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Docket #0074 Date Filed: 1/27/2025

IN THE UNITED STATES BANKRUPTCY COURT FOR THE DISTRICT OF DELAWARE

In re:

Chapter 11

EPIC! CREATIONS, INC., et al., 1

Case No. 24-11161 (JTD)

Debtors.

(Jointly Administered)

Claudia Z. Springer, Chapter 11 Trustee,

Adv. Pro. No. 24-50233 (JTD)

Plaintiff,

(Jointly Administered)

VS.

Google LLC, Voizzit Technology Private Ltd., Voizzit Information Technology LLC, Vinay Ravindra, Rajendran Vellapalath,

Defendants.

Re: Adv. D.I. 65

VOIZZIT INFORMATION TECHNOLOGY LLC, VOIZZIT TECHNOLOGY PRIVATE LIMITED AND RAJENDRAN VELLAPALATH'S OBJECTION TO GLAS TRUST COMPANY LLC'S MOTION TO INTERVENE

Voizzit Information Technology, LLC, Voizzit Technology Private Limited, and Rajendran Vellapalath (collectively, the "Voizzit Defendants"), through undersigned counsel, file this Objection to GLAS Trust Company LLC's ("GLAS") Motion to Intervene ("Objection") in the above-captioned adversary proceeding and respectfully request that the Court deny GLAS's Motion to Intervene.

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, are: Epic! Creations, Inc. (9113); Neuron Fuel, Inc. (8758); and Tangible Play, Inc. (9331).

BACKGROUND

- 1. On January 23, 2025, at 5:19 PM EST, Voizzit Defendants' counsel received an email from GLAS's counsel indicating their intent to file a motion to intervene in adversary proceeding 24-50233 ("Motion"), along with a motion to shorten time.
- 2. On January 24, 2025, GLAS filed its Motion to Shorten Time and Motion to Intervene, requesting a hearing on January 29, 2025, at 1:00 p.m. (ET), leaving Voizzit Defendants only two (2) business days to file their Objections to the Motion to Intervene, substantially prejudicing Voizzit Defendants.

I. GLAS LACKS STANDING AS A PARTY IN INTEREST AND DOES NOT POSSESS A LEGALLY PROTECTED INTEREST AFFECTED BY THE ADVERSARY PROCEEDING

- 3. GLAS erroneously claims an unconditional right to intervene under Federal Rule 24(a)(1), asserting standing as a party in interest under Section 1109(b) of the Bankruptcy Code in its capacity as administrative agent and creditor. Motion ¶12-16.
- 4. GLAS fails to qualify as a party in interest under the test adopted in *In re Global Industrial Technologies, Inc.*, which requires "a legally protected interest that could be affected by a bankruptcy proceeding." 645 F.3d 201, 210 (3d Cir.2011). *In re Shubh Hotels Pittsburgh, LLC*, 495 B.R. 274, 283 (Bankr. W.D. Pa. 2013) (*citing In re Global Industrial Technologies, Inc.*)
- 5. This standard demands more than mere economic interest in the proceeding's outcome. If that were the case, then every creditor in a chapter 11 case would be permitted to intervene in every adversary proceeding.
- 6. Courts have consistently held that a "party in interest" must demonstrate a legally protected interest that could be affected by the bankruptcy proceeding. *Id*.

- 7. GLAS's alleged interest fails to demonstrate how the adversary proceeding materially alters or could potentially materially alter its legal rights.
- 8. GLAS's claim to creditor and administrative agent status is subject to multiple bona fide disputes that fundamentally challenge its standing.
- 9. More specifically, in Alleged Debtors' Answer to Involuntary Petition filed on July 8, 2024, alleged Debtors challenged certain creditor's status as "Disqualified Lenders under the Credit Agreement," contested the validity of the alleged defaults, and argued that such involuntary petition was filed in bad faith.
- 10. Like the movant in *In re Shubh Hotels Pittsburgh*, *LLC*, GLAS's interest is contingent and solely regards impairment of "personal rights." Therefore, GLAS does not have a sufficient stake as required under section 1109 (b). *Id.* 6.
- 11. In *In re O.P.M. Leasing Services, Inc.*, it was held that a former president of a chapter 11 debtor and 50% owner of the company which was the sole shareholder of the debtor was not a party in interest under section 1109(b). *In re O.P.M. Leasing Services, Inc.*, 21 B.R. 983 (D.N.Y.1981).
- 12. With such narrow application in *In re O.P.M. Leasing Services, Inc.*, being an alleged administrative agent and creditor, whose standing had been challenged cannot create any basis for standing in the above-captioned adversary proceeding.
- 13. For these reasons, GLAS fails to demonstrate the legally protected interest required for intervention under Section 1109(b) and applicable precedent. Its purely economic stake in these proceedings is insufficient as a matter of law to support intervention.

II. GLAS'S INTERESTS ARE ADEQUATELY REPRESENTED BY EXISTING PARTIES

- 14. An applicant is entitled to intervene under Rule 24(a)(2) when: (1) the application for intervention is timely; (2) the applicant has a sufficient interest in the litigation; (3) the interest may be affected or impaired, as a practical matter by the disposition of the action; and (4) the interest is not adequately represented by an existing party in the litigation. *Harris v. Pernsley*, 820 F.2d 592, 596 (3d Cir.1987), cert. denied, 484 U.S. 947, 108 S.Ct. 336, 98 L.Ed.2d 363 (1987) (citation omitted). *See also, In re Shubh Hotels Pittsburgh, LLC*, 495 B.R. 274, 286 (Bankr. W.D. Pa. 2013).
- 15. Although these requirements are intertwined, **each** must be met to intervene as of right. *Id.* (emphasis added.)
 - 16. The applicant bears the burden of demonstrating that it has met all four prongs. *Id.*
- 17. GLAS fails to meet its burden of demonstrating inadequate representation of its interests and this burden increases significantly when the interests of an existing party are presumptively aligned with those of the potential intervenor.
- 18. "When the party seeking intervention has the same ultimate objective as a party to the suit, a presumption arises that its interests are adequately represented." *Bush v. Viterna*, 740 F.2d 350, 355 (5th Cir. 1984).
- 19. To overcome this presumption, GLAS must demonstrate "adversity of interest, collusion, or nonfeasance on the part of a party to the suit." *Id*.
- 20. GLAS's own Motion fatally undermines its position by explicitly stating it "is aligned with the Trustee in connection with the claims asserted in the Complaint." Motion ¶21.
- 21. This admission establishes the precise alignment of interests that precludes intervention.

- When interests are identical, there must be a "concrete showing of circumstances in the particular case that make the representation inadequate." Charles Alan Wright, Arthur R. Miller, and Mary Kay Kane, 7C Federal Practice & Procedure Civil 2d § 1909 (1986). GLAS has failed to make any such showing.
- 23. GLAS's extensive reliance on and incorporation of the Trustee's Complaint allegations demonstrates that its interests are not just adequately represented, but are effectively identical to those already being pursued by the Trustee.
- 24. Further, the Trustee has been tasked with protecting the interests of all creditors of the Debtors, which, if GLAS is truly a creditor, would mean that the Trustee is protecting the interests of GLAS. Any failure of the Trustee to protect the interests of all creditors would be a breach of her fiduciary duties.

III. <u>INTERVENTION WOULD SUBSTANTIALLY PREJUDICE THE VOIZZIT DEFENDANTS</u>

- 25. The timing and manner of GLAS's intervention attempt creates severe and undue prejudice to the Voizzit Defendants through:
 - Attempting to intervene to improperly use the January 22, 2025 Order for expedited discovery requiring responses by January 27, 2025;
 - b. Trustee had already served three deposition notices on Voizzit Defendants, as well
 as written discovery including Requests for Admission, Interrogatories and
 Requests for Productions served on all Voizzit Defendants
 - c. GLAS served duplicative and improper discovery requests on Voizzit Defendants on Friday, January 24, 2025 at 7:20 p.m., demanding responses and witnesses be produced Monday, January 27, 2025 at 9:00 a.m.;

- d. GLAS's filing of two Motions on Friday, January 24, 2025;
- e. GLAS noticed a hearing for its Motions on January 29, 2025, the same day as the impending evidentiary hearing;
- f. GLAS's actions have overburdened the Voizzit Defendants and this case with multiple simultaneous filing and non-filing deadlines, creating impossible time constraints; and
- g. The Voizzit Defendants' Order to Show Cause response due January 27, 2025.
- 26. The compressed timeline systematically undermines the Voizzit Defendants' ability to effectively review and respond to the Trustee's discovery within the initial 72-hour window; address GLAS's separate discovery requests improperly served with even less notice; prepare adequate responses to multiple substantive motions and consult with counsel on complex legal and factual issues; develop and present a coherent defense strategy and prepare witnesses and evidence for the upcoming evidentiary hearing.
- 27. GLAS's intervention strategy appears calculated to overwhelm Voizzit Defendants with simultaneous deadlines; force responses to duplicative discovery without adequate review time; create conflicts between preparation requirements for various proceedings; prevent meaningful attorney consultation on critical issues; and manufacture artificial time pressure through unnecessary parallel proceedings.
- 28. The prejudicial impact extends beyond immediate procedural burdens. It prevents development of a complete factual record; creates risk of inconsistent or incomplete responses due to time constraints; impairs ability to present contrary evidence to one-sided allegations; compromises preparation for the evidentiary hearing; undermines fundamental due process rights; and threatens the integrity of both the adversary proceeding and bankruptcy case.

- 29. The tactical timing of GLAS's intervention attempt, combined with its motion to shorten time and immediate premature discovery demands, demonstrates a coordinated strategy to disadvantage Voizzit Defendants rather than a genuine need for participation in the proceedings.
- 30. These circumstances create precisely the type of prejudice that courts have recognized as grounds for denying intervention, particularly when the proposed intervenor's interests are already adequately represented by existing parties.

RESERVATION OF RIGHTS

31. Nothing contained herein shall be deemed an admission or waiver by the Voizzit Defendants with respect to any argument or defense in connection with any further proceedings before this Honorable Court. To the extent that GLAS's motion to shorten notice is denied, the Voizzit Defendants reserve the right to supplement this objection by the response deadline directed by the Court.

CONCLUSION

WHEREFORE, Voizzit Defendants respectfully request that this Court:

- 32. Deny GLAS's Motion to Shorten Notice in its entirety;
- 33. Deny GLAS's Motion to Intervene in its entirety;
- 34. Grant Voizzit Defendants their reasonable costs and attorneys' fees incurred in opposing these motions;
- 35. Stay any obligation to respond to GLAS's discovery requests pending resolution of this Objection; and
 - 36. Grant such other and further relief as this Court deems just and proper.

Dated: January 27, 2025 CROSS & SIMON, LLC

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