

ENTERED

February 04, 2025

Nathan Ochsner, Clerk

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION****IN RE:****THE CONTAINER STORE GROUP, INC.,
et al.,
Debtors.**§
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§**CASE NO: 24-90627****Jointly Administered
CHAPTER 11****ORDER DENYING REQUEST FOR AN EMERGENCY HEARING ON THE U.S.
TRUSTEE'S MOTION FOR STAY OF THE CONFIRMATION ORDER PENDING
APPEAL (ECF #210)**

On January 24, 2025, the Court entered its Order (I) Approving Debtors' Disclosure Statement (II) Confirming First Amended Prepackaged Joint Plan of Reorganization of the Container Store Group, Inc. and its Debtor Affiliates Under Chapter 11 of the Bankruptcy Code (EFC #181) ("Confirmation Order"), which confirmed the Debtors' prepacked plan of reorganization (hereinafter "Prepackaged Plan"). The Debtors' Prepackaged Plan paid all unsecured creditors in full and was unanimously supported by the only impaired class entitled to vote.¹ By the time of the confirmation hearing, there were no objections from any creditor or equity security holder.

On February 3, 2025, the U.S. Trustee filed its Notice of Appeal of the Confirmation Order (EFC #209). Also on February 3, 2025, the U.S. Trustee filed an Emergency Motion for a Stay of the Confirmation Order Pending Appeal ("Motion for Stay") (ECF #210). The U.S. Trustee's request for emergency consideration is embodied in a single paragraph of its 33-page Motion for Stay. Paragraph 129 on page 32 (ECF #210) states, as the basis for emergency relief, "The Plan was confirmed on January 24, 2025. The U.S. Trustee filed his Notice of Appeal on February 3, 2025. The U.S. Trustee intends to request an expedited briefing schedule with the District Court. In light of this, the U.S. Trustee requests an emergency hearing on this Motion."

On February 4, 2025, the (now) Reorganized Debtors filed an objection ("Objection") (ECF #212) to the request for emergency consideration on the basis that the U.S. Trustee failed to identify any emergency that would warrant an emergency hearing.

Before this Court considers the U.S. Trustee's Motion for Stay it must determine whether to grant the request for an emergency hearing. BLR 9013-1 states that an emergency "motion must include a detailed statement why an emergency exists..." The Court's Procedures regarding emergency motions provide that the motion must "include an explanation in the body of the motion setting forth why emergency consideration is required and the harm that will be

¹ ECF No. 171-19 at 14.



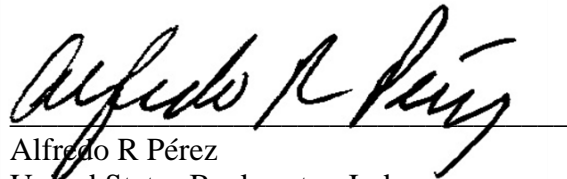
suffered if expedited relief is not obtained.” The proffered explanation by the U.S. Trustee fails to meet these requirements.

Furthermore, as set forth in the Objection, not only is there no explanation of the emergency requiring the emergency hearing, but the U.S. Trustee fails to disclose a critical fact in considering whether to grant emergency relief: namely, that on January 28, 2025, the Prepackaged Plan went effective and was substantially consummated. The Notice of (I) Entry of the Combined Order, (II) Occurrence of the Effective Date, and (III) Rejection Damages Bar Date (“Notice of the Effective Date”) (ECF #200) filed on the record on January 28, 2025, states, “Each of the conditions precedent to the occurrence of the Effective Date, as set forth in Article VIII, has been satisfied or waived in accordance therewith, and the Prepackaged Plan became effective and was substantially consummated on January 28, 2025 (the “Effective Date”). The Notice of the Effective Date was filed and served six days before the U.S. Trustee filed its Motion for Stay.

Based on the U.S. Trustee’s failure to articulate any reason why emergency relief should be granted and the occurrence of the Effective Date, which the U.S. Trustee failed to disclose in its Motion for Stay, the Court **DENIES** the request for an emergency hearing.

The parties should confer with each other and the Court’s Case Manager to schedule a prompt evidentiary hearing after the briefing is complete.

SIGNED 02/04/2025



Alfredo R Pérez
United States Bankruptcy Judge