

Restructuring & Insolvency

Winstead's Restructuring & Insolvency Practice Group has the experience, innovation, and dedication necessary to navigate our clients through any distressed business situation. We work aggressively to maximize our clients' economic recovery, without sacrificing the efficiency and business-mindedness that is the hallmark of our attorneys. The group works collaboratively with other Winstead practices, leveraging our banking, real estate, energy, corporate, securities, tax, environmental, and other practice strengths to address our clients' needs in business restructurings and bankruptcies. The combination of our approach, legal knowledge and business experience delivers legal representation that is cost-conscious, targeted, and effective.

Winstead has extensive experience representing clients in both in-court bankruptcy proceedings and out-of-court restructurings across a wide range of industries. We regularly represent the major constituents, including creditors, debtors, and purchasers of distressed assets, in restructuring proceedings throughout the Southwest and the United States.

Distressed Energy: From petroleum to alternative and from exploration to distribution, we have experience representing lenders, creditors, and investors of distressed energy businesses.

Secured Creditors: Winstead has significant experience in all aspects of secured creditor representation, including out-of-court workouts, DIP financing and cash collateral issues, stay relief matters, and plan negotiation. We provide a wide array of services to our secured creditor clients, including debt and financial analysis and counseling, loan workouts, and debt restructures involving complex capital structures. We offer substantial experience representing agents and lending groups in syndicated loans. We also regularly represent lenders in traditional, single lender, middle-market, and other commercial loan transactions. These varied perspectives give us a unique understanding of the issues and challenges faced by each type of lender or lender group.

Debtor Representation: We have represented a variety of companies in Chapter 11 bankruptcy proceedings. Our attorneys have experience negotiating, documenting, and obtaining approval of Chapter 11 plans, including pre-packaged bankruptcy plans. We possess the knowledge and skill to understand the complexity of guiding a business through Chapter 11, as well as the dynamics involved in negotiating with creditors, equity holders, and other interested parties in reaching confirmation of a Chapter 11 plan. We also have counseled reorganized bankruptcy debtors regarding the issues that arise after a company has emerged from bankruptcy.

Asset Sales: We regularly represent purchasers of distressed assets and debt, including asset purchasers and stalking horse bidders in bankruptcy cases. We can provide numerous services, including negotiating, drafting, and obtaining court approval of sale procedures and purchase agreements and related documents and orders.

Unsecured Creditors: We offer experience in all aspects of unsecured creditor representation, including proof of claim issues, plan negotiation and assumption, and rejection of leases and contracts. We can also provide valuable planning and counseling services to clients doing business with companies in financial distress, both before and during bankruptcy. Our attorneys regularly provide insolvency and bankruptcy related counseling for various business clients. In this regard, we often advise companies on proper and effective collection practices and consult with in-house counsel regarding strategic planning and policy considerations when dealing with distressed or insolvent parties.

Creditor Committee Representation: Winstead regularly represents unsecured creditors' committees in Chapter 11 cases. We have extensive experience advising creditors' committees on investigation, strategy, and litigation considerations in bankruptcy.

Bankruptcy Litigation: We have significant experience in all aspects of bankruptcy-related litigation, including cash collateral and DIP financing disputes, automatic stay litigation, lien priority disputes, claim objection litigation, bankruptcy sale disputes, plan confirmation litigation, and preference and fraudulent transfer actions. We can also provide significant knowledge in all types of business litigation brought in connection with bankruptcy cases, including lender liability claims, contract litigation and director and officer liability litigation. Our abilities and reputation as accomplished bankruptcy litigators are key to our success both in court and in negotiating favorable results for our clients. We also strive to achieve creative, pragmatic, and cost-effective business resolutions whenever possible in order to avoid costly litigation.

Next Steps

Our experience gained from years of representing a diverse group of clients enables us to provide you unique insight and solutions in the restructuring and bankruptcy process. We understand the business goals of our clients, and will work with you to maximize value while minimizing exposure and expense.

Experience

- **All Smiles Dental Center, Inc. (Northern District of Texas)**
Counsel to majority equity owner and senior secured lender holding secured claims in excess of \$61 million in the chapter 11 reorganization of this owner and operator of a North Texas chain of orthodontic clinics.
- **Amelia Island Company (Middle District of Florida)**
Counsel to asset purchaser in a \$67 million acquisition of resort property and related assets.
- **American Plumbing and Mechanical, Inc. (Western District of Texas)**
Counsel to the debtors in the successful chapter 11 reorganization of more than \$175 million in debt.
- **Ameriserve Food Distribution, Inc. (District of Delaware)**
Counsel to lender group holding total secured debt of \$430 million in chapter 11 bankruptcy case of one of the nation's largest food service distributors.
- **ATP Oil & Gas (Southern District of Texas)**
Co-counsel for the majority senior secured pre-petition and debtor-in-possession lenders in the chapter 11 case of this international off-shore exploration and production company.
- **Birmingham Steel (District of Delaware)**
Counsel to lender group holding total secured debt of \$250 million.
- **Centennial Beverage Group (Northern District of Texas)**
Counsel to lender group with secured claims in excess of \$40 million in the chapter 11 case of the Centennial liquor store chain.
- **Dynegy Holdings, LLC (Southern District of New York)**
Counsel to landlord regarding \$6 million corporate headquarters lease to electric power producer Dynegy Holdings.
- **Encompass Services Corporation (Southern District of Texas)**
Counsel to lender group holding total secured debt of \$600 million.
- **Gulf Coast Holdings, Inc. (Northern District of Texas)**
Counsel to the official unsecured creditors' committee.
- **Oregon Arena Corporation (District of Oregon)**
Counsel to the owner of the Rose Garden Arena, home of the NBA Portland Trail Blazers, in its chapter 11 case filed in Portland, Oregon.
- **Orthodontic Centers of America, Inc. (Eastern District of Louisiana)**
Counsel to lender group holding secured debt of \$90 million in the chapter 11 case of the country's largest network of orthodontic practices.
- **Pillowtex Corporation (District of Delaware)**
Counsel to lender group holding total secured debt of \$700 million in the chapter 11 case of textile giant Pillowtex.
- **Pinnacle Towers Inc. (Southern District of New York)**
Counsel to lender group holding total secured debt of \$400 million in the chapter 11 reorganization of this provider of wireless communications space.

- **Redwine Resources (Northern District of Texas)**
Counsel to secured lender holding \$42 million of debt secured by oil and gas interests.
- **Renova Energy, Inc. / Wyoming Ethanol, LLC (District of Wyoming)**
Counsel to senior secured lender group holding claims of approximately \$40 million.
- **Schlotsky's, Inc. (Western District of Texas)**
Counsel to the official unsecured creditors' committee, representing unsecured claims in excess of \$200 million, in the chapter 11 case of this national restaurant chain.
- **SemCrude (District of Delaware)**
Counsel to member of syndicated lender group with total claims in excess of \$2 billion.
- **SMF Energy Corp (Southern District of Florida)**
Counsel to stalking horse bidder and asset purchaser in \$11 million chapter 11 sale of substantially all assets of fuel transport company.
- **Texas Health Enterprises (Eastern District of Texas)**
Counsel to official committee of unsecured creditors, representing unsecured claims of over \$40 million, in chapter 11 case of nursing home owner/operator.
- **TMT Shipping (Southern District of Texas)**
Counsel to lender with secured claims of \$76.5 million in the chapter 11 cases of this international shipping company.