the notice of the hearing on, and the objection period with respect to, the Seal Motion; and the Court having jurisdiction to consider the Motion to Shorten and the relief requested therein pursuant to 28 U.S.C. §§ 157 and 1334, and the *Amended Standing Order of Reference from the United States District Court for the District of Delaware*, dated as of February 29, 2012; and consideration of the Motion to Shorten and the requested relief being a core proceeding pursuant to 28 U.S.C. § 157(b); and venue being proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409; and due and proper notice of

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the Motion to Shorten having been provided under the circumstances; and the Court having reviewed the Motion to Shorten and determined that the legal and factual bases set forth in the Motion to Shorten establish just cause for the relief granted herein; and it appearing that the relief requested in the Motion to Shorten is in the best interests of the Debtors and their estates and creditors; and after due deliberation, and good and sufficient cause appearing therefor,

IT IS HEREBY ORDERED THAT:

1. The Motion to Shorten is GRANTED, as set forth herein.
2. The Seal Motion will be heard at the confirmation hearing scheduled for May 20, 2013 at 1:30 p.m. (ET), and any objections to the Seal Motion at the hearing.
3. This Court shall retain jurisdiction over any and all matters arising from or related to the implementation or interpretation of this Order.

Dated: _____, 2013
Wilmington, Delaware

THE HONORABLE KEVIN J. CAREY
UNITED STATES BANKRUPTCY JUDGE