

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF NEW JERSEY**

Ira R. Deiches, Esquire (NJ ID #013941976)
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Attorneys for Debtor and Debtor-in-Possession

In the Matter of:

JAMES CANDY COMPANY,

Debtor and Debtor-in-Possession.

Case No. 18-32139

Chapter 11

Judge: Hon. Andrew B. Altenburg, Jr.

Hearing Date: May 7, 2019
10:00 a.m.

**NOTICE OF DEBTOR'S MOTION FOR APPROVAL
OF PUBLIC SALE OF SURPLUS CHOCOLATE CANDY
MANUFACTURING EQUIPMENT**

TO: PARTIES ON ATTACHED SERVICE LIST

PLEASE TAKE NOTICE that on May 7, 2019, at 10:00 a.m., or as soon thereafter as counsel may be heard, the undersigned attorneys for James Candy Company, Debtor and Debtor-in-Possession herein ("Debtor"), will make application to the Honorable Andrew B. Altenburg, Jr., U.S. Bankruptcy Judge, at Courtroom 4B, Mitchell H. Cohen U.S. Courthouse, 400 Cooper Street, 4th Floor, Camden, NJ 08101, on notice to necessary parties, for an Order approving Debtor's public sale by auction of surplus chocolate candy making equipment identified on the list attached to the Certification of Frank Glaser submitted herewith, at public auction to be conducted by Union Standard Equipment Company as online auctioneer, whose Application for Retention is pending before the Court, and granting such other and further relief as is just.

Annexed hereto is a Certification upon which Debtor will rely, and a proposed form of Order.

Dated: April 8, 2019




IRA R. DEICHES, ESQUIRE
Deiches & Ferschmann,
A Professional Corporation
Attorneys for Debtor

STATEMENT UNDER D.N.J. LBR 9013-2 WHY NO BRIEF IS NECESSARY

The accompanying motion relies on facts of record and/or presents no novel issues of law and, therefore, Debtor respectfully contends that no Brief is necessary.

DEICHES & FERSCHMANN
A Professional Corporation
Attorneys for Debtor

Dated: April 8, 2019

By: 
Ira R. Deiches, Esquire

**SERVICE LIST - DEBTOR'S MOTION FOR APPROVAL OF
PUBLIC SALE OF SURPLUS CHOCOLATE CANDY
MANUFACTURING EQUIPMENT**

United States Trustee
One Newark Center, Suite 2100
Newark, NJ 07102

Neal M. Ruben, Esquire
Law Offices of Neal M. Ruben
Attorney for OceanFirst Bank, N.A.
179 Avenue at the Common, Ste. 201
Shrewsbury, NJ 07702

Other Creditors and Parties in Interest
who have requested service of pleadings
via electronic noticing

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Chapter 11

Judge: Hon. Andrew B. Altenburg, Jr.

Hearing Date: May 7, 2019
10:00 a.m.

**CERTIFICATION ON BEHALF OF DEBTOR IN SUPPORT OF
MOTION TO APPROVE PUBLIC SALE OF SURPLUS
CHOCOLATE CANDY MANUFACTURING EQUIPMENT**

FRANK GLASER, of full age, hereby certifies that:

1. I am President of James Candy Company, Debtor and Debtor-in-Possession herein ("Debtor"), and have competent knowledge of the facts herein contained.
2. Debtor filed its Petition for Relief under Chapter 11 of the Bankruptcy Code on November 7, 2018 (the "Petition Date").
3. This Court has jurisdiction of the within matter under the provisions of 28 U.S.C. §1334, 28 U.S.C. §157(a), (b), (1), (2), (A), (N), (O); and 11 U.S.C. §363.
4. Both before and after the Petition Date, Debtor was engaged in the retail candy business in several locations, including rented premises in Atlantic City, Ocean City, Wildwood, and Cape May, New Jersey.
5. As part of its business restructuring moving towards reorganization, Debtor has reevaluated the profitability of continuing the manufacture of chocolate candy in addition to Debtor's primary product, salt water taffy.

6. Debtor makes both product lines at its factory located at the rear of Debtor's business premises at 1519 Boardwalk, Atlantic City, New Jersey.

7. In the exercise of sound business judgment, Debtor has determined that it should no longer manufacture its chocolate candy inventory but can realize greater profit through the sale of chocolate candy purchased from third party vendors.

8. Debtor's business decision was also based on the recognition that Debtor can save the costs and expenses associated with chocolate candy manufacturing payroll, the maintenance and operation of Debtor's aged chocolate candy production line equipment, and Debtor can realize the proceeds of the sale of its chocolate production line equipment to reduce Debtor's secured debt owed to OceanFirst Bank, Debtor's secured creditor with a lien on the items to be sold. A list of the items to be sold is attached hereto as an Exhibit.

9. Debtor has made application for approval of its retention of Union Standard Equipment Company, a firm specializing in the valuation, buying and selling of second-hand confectionery machinery since 1912.

10. As the retention application pleadings reflect, the online auctioneer will seek a commission of ten (10%) percent from the proceeds of all items sold, looking to each buyer to pay an additional eighteen (18%) percent buyer's premium.

11. Buyers will be responsible to pay all costs of machinery dismantling, removal, and any associated freight charges.

12. The proposed online auctioneer will conduct the sale using the online platform "bidspotter.com" and will also send out blast emails to that platform's buyers, together with emailing the auctioneer's own customers identified on its confectionery mailing list. Additionally, the sale will be advertised on various confectionery websites and blogs. Finally, word of mouth will be spread by the proposed auctioneer at the upcoming Professional Manufacturing Confectioners Association trade show in Lancaster, Pennsylvania.

13. The proposed auctioneer has evaluated the items to be sold to determine a fair market value of each piece and has set a reserve for each piece. If the auction does not produce a bid equal to or greater than the minimum reserve price for an item, the item will not be sold at the auction but will continue to be marketed by the auctioneer on its own website and through additional blast emails.

14. Debtor believes that the proposed public online auction sale of what is now surplus and unnecessary manufacturing equipment is in the best interests of Debtor, its creditors, and its estate.

15. This Certification is submitted in support of debtor's motion for approval of the public sale of the surplus equipment consistent with the general notice provided to Debtor's creditors under Fed.R.Bankr.P. 2002.

16. Debtor has served notice of this motion upon the United States Trustee and OceanFirst Bank, supplementing the general notice to creditors, contending that no other notice is necessary or warranted.

I hereby certify that the foregoing statements made by me are true. I am aware that if any of the foregoing statements made by me are willfully false, I am subject to punishment.

Dated: April 8, 2019



FRANK J. GLASER

Description
Mills 18" Diameter Copper Coating Pan, 15" deep x 12" opening, 110 volts
Ben Moore 500lb Stainless Steel Water Jacketed and Agitated Chocolate melter, 25" diameter x 27" deep, electric heater, 3 phase, 60 cycle, 208 volts.
Ben Moore 500lb Stainless Steel Water Jacketed and Agitated Chocolate melter, 25" diameter x 27" deep, electric heater, 3 phase, 60 cycle, 208 volts.
Ball 4-ft Cream Beater with Stainless Steel bed
Ball 5-ft Cream Beater with Stainless Steel bed
Werner Lehara 16" Wire-Cut Extruder with jacketed rolls, variable speed, (9) outlet 1.25" diameter filler block, 1" round die
Smith 16" Enrobing Line - 8-ft long cold plate with freon compressor, Whetstone pre-bottomer and 8-ft long cold plate with freon compressor, Smith enrober with double wheels, water jacketed and heated tank, blower, Woody 16" Double Loop Stringer with pump, Cooling tunnel with 3-ft infeed, 47-ft long tunnel with 6-ft packoff area with (2) freon compressors, Whetstone cooling tube used prior to enrober
Smith 10" Enrobing Line - 8 ft cold plate conveyor with freon compressor, pre-bottomer, 8 ft cold plate conveyor with freon compressor, Enrober with double wheels, water jacketed and electrically heated tank, blower, Woody 10" Double Loop stringer with pump, Cooling Tunnel with 3 ft infeed, 36 ft long tunnel, 8 ft packoff area with (1) freon compressor
Smith 10" Enrober with 2-ft infeed, water jacketed and heated tank, blower.
Whetstone 4-tube Cluster Depositor
Werner Lehara 16" Wire-Cut Extruder with jacketed rolls, variable speed, (9) outlet 1.25" diameter filler block, 7/8" round die

Smith 16" Enrobing Line - 8-ft long cold plate with freon compressor, Whetstone pre-bottomer and 8-ft long cold plate with freon compressor, Smith enrober with double wheels, water jacketed and heated tank, bower, Woody 16" Double Loop Stringer with pump, Cooling tunnel with 4-ft infeed, 24-ft long tunnel (3 8ft sections each with own fan/coil and freon compressor) with 8-ft packoff area
Smith 12" Caramel Cutter, (13) blades on 7/8" centers
Mills 18" Wid Caramel Sizer
Savage 200CM 200-lb Stainless Steel Chocolate Melter, water jacketed and agitated, temperature control, timer
Smith 100-lb Carbon Steel Chocolate Melter with agitated and jacketed tank with electric heater
Smith 100-lb Carbon Steel Chocolate Melter with agitated and jacketed tank with electric heater
Smith 250-lb Carbon Steel Chocolate Melter with agitated and jacketed tank with electric heater
Smith 250-lb Carbon Steel Chocolate Melter with agitated and jacketed tank with electric heater with chocolate pump
Smith 100-lb Carbon Steel Chocolate Melter with agitated and jacketed tank with electric heater with chocolate pump
Smith 100-lb Carbon Steel Chocolate Melter with agitated and jacketed tank with electric heater
Smith 100-lb Carbon Steel Chocolate Melter with agitated and jacketed tank with electric heater
Smith 100-lb Carbon Steel Chocolate Melter with agitated and jacketed tank with electric heater
Groen model DNTA-60-SP 60 Gallon Stainless Steel Single Action Cooking and Mixing Kettle, Tilt out agitator with hydraulic cylinder, hand tilt kettle, 316 SS, jacket rated for 60 psi at 325 degrees F
Groen model DN/RA-60-SP 60 Gallon Stainless Steel Single Action Cooking and Mixing Kettle, Tilt out agitator with hydraulic cylinder, hand tilt kettle, jacket rated for 45 psi at 300 degrees F, serial#131383, 1986

Groen model DN/RA-60-SP 60 Gallon Stainless Steel Single Action Cooking and Mixing Kettle, Tilt out agitator with hydraulic cylinder, hand tilt kettle, jacket rated for 45 psi at 300 degrees F, serial#131375, 1986
Groen model DN/RA-60-SP 60 Gallon Stainless Steel Single Action Cooking and Mixing Kettle, Tilt out agitator with hydraulic cylinder, hand tilt kettle, jacket rated for 45 psi at 300 degrees F, serial#13177, 1986
Universal Wipe-On Labeler on T-stand
Unifiller Hopper Topper
Unifiller Hopper Topper
National 16" Depositor with jacketed hopper, (11) Pistons and conveyor
Elgin Single Piston Fudge Filler with Conveyor
Elgin Single Piston Fudge Filler with Conveyor
Batch Roller Rebuilt By Hersey