

**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 OF THE DEBTORS FOR ENTRY OF AN ORDER AUTHORIZING
THE DEBTORS TO (I) PREPARE A CONSOLIDATED LIST OF CREDITORS
AND EQUITY SECURITY HOLDERS IN LIEU OF A MAILING MATRIX, (II)
FILE A CONSOLIDATED LIST OF THE THIRTY LARGEST
UNSECURED CREDITORS AND (III) MAIL INITIAL NOTICES**

(“CONSOLIDATED LIST OF CREDITORS AND MAIL NOTICES MOTION”)

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, authorizing the Debtors to (a) prepare a consolidated list of creditors and equity security holders in lieu of a mailing matrix, (b) file a consolidated list of the thirty (30) largest unsecured creditors and (c) mail initial notices. In support of this Motion, the Debtors respectfully state:²

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.

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 bases for the relief requested herein are Rules 1007(a) of the Federal Rules of Bankruptcy Procedure (the “**Bankruptcy Rules**”) and Rule 1007-2 of the Local Bankruptcy Rules for the United States Bankruptcy Court for the Southern District of Ohio (the “**Local 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. By this Motion, the Debtors seek entry of an order authorizing them to (a) prepare and file a consolidated list of creditors and a list of equity security holders in electronic format only, identifying their creditors in the format or formats currently maintained in the ordinary course of business in lieu of any required mailing matrix, (b) file a consolidated list of the thirty (30) largest general unsecured creditors and (c) mail initial notices.

BASIS FOR RELIEF

A. Consolidated List Of Creditors

11. The Debtors have identified thousands of entities to which notice of certain proceedings in these chapter 11 cases must be provided. The Debtors anticipate that such notices will comprise, without limitation, notice of: (a) the commencement of these chapter 11 proceedings, (b) the initial meeting of the Debtors' creditors in accordance with Section 341 of the Bankruptcy Code, (c) applicable bar dates for the filing of claims, (c) the hearing on adequacy of a disclosure statement in respect of a plan of reorganization, (d) the hearing to confirm a plan of reorganization and (e) the proposed sale of the Debtors assets (collectively, the "**Notices**").

12. Rule 1007-2 of the Local Rules provides that in a voluntary chapter 11 case, the debtor must file "a mailing list of creditors and other parties in interest."

13. The Debtors believe that maintaining a consolidated list of their creditors and equity security holders in electronic format only in lieu of filing a creditor matrix is warranted under the circumstances. Indeed, converting the Debtors' computerized information to a format compatible with the matrix requirements would be an exceptionally burdensome task and would greatly increase the risk and recurrence of error with respect to information already intact on computer systems maintained by the Debtors or their agents.

14. Moreover, concurrently with this Motion, the Debtors have filed an application seeking the appointment of The Garden City Group, Inc. ("**GCG**") as claims, balloting and noticing agent in these Chapter 11 Cases. If such application is granted, GCG will, among other things, (a) assist with the consolidation of the Debtors' computer records into a creditor database and (b) complete the mailing of Notices to the parties in such database. Accordingly, it is in the

best interest of the Debtors' estates to avoid the cost associated with preparing and filing a separate matrix.

15. After consultation with GCG, the Debtors believe that preparing the consolidated list in the format or formats currently maintained in the ordinary course of business will be sufficient to permit GCG to promptly notice all applicable parties. Accordingly, it is in the best interest of the Debtors' estates to avoid the costs and risks associated with preparing and filing separate matrices.

16. Relief similar to that requested herein has been granted in comparable chapter 11 cases in this District. See In re Milacron, Inc., Case No. 09-11235 (JVA) (Bankr. S.D. Ohio March 12, 2009); In re Triad Resources, Inc., Case No. 08-62733 (Bankr. S.D. Ohio Dec. 31, 2008).

B. Single Consolidated List Of The 30 Largest General Unsecured Creditors

17. Pursuant to Bankruptcy Rule 1007(d), a debtor shall file "a list containing the name, address and claim of the creditors that hold the largest 20 unsecured claims, excluding insiders..." Fed. R. Bankr. P. 1007(d). This top 20 List is primarily used by the United States Trustee (the "**U.S. Trustee**") to evaluate the types and amounts of unsecured claims against the debtor and thus identify potential candidates to serve on an official committee of unsecured creditors appointed in the debtor's case pursuant to Section 1102 of the Bankruptcy Code.

18. The Debtors submit that a single consolidated list of their combined thirty (30) largest unsecured creditors in these cases would be more reflective of the body of unsecured creditors that have the greatest stake in these cases than separate lists for each of the Debtors. Furthermore, many creditors are shared among certain of the Debtors, and the Debtors would therefore have to expend significant resources and effort to reconcile which claims may be

asserted against which Debtors. Therefore, the Debtors request authority to file a single, consolidated list of their 30 largest general unsecured creditors.

19. The Debtors have many thousands of potential unsecured creditors. Requiring each of the Debtors to file a separate top 20 list in each of their respective cases would generate numerous names, addresses, and claim amounts. The Debtors do not believe that such a voluminous filing would facilitate the Office of the United States Trustee's, or any other party-in-interest's, review of creditor claims. In addition, the exercise of compiling separate top 20 lists would consume an excessive amount of the Debtors' scarce time and resources. In light of the foregoing, the Debtors submit that authority to file a single, consolidated list of the 30 largest unsecured creditors in these cases is in the best interests of the estates and will facilitate the efficient and orderly administration of these cases.

20. Relief similar to that requested in this Motion has been granted in other chapter 11 cases. See In re Milacron, Inc., Case No. 09-11235 (Bankr. S.D. Ohio March 12, 2009); In re Triad Resources, Inc., Case No. 08-62733 (Bankr. S.D. Ohio December 31, 2008).

C. Mail Initial Notices To Creditors

21. As stated above, the Debtors, by separate application, are seeking authority to retain GCG as notice, balloting and claims agent. The Debtors propose that GCG will undertake all mailings directed by this Court, the U.S. Trustee, or as required by the Bankruptcy Code. Additionally, GCG will assist the Debtors in preparing creditor lists and mailing initial Notices. With such assistance, the Debtors will be prepared to file a computer-readable consolidated list of creditors upon request and will be capable of undertaking all necessary mailings.

WAIVER OF MEMORANDUM OF LAW

22. 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(a).

NOTICE

23. 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

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

WHEREFORE, the Debtors respectfully request entry of an order, substantially in the form attached hereto as Exhibit A, (a) authorizing the Debtors to prepare and file a consolidated list of creditors and equity security holders, in lieu of a mailing matrix, (b) authorizing the Debtors to file a consolidated list of their thirty (30) largest unsecured creditors, (c) authorizing the Debtors to mail initial notices with the assistance of a notice, balloting and claims agent and (d) granting such other further relief as is just and proper.

Dated: May 8, 2009
Cincinnati, OH

Respectfully submitted,

LATHAM & WATKINS LLP

Josef S. Athanas (pro hac vice motion pending)
Stephen R. Tetro II (pro hac vice motion pending)
Sears Tower, Suite 5800
233 South Wacker Drive
Chicago, Illinois 60606-6401
Telephone: (312) 876-7700
Facsimile: (312) 993-9767

- and -

FROST BROWN TODD LLC

By: /s/ Ronald E. Gold

Ronald E. Gold, Esq. (0061351)
Beth A. Buchanan, Esq. (0068430)
2200 PNC Center
201 East Fifth Street
Cincinnati, Ohio 45202
Telephone: (513) 651-6800
Facsimile: (513) 651-6981
Email: rgold@fbtlaw.com
Email: bbuchanan@fbtlaw.com

**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, et al.,) (Joint Administration Requested)
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) Honorable J. Vincent Aug, Jr.
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**ORDER AUTHORIZING
THE DEBTORS TO (I) PREPARE A CONSOLIDATED LIST OF CREDITORS
AND EQUITY SECURITY HOLDERS IN LIEU OF A MAILING MATRIX, (II)
FILE A CONSOLIDATED LIST OF THE THIRTY LARGEST
UNSECURED CREDITORS AND (III) MAIL INITIAL NOTICES**

Upon consideration of the motion (the "Motion")¹ of the Debtors² for entry of an order authorizing the Debtors to (a) prepare a consolidated list of creditors and equity security holders

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

² 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.

in lieu of a mailing matrix, (b) file a consolidated list of the thirty (30) largest unsecured creditors, and (c) mail initial notices; and it appearing that the relief requested is in the best interests of the Debtors' estates, their creditors, and other parties in interest; and upon the Affidavit of David T. Fyffe, Chief Financial Officer of SENCORP, in Support of First Day Motions (the "**First Day Affidavit**"), filed contemporaneously with the Motion; 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; 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 notwithstanding Bankruptcy Rule 1007(d) and Local Rule 1007-2, the Debtors are authorized to prepare a consolidated list of creditors and a list of equity security holders in a computer readable format that is acceptable to the Clerk of this Court and to make such list available only upon request; and it is further
3. ORDERED that the Debtors are authorized to file a consolidated list of their thirty (30) largest general unsecured creditors; and it is further
4. ORDERED that the Debtors, with the assistance of The Garden City Group, Inc. ("**GCG**") (upon this Court's authorization to engage GCG as the Debtors' notice, balloting and claims agent (the "**Notice and Claims Agent**")), are authorized to mail initial Notices, such as (a) a notice of filing of these Chapter 11 Cases; (b) a notice of a meeting of creditors under section 341 of the Bankruptcy Code; and (c) any correspondence the Debtors may wish to send to creditors and equity security holders as part of the Debtors' communication efforts to keep

their creditors and equity security holders informed with respect to the status of these Chapter 11 Cases; and it is further

5. ORDERED that the Debtors, with the assistance of the Notice and Claims Agent, are authorized to undertake all mailings directed by this Court, the United States Trustee or as required by the Bankruptcy Code, including, but not limited to, the notice of commencement and any other correspondence that the Debtors may wish to send to creditors; and it is further

6. 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

7. ORDERED that the terms and conditions of this Order shall be immediately effective and enforceable upon its entry; and it is further

8. 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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