IN THE 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 (Jointly Administered) **Re Docket No. 394**

DEBTORS' RESPONSE TO GENGXU WANG'S MOTION FOR LEAVE TO FILE LATE PROOF OF CLAIM

The above-captioned debtors and debtors in possession (collectively, the "Debtors"), by and through undersigned counsel, hereby respond and object (the "Response") to the *Motion for Leave to File Late Proof of Claim by Creditor Gengxu Wang* [Docket No. 394] (the "Motion") filed by Gengxu Wang ("Wang") in the above-styled cases (the "Cases"), showing the Court as follows:

PRELIMINARY STATEMENT

1. The Debtors properly served notice of the Bar Date on Wang. Instead of timely filing a proof of claim, Wang waited at least six months after he became aware of these Cases and the Bar Date to request that the Court permit the late-filing of a claim. Further, Wang asks to be included in a settlement that the Debtors spent months negotiating with claimants who timely filed claims. Allowing Wang to file his claim now would substantially harm the Debtors, these estates,

[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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and their stakeholders.

2. Wang cannot establish the excusable neglect factors—the prejudice to the Debtors, the length of his delay, the reason for his delay, and his failure to show good faith—weigh against a finding of excusable neglect. The Court should find that Deng has not established excusable neglect and deny the Motion.

3. If the Court is not inclined to deny the Motion *instanter*, the Debtors request that the Court set the Motion for an evidentiary hearing after a brief discovery period.

BACKGROUND

4. On August 4, 2025 (the "Petition Date"), the Debtors filed voluntary petitions for relief under chapter 11 of the Bankruptcy Code. 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. On August 14, 2025, the United States Trustee for Region 21 (the "U.S. Trustee") appointed an official committee of unsecured creditors (the "Committee") in these Cases. No request has been made for the appointment of a trustee or an examiner.

6. On September 4, 2025, the Debtors filed *Debtors' Motion Seeking Entry of an Order (I) Setting a Bar Date for Filing Proofs of Claims; (II) Setting an Amended Schedules Bar Date; (III) Setting a Rejection Damages Bar Date; (IV) Approving the Form of and Manner for Filing Proofs of Claims; (V) Approving Notice of the Bar Dates; and (VI) Granting Related Relief* [Docket No. 137] (the "Bar Date Motion"). Objections to the Bar Date Motion were filed by the Committee [Docket No. 169] and by the Labor Plaintiffs [Docket No. 197] and after two hearings on the Bar Date Motion, on October 9, 2025, the Court entered the *Order (I) Setting a Bar Date for Filing Proofs of Claim; (II) Setting an Amended Schedules Bar Date; (III) Setting a Rejection*

Damages Bar Date; (IV) Approving the Form of and Manner for Filing Proofs of Claim; (V) Approving Notice of the Bar Dates; and (VI) Granting Related Relief [Docket No. 222] (the "Bar Date Order"), designating November 21, 2025 as the date by which all entities and individuals (except governmental units) were required to file proofs of claim in these Cases (the "Bar Date").

7. At the Bar Date Motion hearings, the parties focused on ensuring that all interested parties received and understood the notice of the Bar Date (the "Bar Date Notice") and proof of claim form. All parties agreed on, and the Court approved, specific wording and translations (in English, Mandarin, and Spanish) to be included in the Bar Date Notice and proof of claim form (the "Modified POC," and together with the Bar Date Notice, the "Claim Package").

8. On October 16, 2025, the Debtors' claims agent, Kurtzman Carson Consultants, LLC d/b/a Verita Global ("Verita") filed a *Certificate of Service* [Docket No. 233] (the "Certificate of Service"), certifying that Verita had:

> [O]n October 11, 2025, … caused to be served the following documents via First Class Mail upon the service list attached hereto as **Exhibit C**:
>
> • **Notice of Deadlines for the Filing of (I) Proofs of Claim, and (II) Rejection Damages Claims** [Docket No. 223]
>
> • [Customized] **Modified Official Form 410 Proof of Claim** [substantially in the form attached as Exhibit 1 to Docket No. 222]
>
> …
>
> [O]n October 13, 2025, … caused to be served the following documents via Electronic Mail upon the service lists attached hereto as **Exhibit D** and **Exhibit E**:
>
> • **Notice of Deadlines for the Filing of (I) Proofs of Claim, and (II) Rejection Damages Claims** [Docket No. 223]
>
> • **Modified Official Form 410 Proof of Claim** [substantially in the form attached as Exhibit 1 to Docket No. 222]

Certificate of Service pp. 1-2. Wang's name was listed on Exhibit C and Exhibit E of the Certificate

of Service as a party who was sent the Claim Package to his personal mailing addresses and email addresses. *Id.* at Exhibit C p. 10 and Exhibit E p. 7.

9. Verita served the Claim Package on two email addresses provided by Wang. Additionally, the Claim Package was served on Wang at the address he provided to the Debtors (and which was listed on his W-2 forms), namely 1 Wellmade Drive, Cartersville, GA 30121-7208.

10. The Debtors filed their *Chapter 11 Plan* [Docket No. 385] (the "Plan") and *Disclosure Statement* [Docket No. 386] on June 1, 2026.

11. Prior to the filing of the Motion, the Debtors had not been contacted by Wang and were not aware of any potential claims asserted by him.

12. Without waiting for the Motion to be adjudicated, Wang filed proofs of claim with Verita. On June 4 & 7, 2026, Li filed claim no. 143 in an unliquidated amount, with a priority amount claimed of $17,150, claim no. 146 in the amount of $564,773.93, with a priority amount claimed of $17,150, and claim no. 147 in the amount of $564,773.93, with a priority amount claimed of $17,150.

ARGUMENT

13. The U.S. Supreme Court has established four factors to determine whether excusable neglect exists to permit the late filing of a proof of claim: (1) the danger of prejudice to the debtor; (2) the length of the delay and the resulting potential impact on judicial proceedings; (3) the reason for the delay, including whether the delay was within the reasonable control of movant; and (4) whether the movant acted in good faith. *Pioneer Inv. Servs. Co. v. Brunswick Assocs. Ltd. P'ship,* 507 U.S. 380, 395 (1993).

14. As the creditor seeking to file a late proof of claim, Wang "bears the burden of proving excusable neglect by a preponderance of the evidence." *In re Cable & Wireless USA, Inc.,*

338 B.R. 609, 613 (Bankr. D. Del. 2006). Wang has failed to carry this burden, as each of the Supreme Court's four *Pioneer* factors weighs against a finding of excusable neglect.

15. Courts in the Eleventh Circuit have firmly held that "inadvertence, ignorance of the rules, or mistakes construing the rules do not usually constitute excusable neglect" and "[e]ven an individual proceeding *pro se* is expected to know and abide by the rules." *In re Jones,* 2017 Bankr. LEXIS 382, *4 (Bankr. N.D. Ga. Feb. 10, 2017) (internal citations omitted); *see also Freeman v. Citibank, N.A.,* 2015 U.S. Dist. LEXIS 197610, *63 (N.D. Ga. Jan. 20, 2015) ("Inadvertence, ignorance of the rules, or mistakes construing the rules do not usually constitute excusable neglect. . . . Finally, while *pro se* pleadings are held to a less stringent standard than pleadings drafted by attorneys and are therefore liberally construed, even *pro se* pleadings must adhere to time requirements.") (internal quotations omitted); *Gordon v. Love (In re Pullen),* 2013 Bankr. LEXIS 4863, *4 (Bankr. N.D. Ga. Oct. 10, 2013) ("*[P]ro se* litigants are not excused from complying with the Federal Rules of Bankruptcy Procedure or the Court's local rules.").

A. Allowance of Wang's Claim Will Prejudice the Debtors and Other Creditors

16. Courts assign primary importance to the existence of prejudice to the nonmoving party and to the interest of efficient judicial administration. *See Petite v. MedCross Imaging, LLC (In re MedCross Imaging, LLC),* 2023 Bankr. LEXIS 1603, *23 (Bankr. N.D. Ga. June 20, 2023) ("In weighing these factors and all of the circumstances in this proceeding, with greater weight accorded to the first and second factors of risk of prejudice to the Remaining Defendants and efficient judicial administration, the Court finds that Plaintiff has not shown that the failure to complete discovery on time was a result of excusable neglect."). Moreover, "prejudice from a late-filed claim is greater when the creditor's delay extends into the period in which the plan of reorganization is being 'negotiated, drafted, filed, or confirmed.'" *In re ASARCO, LLC,* 2008

Bankr. LEXIS 2723, *8 (Bankr. S.D. Tex. Oct. 3, 2008).

17. A Georgia bankruptcy court denied a creditor's motion to file a late claim based in large part on the prejudicial impact that allowing this claim would have on the Debtor's negotiation and confirmation of its chapter 11 plan. *See In re Graham Bros. Constr., Inc.,* 451 B.R. 646, 652-53 (Bankr. S.D. Ga. 2011) ("While these negotiations are frequently behind the scenes, they often are the most vital factor of whether a chapter 11 plan will be successful."). The court found that "allowing a late contingent claim by Len-Verandahs would further prejudice Debtor because the plan being drafted establishes for a contingent claims reserve and funding the reserve affects distributions to creditors thereby hampering Debtor's projections and the likelihood its proposed plan will be confirmed." *Id.*

18. The same prejudice would result if Wang is allowed to file his claim. The Plan proposes to pay creditors in full. The proposed Plan resulted from months of negotiations among the Debtors and other stakeholders regarding its terms and related claim resolutions. If the Debtors have to renegotiate the Plan, they may not have the votes needed for confirmation. Additional costs would likely be incurred relating to noticing and solicitation.

19. Moreover, if the Debtors must spend additional time and resources litigating Wang's claim, along with the Labor Plaintiffs' claims, the Debtors may not have enough funds to pay unsecured creditors in full.[2] Therefore, allowing this late-filed claim will not only prejudice

[2] Granting Wang relief could invite similar late-filed claims and further prejudice the estate. Wang is one of three individuals who surfaced only after it became apparent that funds may be available for distribution. Allowing these late claims risks encouraging others to seek the same relief, thereby increasing litigation costs and disrupting administration of these Cases. *See, e.g., In re Kmart Corp.,* 381 F.3d 709, 714 (7th Cir. 2004) ("[I]f the bankruptcy court allowed all late-filed claims of nearly a million dollars where a simple 'innocent mistake' … was to blame for the tardiness of the proof of claim, we think Kmart could easily find itself faced with a mountain of such claims."); *In re Keene Corp.,* 188 B.R. 903, 913 (Bankr. S.D.N.Y. 1995) ("We would be hard-pressed to distinguish [the late-filing creditor's] situation from any other similar creditor who ignored the Bar Date Notice, and to allow one may invite similar litigation from others. In such a case, the legal fees the estate would potentially expend in litigating these matters supports a finding of prejudice.").

the Debtors but will also prejudice those creditors who timely filed proofs of claim as well as equity holders. *See In re Harrell,* 325 B.R. 643, 650 (Bankr. M.D. Fla. 2005) ("The allowance of an additional approximately $ 437,000.00 claim at this juncture would jeopardize Debtors' ability to pay 100% of the timely filed and allowed claims. The Court finds that this circumstance weighs against a finding of excusable neglect."); *In re Intelligent Med. Imaging*, 262 B.R. 142, 145 (Bankr. S.D. Fla. 2001) ("In applying the *Pioneer* test, courts place the greatest weight on whether any prejudice to the other parties will occur by allowing a late claim."); *In re Keene Corp.,* 188 B.R. 903, 912-913 (Bankr. S.D.N.Y. 1995) ("Reaching a consensual resolution has been slow, contentious and difficult to achieve. We are loath to introduce any element, particularly a creditor with a substantial claim, into the mix which may upset it.").

20. The prejudice to the Debtors' reorganization and to creditors who timely filed proofs of claim weighs against granting the Motion.

B. The Length of Wang's Delay is Excessive

21. Wang filed the Motion approximately six and a half months after receiving notice of the Bar Date. A 197 day delay is not excusable and weighs against granting the Motion. *See In re Intelligent Med. Imaging*, 262 B.R. at 164 (denying motion for allowance of late-filed claim where "claim was filed 64 days after the claims bar date"); *In re Harrell,* 325 B.R. at 650 ("The Court finds that Regions Bank's failure to participate in the case during this critical 90 day period was tantamount to a decision not to participate and that such failure militates against a finding of excusable neglect."); *Arif Merch. v. Ali (In re Ali),* 2018 Bankr. LEXIS 2177, *5 (Bankr. N.D. Ga. July 24, 2018) ("[T]he Debtor waited four months before taking any action to set aside the default, which does not appear to be a reasonable time for taking action.").

22. In addition to being excessive, the delay is disruptive. As stated above, allowing

Wang to file a late claim will result in disruption to the administration of these Cases, particularly preventing confirmation of a plan and full payment of timely-filed claims.

C. Wang's Unjustified Delay Warrants Denial of the Motion

23. Wang presents two arguments to justify his delay in these Cases, neither of which warrants relief in his favor.

24. First, Wang argues that he was not properly notified of the Bar Date. In determining whether notice was sufficient, "there is a rebuttable presumption that a properly mailed item is received by the addressee." *In re Harrell,* 325 B.R. at 648. A representative of Verita will testify that the Claim Package was mailed to Wang and emailed to him at two of his personal email addresses. Wang has presented no evidence to rebut the presumption that such Claim Package was received.

25. Not only was service of the Bar Date Notice sufficient but the substance of the Bar Date Notice also properly informed Wang of his rights and obligations to file a proof of claim by the Bar Date. The Bar Date Notice included specific language in Mandarin directed at employees of the Debtors.[3] The Debtors also translated provisions of the proof of claim form into Mandarin so that non-English speakers could easily understand how to fill out and submit the proof of claim. Additionally, if Wang had simply clicked the link that was emailed to him by Verita, he would have been taken to a page that included a notice written in Mandarin regarding the bar date alongside a link to the Modified POC. Further, he received notice of the bar date by publication in the *World*

[3] Wang's argument that this language did not specifically tell him that "[he] had legal rights in this case" is unpersuasive. *See* Motion p. 1. It is not the duty of the Debtors to find claims to be filed against them and courts have acknowledged that due process does not require such exertions. *See In re RML, LLC,* 662 B.R. 858, 869 (Bankr. S.D.N.Y. 2024) (holding that the Talc Claimants received sufficient notice of the claims bar date even though the bar date notice "did not mention talc at all"); *Williams v. Placid Oil Co. (In re Placid Oil Co.)*, 753 F.3d 151, 158 (5th Cir. 2014) ("We have never required bar date notices to contain information about specific potential claims."); *In re Peabody Energy Corp.,* 579 B.R. 208, 218 (Bankr. E.D. Mo. 2017) ("[T]he Debtors were not required to set forth in the Deadline Notice information about the nature of potential claims such as the information the Joplin parties suggest would have informed them that they should file claims.").

Journal and the *Wall Street Journal.*

26. The Debtors went above and beyond in providing notice to creditors like Wang, such that Wang received actual and sufficient notice of the Bar Date. *See In re Caribbean Petroleum Corp*., 2010 WL 5093632 (Bankr. D. Del. Dec. 8, 2010) (finding that the English-only documents did not prejudice the debtors' Spanish-speaking claimants that resided in Puerto Rico); *Storage Tech. Corp. v. Comite Pro Rescate de La Salud (In re Storage Tech. Corp.),* 117 B.R. 610, 621 (Bankr. D. Colo. 1990) (finding that where the evidence showed that Spanish and English were used indiscriminately in Puerto Rico, failure to provide notice of a bar date in Spanish in Puerto Rico did not deprive the potential claimants of due process).

27. Second, Wang argues that he did not have the ability to understand the Bar Date Notice because he does not speak English and the "company's abuse had erased awareness of [his] rights." *See* Motion p. 1. What Wang fails to explain is how 25 similarly-situated Wellmade workers were able to understand the Bar Date Notice, seek counsel and timely file a proof of claim in these Cases. *See id.* p. 3. Allowing Wang, who sat on his rights, to now disrupt the administration of these Cases to the detriment of creditors who complied with the rules is unjust and should not be permitted. *See Cordell v. Pac. Indem. Co.,* 335 Fed. Appx. 956, 960 (11th Cir. 2009) ("[E]ven *pro se* pleadings must adhere to time requirements."); *In re Jones,* 2017 Bankr. LEXIS 382, *5 (Bankr. N.D. Ga. Feb. 10, 2017 ("Consequently, the Court cannot conclude that misapprehension of what it means to 'file' a document with the Court is an excusable error.").

28. As such, the reason-for-delay factor weighs strongly against a finding of excusable neglect.

D. Wang Has Not Demonstrated Good Faith

29. "Given the equitable nature of our inquiry, it is of course true that the movant must

demonstrate good faith or otherwise seek the relief of the court with clean hands." *See In re Orthopedic Bone Screw Products*, 246 F.3d 315, 329 (3d Cir. 2001) (quotations omitted). Reasonable and diligent efforts to pursue a late-filed claim reflect good faith. *See Garcia v. Sleeley,* No. 3:14-cv-01525-JLS-RBM, 2018 WL 8458861, at *4 (S.D. Cal. Dec. 17, 2018), *aff'd sub nom. Garcia v. Seeley,* 854 F. App'x 882 (9th Cir. 2021) ("[G]iven Plaintiff's lack of diligence, the Court does not find that he acted in good faith. This factor weighs against a finding of excusable neglect."). As explained in detail above, Wang has not been diligent in pursuing this claim and therefore cannot demonstrate good faith.

30. Wang waited over six months from receiving the Bar Date Notice to take any action in these Cases. This conduct does not demonstrate due diligence. *See In re Harrell,* 325 B.R. at 650 ("Regions Bank waited approximately ninety days after it became aware of the case to present its claim. The Court finds that such a delay does not demonstrate good faith.").

31. Given Wang's lack of good faith, he is not entitled to a finding of excusable neglect and the Motion should be denied. [4]

CONCLUSION

WHEREFORE, the Debtors respectfully request that this Court deny the relief requested in the Motion and provide such other relief as is just and proper.

Dated: June 14, 2026
Atlanta, Georgia

Respectfully submitted,

GREENBERG TRAURIG, LLP

/s/ John D. Elrod
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Allison J. McGregor, Ga. Bar No. 860865

[4] Even if the Court were to find that Wang acted in good faith, that could not overcome the other three factors that weigh against granting the Motion. *See In re Intelligent Med. Imaging,* 262 B.R. at 146 ("[T]he good faith of Clark does not outweigh the prejudice to other parties and the adverse impact on the administration of the case in allowing the untimely proof of claim.").

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CERTIFICATE OF SERVICE

I hereby certify that on June 14, 2026, all ECF participants registered in this case were served electronically with the foregoing Response through the Court's ECF system at their respective email addresses registered with this Court. The Debtors' claims and noticing agent, Kurtzman Carson Consultants LLC d/b/a Verita Global, will be filing a supplemental certificate of service on the docket to reflect any additional service of the foregoing Response, including on Wang at the addresses provided in his Motion.

Dated: June 14, 2026
Atlanta, Georgia

Respectfully submitted,

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