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Docket #1327 Date Filed: 6/4/2024

# IN THE UNITED STATES BANKRUPTCY COURT FOR THE SOUTHERN DISTRICT OF TEXAS HOUSTON DIVISION

In re

WESCO AIRCRAFT HOLDINGS, INC., et al.,

Debtors.<sup>1</sup>

WESCO AIRCRAFT HOLDINGS, INC., et al.,

Plaintiffs,

ν.

SSD INVESTMENTS LTD., et al.,

Defendants.

SSD INVESTMENTS LTD., et al.,

Counterclaim Plaintiffs,

ν.

WESCO AIRCRAFT HOLDINGS, INC., et al.,

Counterclaim Defendants.

Case No. 23-90611 (MI)

Chapter 11

(Jointly Administered)

Adv. Pro. No. 23-03091

# MOTION (I) AUTHORIZING THE 2024/2026 HOLDERS TO FILE CERTAIN CONFIDENTIAL INFORMATION UNDER SEAL AND (II) LIMITING NOTICE THEREOF Related to Docket No. 1326

If you object to the relief requested, you must respond in writing. Unless otherwise directed by the Court, you must file your response electronically at https://ecf.txsb.uscourts.gov/within twenty-one days from the date this motion was filed. If you do not have electronic filing privileges, you must file a written objection that is actually received by the clerk within

<sup>&</sup>lt;sup>1</sup> The Debtors operate under the trade name Incora and have previously used the trade names Wesco, Pattonair, Haas, and Adams Aviation. A complete list of the Debtors in these chapter 11 cases, with each one's federal tax identification number and the address of its principal office, is available on the website of the Debtors' noticing agent at http://www.kccllc.net/incora. The service address for each of the Debtors in these cases is 2601 Meacham Blvd., Ste. 400, Fort Worth, TX 76137.

twenty-one days from the date this motion was filed. Otherwise, the Court may treat the pleading as unopposed and grant the relief requested.

The 2024/2026 Holders hereby file this *Motion (I) Authorizing the 2024/2026 Holders to File Certain Confidential Information Under Seal and (II) Limiting Notice Thereof* (the "Motion") to request, pursuant to section Sections 105(a) and 107(b) of Title 11 of the United States Code (the "Bankruptcy Code") and Rule 9018 of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules"), entry of an order authorizing the 2024/2026 Holders to file under seal certain confidential information contained in documents being filed contemporaneously with this Motion.

### **JURISDICTION AND VENUE**

- 1. This Court has jurisdiction over this Motion pursuant to 28 U.S.C. §§ 1334 and 157, Sections 105(a) and 107(b) of the Bankruptcy Code, Bankruptcy Rule 9018, and Rule 9037-1 of the Bankruptcy Local Rules for the Southern District of Texas (the "Local Rules").
  - 2. Venue is proper in this District pursuant to 28 U.S.C. §§ 1408 and 1409.
- 3. The statutory bases for relief are Sections 105(a) and 107(b) of the Bankruptcy Code, Bankruptcy Rule 9018, and Local Rules 9013-1 and 9037-1.

### **BACKGROUND**

4. On September 6, 2023, the Court entered a *Stipulated Protective Order* (the "Protective Order"), at Main Case No. 23-90611, Docket No. 724. The Protective Order provides that parties may designate Discovery Material as Confidential Information or Highly Confidential – Professionals' Eyes Only Information (the "Designated Material"). If any documents containing Designated Material are filed with the Court, the documents shall be redacted from the Court filing (either by redacting the relevant text of the submission or redacting the entirety of any exhibit that has been designated as containing Confidential Information or Highly Confidential – Professionals' Eyes Only information) or filed under seal pursuant to the Court's rules governing

sealed documents, unless the designating party consents in writing to such Designated Material being filed publicly. *See* Protective Order ¶ 4.2(E).

- 5. Trial commenced in this adversary proceeding on January 25, 2024.
- 6. Trial is continuing in this adversary proceeding on June 5, 2024.
- 7. On June 4, 2024, the 2024/2026 Holders filed their Exhibit and Witness list for the June 5, 2024 trial date ("June 5 Exhibits").
- 8. The June 5 Exhibits filed at Docket No. 1326 were filed under seal because they include information designated by one or more parties or non-parties as Designated Material under the Protective Order. In addition, certain June 5 Exhibits included references to such Designated Material. Accordingly, these certain June 5 Exhibits were not filed publicly.
- 9. The 2024/2026 Holders request that the Court issue an order, pursuant to Sections 105(a) and 107(b) of the Bankruptcy Code and Bankruptcy Rule 9018, authorizing the 2024/2026 Holders to (i) file under seal, (ii) serve on the parties that are entitled; and (iii) keep sealed for an indefinite period of time, the sealed June 5 Exhibits at Docket No. 1326.

#### **BASIS FOR RELIEF**

- 10. Pursuant to Section 107(b) of the Bankruptcy Code, the Court is authorized to issue orders to protect entities with respect to certain confidential information. Additionally, Section 105(a) of the Bankruptcy Code, which codifies the Court's inherent equitable powers, empowers the Court to "issue any order, process, or judgment that is necessary or appropriate to carry out the provisions of this title."
- 11. Bankruptcy Rule 9018 implements Section 107(b) of the Bankruptcy Code and provides in pertinent part:

On motion or on its own initiative, with or without notice, the court may make any order which justice requires (1) to protect the estate

or any entity in respect of a trade secret or other confidential research, development, or commercial information.

Further, Local Rule 9037-1 provides, in relevant part, that "[a] motion, reply or other document may initially be filed under seal if the filing party simultaneously files a motion requesting that the document be maintained under seal."

- 12. Although there is a strong presumption in favor of public access to court records, such access is not without limit. *See Nixon v. Warner Commc'ns, Inc.*, 435 U.S. 589, 598 (1978). Sections 105(a) and 107(b) and Bankruptcy Rule 9018 authorize this Court to limit public access under the circumstances present in these cases. *See, e.g., In re Gen. Homes Corp.*, 181 B.R. 898, 903 (Bankr. S.D. Tex. 1995) ("The court has authority to seal court records, in order to protect trade secrets or confidential research, development, or confidential information . . ."). Certain information contained within the June 5 Exhibits has been designated as containing confidential and/or proprietary information and is subject to the Protective Order.
- 13. Therefore, the 2024/2026 Holders respectfully request authority to file the June 5 Exhibits at Docket No. 1326 under seal to avoid public disclosure of confidential information.

#### CONCLUSION

WHEREFORE, the 2024/2026 Holders respectfully request that this Court enter an order that: (a) grants the Motion; and (b) grants all other relief that this Court deems just and proper.

Dated: June 4, 2024

Respectfully submitted,

## **KOBRE & KIM LLP**

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-and-

#### **FOLEY & LARNDER LLP**

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Counsel to the 2024/2026 Holders

## **CERTIFICATE OF SERVICE**

I certify that on June 4, 2024, I caused a copy of the foregoing document to be served by the Electronic Case Filing System for the United States Bankruptcy Court for the Southern District of Texas.

/s/ Darryl G. Stein
Darryl G. Stein

# IN THE UNITED STATES BANKRUPTCY COURT FOR THE SOUTHERN DISTRICT OF TEXAS HOUSTON DIVISION

In re

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Case No. 23-90611 (MI)

Chapter 11

(Jointly Administered)

Adv. Pro. No. 23-03091

# ORDER AUTHORIZING THE 2024/2026 HOLDERS TO (I) FILE UNDER SEAL CERTAIN CONFIDENTIAL INFORMATION <u>AND (II) LIMITING NOTICE THEREOF</u> Related to Docket No. 1326

<sup>&</sup>lt;sup>1</sup> The Debtors operate under the trade name Incora and have previously used the trade names Wesco, Pattonair, Haas, and Adams Aviation. A complete list of the Debtors in these chapter 11 cases, with each one's federal tax identification number and the address of its principal office, is available on the website of the Debtors' noticing agent at http://www.kccllc.net/incora. The service address for each of the Debtors in these cases is 2601 Meacham Blvd., Ste. 400, Fort Worth, TX 76137.

Upon consideration of the Motion (I) Authorizing the 2024/2026 Holders to File Certain

Confidential Information Under Seal and (II) Limiting Notice Thereof (the "Motion"), pursuant

to sections 105(a) and 107(b) of the Bankruptcy Code and Bankruptcy Rule 9018, authorizing the

2024/2026 Holders to file, under seal, certain exhibits for the upcoming trial on June 5, 2024 (the

"June 5 Exhibits"), and to limit notice thereof; and the Court having jurisdiction to consider the

Motion and the relief requested therein pursuant to 28 U.S.C. §§ 157 and 1334; and notice of the

Motion having been adequate and appropriate under the circumstances; and after due deliberation

and sufficient cause appearing therefor, it is HEREBY ORDERED THAT:

1. Pursuant to Sections 105(a) and 107(b) of the Bankruptcy Code, Bankruptcy Rule

9018, and Local Rule 9037-1, the 2024/2026 Holders are authorized to file the June 5 Exhibits

under seal.

2. This Order is without prejudice to the rights of any party-in-interest, including the

2024/2026 Holders any other party, to seek to unseal the June 5 Exhibits, or any part of it.

3. The 2024/2026 Holders are authorized to take all actions necessary to effectuate the

relief granted pursuant to this Order in accordance with the Motion.

4. The Court retains jurisdiction with respect to all matters arising from or related to

the implementation of this Order.

DATED: \_\_\_\_\_\_, 2024

MARVIN ISGUR UNITED STATES BANKRUPTCY JUDGE

<sup>2</sup> Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to such terms in the Motion.

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