

Pashman Stein Walder Hayden P.C.'s Bankruptcy, Restructuring & Creditors' Rights Practice Receives Media Attention in Law360 for Latest Subchapter V Debtor Mandate, "Handbag Maker Scores Ch. 11 Relief To Keep Running Biz"

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Pashman Stein Walder Hayden P.C.'s Bankruptcy, Restructuring & Creditors' Rights practice was recently mentioned in Law360 article titled, "Handbag Maker Scores Ch. 11 Relief To Keep Running Biz" with respect to its representation of R.Riveter, LLC. The article discusses a decision made by a Delaware judge, ruling that the debtor in possession, a company that employs military spouses to make handbags, can take steps to continue operating while it pursues a Chapter 11 reorganization in the wake of delays and complications that cut into its revenues. R. Riveter is represented by Pashman Stein attorneys Joseph C. Barsalona II, Leah M. Eisenberg, Alexis R. Gambale, and Katherine R. Beilin.

At a hearing in Wilmington, U.S. Bankruptcy Judge Thomas M. Horan approved a passel of first-day motions from R. Riveter LLC, including requests for permission to pay certain post-petition tax balances and keep using its internal cash management system. The judge also granted authorization to the company to continue using its prepetition bank accounts and pay wages and benefits, among other requests.

R. Riveter filed for bankruptcy Sunday under Subchapter V of the Bankruptcy Code's Chapter 11. In a declaration supporting the first-day relief bids, the company's CEO and co-founder, Lisa Bradley, said COVID-19-related delays and marketing issues hobbled a growing business and pushed it toward insolvency with around \$1.1 million in debt.

The company has no secured creditors and has a bit over \$1.1 million in unsecured debt owed to non insiders, according to the declaration. The petition estimated the company has at most \$1 million in assets and between \$1 million and \$10 million in liabilities.

On Tuesday, Judge Horan found the debtor's requests were justified. The judge reviewed R. Riveter's story and offerings and had come away with a favorable impression, he said at the hearing.

"It's all very impressive, and I wish you the very best," he told Bradley.

To read the full article, [click here](#).