

UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF GEORGIA
ATLANTA DIVISION

In re:

WELLMADE FLOOR COVERINGS
INTERNATIONAL, INC., *et al.*,¹

Debtors.

Chapter 11

Case No. 25-58764-sms

(Jointly Administered)

**EMERGENCY MOTION OF THE DEBTORS FOR
ENTRY OF AN ORDER SHORTENING NOTICE AND SCHEDULING
EXPEDITED HEARING ON MOTION OF THE DEBTORS FOR ENTRY OF ORDERS
(I)(A) ESTABLISHING BIDDING PROCEDURES RELATING TO THE SALE OF THE
DEBTORS' ASSETS, (B) APPROVING THE DEBTORS' ENTRY INTO THE
STALKING HORSE PURCHASE AGREEMENT AND RELATED BID PROTECTIONS,
(C) ESTABLISHING PROCEDURES RELATING TO THE ASSUMPTION AND
ASSIGNMENT OF CERTAIN EXECUTORY CONTRACTS AND UNEXPIRED
LEASES, (D) APPROVING FORM AND MANNER OF NOTICES RELATING
THERE TO, (E) SCHEDULING A HEARING TO CONSIDER THE PROPOSED SALE,
AND (F) GRANTING RELATED RELIEF; AND (II)(A) APPROVING THE SALE OF
THE DEBTORS' ASSETS FREE AND CLEAR OF ALL
LIENS, CLAIMS, ENCUMBRANCES, AND INTERESTS, (B) AUTHORIZING
THE ASSUMPTION AND ASSIGNMENT OF CERTAIN EXECUTORY
CONTRACTS AND UNEXPIRED LEASES, AND (C) GRANTING RELATED RELIEF**

The above-captioned debtors and debtors in possession (collectively, the “Debtors”) submit this motion (the “Motion”) for entry of an order, substantially in the form attached hereto as **Exhibit A** (the “Proposed Order”), pursuant to section 105 of title 11 of the United States Code (the “Bankruptcy Code”), Rule 9006(c)(1) of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”), Local Rule 9006-2 of the Bankruptcy Court Rules for the Northern District of Georgia (the “Local Rules”), and Complex Case Procedure (E)(4) of the *General Order 26-*

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, include: Wellmade Industries MFR. N.A LLC (1058) and Wellmade Floor Coverings International, Inc. (8425). The mailing address for the Debtors for purposes of these chapter 11 cases is: 1 Wellmade Drive, Cartersville, GA 30121.



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2019, *Procedures for Complex Chapter 11 Cases*, dated February 6, 2023 (the “Complex Case Procedures”), (i) shortening the applicable notice period for the *Motion of the Debtors for Entry of Orders (I)(A) Establishing Bidding Procedures Relating to the Sale of the Debtors’ Assets, (B) Approving the Debtors’ Entry into the Stalking Horse Purchase Agreement and Related Bid Protections, (C) Establishing Procedures Relating to the Assumption and Assignment of Certain Executory Contracts and Unexpired Leases, (D) Approving Form and Manner of Notices Relating Thereto, (E) Scheduling a Hearing to Consider the Proposed Sale, and (F) Granting Related Relief; and (II)(A) Approving the Sale of the Debtors’ Assets Free and Clear of All Liens, Claims, Encumbrances, and Interests, (B) Authorizing the Assumption and Assignment of Certain Executory Contracts and Unexpired Leases, and (C) Granting Related Relief* [D.I. [38]] (the “Bidding Procedures Motion”),² (ii) setting the deadline to file objections to the Bidding Procedures Motion to **August 18, 2025 at 4:00 p.m. (prevailing Eastern Time)** (the “Objection Deadline”), and (iii) scheduling the hearing on the Bidding Procedures Motion for **August 21, 2025 at 10:00 a.m. (prevailing Eastern Time)**³ (the “Hearing”), or at such other date and time that this Court is available. In support of this Motion, the Debtors respectfully state as follows:

JURISDICTION AND VENUE

1. The United States Bankruptcy Court for the Northern District of Georgia (the “Court”) has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334. This matter is a

² Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to them in the Bidding Procedures Motion.

³ In accordance with Complex Case Procedure E(4), the Court’s next available Hearing Date is August 21, 2025 at 10 a.m. (prevailing Eastern Time).

core proceeding within the meaning of 28 U.S.C. § 157(b)(2). Venue is proper in the Court pursuant to 28 U.S.C. §§ 1408 and 1409.

2. The statutory and legal predicates for the relief requested herein are section 105 of the Bankruptcy Code, Bankruptcy Rule 9006(c)(1), Local Rule 9006-2, and Complex Case Procedure (E)(4).

BACKGROUND

A. The Chapter 11 Cases

3. On August 4, 2025 (the “Petition Date”), each of the Debtors filed a voluntary petition for relief under chapter 11 of the Bankruptcy Code with this Court.

4. The Debtors continue to operate their businesses and manage their properties as debtors in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code.

5. No official committee has been appointed in the above-captioned chapter 11 cases (the “Chapter 11 Cases”), and no request has been made for the appointment of a trustee or an examiner.

6. Additional information regarding the Debtors’ businesses, capital structure, and the circumstances leading to the filing of these Chapter 11 Cases is set forth in the First Day Declaration. Additional information regarding the Debtors’ businesses, capital structure, and the circumstances leading to the filing of these Chapter 11 Cases is set forth in the *Declaration of David Baker in Support of Chapter 11 Petitions and First Day Pleadings* [D.I. 14] (the “First Day Declaration”), which is fully incorporated herein by reference.

B. The Bidding Procedures Motion

7. As set forth in the Bidding Procedures Motion, the Debtors are seeking, among other relief, Court approval (i) of comprehensive Bidding Procedures in connection with the sale

of substantially all of their assets and (ii) to enter into the Stalking Horse Purchase Agreement with the Stalking Horse Bidder.

8. The Bidding Procedures are designed to maximize value for the Debtors' estates, while effectuating an efficient sale of the Debtors' Assets. Among other things, the Bidding Procedures set forth procedures for interested parties to access due diligence, the manner in which bidders and bids become "qualified," the receipt and negotiation of bids received, the conduct of any auction, the selection and approval of any ultimately successful bidder, and the deadlines with respect to the foregoing

9. The Debtors believe that the sale process, as set forth in the Bidding Procedures Motion, will be of sufficient length and breadth to reach the full universe of parties likely to be interested in the Debtors' Assets given the Debtors' liquidity and time constraints.

RELIEF REQUESTED

10. By this Motion, the Debtors seek entry of a proposed order, substantially in the form attached hereto as **Exhibit A**, (i) shortening the applicable notice period for the Bidding Procedures Motion, (ii) setting the Objection Deadline to file objections to the Bidding Procedures Motion to **August 18, 2025 at 4:00 p.m. (prevailing Eastern Time)**, and (iii) scheduling the Hearing on the Bidding Procedures Motion for **August 21, 2025 at 10:00 a.m. (prevailing Eastern Time)**, or at such other date and time that this Court is available.

BASIS FOR RELIEF

11. Section 102(1) of the Bankruptcy Code provides that the phrase "after notice and a hearing" requires only such notice and opportunity for a hearing as may be appropriate under the circumstances. 11 U.S.C. § 102(1). Further, section 105(a) of the Bankruptcy Code provides that "[t]he court may issue any order, process, or judgment that is necessary or appropriate to carry out

the provisions of this title.” 11 U.S.C. § 105(a). Moreover, “[t]he basic purpose of section 105 is to assure the bankruptcy courts power to take whatever action is appropriate or necessary in aid of the exercise of their jurisdiction.” 2 Collier on Bankruptcy ¶ 105.01 (16th ed. 2025).

12. Under Bankruptcy Rule 9006(c)(1), the Court may order time periods set by the Bankruptcy Rules to be reduced “for cause.” Fed. R. Bank. P. 9006(c)(1). More specifically, “[w]hen a rule, notice given under a rule, or court order requires or allows an act to be done within a specified time, the court may—for cause and with or without a motion or notice—reduce the time.” *Id.* Moreover, Local Rule 9006-2 and Complex Case Procedure E(4) permit shortened notice and hearing with regard to an emergency matter requiring immediate attention or a matter requiring expedited consideration upon written motion and for good cause shown. *See* Local Rule 9006-2; Complex Case Procedure E(4).

13. The Debtors do not believe that any party-in-interest will be unfairly prejudiced by the shortening of the notice period with respect to the Bidding Procedures Motion. To the extent any opposition to the requested relief exists, the Debtors intend to work in good faith with parties-in-interest to resolve any objections or outstanding issues with respect to the Bidding Procedures Motion in advance of the Hearing.

14. Expediting the Hearing on the Bidding Procedures Motion will allow the Debtors to advance the sale process in a timely manner and to comply with the milestones set forth in the Stalking Horse Purchase Agreement and DIP Facility.

15. Accordingly, for the reasons set forth herein, the Debtors submit that good and sufficient cause exists to shorten the notice period with respect to the Bidding Procedures Motion so that it can be heard, considered, and ruled upon at the Hearing to be scheduled for **August 21, 2025 at 10:00 a.m. (prevailing Eastern Time)**—or such other date and time that works best for

this Court—and objections with respect thereto can be filed by no later than **August 18, 2025 at 4:00 p.m. (prevailing Eastern Time)**. A copy of the proposed notice of hearing with respect to the Bidding Procedures Motion is attached to the Proposed Order as Exhibit 1.

NOTICE

16. Notice of this Motion has been given to the following parties or, in lieu thereof, to their counsel, if known: (a) the Office of the U.S. Trustee for the Northern District of Georgia; (b) the Debtors' prepetition lender and Stalking Horse Bidder; (c) the DIP Lender; (d) the top 30 unsecured creditors; and (e) any party that has requested notice pursuant to Bankruptcy Rule 2002. The Debtors submit that, in light of the nature of the relief requested, no other or further notice need be given.

NO PRIOR REQUEST

17. No previous request for the relief sought herein has been made by the Debtors to this Court or any other court.

[Remainder of page intentionally left blank]

CONCLUSION

WHEREFORE, the Debtors respectfully request that this Court enter the Proposed Order, substantially in the form attached hereto as **Exhibit A**, granting the relief requested herein and such other and further relief as is just and proper.

Dated: August 8, 2025
Atlanta, Georgia

Respectfully submitted,

GREENBERG TRAURIG, LLP

/s/ John D. Elrod

John D. Elrod, GA Bar No. 246604
Allison J. McGregor, GA Bar No. 860865
3333 Piedmont Road NE, Suite 2500
Atlanta, GA 30305
Telephone: 678-553-2259
Facsimile: 678-553-2269
Email: elrodj@gtlaw.com
Allison.McGregor@gtlaw.com

*Proposed Counsel for the Debtors and
Debtors in Possession*

CERTIFICATE OF SERVICE

I hereby certify that all ECF participants registered in this case were served electronically with the foregoing Motion through the Court's ECF system at their respective email addresses registered with this Court. The Debtors' claims and noticing agent will be filing a supplemental certificate of service on the docket to reflect any additional service of the foregoing document via first-class mail, including the notice parties enumerated in the Motion.

Dated: August 8, 2025
Atlanta, Georgia

Respectfully submitted,

GREENBERG TRAURIG, LLP

/s/ John D. Elrod

John D. Elrod, GA Bar No. 246604
Allison J. McGregor, GA Bar No. 860865
3333 Piedmont Road NE, Suite 2500
Atlanta, GA 30305
Telephone: 678-553-2259
Facsimile: 678-553-2269
Email: elrodj@gtlaw.com
Allison.McGregor@gtlaw.com

*Proposed Counsel for the Debtors and
Debtors in Possession*

Exhibit A

Proposed Order

UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF GEORGIA
ATLANTA DIVISION

In re:

WELLMADE FLOOR COVERINGS
INTERNATIONAL, INC., *et al.*,⁴

Debtors.

Chapter 11

Case No. 25-58764-sms

(Jointly Administered)

**ORDER SHORTENING NOTICE AND SCHEDULING
EXPEDITED HEARING ON DEBTORS' MOTION OF THE DEBTORS FOR ENTRY
OF ORDERS (I)(A) ESTABLISHING BIDDING PROCEDURES RELATING TO THE
SALE OF THE DEBTORS' ASSETS, (B) APPROVING THE DEBTORS' ENTRY INTO
THE STALKING HORSE PURCHASE AGREEMENT AND RELATED BID
PROTECTIONS, (C) ESTABLISHING PROCEDURES RELATING TO THE
ASSUMPTION AND ASSIGNMENT OF CERTAIN EXECUTORY CONTRACTS AND
UNEXPIRED LEASES, (D) APPROVING FORM AND MANNER OF NOTICES
RELATING THERETO, (E) SCHEDULING A HEARING TO CONSIDER THE
PROPOSED SALE, AND (F) GRANTING RELATED RELIEF; AND (II)(A)
APPROVING THE SALE OF THE DEBTORS' ASSETS FREE AND CLEAR OF ALL
LIENS, CLAIMS, ENCUMBRANCES, AND INTERESTS, (B) AUTHORIZING
THE ASSUMPTION AND ASSIGNMENT OF CERTAIN EXECUTORY**

⁴ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, include: Wellmade Industries MFR. N.A LLC (1058) and Wellmade Floor Coverings International, Inc. (8425). The mailing address for the Debtors for purposes of these chapter 11 cases is: 1 Wellmade Drive, Cartersville, GA 30121.

CONTRACTS AND UNEXPIRED LEASES, AND (C) GRANTING RELATED RELIEF

Upon the *Emergency Motion of the Debtors for Entry of an Order Shortening Notice and Scheduling Expedited Hearing on Motion of the Debtors for Entry of Orders (I)(A) Establishing Bidding Procedures Relating to the Sale of the Debtors' Assets, (B) Approving the Debtors' Entry into the Stalking Horse Purchase Agreement and Related Bid Protections, (C) Establishing Procedures Relating to the Assumption and Assignment of Certain Executory Contracts and Unexpired Leases, (D) Approving Form and Manner of Notices Relating Thereto, (E) Scheduling a Hearing to Consider the Proposed Sale, and (F) Granting Related Relief; and (II)(A) Approving the Sale of the Debtors' Assets Free and Clear of All Liens, Claims, Encumbrances, and Interests, (B) Authorizing the Assumption and Assignment of Certain Executory Contracts and Unexpired Leases, and (C) Granting Related Relief* (the "Motion");² and the Court having jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334; and this matter being a core proceeding pursuant to 28 U.S.C. § 157(b); and venue of these Chapter 11 Cases and the Motion in this district being proper pursuant to 28 U.S.C. §§ 1408 and 1409; and it appearing that due and adequate notice of the Motion has been given under the circumstances; and this Court having determined that there is good and sufficient cause for the relief set forth in this Order; and after due deliberation thereon,

IT IS HEREBY ORDERED THAT:

1. The Motion is **GRANTED** as set forth herein.
2. A hearing (the "Hearing") shall be held on the Bidding Procedures Motion on **August 21, 2025 at 10:00 a.m. (prevailing Eastern Time)** in the Bankruptcy Court, Richard B. Russell Federal Building and United States Courthouse 75 Ted Turner Drive, SW Atlanta,

² Capitalized terms not otherwise defined herein shall have the meanings ascribed to them in the Motion.

Georgia 30303, which may be attended in person or via the Court's Virtual Hearing Room. You may join the Virtual Hearing Room through the "Dial-in and Virtual Bankruptcy Hearing Information" link at the top of the homepage of the Court's website, www.ganb.uscourts.gov, or link on the judge's webpage, <https://www.ganb.uscourts.gov/content/honorable-sage-m-sigler>. Please also review the "Hearing Information" tab on the Court's webpage for further information about the hearing. You should be prepared to appear at the hearing via video, but you may leave your camera in the off position until the Court instructs otherwise. Unrepresented persons who do not have video capability may use the telephone dial-in information on the judge's webpage.

3. Any party objecting to the relief requested in the Bidding Procedures Motion must file an objection with the Court by **4:00 p.m. (prevailing Eastern Time) on August 18, 2025** (the "Objection Deadline") and serve such objection on counsel to the Debtors and any other requisite parties by the Objection Deadline.

4. As soon as reasonably practicable after entry of this Order, the Debtors shall file and serve the Notice of Hearing attached hereto as **Exhibit 1** (the "Notice of Hearing") on (a) the Office of the U.S. Trustee for the Northern District of Georgia; (b) the Debtors' prepetition lender and Stalking Horse Bidder; (c) the DIP Lender; (d) the top 30 unsecured creditors; and (e) any party that has requested notice pursuant to Bankruptcy Rule 2002.

5. The Debtors' proposed Notice of Hearing is hereby approved as good and sufficient notice of the hearing on the Bidding Procedures Motion.

6. The Debtors are authorized and empowered to take all actions necessary to implement the relief granted in this Order.

7. This Court shall retain jurisdiction with respect to all matters arising from or relating to the interpretation or implementation of this Order.

END OF DOCUMENT

Prepared and presented by:

GREENBERG TRAURIG, LLP

/s/ John D. Elrod

John D. Elrod (Ga. Bar. No. 246604)

Allison J. McGregor (Ga. Bar. No. 860865)

Terminus 200

3333 Piedmont Road, NE, Suite 2500

Atlanta, Georgia 30305

Telephone: (678) 553-2100

Email: elrodj@gtlaw.com

Allison.McGregor@gtlaw.com

Proposed Counsel for the Debtors and Debtors in Possession

EXHIBIT 1

Form of Notice

UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF GEORGIA
ATLANTA DIVISION

In re:

WELLMADE FLOOR COVERINGS
INTERNATIONAL, INC., *et al.*,⁵

Debtors.

Chapter 11

Case No. 25-58764-sms

(Jointly Administered)

Re Doc. No.

**NOTICE OF HEARING AND DEADLINE TO
OBJECT TO MOTION OF THE DEBTORS FOR ENTRY OF ORDERS (I)(A)
ESTABLISHING BIDDING PROCEDURES RELATING TO THE SALE OF THE
DEBTORS' ASSETS, (B) APPROVING THE DEBTORS' ENTRY INTO THE
STALKING HORSE PURCHASE AGREEMENT AND RELATED BID PROTECTIONS,
(C) ESTABLISHING PROCEDURES RELATING TO THE ASSUMPTION AND
ASSIGNMENT OF CERTAIN EXECUTORY CONTRACTS AND UNEXPIRED
LEASES, (D) APPROVING FORM AND MANNER OF NOTICES RELATING
THERE TO, (E) SCHEDULING A HEARING TO CONSIDER THE PROPOSED SALE,
AND (F) GRANTING RELATED RELIEF; AND (II)(A) APPROVING THE SALE OF
THE DEBTORS' ASSETS FREE AND CLEAR OF ALL
LIENS, CLAIMS, ENCUMBRANCES, AND INTERESTS, (B) AUTHORIZING
THE ASSUMPTION AND ASSIGNMENT OF CERTAIN EXECUTORY
CONTRACTS AND UNEXPIRED LEASES, AND (C) GRANTING RELATED RELIEF**

PLEASE TAKE NOTICE that on August 8, 2025, the above-captioned debtors and debtors in possession (collectively, the "Debtors"), filed the (a) *Motion of the Debtors for Entry of Orders (I)(A) Establishing Bidding Procedures Relating to the Sale of the Debtors' Assets, (B) Approving the Debtors' Entry into the Stalking Horse Purchase Agreement and Related Bid Protections, (C) Establishing Procedures Relating to the Assumption and Assignment of Certain Executory Contracts and Unexpired Leases, (D) Approving Form and Manner of Notices Relating Thereto, (E) Scheduling a Hearing to Consider the Proposed Sale, and (F) Granting Related Relief; and (II)(A) Approving the Sale of the Debtors' Assets Free and Clear of All Liens, Claims, Encumbrances, and Interests, (B) Authorizing the Assumption and Assignment of Certain Executory Contracts and Unexpired Leases, and (C) Granting Related Relief* [D.I. [38]] (the "Bidding Procedures Motion") and (b) the *Emergency Motion of the Debtors for Entry of an Order Shortening Notice and Scheduling Expedited Hearing on Motion of the Debtors for Entry of Orders (I)(A) Establishing Bidding Procedures Relating to the Sale of the Debtors' Assets, (B) Approving the Debtors' Entry into the Stalking Horse Purchase Agreement and Related Bid*

⁵ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, include: Wellmade Industries MFR. N.A LLC (1058) and Wellmade Floor Coverings International, Inc. (8425). The mailing address for the Debtors for purposes of these chapter 11 cases is: 1 Wellmade Drive, Cartersville, GA 30121.

Protections, (C) Establishing Procedures Relating to the Assumption and Assignment of Certain Executory Contracts and Unexpired Leases, (D) Approving Form and Manner of Notices Relating Thereto, (E) Scheduling a Hearing to Consider the Proposed Sale, and (F) Granting Related Relief; and (II)(A) Approving the Sale of the Debtors' Assets Free and Clear of All Liens, Claims, Encumbrances, and Interests, (B) Authorizing the Assumption and Assignment of Certain Executory Contracts and Unexpired Leases, and (C) Granting Related Relief [D.I. [•]] (the "Motion to Shorten").

PLEASE TAKE FURTHER NOTICE that, on August [•], 2025, the Court entered an order granting the Motion to Shorten and scheduled an expedited hearing for the Bidding Procedures Motion. *See* D.I. [•].

PLEASE TAKE FURTHER NOTICE that the Court shall hold a hearing (the "Hearing") on the Bidding Procedures Motion on **August 21, 2025 at 10:00 a.m. (prevailing Eastern Time)** in the Bankruptcy Court, Richard B. Russell Federal Building and United States Courthouse 75 Ted Turner Drive, SW Atlanta, Georgia 30303, which may be attended in person or via the Court's Virtual Hearing Room. You may join the Virtual Hearing Room through the "Dial-in and Virtual Bankruptcy Hearing Information" link at the top of the homepage of the Court's website, www.ganb.uscourts.gov, or link on the judge's webpage, <https://www.ganb.uscourts.gov/content/honorable-sage-m-sigler>. Please also review the "Hearing Information" tab on the Court's webpage for further information about the hearing. You should be prepared to appear at the hearing via video, but you may leave your camera in the off position until the Court instructs otherwise. Unrepresented persons who do not have video capability may use the telephone dial-in information on the judge's webpage.

Your rights may be affected by the Court's ruling on these pleadings. You should read these papers carefully and discuss them with your attorney, if you have one in this bankruptcy case. (If you do not have an attorney, you may wish to consult one). If you do not want the Court to grant the relief sought in these pleadings or if you want the Court to consider your views, then you and/or your attorney must attend the hearing. You may also file a written response to the pleadings with the Clerk at the address stated below, but you are not required to do so. If you file a written response, you must do so by **August 18, 2025 at 4:00 p.m. (prevailing Eastern Time)** and attach a certificate stating when, how and on whom (including addresses) you served the response. Mail or deliver your response so that it is received by the Clerk before the hearing. The address of the Clerk's Office is: Clerk, United States Bankruptcy Court, Room 1340, 75 Ted Turner Drive, SW, Atlanta, GA 30303. You must also mail a copy of your response to the undersigned at the address stated below.

Dated: August [•], 2025

Respectfully submitted,

GREENBERG TRAURIG, LLP

/s/

John D. Elrod (Ga. Bar. No. 246604)
Allison J. McGregor (Ga. Bar. No. 860865)
Terminus 200

3333 Piedmont Road, NE, Suite 2500
Atlanta, Georgia 30305
Telephone: (678) 553-2100
Email: elrodj@gtlaw.com
Allison.McGregor@gtlaw.com

*Counsel for the Debtors and Debtors in
Possession*

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