

UNITED STATES BANKRUPTCY COURT
DISTRICT OF NEW HAMPSHIRE

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In re: : **Chapter 11**

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GT ADVANCED TECHNOLOGIES INC., et al.: **Case No. 14-11916-HJB**

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Debtors.¹ : **Jointly Administered**

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DEBTORS’ MOTION FOR ORDER, PURSUANT TO BANKRUPTCY CODE SECTION 107(b), BANKRUPTCY RULE 9018 AND LOCAL BANKRUPTCY RULE 5005-5, (I) AUTHORIZING DEBTORS TO FILE UNDER SEAL EXHIBIT A TO NOTICE OF FILING OF DOCUMENT TO WHICH DEBTORS INTEND TO REFER DURING THEIR OCTOBER 16, 2015 ORAL ARGUMENT IN OPPOSITION TO AD HOC COMMITTEE’S MOTION FOR APPOINTMENT OF A COMMITTEE OF EQUITY HOLDERS, AND (II) DIRECTING PARTIES TO REDACT CONFIDENTIAL INFORMATION

GT Advanced Technologies Inc. (“GT”) and its affiliated debtors as debtors in possession in the above-captioned cases (collectively, “GTAT” or the “Debtors”) submit this motion (the “Motion”) for entry of an order: (i) authorizing the Debtors to file under seal Exhibit A (the “Exhibit”) to the *Notice of Filing of Document to Which Debtors Intend to Refer During Their October 16, 2015 Oral Argument in Opposition to Ad Hoc Committee’s Motion for Appointment of a Committee of Equity Holders*; and (ii) directing parties to redact confidential information related to the Exhibits in any subsequent filings.

In support of this Motion, GTAT respectfully represents:

¹ The Debtors, along with the last four digits of each debtor’s tax identification number, as applicable, are: GT Advanced Technologies Inc. (6749), GTAT Corporation (1760), GT Advanced Equipment Holding LLC (8329), GT Equipment Holdings, Inc. (0040), Lindbergh Acquisition Corp. (5073), GT Sapphire Systems Holding LLC (4417), GT Advanced Cz LLC (9815), GT Sapphire Systems Group LLC (5126), and GT Advanced Technologies Limited (1721). The Debtors’ corporate headquarters are located at 243 Daniel Webster Highway, Merrimack, NH 03054.



JURISDICTION, VENUE AND STATUTORY BASIS

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

2. The statutory bases for the relief requested herein are sections 107(b) of the Bankruptcy Code and Bankruptcy Rule 9018.

BACKGROUND

3. On October 6, 2014 (the "Petition Date"), GTAT commenced voluntary cases under chapter 11 of the Bankruptcy Code in the United States Bankruptcy Court for the District of New Hampshire (the "Court"). GTAT continues to operate its businesses and manage its properties as debtors in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code. No request for the appointment of a trustee or examiner has been made in these chapter 11 cases.

4. On October 14, 2014, the Office of the United States Trustee for the District of New Hampshire appointed an official committee of unsecured creditors in these chapter 11 cases (the "Creditors' Committee").

5. These chapter 11 cases have been consolidated for procedural purposes only and are jointly administered pursuant to Bankruptcy Rule 1015(b).

6. On July 20, 2015, the Ad Hoc Committee of Equity Interest Holders ("Ad Hoc Committee") filed its *Motion for Appointment of a Committee of Equity Holders*, dated July 20, 2015 [Docket No. 2102] (the "Equity Committee Motion"). On July 30, 2015, GTAT objected to the Equity Committee Motion [Docket No. 2135].

7. The hearing on the Equity Committee Motion is currently scheduled for October 16, 2015. By order dated October 8, 2015 [Docket No. 2386] (the "Order re October 16, 2015"),

Hearing”), the Court required counsel for GTAT and counsel for the Ad Hoc Committee to file on or before October 14, 2015 at 12:00 p.m. all documents to which they intend to refer during their October 16, 2015 argument on the Equity Committee Motion.

8. In accordance with the Order re October 16, 2015 Hearing, GTAT has submitted the Exhibit to the Court.

9. The Exhibit is a presentation prepared by GTAT’s financial advisor, Rothschild, that was distributed to GTAT’s Restructuring Committee. The presentation contains a detailed performance and liquidity outlook, a summary of the Debtors’ marketing efforts, and an analysis of the Debtors’ capital needs to emerge from chapter 11.

RELIEF REQUESTED

10. GTAT seeks entry of an order authorizing it file the Exhibit under seal. In addition, GTAT requests that, to the extent that parties file pleadings related to the Exhibit, the Court order such parties to redact any confidential information in their pleadings, without the need for further orders from the Court.

11. Section 107(b) of the Bankruptcy Code enables the court to issue orders that protect parties from the potential harm that could result from disclosing confidential information:

On the request of a party in interest, the bankruptcy court shall, and on the bankruptcy court’s own motion, the bankruptcy court may ... protect an entity with respect to a trade secret or confidential research, development, or commercial information ...

12. Bankruptcy Rule 9018 provides the procedures by which a party may seek relief under section 107(b) of the Bankruptcy Code:

On motion or on its own initiative, with or without notice, the court may make any order which justice requires (1) to protect the estate or any entity in respect of a trade secret or other confidential research, development, or commercial information ...

13. If the court finds that an interested party is requesting information covered by section 107(b) of the Bankruptcy Code “protection is mandatory when requested by a party in interest.” *In re Gitto Global Corp.*, 422 F.3d 1, 7 (1st Cir. 2005); accord *In re Orion Pictures Corp.*, 21 F.3d 24, 27 (2d. Cir. 1994). Courts have defined “commercial information” as “information which would cause an unfair advantage to competitors by providing them with information as to the commercial operations of the debtor.” *In re Orion Pictures Corp.*, 21 F.3d at 27.

14. Here, sufficient cause exists for the Court to grant the Motion in order to protect the Debtors’ confidential commercial information. As noted, the Exhibit contains a detailed performance and liquidity outlook, a summary of the Debtors’ marketing efforts, and an analysis of the Debtors’ capital needs to emerge from chapter 11. Given that GTAT is currently in the process of marketing the sale of certain assets, releasing this information would offer potential buyers an unfair advantage in negotiations, undermine GTAT’s efforts to maximize the value of those assets, and would impair the value of the estates.

15. Moreover, making this information public would give GTAT’s competitors an unfair advantage. In GTAT’s experience, customers located in Asia heavily scrutinize information relating to competitors to leverage such information to their own advantage. If any commercially sensitive information relating to GTAT’s business outlook, marketing efforts, and capital needs were to become public, it would likely be seized upon by its competitors.

16. For the above reasons, GTAT respectfully requests that the Court permit GTAT to file the Exhibit under seal. To the extent that the parties file pleadings related to the Exhibit, GTAT respectfully request that the Court order such parties to redact any confidential information in their pleadings, without the need for further orders from the Court.

17. GTAT will provide copies of the Exhibit to (a) counsel for the Ad Hoc Committee, (b) counsel for the Creditors' Committee, and (c) counsel to certain unaffiliated holders of GT notes. GTAT will also provide a copy of the Exhibit to the Office of the United States Trustee for the District of New Hampshire (the "U.S. Trustee"), subject to the U.S. Trustee's agreement to not disclose the Exhibit.

NOTICE

18. Notice of this Motion has been provided by email, facsimile, or overnight courier to: (a) the Office of the United States Trustee for Region 1, 1000 Elm Street, Suite 605 Manchester, NH 03101, Attn: Geraldine L. Karonis; (b) Kelley Drye & Warren LLP, 101 Park Avenue, New York, NY 10178, Attn: James S. Carr, Esq., counsel to the Creditors' Committee; (c) the Internal Revenue Service, 1000 Elm St., 9th Floor Manchester, NH 03101, Attn: District and Regional Directors; (d) U.S. Securities and Exchange Commission, 100 F Street, NE, Washington, DC 20549; and (e) those parties who have formally filed requests for notice in these chapter 11 cases pursuant to Bankruptcy Rule 2002.

WAIVER OF MEMORANDUM OF LAW

17. GTAT requests that the Court waive and dispense with the requirement set forth in Rule 7102(b)(2) of the Local Bankruptcy Rules for the District of New Hampshire (the "LBR") that any motion filed shall have an accompanying memorandum of law. The legal authorities upon which GTAT relies are set forth in the Motion. Accordingly, GTAT submits that a waiver of the LBR 7102(b)(2) requirement is appropriate under these circumstances.

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WHEREFORE, GTAT respectfully requests an order, substantially in the form attached hereto, granting the relief requested herein and granting GTAT such other and further relief as is just and proper.

Dated: October 14, 2015

/s/ G. Alexander Bongartz

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Co-Counsel for the Debtors and Debtors in Possession

EXHIBIT A

UNITED STATES BANKRUPTCY COURT
DISTRICT OF NEW HAMPSHIRE

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In re: : **Chapter 11**
:
GT ADVANCED TECHNOLOGIES INC., et al.,: **Case No. 14-11916-HJB**
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Debtors.¹ :
: **Jointly Administered**
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ORDER, PURSUANT TO BANKRUPTCY CODE SECTION 107(b), BANKRUPTCY RULE 9018 AND LOCAL BANKRUPTCY RULE 5005-5, (I) AUTHORIZING DEBTORS TO FILE UNDER SEAL EXHIBIT A TO NOTICE OF FILING OF DOCUMENTS TO WHICH DEBTORS INTEND TO REFER DURING THEIR OCTOBER 16, 2015 ORAL ARGUMENT IN OPPOSITION TO AD HOC COMMITTEE’S MOTION FOR APPOINTMENT OF A COMMITTEE OF EQUITY HOLDERS, AND (II) DIRECTING PARTIES TO REDACT CONFIDENTIAL INFORMATION

Upon the motion (the “Motion”)² of GT Advanced Technologies Inc. (“GT”) and its affiliated debtors as debtors in possession (collectively, “GTAT” or the “Debtors”), for entry of an order: (i) authorizing the Debtors to file under seal Exhibit A (the “Exhibit”) to the *Notice of Filing of Document to Which Debtors Intend to Refer During Their October 16, 2015 Oral Argument in Opposition to Ad Hoc Committee’s Motion for Appointment of a Committee of Equity Holders*; and (ii) directing parties to redact confidential information related to the Exhibit in any subsequent filings, all as further detailed in the Motion; and this Court having jurisdiction to consider the Motion and the relief requested therein in accordance with 28 U.S.C. §§ 157 and 1334; and consideration of the Motion and the relief requested therein being a core proceeding

¹ The Debtors, along with the last four digits of each debtor’s tax identification number, as applicable, are: GT Advanced Technologies Inc. (6749), GTAT Corporation (1760), GT Advanced Equipment Holding LLC (8329), GT Equipment Holdings, Inc. (0040), Lindbergh Acquisition Corp. (5073), GT Sapphire Systems Holding LLC (4417), GT Advanced Cz LLC (9815), GT Sapphire Systems Group LLC (5126), and GT Advanced Technologies Limited (1721). The Debtors’ corporate headquarters are located at 243 Daniel Webster Highway, Merrimack, NH 03054.

² Capitalized terms used herein and not otherwise defined have the respective meanings set forth in the Motion.

pursuant to 28 U.S.C. § 157; and venue being proper in this Court pursuant to 28 U.S.C. §§ 1408 and 1409; and due and proper notice of the Motion being adequate and appropriate under the particular circumstances; and this Court having determined that the legal and factual bases set forth in the Motion establish just cause for the relief granted herein; and upon all of the proceedings had before this Court; after due deliberation and sufficient cause appearing therefor, it is hereby ORDERED THAT:

1. The Motion is granted as provided herein.
2. GTAT is authorized to file the Exhibit under seal.
3. Upon confirmation that the material will be kept confidential, GTAT shall provide a copy of the Exhibit to the U.S. Trustee.
4. To the extent any party files any pleading related to the Equity Committee Motion, such party shall redact any Confidential Information from its pleading filed on the docket.
5. The requirement set forth in LBR 7102(b)(2) that any motion filed shall have an accompanying memorandum of law is waived.
6. GTAT is authorized to take all actions necessary to effectuate the relief granted pursuant to this Order in accordance with the Motion.
7. This Court shall retain jurisdiction with respect to all matters arising from or related to the implementation of this Order.

Dated: October ____, 2015
Manchester, NH

HONORABLE HENRY J. BOROFF
UNITED STATES BANKRUPTCY JUDGE