

Turnarounds & Workouts Interviews Special Counsel Benjamin D. Feder on Bankruptcy Activity in 2018

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Special counsel [Benjamin D. Feder](#) was quoted in the *Turnarounds & Workouts* article “Mid-Year 2018 Update (Part II).” In the article, Ben discusses his greatest successes and challenges thus far this year, the possibility of significant trade restrictions and major cases year-to date, including broadcast radio giant Cumulus Media’s bankruptcy and the debate over its enterprise valuation. In *Cumulus*, U.S. Bankruptcy Judge Shelley Chapman sided with the company over its junior creditors in a dispute over the company’s value — an amount estimated between \$1.5 billion and \$1.7 billion by the company and pegged at about \$2.2 billion by unsecured creditors and other investors.

“Judge Chapman’s decision reflects a tendency among many judges to look for market evidence to bolster valuation arguments,” Ben said. “Parties seeking to contest a debtor’s enterprise valuation for plan purposes are well advised, if at all possible, to find a party, either from within or outside of the case, who is willing to write a check (as a purchaser or a backstop party) consistent with the asserted enterprise valuation.”