Case	2:13-bk-15130-SK Doc 631 Filed 07/18/ Main Document P		
1 2 3 4 5 6 7 8	Michael L. Tuchin (Cal. Bar No. 150375) Matthew C. Heyn (Cal. Bar No. 227474) Jonathan M. Weiss (Cal. Bar No. 281217) Samuel M. Kidder (Cal. Bar No. 284015) KLEE, TUCHIN, BOGDANOFF & STERN LL 1999 Avenue of the Stars, Thirty-Ninth Floor Los Angeles, California 90067 Telephone: 310-407-4000 Facsimile: 310-407-9090 Email: mtuchin@ktbslaw.com mheyn@ktbslaw.com jweiss@ktbslaw.com skidder@ktbslaw.com	Р	FILED & ENTERED JUL 18 2014 CLERK U.S. BANKRUPTCY COURT Central District of California BY carranza DEPUTY CLERK
9 10	RONALD RICHARDS & ASSOCIATES, APC UNITED STATES BANKRUPTCY COURT		
11	CENTRAL DISTRI LOS ANGEI		
12			SION
13	In re	Jointly	Administered
14	GGW BRANDS, LLC,	Case N	o. 2:13-bk-15130-SK
15	GGW DIRECT, LLC, GGW EVENTS, LLC,	Chapter	r 11
16	GGW MAGAZINE, LLC and GGW MARKETING, LLC,	AND P	R HOLDING JOSEPH R. FRANCIS ERFECT SCIENCE LABS, LLC IN
17	Debtors.	CONT	EMPT OF COURT
18		Date:	Initial Hearing July 10, 2014
19	This pleading affects: All Debtors	Time	10:00 a.m.
20	GGW Brands, LLCIGGW Direct, LLCIGGW Events, LLCI	Date: Time:	<u>Continued Hearing</u> July 31, 2014 10:00 a.m.
21	GGW Magazine, LLC	Place:	United States Bankruptcy Court Courtroom 1575
22 23			255 E. Temple Street Los Angeles, CA 90012
23			
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1	On July 10, 2014, this Court held a hearing on the Order to Show Cause Why Joseph R.		
2	<i>Francis and Perfect Science Lab, LLC Should Not Be Held in Contempt</i> [BK Docket No. 585]. <sup>1</sup>		
3	Appearances are set forth on the transcript of the hearing [BK Docket No. 623]. At the hearing,		
4	the Court received evidence and heard argument. For the reasons set forth in the Court's Final		
5	Ruling Re: "Order to Show Cause Why Joseph R. Francis and Perfect Science Labs, LLC Should		
6	Not Be Held in Contempt" [BK Docket No. 629] (the "Ruling"): <sup>2</sup>		
7	1. The Court hereby holds Joseph R. Francis ("Francis") and Perfect Science Labs,		
8	LLC ("PSL") in contempt of Court for violating the Order Approving Stipulation Resolving		
9	Emergency Ex Parte Application to Enforce and the Extent Necessary, Clarify and Expand RONALD RICHARDS & ASSOCIATES, APC		
10	Temporary Restraining Order by Specifically Naming Additional Parties [AP Docket No. 32] (the		
11	"Consent Order") and the <i>Preliminary Injunction</i> [AP Docket No. 86] (the "Preliminary		
12	Injunction") based on the following acts:		
13	a. In violation of Paragraph 1 of the Preliminary Injunction, on May 9, 2014,		
14	Francis and Abbey Wilson, the manager of PSL, ("Wilson") entered the		
15	offices of GGW Brands, LLC, GGW Direct, LLC, GGW Events, LLC, and		
16	GGW Magazine, LLC (collectively, "GGW"), which were located at 10940		
17	Wilshire Boulevard, Suite 1000, Los Angeles, California on May 9, 2014.		
18	b. In violation of Paragraph 1 of the Preliminary Injunction, on May 16, 2014,		
19	Francis and Wilson again entered GGW's offices, which were located at		
20	10940 Wilshire Boulevard, Suite 1000, Los Angeles, California on May 16,		
21	2014.		
22	c. Paragraph 15 of the Consent Order and paragraph 8 of the Preliminary		
23	Injunction require that Francis and PSL return the following two		
24			
25			
26	bk-15130-SK and all references to "AP Docket" are to the docket in <i>Nielson v. Francis (In re GGW Brands, LLC)</i> , Adv. No. 2:13-ap-01468-SK.		
27	<sup>2</sup> The Ruling constitutes the Court's findings of fact and conclusions of law under Rules 9014 and 7052 of the Federal Rules of Bankruptcy Procedure.		
28	and , see of the fourier function of Dunkruptey frocedure.		
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1	automobiles to the Trustee upon the Trustee vacating GGW's offices: (i) a		
2	2007 Cadillac Escalade with a vehicle identification number ("VIN")		
3	ending 5603; and (ii) a 2012 Bentley Flying Spur with VIN ending 0815		
4	(collectively, the "Vehicles"). In violation of paragraph 15 of the Consent		
5	Order and paragraph 8 of the Preliminary Injunction, Francis and PSL failed		
6	to return the Vehicles on May 28, 2014 (the day the Trustee and GGW		
7	vacated GGW's offices) or at any time since.		
8	d. Francis and PSL have failed to demonstrate that the above-described		
9	violations of the Preliminary Injunction and Consent Order were based on a RONALD RICHARDS & ASSOCIATES, APC		
10	good-faith and reasonable interpretation of the Preliminary Injunction or the		
11	Consent Order, both of which are specific and definite.		
12	e. Francis and PSL had notice of the Preliminary Injunction and Consent		
13	Order prior to the above-described violations. Francis and PSL have failed		
14	to demonstrate that they were, or are, unable to comply with the Preliminary		
15	Injunction or the Consent Order.		
16	2. Francis and PSL are hereby ORDERED to immediately return both Vehicles to		
17	R. Todd Neilson, as Chapter 11 trustee for the estate of GGW, (the "Trustee") or the Trustee's		
18	designated representative.		
19	3. Francis and PSL are hereby ORDERED to pay the Clerk of the Court \$5,000 for		
20	every day after this Contempt Order is entered that the Vehicles have not been returned to the		
21	Trustee or his designated representative. The payments, which shall be due 24 hours after every		
22	day that the Vehicles have not been returned, shall be made by check payable to "Clerk of the U.S.		
23	Bankruptcy Court for the Central District of California" and personally delivered or sent by		
24	certified mail to the Trustee's offices at Berkeley Research Group, LLC, 2049 Century Park East,		
25	Suite 2525, Los Angeles, CA 90067. The Trustee is hereby authorized to hold such fee payments		
26	until the Continued Contempt Hearing (defined below).		
27	4. Francis and PSL are hereby ORDERED to pay to pay the Trustee's attorneys' fees		
28	and costs in the amount of \$40,228 for the period May 9, 2014 through June 23, 2014. This		
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1 amount is payable immediately upon entry of this Contempt Order. This Contempt Order is 2 without prejudice to any additional attorneys' fees to be proven at the Continued Contempt 3 Hearing.

5. On or before July 29, 2014, the Trustee shall file a supplemental declaration with 4 5 admissible evidence, substantiating the amount of attorney' fees and costs the Trustee incurred 6 from June 24, 2104 through the date that the supplemental declaration is filed due to Francis's and 7 PSL's violation of the Consent Order and the Preliminary Injunction, as well as the attorneys' fees 8 and costs that he anticipates incurring to participate in the Continued Contempt Hearing.

9

The Court will hold a continued contempt hearing on July 31, 2014, at 10:00 a.m., 6. (the "Continued Contempt Hearing") at 255 E. Temple Street, Courtroom 1575, Los Angeles, 10 11 **California 90012**. During the Continued Contempt Hearing, the Court will inquire of the 12 Trustee's counsel and Francis's and PSL's counsel regarding whether Francis and PSL have 13 complied with the Ruling and this Contempt Order. If they have not, the Court will consider what 14 additional sanctions, if any, including arrest warrants and civil incarceration for Francis and 15 Wilson, might be appropriate. During the Continued Contempt Hearing, the Court will also 16 determine the additional amount of attorneys' fees and costs that Francis and PSL must pay the 17 Trustee for attorneys' fees and costs incurred from June 24, 2014 through and including the date 18 of Continued Contempt Hearing.

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Sandra R. Klein United States Bankruptcy Judge

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