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6

7 Bankruptcy Counsel for eStyle, Inc.,
Debtor and Debtor in Possession
8

9 **UNITED STATES BANKRUPTCY COURT**
10 **CENTRAL DISTRICT OF CALIFORNIA, LOS ANGELES DIVISION**

11 In re
12 ESTYLE, INC., a Delaware corporation,
dba babystyle, Cadeau, and Cadeau
13 Designs,
14
15 Debtor.

17 Tax Id # 95-4712564
18
19
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Case No. 2:08-bk-13518-SB

Chapter 11

**DEBTOR'S MOTION FOR ORDER (1)
LIMITING EXTENT OF NOTICE REQUIRED
FOR ADMINISTRATIVE MATTERS AND (2)
AUTHORIZING SERVICE BY EMAIL ON
PARTIES WHO CONSENT TO SUCH
SERVICE**

DATE: March 21, 2008
TIME: 10:00 a.m.
PLACE: U.S. Bankruptcy Court
Courtroom 1575
255 East Temple Street
Los Angeles, CA 90012

SulmeyerKupetz, A Professional Corporation
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I.

SUMMARY

eStyle, Inc. (the "Debtor"), the above-captioned debtor and debtor in possession, respectfully requests that the Court authorize the Debtor to provide limited notice of administrative matters. The limitations sought are set forth below. Approval of this motion will promote the expeditious and economical administration of the estate. The Debtor has in excess of 1150 creditors, equity holders, and other parties in interest included in its Master Mailing List. Further, the Debtor contemplates that it may be required to bring numerous administrative matters before the Court in this case. Limiting the extent of notice required for such matters will greatly reduce the substantial burden and expense that would be imposed upon the estate if the Debtor is required to provide notice of all administrative matters in this case to all of its creditors and various other parties. At the same time, a creditor, shareholder, or other party in interest desiring to receive notice of administrative matters can ensure that notice will be received by filing and serving a request for special notice. Moreover, in order to save the estate substantial expense in postage and copying costs, and to make receipt of documents more convenient and expedient for various interested parties, the Debtor also requests that the Court authorize the Debtor to serve notices, pleadings, and other documents filed in this case by email on those parties who consent in advance to receiving service of such documents by email.

This Motion is brought pursuant to Local Bankruptcy Rule 2081-1(b)(2)(A). The reasons and grounds in support of this Motion are more fully discussed below and in the Omnibus Declaration of Robert S. Kelleher in Support of "First Day" Motions. The Debtor has served this Motion on the twenty largest unsecured creditors in this case, the Debtor's secured lenders, the United States trustee, the Internal Revenue Service, and any parties that have filed and served on the Debtor a request for special notice in this case.

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II.

COMMENCEMENT OF CHAPTER 11 CASE

eStyle, Inc. (the "Debtor"), commenced the above-captioned case by filing a voluntary chapter 11 petition on March 19, 2008 (the "Petition Date"). The Debtor remains in possession of its assets and continues to operate and manage its business pursuant to 11 U.S.C. §§ 1107 and 1108. Approval of this Motion will promote the expeditious and economical administration of the estate by reducing the burden and expense of providing notice of administrative matters to all of the Debtor's creditors. The Debtor has in excess of 1150 creditors, equity holders and other parties in interest included in its master mailing list.

III.

THE DEBTOR

The Debtor is multichannel retailer that sells maternity, baby and kids apparel, and toys, gear and related products direct to the consumer. As of the Petition Date, the Debtor sells its products at its 23 retail stores (located in nine states), through its babystyle.com website, and through a direct mail program. The Debtor sells product under its babystyle and Cadeau labels and under leading brand labels. The Debtor also sells its Cadeau brand product to wholesale accounts.

IV.

THE COURT MAY AUTHORIZE THE DEBTOR TO PROVIDE LIMITED NOTICE OF ADMINISTRATIVE MATTERS

The Court may limit the extent of notice that the Debtor is required to provide of administrative matters in this case. As stated above, this Motion is brought pursuant to Local Bankruptcy Rule 2081-1(b)(2)(A). Rule 9007 of the Federal Rules of Bankruptcy Procedure provides:

Rule 9007. General Authority to Regulate Notices.

When notice is to be given under these rules, the court shall designate, if not otherwise specified herein, the time

1 within which, the entities to whom, and the form and manner
2 in which the notice shall be given. When feasible, the court
may order any notices under these rules to be combined.

3 Fed. R. Bankr. P. 9007.

4 Rule 2002 of the Federal Rules of Bankruptcy Procedure specifies the
5 notice required to be provided creditors and other parties in interest in bankruptcy cases.

6 Rule 2002(i) provides:

7 (i) Notices to Committees. Copies of all notices required
8 to be mailed under this rule shall be mailed to the committees
9 ... or to their authorized agents. Notwithstanding the
10 foregoing subdivisions, the court may order the notices
11 required by subdivision (a)(2), (3) and (6) of this rule be
mailed only to the committees ... or to their authorized agents
and to the creditors and equity security holders who serve on
the trustee or debtor in possession and file a request that all
notices be mailed to them...

12 Fed. R. Bankr. P. 2002(i). Rule 2002(a)(2) governs notice with respect to a proposed
13 use, sale, or lease of property of the estate other than in the ordinary course of business.

14 Fed. R. Bankr. P.2002(a)(2). Rule 2002(a)(3) governs notice with respect to the approval
15 of compromises or settlement of controversies (other than approval of an agreement
16 pursuant to Rule 4001(d)). Fed. R. Bankr. P. 2002(a)(3). Rule 2002(a)(6) provides for
17 notice of hearings on applications for compensation or reimbursement of expenses
18 exceeding \$1,000. Fed. R. Bankr. P. 2002(a)(6).

19 The Debtor requests that the Court authorize it to limit notice as explicitly
20 provided in Rule 2002(i) of the Federal Rules of Bankruptcy Procedure and, in addition,
21 with respect to administrative matters analogous or similar to those stated in Rule
22 2002(i), for which Rule 2002 does not provide that notice must be provided to all creditors
23 and/or equity security holders in a case.

24 The Debtor believes that limiting the extent of notice required for
25 administrative matters in this case will greatly reduce the burden and cost that providing
26 such notice would impose on the estate. Moreover, the interests of creditors are
27 protected by allowing any creditor who desires to receive notice of all administrative
28 matters in this case to file with the clerk and serve on counsel for the Debtor a request for

1 special notice. The Advisory Committee Note (1983) to Rule 2002 of the Federal Rules
2 of Bankruptcy Procedure, in pertinent part, states:

3 Subdivision (i) contains a list of matters of which notice may
4 be given creditors' committee or to its authorized agent in lieu
5 of notice to the creditors. Such notice may serve every
6 practical purpose of a notice to all the creditors and save
7 delay and expense. In re Schulte-United, Inc., 59 F.2d 553,
8 561 (8th Cir. 1932).

9 The Debtor proposes to limit notice provided creditors, and other parties in
10 interest of administrative matters in this case, except for matters of which notice must be
11 given to all creditors pursuant to Rule 2002 Federal Rules of Bankruptcy Procedure. The
12 Debtor proposes and requests that the court authorize that notice of administrative
13 matters be limited to the following entities:

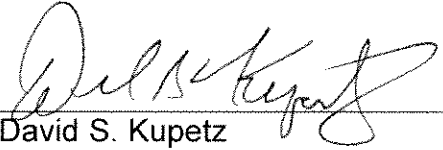
- 14 (1) The Office of the United States Trustee;
- 15 (2) Members of the Official Unsecured Creditors' Committee, if any, appointed
16 in this case;
- 17 (3) Counsel, if any, employed by the Official Unsecured Creditors' Committee
18 appointed in this case;
- 19 (4) Representatives and counsel for the Debtor's secured lenders (Wachovia
20 and Oak and GRP entities);
- 21 (5) The Internal Revenue Service;
- 22 (6) All other entities requesting special notice by filing a written request with the
23 Clerk and serving a copy of said request on counsel for the Debtor; and
- 24 (7) Any other parties that the Court may direct.

25 The Debtor seeks to reduce the burden and expense of providing notice of
26 all administrative matters in this case. Service of notices, pleadings, and other
27 documents filed with the Court by email on parties who consent, in advance, to receiving
28 service of documents by email will dramatically reduce postage and copying expenses in
this case and will expedite service in a manner that many parties will likely find preferable
to the other more costly alternatives. Further, the Court's approval of this Motion will

1 case, and service by email (on those parties who consent to such service in advance),
2 and that the Court grant such further and other relief as the Court deems just and proper.

3 DATED: March 19, 2008 Respectfully submitted,

4
5 **SulmeyerKupetz**
6 A Professional Corporation

7 By: 
8 _____
9 David S. Kupetz
10 Bankruptcy Counsel for eStyle, Inc.,
11 Debtor and Debtor in Possession

SulmeyerKupetz, A Professional Corporation
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EXHIBIT 1

SulmeyerKupetz, A Professional Corporation
333 SOUTH HOPE STREET, THIRTY-FIFTH FLOOR
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7 Bankruptcy Counsel for eStyle, Inc.,
Debtor and Debtor in Possession
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10 **UNITED STATES BANKRUPTCY COURT**
11 **CENTRAL DISTRICT OF CALIFORNIA, LOS ANGELES DIVISION**

13 In re
14 ESTYLE, a Delaware corporation, dba
babystyle, Cadeau, and Cadeau Designs,
15 Debtor.
16

17
18 Tax Id # 95-4712564
19

Case No. 2:08-bk-13518-SB

Chapter 11

**NOTICE OF (1) ORDER LIMITING EXTENT
OF NOTICE REQUIRED FOR
ADMINISTRATIVE MATTERS AND (2)
AUTHORIZING SERVICE BY EMAIL ON
THOSE PARTIES WHO CONSENT TO
SUCH SERVICE**

DATE: March 21, 2008
TIME: 10:00 a.m.
PLACE: U.S. Bankruptcy Court
Courtroom 1575
255 East Temple Street
Los Angeles, CA 90012

22
23 **TO ALL CREDITORS AND PARTIES IN INTEREST:**
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25 **PLEASE TAKE NOTICE** that the United States Bankruptcy Court has
26 ordered that eStyle, Inc. (the "Debtor"), is authorized to provide limited notice of
27 administrative matters in the above-captioned chapter 11 case, except for matters of
28 which notice must be given to all creditors pursuant to Rule 2002 of the Federal Rules of

1 Bankruptcy Procedure. The Debtor is authorized to provide notice of administrative
2 matters solely to the following entities:

- 3 1. The Office of the United States trustee;
- 4 2. Members of the Official Unsecured Creditors' Committee, if any,
5 appointed in this case;
- 6 3. Counsel, if any, employed by the Official Unsecured Creditors'
7 Committee appointed in this case;
- 8 4. Representatives and Counsel for the Debtor's secured lenders;
- 9 5. The Special Procedures staff of the Insolvency Unit of the Internal
10 Revenue Service; and
- 11 6. All other entities requesting special notice by filing a written request
12 with the Clerk and serving a copy of said request on counsel for the Debtor.

13 **PLEASE TAKE FURTHER NOTICE** that any party in interest desiring to
14 receive notice of administrative and others matters in the Debtor's case may request such
15 notice by: (1) filing a written request for special notice with the Clerk of the United States
16 Bankruptcy Court, located at: 255 East Temple Street, Los Angeles, CA 90012; and (2)
17 serving a copy of said request on the Debtor's bankruptcy counsel, whose name and
18 address appears at the upper left corner of this first page of this notice.

19 **PLEASE TAKE FURTHER NOTICE** that the Court has authorized the
20 Debtor to serve notices, pleadings and other documents filed in this case by email on
21 those parties who, in advance, consent to such service. If you desire to receive notices,
22 pleadings and/or other documents filed in this case by email and have not already
23 advised bankruptcy counsel for the Debtor of that desire, please include in your request
24 for special notice, if you are filing and servicing such a request, a request that you be
25 served with documents by email and provide your email address or, if you are not filing a
26 request for special notice, please contact Debbie Perez of SulmeyerKupetz, a
27 professional corporation, 333 South Hope Street, Thirty-Fifth Floor, Los Angeles, CA
28 90071-1406, attn: Debbie Perez, (tel) 213-626-2311, (fax) 213-629-4520,

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(email) dperez@sulmeyerlaw.com., in writing (email is acceptable) to advise that you consent to service by email.

DATED: _____, 2008 **SulmeyerKupetz**
A Professional Corporation

By: _____
David S. Kupetz
Bankruptcy Counsel for eStyle, Inc.,
Debtor and Debtor in Possession

EXHIBIT 2

1 David S. Kupetz (CA Bar No. 125062)
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2 Mark S. Horoupian (CA Bar No. 175373)
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7 Bankruptcy Counsel for eStyle, Inc.,
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9 **UNITED STATES BANKRUPTCY COURT**
10 **CENTRAL DISTRICT OF CALIFORNIA, LOS ANGELES DIVISION**

11 In re
12 ESTYLE, a Delaware corporation, dba
babystyle, Cadeau, and Cadeau Designs,
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14 Debtor.
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16 Tax Id # 95-4712564
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Case No. 2:08-bk-13518-SB
Chapter 11
**ORDER (1) LIMITING EXTENT OF NOTICE
REQUIRED FOR ADMINISTRATIVE
MATTERS AND (2) AUTHORIZING
SERVICE BY EMAIL ON THOSE PARTIES
WHO CONSENT TO SUCH SERVICE**

DATE: March 21, 2008
TIME: 10:00 a.m.
PLACE: U.S. Bankruptcy Court
Courtroom 1575
255 East Temple Street
Los Angeles, CA 90012

21 eStyle, Inc. (the "Debtor"), debtor and debtor in possession, filed a motion
22 (the "Motion") requesting an order limiting the extent of notice required for administrative
23 matters in this case. Based on the Motion, and the declaration submitted in support
24 thereof, it appearing that no harm to creditors will result, and it further appearing that prior
25 notice to creditors of the Motion, beyond that provided by the Debtor, is not necessary
26 under the circumstances of this case, and good cause appearing therefor,
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IT IS ORDERED as follows:

1. The Motion is granted;

2. The Debtor may limit notice of all matters described in Federal Rule of Bankruptcy Procedure (“Rule”) 2002(i) and of similar administrative matters for which Rule 2002 does not require notice to be sent to all creditors, equity security holders, and other parties interest, to the following parties and/or their counsel:

- a. The Office of the United States Trustee;
- b. Members of the Official Unsecured Creditors' Committee, if any, appointed in this case;
- c. Counsel, if any, employed by the Official Unsecured Creditors' Committee appointed in this case;
- d. The secured lenders of the Debtor (Wachovia, Oak, and GRP);
- e. The Special Procedures staff of the Insolvency Unit of the Internal Revenue Service; and
- f. All other entities requesting special notice by filing a written request with the Clerk of the United States Bankruptcy Court and serving a copy of said request on counsel for the Debtor.

3. The Debtor is authorized to serve notice, pleadings and other documents filed in this case by email on parties who consent, in advance, to being served by email.

4. The Debtor shall serve a notice (“Notice”) of this Order on all creditors, all known equity holders, and other known interested parties in this case within

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seven days from the date this Order is entered. The Notice shall substantially conform to Exhibit 1 attached hereto.

DATED: _____

HON. SAMUEL L. BUFFORD
UNITED STATES BANKRUPTCY JUDGE

PRESENTED BY:
SulmeyerKupetz
A Professional Corporation

By: _____
David S. Kupetz
Bankruptcy Counsel for eStyle, Inc.,
Debtor and Debtor in Possession