UNITED STATES BANKRUPTCY COURT WESTERN DISTRICT OF NORTH CAROLINA CHARLOTTE DIVISION

ARMSTRONG WORLD INDUSTRIES, INC. ASBESTOS PERSONAL INJURY SETTLEMENT TRUST et al.

Plaintiffs,

v.

ALDRICH PUMP LLC, et al.

Defendants.

In re

ALDRICH PUMP LLC, et al., 1

Debtors.

Miscellaneous Proceeding

No. 22-00303 (JCW)

(Transferred from District of Delaware)

Chapter 11

Case No. 20-30608

DEBTORS' MOTION TO STRIKE PLEADINGS FILED BY NON-PARTY CERTAIN MATCHING CLAIMANTS

Aldrich Pump LLC ("Aldrich") and Murray Boiler LLC ("Murray"), as debtors and debtors in possession (together, the "Debtors"), hereby move the Court to strike Non-Party Certain Matching Claimants' Opposition to the Debtors' Motion for Rehearing Concerning the Issue of Sampling on DCPF's Subpoena-Related Motions [Docket No. 2 63]; Joinder to Motion of Third Party Asbestos Trusts' Motion for Adjournment and Related Relief [Docket No. 64] filed on behalf of all Non-Party Certain Matching Claimants in AC&S Asbestos Settlement Trust et al. v. Aldrich

² Unless otherwise specified, references to "Docket No." shall refer to the Miscellaneous Proceeding Case No. 22-00303.



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¹ The Debtors are the following entities (the last four digits of their respective taxpayer identification numbers follow in parentheses): Aldrich Pump LLC (2290) and Murray Boiler LLC (0679). The Debtors' address is 800-E Beaty Street, Davidson, North Carolina 28036.

Pump et al., Case No. 23-300; Joinder to Motion Third Party Motion for Adjournment on Behalf of Verus Trust [Docket No. 65] filed on behalf of all Non-Party Certain Matching Claimants in AC&S Asbestos Settlement Trust et al. v. Aldrich Pump et al., Case No. 23-300; Joinder to Motion of Third-Party Asbestos Trusts' Motion for Adjournment and Related Relief [Docket No. 66] filed on behalf of Certain Matching Claimants; Joinder to Motion of Third-Party Motion for Adjournment on Behalf of Verus Trust [Docket No. 67] filed on behalf of Certain Matching Claimants; and Joinder to Non-Party Certain Matching Claimants' Opposition to the Debtors' Motion for Rehearing Concerning the Issue of Sampling on DCPF's Subpoena-Related Motions [Docket No. 68] filed on behalf of all Non-Party Certain Matching Claimants in AC&S Asbestos Settlement Trust et al. v. Aldrich Pump et al., Case No. 23-300 (collectively, the "Certain Matching Claimants' Pleadings").

In support of this Motion, the Debtors respectfully state as follows:

- 1. On February 6, 2023, the Court entered its *Order Denying Non-Party Certain Matching Claimants' Motion to Proceed Anonymously and Joinder of the Kazan McClain Matching Claimants to Non-Party Certain Matching Claimants' Reply in Support of Motion to Proceed Anonymously* [Docket No. 42] (the "Delaware Proceeding Order") in the proceeding transferred from the District of Delaware. The Delaware Proceeding Order provided that "[t]he requirement that any Movants identify themselves shall be stayed until the 31st day following entry of this Order to permit such Movants (if desired) to seek a stay pending appeal from the district court." Thursday, March 9, 2023, was the thirty-first day following the Court's entry of the Delaware Proceeding Order.
- 2. While the Non-Party Certain Matching Claimants filed their Notice of Appeal of the Delaware Proceeding Order on February 20, 2023, they did not file their *Motion for Stay*

Pending Appeal [District Ct. Case No. 23-00099, Docket No. 2] until March 8, 2023. The Debtors filed the Debtors' Opposition to Motion for Stay Pending Appeal [District Ct. Case No. 23-00099, Docket No. 3] on March 22, 2023. The District Court has not yet ruled on the Motion for Stay Pending Appeal.

- 3. On February 22, 2023, the Court entered its *Order Denying Motion to Proceed Anonymously* [MP 23-00300 Docket No. 21] (the "New Jersey Proceeding Order" and with the Delaware Proceeding Order, the "Orders Denying Anonymity") in the proceeding transferred from the District of New Jersey. Like the Delaware Proceeding Order, the New Jersey Proceeding Order provided that "[t]he requirement that any Movants identify themselves shall be stayed until the 31st day following entry of this Order to permit such Movants (if desired) to seek a stay pending appeal from the district court." Saturday, March 25, 2023, was the thirty-fist day following entry of the New Jersey Proceeding Order, making Monday, March 27, 2023, the date when the Certain Matching Claimants should have identified themselves. While the Certain Matching Claimants filed their Notice of Appeal of the New Jersey Proceeding Order on March 7, 2023, they did not file their *Motion for Stay Pending Appeal* [District Ct. Docket No. 2] until March 24, 2023. Responses are due by April 7, 2023. The District Court has not ruled on the *Motion for Stay Pending Appeal*.
- 4. On March 23, 2023, various groups of Certain Matching Claimants filed the Certain Matching Claimants' Pleadings in opposition to the *Debtors' Motion for Rehearing Concerning the Issue of Sampling on DCPF's Subpoena-Related Motions* [Docket No. 54]. The Certain Non-Matching Claimants did so without identifying themselves despite the stay period's expiration under Orders Denying Anonymity, respectively, along with the Certain Non-Matching Claimants' failure to obtain a stay pending appeal for either.

- 5. Therefore, the Debtors respectfully request that the Court enforce the Orders Denying Anonymity by striking the Certain Matching Claimants' Pleadings for their failure to identify themselves in said pleadings. In short, without a stay granted by the District Court that would allow the Certain Matching Claimants to remain anonymous, the Certain Matching Claimants were required to identify themselves on the thirty-first day following the Orders Denying Anonymity, respectively. They failed to do so.
- 6. In fact, when continued anonymous participation occurred by self-styled matching claimants following similar orders in In re DBMP, 20-30080 to the Orders Denying Anonymity, this Court confirmed the import of the orders and consequences of failing to obtain a stay in District Court. More specifically:

First, the interpretation of the order requiring the Matching Claimants to identify themselves unless a stay was obtained, I do not agree with the interpretation of the Matching Claimants themselves. What I was doing at that point in time was saying I don't see the grounds either to rule substantively on the, on the motion in their favor nor to grant a stay, but out of an abundance of caution, realizing that once the information is out, then you can't get relief once it's, it's already gone, I would stay my ruling for, for 30 days so that a, a stay could be sought by the, from the District Court. I did not say, intend to say that if you filed the application for a stay at District Court, then it would be stayed until the District Court decided whether there was a stay. That's not in the order and that would be nonsensical under the circumstances. The bottom line is that I didn't see grounds for anonymity and I didn't see grounds that would warrant a stay pending appeal, but, just in case, I'll give you time to run to District Court and see if there's an obvious error made there that they want to stop that matter.

Feb. 9, 2023, DBMP Trans. at 91:15-25, 92:1-7, attached hereto as **Exhibit A**. The Court then barred the Certain Matching Claimants from further participation in the proceedings unless they

identify themselves except for an appeal of the Feb. 9, 2023, ruling.³ Feb. 9, 2023, DBMP Trans. at 92:11-14.

7. The Certain Matching Claimants have now moved for relief before this Court and joined relief sought by other parties <u>without identifying themselves</u> as required by the Orders Denying Anonymity, the Federal Rules of Civil Procedure, and applicable case law. In fact, the Certain Matching Claimants filed their pleadings without even requesting permission from this Court to proceed anonymously. The Court should strike the Certain Matching Claimants' Pleadings and deny their requests to intervene.

WHEREFORE, for the foregoing reasons, the Debtors respectfully request that the Court enter an order striking the Certain Matching Claimants' Pleadings, deny their request to intervene, and grant such other and further relief as it deems just and proper.

I have concerns about it, particularly since we have such a large number of potential claimants here and what is essentially as a, a practical matter devolving in these cases into a, a contest of wills between the, the tort firms of America and the corporate community as to how divisional merger bankruptcies are to be pursued and whether it's proper to pursue in these cases. I have no idea who the Matching Claimants are at this juncture. It is possible -- don't overread this -- it is possible that the Matching Claimants are simply a representation of the tort firms themselves protecting their pecuniary interests. That's a possibility.

³ The Court also discussed the importance of knowing the identities of the Certain Matching Claimants:

Dated: March 27, 2023 Charlotte, North Carolina

Respectfully submitted,

/s/ Matthew L. Tomsic

C. Richard Rayburn, Jr. (NC 6357) John R. Miller, Jr. (NC 28689) Matthew L. Tomsic (NC 52431)

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ATTORNEYS FOR DEBTORS AND DEBTORS IN POSSESSION

-and-

POSSESSION

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C. Michael Evert, Jr.
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(Admitted pro hac vice)
SPECIAL ASBESTOS LITIGATION COUNSEL
FOR DEBTORS AND DEBTORS IN

Exhibit A

Excerpt of February 9, 2023, DBMP Hearing Transcript

	Document Pag	e 8 of 14	1
			1
1		BANKRUPTCY COURT TOF NORTH CAROLINA	
2		TTE DIVISION	
3	IN RE:	: Case No. 20-30080-JCW	
4	DBMP LLC,	: Chapter 11	
5	Debtor,	: Charlotte, North Carolina Thursday, February 9, 2023	
6		: 9:30 a.m.	
7			:
8	OFFICIAL COMMITTEE OF ASBESTOS PERSONAL INJURY	: AP 22-3045 (JCW)	
9	CLAIMANTS, and SANDER L. ESSERMAN, etc.,		
10	Plaintiffs,		
11	v.	:	
12	CERTAINTEED LLC (f/k/a CERTAINTEED CORPORATION)	:	
13	(a/k/a "OLD CERTAINTEED"),	:	
14	Defendant,	:	
15			:
16	DBMP LLC,	: AP 20-3004 (JCW)	
17	Plaintiff,	:	
18	v.	:	
19	THOSE PARTIES LISTED ON APPENDIX A TO COMPLAINT and	:	
20	JOHN AND JANE DOES 1-1000,	:	
21	Defendants,	:	
22			:
23			
24			
25			

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1	THE ARMSTRONG WORLD INDUSTRIES, INC. ASBESTOS	: Case No. 22-00302 (JCW)
2	PERSONAL INJURY SETTLEMENT	: (Transferred from the District of Delaware)
3	TRUST, et al.,	:
4	Plaintiffs,	:
5	ν.	:
6	DBMP LLC,	:
7	Defendant.	:
8		
9	TRANSCRIPT OF PROCEEDINGS	
10	BEFORE THE HONORABLE J. CRAIG WHITLEY, UNITED STATES BANKRUPTCY JUDGE	
11	APPEARANCES:	
12	For Debtor/Defendant,	Robinson, Bradshaw & Hinson, P.A.
13	DBMP LLC:	BY: GARLAND CASSADA, ESQ. M. BENNETT WRIGHT, ESQ.
14		101 N. Tryon Street, Suite 1900 Charlotte, NC 28246
15		Jones Day
16		BY: GREGORY M. GORDON, ESQ. 2727 North Harwood St., Suite 500 Dallas, Texas 75201
17		Dallas, Texas /3201
18	Audio Operator.	COURT PERSONNEL
19	Audio Operator:	COURT PERSONNEL
20	Transcript prepared by:	JANICE RUSSELL TRANSCRIPTS
21		1418 Red Fox Circle Severance, CO 80550
22		(757) 422-9089 trussell31@tdsmail.com
23		
24	Proceedings recorded by electronic sound recording; transcript produced by transcription service.	
25		

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		3
1	APPEARANCES (continued):	
2	For Debtor/Defendant, DBMP LLC:	Jones Day BY: JEFFREY B. ELLMAN, ESQ. 1221 Peachtree Street, N.E., #400
4		Atlanta, GA 30361
5 6		Jones Day BY: JAMES M. JONES, ESQ. 250 Vesey Street New York, NY 10281
O		New Tork, NT 10201
7 8	For Plaintiff, ACC:	Robinson & Cole LLP BY: DAVIS LEE WRIGHT, ESQ. 1201 N. Market Street, Suite 1406
O		Wilmington, DE 19801
9		Winston & Strawn LLP
10		BY: DAVID NEIER, ESQ. CRISTINA CALVAR, ESQ.
11		200 Park Avenue New York, NY 10166-4193
12		
13		Caplin & Drysdale BY: JAMES P. WEHNER, ESQ. One Thomas Circle, N.W.,
14		Washington, DC 20005
15		Hamilton Stephens
16		BY: ROBERT A. COX, JR., ESQ. 525 North Tryon St., Suite 1400 Charlotte, NC 28202
17		NATHANIEL ROSE, ESQ.
18	For Plaintiff, Future	Young Conaway
19	Claimants' Representative, Sander L. Esserman:	BY: SEAN GREECHER, ESQ. SHARON ZIEG, ESQ.
20	bander I. Esserman.	1000 North King Street Wilmington, DE 19801
21		Alexander Ricks PLLC
22		BY: FELTON E. PARRISH, ESQ.
23		1420 E. 7th Street, Suite 100 Charlotte, NC 28204
24		
25		

	Document Page	
		4
1	APPEARANCES (continued):	
2	For Defendants, CertainTeed LLC, et al.:	BY: HOWARD S. STEEL, ESQ.
3		STACY DASARO, ESQ. 620 Eighth Avenue
4		New York, NY 10018
5 6		Rayburn Cooper & Durham, P.A. BY: JOHN R. MILLER, JR., ESQ. 227 West Trade Street, Suite 1200
7		Charlotte, NC 28202
8	For Certain Matching Claimants:	Waldrep Wall BY: DIANA SANTOS JOHNSON, ESQ.
9		370 Knollwood Street, Suite 600 Winston-Salem, NC 27103
10	APPEARANCES (via telephone):	
11		
12	For Certain Matching Claimants:	Hogan McDaniel BY: DANIEL K. HOGAN, ESQ. 1311 Delaware Avenue
13		Wilmington, DE 19806
14	For Plaintiff, ACC:	Winston & Strawn LLP BY: CARRIE HARDMAN, ESQ.
15 16		200 Park Avenue New York, NY 10166-4193
		CANDED I ECCEDMAN
17 18		SANDER L. ESSERMAN Future Claimants' Representative 2323 Bryan Street, Suite 2200
19		Dallas, TX 75201-2689
20		
21		
22		
23		
24		
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1 order, and, and limit, ultimately, what is being produced to a
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- 2 sample. The, the argument that we're, we have no basis that,
- 3 | that there's no relief that we could be granted is inaccurate.
- 4 The Court could order that the materials that have been
- 5 produced could be clawed back, that a sample could be created
- 6 consistent with what was done in Aldrich Pump, and then from
- 7 our perspective, that -- that -- that is the, the proper
- 8 outcome.
- 9 Unless the Court has any questions for me, I'll rest
- 10 on my submissions, your Honor.
- 11 THE COURT: Okay. Thank you very much.
- 12 All right, folks. Let me see if I can get these in a
- 13 | form that you can use.
- 14 First, the interpretation of the order requiring the
- 15 | Matching Claimants to identify themselves unless a stay was
- 16 obtained, I do not agree with the interpretation of the
- 17 | Matching Claimants themselves. What I was doing at that point
- 18 | in time was saying I don't see the grounds either to rule
- 19 substantively on the, on the motion in their favor nor to grant
- 20 | a stay, but out of an abundance of caution, realizing that once
- 21 | the information is out, then you can't get relief once it's,
- 22 | it's already gone, I would stay my ruling for, for 30 days so
- 23 that a, a stay could be sought by the, from the District Court.
- 24 I did not say, intend to say that if you filed the application
- 25 | for a stay at District Court, then it would be stayed until the

1 District Court decided whether there was a stay. That's not in

- 2 | the order and that would be nonsensical under the
- 3 | circumstances. The bottom line is that I didn't see grounds
- 4 | for anonymity and I didn't see grounds that would warrant a
- 5 stay pending appeal, but, just in case, I'll give you time to
- 6 run to District Court and see if there's an obvious error made
- 7 | there that they want to stop that matter.

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So bottom line is since that hasn't happened in that time frame, they didn't see anything egregious.

I've listened today and I will, I'm not going to strike the motion to amend, but, rather, I'm not going to allow any more participation by the Matching Claimants unless they identify themselves going forward, save and except for a, a Notice of Appeal of this ruling. The bottom line is I don't think it's proper. I have concerns about it, particularly since we have such a large number of potential claimants here and what is essentially as a, a practical matter devolving in these cases into a, a contest of wills between the, the tort firms of America and the corporate community as to how divisional merger bankruptcies are to be pursued and whether it's proper to pursue in these cases.

I have no idea who the Matching Claimants are at this juncture. It is possible -- don't overread this -- it is possible that the Matching Claimants are simply a representation of the tort firms themselves protecting their

nondisclosures.

pecuniary interests. That's a possibility. What we have, I was asking these questions in <u>Aldrich</u> of why do you care so much about the estimation and, and someone acknowledged that part of this was the fear that they were going to get tarred with the, with the <u>Garlock</u> brush that, of making

So there, there are interests apart from the clients' interests here. The general rule in Federal Court is that your opponents need to know who you are. None of the exceptions to that Rule apply here. I don't see any reason for a stay and I'm going to have to enforce my earlier order.

So if you -- I'm leaving the motion to amend and the briefing that's allowed. That can stay. Anything further, unless the District Court chooses to grant you a stay pending appeal, I'm going to have to at that point just decline to hear you. All right. That's the first part.

As to the, the merits of the, the order, that could be the end of it, but I'm going to go ahead and address these so that we don't have to, if the District Court feels otherwise, we don't have to have a remand to consider it further.

As to standing, again I don't see an undue burden on the claimants. In fact, let me back up one step farther.

Did the Court understand the arguments that were made in this case at the time they were made? As the record reflects, we obviously had a good bit of interaction with

UNITED STATES BANKRUPTCY COURT WESTERN DISTRICT OF NORTH CAROLINA CHARLOTTE DIVISION

ARMSTRONG WORLD INDUSTRIES, INC. ASBESTOS PERSONAL INJURY SETTLEMENT TRUST *et al.*

Miscellaneous Proceeding

Plaintiffs,

No. 22-00303 (JCW)

v.

(Transferred from District of Delaware)

ALDRICH PUMP LLC, et al.

Defendants.

In re

Chapter 11

ALDRICH PUMP LLC, et al., 1

Case No. 20-30608

Debtors.

NOTICE OF HEARING

NOTICE IS HEREBY GIVEN that Aldrich Pump LLC., et al., Debtors in the above-captioned cases, have filed the Debtors' Motion to Strike Pleadings Filed by Non-Party Certain Matching Claimants (the "Motion").

If a copy of the Motion is not included with this Notice, a copy may be viewed at the Court's website, www.ncwb.uscourts.gov under Debtor Aldrich Pump LLC's name and case number, you may obtain a copy of the Motion from the Debtors' claims and noticing agent at www.kccllc.net/aldrich, or you may request in writing a copy from the undersigned counsel to the Debtors.

YOUR RIGHTS MAY BE AFFECTED. YOU SHOULD READ THESE PAPERS CAREFULLY AND DISCUSS THEM WITH YOUR ATTORNEY, IF YOU HAVE ONE IN THESE BANKRUPTCY CASES. (IF YOU DO NOT HAVE AN ATTORNEY, YOU MAY WISH TO CONSULT ONE.)

IF YOU DO NOT WANT THE COURT TO GRANT THE RELIEF REQUESTED

¹ The Debtors are the following entities (the last four digits of their respective taxpayer identification numbers follow in parentheses): Aldrich Pump LLC (2290) and Murray Boiler LLC (0679). The Debtors' address is 800-E Beaty Street, Davidson, North Carolina 28036.

IN THE MOTION, OR IF YOU WANT THE COURT TO CONSIDER YOUR VIEWS ON THE MOTION, THEN ON OR BEFORE <u>WEDNESDAY</u>, <u>MARCH 29</u>, <u>2023</u> YOU MUST:

(1) A. File with the Bankruptcy Court a written objection at:

Clerk, United States Bankruptcy Court 401 W. Trade Street Charlotte, North Carolina 28202

- B. If you have your attorney file a written objection then the objection should be filed with the Bankruptcy Court by electronic means through the Court's website, *www.ncwb.uscourts.gov* under the jointly administered name and case number shown above.
- (2) Serve the objection pursuant to the procedures set forth in the Order Establishing Certain Notice, Case Management, and Administrative Procedures (Docket No. 123).
- (3) Attend the hearing scheduled for March 30, 2023, at 9:30 a.m. EDT or as soon thereafter as the matter can be heard in the Bankruptcy Courtroom 2B, 401 West Trade Street, Charlotte, North Carolina. You should attend this hearing if you file an objection.

If you or your attorney do not take these steps, the Court may decide that you do not oppose the relief sought and may enter an Order granting the relief requested. No further notice of that hearing will be given.

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This the 27th day of March, 2023.

RAYBURN COOPER & DURHAM, P.A.

/s/ Matthew L. Tomsic

Matthew L. Tomsic N.C. State Bar No. 52431 1200 Carillon, 227 W. Trade Street Charlotte, North Carolina 28202 Telephone: 704-334-0891

ATTORNEYS FOR DEBTORS