

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re:	§	Chapter 11
	§	
	§	Case No. 11-13603 (PJW)
BLITZ U.S.A., Inc., et al., ¹	§	
	§	(Jointly Administered)
Debtors.	§	
	§	Re: Docket No. 237

**LIMITED OBJECTION OF WAL-MART STORES, INC. TO NOTICE OF
EXECUTORY CONTRACTS AND UNEXPIRED LEASES WHICH MAY BE ASSUMED
AND ASSIGNED, PURSUANT TO SECTION 365 OF THE BANKRUPTCY CODE, IN
CONNECTION WITH THE SALE OF CERTAIN OF THE DEBTORS' ASSETS AND
THE PROPOSED CURE AMOUNTS WITH RESPECT THERETO**

WAL-MART STORES, INC. ("Wal-Mart"), a secured creditor and party-in-interest herein, hereby files this *Limited Objection of Wal-Mart Stores, Inc. to Notice of Executory Contracts and Unexpired Leases Which May Be Assumed and Assigned, Pursuant to Section 365 of the Bankruptcy Code, in Connection with the Sale of Certain of the Debtors' Assets and the Proposed Cure Amounts With Respect Thereto* (the "Objection" to the "Notice") by and through its undersigned counsel and in support thereof respectfully represents as follows:

1. On February 10, 2012, the Debtors' filed the above-referenced Notice [D.I. 237].
2. Wal-Mart is listed on the Notice for a "F3 Brands Vendor Agreement" and a cure amount of \$0.00.
3. Wal-Mart objects to the Notice to the extent that any proposed cure amount related to the assumption and assignment of the F 3 Brands LLC Supplier Agreement is indefinite and does not

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, include: LAM 2011 Holdings, LLC (8742); Blitz Acquisition Holdings, Inc. (8825); Blitz Acquisition, LLC (8979); Blitz RE Holdings, LLC (9071); Blitz U.S.A., Inc. (8104); and F3 Brands LLC (2604). The location of the Debtors' corporate headquarters and the Debtors' service address is: 404 26th Ave. NW Miami, OK 74354.



fully account for Wal-Mart's contractual rights under the Supplier Agreement. Pursuant to the Supplier Agreement, F 3 Brands LLC is liable for a number of potential costs and expenses in connection with sales to Wal-Mart. These liabilities include, but are not limited to: (1) normal "customer program" chargebacks for incentives, price protection, shared advertising expenses, returns and shortages; (2) the obligation to indemnify Wal-Mart and its subsidiaries and affiliates for damages, costs and attorneys fees incurred by them in connection with personal injury claims arising from the Debtor's products; (3) the obligation to verify the accuracy of costs, discounts, allowances and all other terms of sale; (4) the obligation to pay all costs associated with any product recall or return; (5) the obligation to provide insurance coverage; and (6) the obligation to reimburse Wal-Mart and its subsidiaries and affiliates for attorneys fees incurred in collecting past-due obligations.

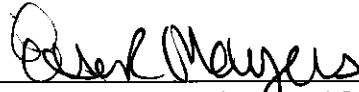
4. The Supplier Agreements provide to Wal-Mart the right to set-off, recoup, and reserve for any indebtedness owed by the Debtor to Wal-Mart ("Set-off Rights"). The specific provision of the Supplier Agreements is as follows:

SET-OFF; RESERVATION OF ACCOUNT; CREDIT BALANCE. Company may set off against amounts payable under any Order all present and future indebtedness of Supplier to Company arising from this or any other transaction whether or not related hereto. If Company determines that Supplier's performance under an Order and/or this Agreement is likely to be impaired, Company may establish a reserve on Supplier's Account to satisfy Supplier's actual or anticipated obligations to Company arising from any such Order or this Agreement, by withholding payment of Supplier's invoices. Supplier agrees that any credit balance will be paid in cash to Company upon written request.

WHEREFORE, Wal-Mart respectfully requests that the Court deny any assumption and assignment of Wal-Mart's Supplier Agreement that is related to the Section 365 sale to preserve Wal-Mart's Set-off Rights as set forth above, including all ordinary "customer program" chargebacks.

Dated: February 24, 2012
Wilmington, Delaware

POTTER, ANDERSON & CORROON, LLP



Jeremy W. Ryan (DE Bar No. 4057)
Etta R. Mayers (DE Bar No. 4164)
1313 North Market Street, Sixth Floor
P.O. Box 951
Wilmington, DE 19899-0951
Telephone: (302) 984-6108
Facsimile: (302) 778-6108
Email: jryan@potteranderson.com
emayers@potteranderson.com

and

Charles B. Hendricks
"George" Yu-Fu King
CAVAZOS, HENDRICKS, POIROT & SMITHAM, P.C.
900 Jackson, Suite 570
Dallas, TX 75202
Telephone: (214) 573-7300
Facsimile: (214) 573-7399

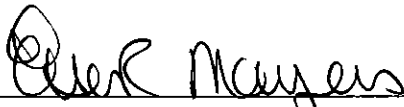
Counsel for Wal-Mart Stores, Inc.

CERTIFICATE OF SERVICE

I, Etta R. Mayers, hereby certify that on this 24th day of February 2012, I caused a true and correct copy of the **Limited Objection of Wal-Mart Stores, Inc. to Notice of Executory Contracts and Unexpired Leases Which May Be Assumed and Assigned, Pursuant to Section 365 of the Bankruptcy Code, in Connection with the Sale of Certain of the Debtors' Assets and the Proposed Cure Amounts with Respect Thereto** to be served upon the parties on the attached service list in the manner indicated.

Under penalty of perjury, I declare the foregoing is true and correct.

Dated: February 24, 2012



Etta R. Mayers (DE No. 4164)

SERVICE LIST

Via Federal Express

BLITZ U.S.A., INC.
ATTN: ROCKY FLICK
404 26TH AVENUE NW
MIAMI, OK 74354

Via Hand Delivery

RICHARDS LAYTON & FINGER, P.A.
DANIEL J. DEFRANCESCHI, ESQ.
PAUL HEATH, ESQ.
ONE RODNEY SQUARE
920 NORTH KING STREET
WILMINGTON, DE 19801