

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF OHIO
WESTERN DIVISION**

In re) Chapter 11
)
) Case No. 09-12869 (JVA)
SENCORP, et al.,¹) (Joint Administration Requested)
)
) Honorable J. Vincent Aug, Jr.
Debtors.)
)

**MOTION FOR ENTRY OF AN ORDER GRANTING THE DEBTORS
ADDITIONAL TIME WITHIN WHICH TO FILE SCHEDULES AND STATEMENTS**

(“MOTION TO EXTEND FILING SCHEDULES AND STATEMENTS”)

The above-captioned debtors and debtors in possession (collectively, the “**Debtors**”) hereby move this Court (the “**Motion**”) for entry of an order (the “**Order**”), in substantially the form attached hereto as Exhibit A, granting the Debtors additional time within which to file schedules and statements. In support of this Motion, the Debtors respectfully state:²

JURISDICTION

1. This Court has jurisdiction over this Motion under 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 of this proceeding and this Motion in this District is proper under 28 U.S.C. §§ 1408 and 1409.
2. The statutory basis for the relief requested herein is Section 521 of title 11 of the United States Code, 11 U.S.C. §§ 101-1330, as amended by the Bankruptcy Abuse Prevention

¹ The Debtors in these Chapter 11 cases are: SENCORP, Senco Products, Inc., Senco Export, Inc., SenSource Global Sourcing, LLC, TyRex, LLC, Global Fastening Solutions, LLC, Agrifast, LLC, Nexicor, LLC, Omnifast, LLC, S C FINANCIAL, INC., Senco International, Inc., Sentron Medical, Inc., and Gregg Laboratories, Inc.

² The facts and circumstances supporting this Motion are set forth in the Affidavit of David T. Fyffe, Vice President-Corporate Financial Operations and Treasurer of SENCORP, in Support of First Day Motions (the “**First Day Affidavit**”), filed contemporaneously herewith.

and Consumer Protection Act of 2005 (the “**Bankruptcy Code**”), and Rule 1007(c) of the Federal Rules of Bankruptcy Procedure (the “**Bankruptcy Rules**”).

BACKGROUND

3. The Debtors commenced these above-captioned cases (the “**Chapter 11 Cases**”) by filing voluntary petitions for relief under chapter 11 of the Bankruptcy Code on May 8, 2009 (the “**Petition Date**”). Pursuant to Sections 1107(a) and 1108 of the Bankruptcy Code, the Debtors are operating their businesses and managing their affairs as debtors-in-possession. As of the date hereof, no creditors’ committee, trustee or examiner has been appointed in any of these Chapter 11 Cases.

4. The Debtors are a group of privately-held companies that collectively constitute a leading designer, manufacturer and distributor of branded pneumatic and battery powered staplers, nailers and screw systems and collated staples, nails and screws. The Debtors’ brand names are well-known in the industry for quality, reliability and service. The Debtors sell to a diversified customer base, including pro trades, industrial, consumer, international and commercial customer segments. Certain aspects of the Debtors’ businesses, including the SENCO name, have existed for over 50 years. As further evidence of the Debtors’ long-term success, most of the Debtors’ top ten customers have purchase products from the Debtors for more than 20 years.

5. Despite the Debtors’ historical strength, the Debtors have not been immune to the recent widespread economic downturn. Over the past several years, the Debtors’ sales volume and profitability have been negatively impacted by several economic factors, including (a) the sharp rise in the price of steel rod (the Debtors’ primary raw material) to historic levels in 2008, (b) a severe decline in residential and commercial construction (the Debtors’ primary

customer segments) and (c) the deteriorating economic conditions leading to the current recession.

6. In response to these economic challenges, the Debtors implemented several critical initiatives in 2008 and early 2009. Among other things, the Debtors have implemented significant workforce reductions, as well as significant pay reductions for all of the Debtors' remaining employees, including senior management. The Debtors have also consolidated domestic manufacturing operations from two facilities to one, and have closed three of their six distribution centers. The Debtors have also implemented several moves designed to increase efficiency in inventory, supply and international operations.

7. Despite these efforts, it has recently become clear that the Debtors do not have sufficient liquidity to survive the current economic downturn in their current state. As a result, the Debtors engaged Mesirow Financial, Inc. ("Mesirow") on March 9, 2009 to serve as investment bankers for the Debtors to assist the Debtors in exploring possible sale transactions. Mesirow contacted over 100 financial and strategic parties, and after an intense, expedited marketing period the Debtors determined that the highest and best offer presently available to the Debtors was an offer from Wynnchurch Capital, Ltd. ("Wynnchurch") to serve as a stalking horse bidder in a sale of substantially all of the Debtors' assets under Section 363 of the Bankruptcy Code.

8. On April 10, 2009, the Debtors executed a Letter of Intent (the "LOI") with Wynnchurch representing Wynnchurch's stalking horse bid for substantially all of the Debtors' assets. Thereafter, on May 7, 2009, the Debtors entered into a binding asset purchase agreement (the "APA") with Wynnchurch and Wynnchurch's affiliate Senco Holdings, Inc. for the purchase of substantially all of the Debtors' assets for \$41 million in cash, plus the

assumption of certain liabilities. The APA requires the Debtors, among other things, to commence these Chapter 11 Cases by May 11, 2009, obtain by May 28, 2009 an order from this Court approving bidding procedures for the sale of the Debtors' assets, and to obtain an order from this Court by July 7, 2009 approving the sale of substantially all of the Debtors' assets to Wynnchurch (or its affiliates) or such other successful bidder as may be selected at the auction in accordance with the bidding procedures. The Debtors are proceeding with a proposed sale process on those timelines.

9. Subject to the approval of this Court, the Debtors have obtained a proposed debtor-in-possession financing facility (the "**DIP Facility**") from the Debtors' prepetition secured lenders, led by Bank of America, NA, as administrative agent (the "**DIP Agent**") and as a lender, which the Debtors believe will provide the Debtors with sufficient liquidity through the above-described sale process.

RELIEF REQUESTED

10. Pursuant to Section 521 of the Bankruptcy Code and Rule 1007(c) of the Bankruptcy Rules, a debtor is required, within 15 days from the date of filing its chapter 11 petition, to file with this Court (a) a schedule of assets and liabilities, (b) a statement of financial affairs, (c) a schedule of current income and expenditures, (d) a statement of executory contracts and unexpired leases, and (e) a list of equity and security holders required by Bankruptcy Rule 1007(b) (collectively, the "**Schedules and Statements**"). By this Motion, the Debtors seek an order extending their time for filing the Schedules and Statements by an additional thirty (30) days (for a total of 45 days from the Petition Date) through and including June 22, 2009.

BASIS FOR RELIEF

11. The Debtors have approximately twenty-nine thousand (29,000) creditors (including current and former employees). Further, the conduct and operation of the Debtors' business operations require the Debtors to maintain voluminous books and records and complex accounting systems. Given the size and complexity of their business operations, the number of creditors, and the fact that certain prepetition invoices have not yet been received or entered into the Debtors' financial accounting systems, the Debtors have begun, but have not yet finished, compiling the information required to complete the Schedules and Statements.

12. Given the numerous critical operational matters that the Debtors' staff of accounting and legal personnel must address in the early days of these cases, the Debtors will not be in a position to complete the Schedules and Statements within the time specified in Bankruptcy Rule 1007(c). Completing the Schedules and Statements for the Debtors will require the collection, review and assembly of information from multiple locations throughout the United States. Nevertheless, recognizing the importance of the Schedules and Statements in these Chapter 11 Cases, the Debtors intend to complete the Schedules and Statements as quickly as possible under the circumstances.

13. Accordingly, the Debtors respectfully request that this Court extend by an additional forty five (45) days, for a total of sixty (60) days, until June 22, 2009, the date by which the Schedules and Statements must be filed, pursuant to Rule 1007(c) of the Bankruptcy Rules. Bankruptcy Rule 1007(c) authorizes this Court to grant an extension of the date by which the Schedules and Statements must be filed, pursuant to Bankruptcy Rule 1007, "on motion for cause shown." The substantial size, scope and complexity of these cases and the volume of material that must be compiled and reviewed by the Debtors' staff in order to

complete the Schedules and Statements for each Debtor during the initial days of these Chapter 11 Cases provides ample “cause” for justifying, if not compelling, the requested extension.

WAVIER OF MEMORANDUM OF LAW

14. This Motion includes citations to the applicable authorities and a discussion of their application to this Motion. Accordingly, the Debtors respectfully submit that such citations and discussion satisfy the requirement that the Debtors submit a separate memorandum of law in support of this Motion pursuant to Local Bankruptcy Rule 9013-1(a).

NOTICE

15. No trustee, examiner or creditors’ committee has been appointed in these Chapter 11 Cases. The Debtors have provided notice of this Motion to: (i) the Office of the United States Trustee for the Southern District of Ohio; (ii) counsel to the administrative agent for the Debtors’ prepetition lenders; (iii) counsel to the administrative agent for the Debtors’ proposed debtor-in-possession lenders; (iv) counsel to Wynnchurch; (v) the creditors listed on the Debtors’ consolidated list of thirty largest unsecured creditors, as filed with the chapter 11 petitions; (vi) all parties asserting a security interest in the assets of the Debtors to the extent reasonably known to the Debtors; and (vii) any governmental unit listed in LBR 5003-1(d). In light of the nature of the relief requested, the Debtors submit that no further notice is required or needed under the circumstances. **Please take notice that the Debtors have filed a Motion for an Expedited Hearing to consider First Day Motions and Applications, including the foregoing. The Debtors shall serve notice of the objection deadline and expedited hearing date pursuant to further order(s) of this Court.**

NO PRIOR REQUEST

16. No prior motion for the relief requested herein has been made to this Court or any other court.

WHEREFORE, the Debtors respectfully request that this Court enter an order, substantially in the form attached hereto as Exhibit A, (i) granting the Debtors an extension of forty five (45) days pursuant to Rule 1007(c) of the Bankruptcy Rules within which to file Schedules and Statements, which will provide the Debtors with a total of sixty (60) days after the Petition Date to file the Schedules and Statements, and (b) granting such other and further relief as this Court deems appropriate.

Dated: May 8, 2009
Cincinnati, OH

Respectfully submitted,

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- and -

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**PROPOSED ATTORNEYS FOR DEBTORS
AND DEBTORS-IN-POSSESSION**

EXHIBIT A

Proposed Order

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF OHIO
WESTERN DIVISION**

In re)	Chapter 11
)	
)	Case No. 09-12869 (JVA)
SENCORP, <u>et al.</u> ,)	(Joint Administration Requested)
)	
)	Honorable J. Vincent Aug, Jr.
Debtors.)	
)	

**ORDER GRANTING THE DEBTORS ADDITIONAL TIME
WITHIN WHICH TO FILE SCHEDULES AND STATEMENTS**

Upon consideration of the motion (the “**Motion**”)¹ of the Debtors² for entry of an order granting the Debtors additional time within which to file the Schedules and Statements; and it appearing that the relief requested is in the best interests of the Debtors’ estates, their creditors,

¹ Capitalized terms used but not defined herein shall have the meanings ascribed to them in the Motion.

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and other parties in interest; and it appearing that this Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334; and it appearing that this Motion is a core proceeding pursuant to 28 U.S.C. § 157; and adequate notice of the Motion and opportunity for objection having been given, with no objections or requests for hearing having been filed; and it appearing that no other notice need be given; and after due deliberation and sufficient cause therefor, it is hereby:

1. ORDERED that the Motion is granted; and it is further
2. ORDERED that the Debtors are granted an extension of forty five (45) days of the time provided for under Rule 1007(c) of the Bankruptcy Rules to file the Schedules and Statements, which will provide the Debtors with a total of sixty (60) days after the Petition Date to file the Schedules and Statements, with such date being and including June 22, 2009; and it is further
3. ORDERED that such extension is without prejudice to the Debtors' right to file a motion seeking a further extension; and it is further
4. ORDERED that the Debtors are authorized and empowered to take all actions necessary to implement the relief granted in this Order; and it is further
5. ORDERED that the terms and conditions of this Order shall be immediately effective and enforceable upon its entry; and its is further
6. ORDERED that this Court retains jurisdiction with respect to all matters arising from or related to the implementation of this Order.

SO ORDERED.

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