

Law360 Reports on Kelley Drye's Representation of The Official Committee of Unsecured Creditors in In re: Kid Brands Inc.

August 5, 2014

In an August 5, 2014 article entitled "Kid Brands, Creditors Reach Accord Over \$49M DIP Loan," *Law360* reports that "[b]ankrupt children's product manufacturer Kids Brands Inc. has reached an agreement with unsecured creditors to resolve the creditors' objection to its proposed \$49 million in debtor-in-possession financing package."

Featuring comments from partner [Eric R. Wilson](#), who leads the Kelley Drye team in representing the creditors' committee in this matter, *Law360* reports:

"The unsecured creditors committee's arrangement with the debtors and lender provides for the creation of a trust for the benefit of general unsecured creditors, according to the committee's attorney, Eric R. Wilson of Kelley Drye & Warren LLP. The agreement allows creditors to participate in the recovery from certain litigation claims that belong to the estate, Wilson said.

"The parties read the agreement into the record during a hearing before U.S. Bankruptcy Judge Donald Steckroth in New Jersey on Tuesday. According to Wilson, they plan to submit an order memorializing the pact to the court this week.

"It's a very difficult case for creditors, but the agreement that was reached provides for an opportunity to receive a distribution from the estate in this case,' Wilson told *Law360*."

The article provides further comments from debtors' counsel, who stated that "the estate saved a lot of money as a result of the settlement and that is 'fair and everyone conceded the right amount.'"

In addition to Mr. Wilson, the Kelley Drye team includes special counsel [Kristin S. Elliott](#).

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