

**UNITED STATES BANKRUPTCY COURT
WESTERN DISTRICT OF NORTH CAROLINA
CHARLOTTE DIVISION**

In re	:	Chapter 11
	:	
ALDRICH PUMP LLC, <i>et al.</i> , ¹	:	Case No. 20-30608 (LMJ)
	:	
Debtors.	:	(Jointly Administered)
	:	

**DEBTORS' RESPONSE TO BANKRUPTCY ADMINISTRATOR'S
MOTION TO MODIFY ORDER ESTABLISHING MEDIATION PROTOCOL**

Aldrich Pump LLC ("Aldrich") and Murray Boiler LLC ("Murray"), as debtors and debtors in possession (together, the "Debtors"), hereby respond to the *Motion to Modify Order Establishing Mediation Protocol* [Dkt. 2887] (the "Motion") filed by the United States Bankruptcy Administrator for the Western District of North Carolina (the "Bankruptcy Administrator").

RESPONSE

1. The Debtors, as has been the case since the petition date, remain ready and willing to engage in negotiations with all key constituencies regarding a consensual resolution of these chapter 11 cases. To this end, following the appointment of the future claimants' representative (the "FCR") they promptly entered into negotiations with him, which ultimately resulted in a proposed \$545 million plan in 2021. The Debtors also extended a similar invitation to the Official Committee of Asbestos Personal Injury Claimants (the "ACC") while they were negotiating with the FCR and supported mediation when it was originally proposed by the Bankruptcy Administrator in July 2022. See [Dkt. 1373]. In short, the Debtors have supported,

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.



and continue to support, pathways (like mediation) that could lead toward a consensual resolution of these cases.

2. Thus, to the extent ACC members are interested in mediation at this juncture, the Debtors welcome the opportunity to engage in meaningful discussions with them. However, the Debtors want to reiterate that the purpose of mediation is to work towards a consensual resolution of the cases, not, as the Bankruptcy Administrator has indicated, to provide "a forum for the Debtors and FCR to test their theory that greater participation by the ACC's individual members will lead to a resolution of these cases." *Bankruptcy Administrator's Response in Opposition to the Debtors' Motion for Bankruptcy Rule 2004 Examination of Committee of Asbestos Personal Injury Claimants* [Dkt. 2886] (the "Bankruptcy Administrator's Rule 2004 Objection") at 3.²

3. As a result, to the extent ACC members do not wish to participate in mediation and/or believe that the position advanced by their tort system counsel in the prior mediation session is identical to the position they would take in this proposed mediation, the Debtors respectfully assert that compelling such mediation at this juncture is not an efficient use of parties' time and resources. While the Debtors' ability to speak on what transpired in the prior mediation session pursuant to the mediation order ([Dkt. 1449]) and mediation protocol ([Dkt. 1608]) is limited,³ it is self-evident that mediation has not yielded a resolution to these cases.

² The Debtors have filed a response to the Bankruptcy Administrator's Rule 2004 Objection, which is filed contemporaneously herewith. As detailed in that response, the Debtors' concern about ACC member involvement, among other things, was based on the recent revelation that ACC members had no direct involvement in ACC decision-making for the past five years.

³ The Debtors support the Motion's proposal that a mediation report detailing the prior mediation session should be filed or shared with this Court. See Mot. ¶ 10.

4. So, if the circumstances and considerations remain the same for the ACC, such that mediation would effectively be a repeat of the prior mediation attempt, the Debtors assert that mediation is instead a tool best utilized after the Court has issued its order estimating the Debtors' asbestos liabilities. An estimation number would offer a prime opportunity for renewed mediation because it could provide a meaningful catalyst for productive discussion amongst the parties. Further, while the Court does not have the initial expert reports exchanged by the Debtors, the ACC, and the FCR pursuant to the *Second Amended Case Management Order for Estimation of Asbestos Claims* [Dkt. 2656] (the "Initial Expert Reports")—which the Debtors still believe would benefit the Court, including in ruling on this Motion—to the Debtors the reports indicate that the ACC remains much too far apart from the Debtors and the FCR to likely make mediation productive at this time.

5. Turning to the more precise contours of the mediation process, if ordered at this juncture, the Debtors also propose a few changes to the Motion's proposed protocol. First, additional time needs to be built into the proposed amended mediation protocol to allow parties to adequately prepare for a meaningful mediation. The Motion's current proposal that the first mediation session occur within 90 days of entry of an order approving the Motion (Mot. ¶ 6), could require a mediation session by as early as February 19, 2026 (90 days from the day after the November hearing on the Motion). Given the estimation proceeding, adversary proceedings, and related ongoing discovery processes, in addition to the upcoming holiday season and the number of parties involved in mediation⁴ (including, for the first time, ACC members), the parties simply would need more time to prepare for mediation.

⁴ The Motion also notes that Ray Pittard, Vice-President and Chief Restructuring Officer of the Debtors, would need to attend the mediation session. See Mot. ¶ 6. The Debtors appreciate the importance of having decisionmakers present at mediation, but note that Ray Pittard retired earlier this year and further note that Allan Tananbaum, Chief Legal Officer of each of the Debtors, attended the prior mediation

6. Second, the Initial Expert Reports should be shared with the mediators in advance of any mediation. Allowing the mediators to review the initial expert reports, which contain the Debtors', FCR's, and ACC's initial asbestos estimations, will allow them to have additional insight into the parties' positions and will inform the mediation process. The above suggestion that the parties receive additional time to prepare in advance of mediation will also ensure the mediators have ample time to review the three initial expert reports.

7. Third, if the parties return to mediation, a substantive mediation report should be prepared at the conclusion of such mediation and submitted to the Court for review. The Motion proposes a similar process to report on the results of the prior mediation session (Mot. ¶ 10), but the Debtors request that the mediation protocol be amended to require a report that is more substantive than Local Form 17⁵ given both the complexity of the matters being considered in mediation and the prior concerns about ACC member participation in these cases.

8. Finally, the Motion also requests the appointment of C. Edward Dobbs as mediator to the extent that both previously appointed mediators resign, previously resigned, or are unavailable. See Mot. ¶¶ 9-10. The Debtors are not aware of either mediators' inability to continue to perform their duties, so this request seems premature. Further, to the extent that new or additional mediators are necessary, the mediation parties should meet and confer about potential candidates, as they did previously,⁶ instead of having a new mediator appointed unilaterally by the Bankruptcy Administrator.

session. As a result, the Debtors request that any mediation order or mediation protocol be further amended to note that Allan Tananbaum will attend future mediation sessions.

⁵ Local Form 17 is a one-page form that only notes that mediation occurred, and only allows the mediator to check a box denoting whether the mediation resulted in complete settlement, partial settlement, recess, or an impasse. The form provides no opportunity to submit any additional detail.

⁶ See Order Establishing Mediation Protocol [Dkt. 1608] at 2 ("The parties consensually agree on the appointment of Timothy V.P. Gallagher and Eric D. Green as mediators.").

9. The Debtors look forward to discussing these issues with the Court at the hearing on the Motion on November 20, 2025.

Dated: November 17, 2025
Charlotte, North Carolina

Respectfully submitted,

/s/ John R. Miller, Jr.
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ATTORNEYS FOR DEBTORS AND
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