

UNITED STATES BANKRUPTCY COURT
DISTRICT OF NEW JERSEY

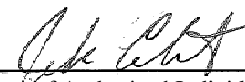
In Re: Kid Brands, Inc. et al.¹

Case No. 14-22582

MONTHLY OPERATING REPORT
For the Period October 1, 2015 through October 31, 2015

REQUIRED DOCUMENTS	Form No.	Document Attached	Explanation Attached	Debtors' Statement
Schedule of Cash Receipts and Disbursements	MOR-1	X		
Bank Reconciliation (or copies of debtor's bank reconciliations)	MOR-1a			X
Schedule of Professional Fees Paid	MOR-1b	X		
Copies of bank statements				
Cash disbursements journals	MOR-1c	X		
Statement of Operations	MOR-2	X		
Balance Sheet	MOR-3	X		
Status of Postpetition Taxes	MOR-4			X
Copies of IRS Form 6123 or payment receipt				
Copies of tax returns filed during reporting period				
Summary of Unpaid Postpetition Debts	MOR-4	X		
Accounts Receivable Reconciliation and Aging	MOR-5	X		
Debtor Questionnaire	MOR-5	X		

I declare under penalty of perjury (28 U.S.C. Section 1746) that this report and the attached documents are true and correct to the best of my knowledge and belief.



Signature of Authorized Individual*

12/24/2015

Date

Joseph Catalano
Printed Name of Authorized Individual

Secretary
Title of Authorized Individual

*Authorized individual must be an officer, director or shareholder if debtor is a corporation; a partner if debtor is a partnership; a manager or member if debtor is a limited liability company.

¹The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's tax identification number, are: Kid Brands, Inc. (5337); Kids Line, LLC (0448); Sassy, Inc. (9722); I&J Holdco, Inc. (1543); LaJobi, Inc. (1450); CoCaLo, Inc. (3844); and RB Trademark Holdco, LLC (0611).

In Re: Kid Brands, Inc. et al.
Debtors

Case No. 14-22582

SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS
For the Period October1, 2015 through October31, 2015

	Kid Brands, Inc.	Kids Line, LLC	Sassy, Inc.	I&J Holco, Inc.	LaJobi, Inc.	CoCaLo, Inc.	RB Trademark Holdco, LLC
RECEIPTS							
CASH RECEIPTS				166,288	69,307		
CASH TRANSFERS	-			69,307	(69,307)		
TOTAL RECEIPTS	-	-	-	235,595	-	-	-
DISBURSEMENTS							
OPERATING DISBURSEMENTS							
PAYROLL & EMPLOYEE EXPENSE REIMBURSEMENTS							
EMPLOYEE MEDICAL							
DISTRIBUTION & FREIGHT							
INVENTORY PURCHASES							
RENT							
INSURANCE							
ADMINISTRATIVE & OTHER OPERATING				1,969			
TOTAL OPERATING DISBURSEMENTS	-	-	-	1,969	-	-	-
NON-OPERATING DISBURSEMENTS							
LOAN PAYDOWN, INTEREST AND FEES				194,277			
PROFESSIONAL FEES				39,547			
DEPOSITS							
U.S. TRUSTEE FEES				-			
TOTAL NON-OPERATING DISBURSEMENTS	-	-	-	233,824	-	-	-
TOTAL DISBURSEMENTS	-	-	-	235,793	-	-	-
NET CASH FLOW	-	-	-	(198)	-	-	-

THE FOLLOWING SECTION MUST BE COMPLETED

DISBURSEMENTS FOR CALCULATING U.S. TRUSTEE QUARTERLY FEES: (FROM CURRENT MONTH ACTUAL COLUMN)							
TOTAL DISBURSEMENTS	-	-	-	235,793	-	-	-
LESS: TRANSFERS TO DEBTOR IN POSSESSION ACCOUNTS							
PLUS: ESTATE DISBURSEMENTS MADE BY OUTSIDE SOURCES							
TOTAL DISBURSEMENTS FOR CALCULATING U.S. TRUSTEE QUARTERLY FEES	-	-	-	235,793	-	-	-

In Re: Kid Brands, Inc. et al.

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Debtors

BANK RECONCILIATIONS
Continuation Sheet for MOR-1
For the Period Ended October31, 2015

Bank Account Reconciliations & Cash Disbursement Journals

The Debtors affirm that bank account reconciliations have been prepared for all open and active bank accounts to the Debtors' books as of December 31, 2014 without exception. The Debtors affirm that within the financial accounting systems, check registers and / or disbursement journals are maintained for each disbursement account.

Bank Statements

The Debtors affirm that bank statements for all open and active bank accounts are retained by the Debtors and will be available upon request. The list of bank accounts and balances are as follows:

Debtor	Bank	Account No.	Balance
Kid Brands, Inc.	JP Morgan Chase	610-0449666	*
Kid Brands, Inc.	Bank of America	4306-9536	56,942
Kid Brands, Inc.	Bank of America	4306-9565	27,045

* Accounts closed this period. ** Accounts opened this period

Form: MOR 1a

In Re: Kid Brands, Inc. et al.
Debtors

Case No. 14-22582

SCHEDULE OF PROFESSIONAL FEES AND EXPENSES PAID¹
For the Period Ended October 31, 2015

Payee	Period Covered	Amount Approved	Wire Details			Amount Paid		Cumulative (Since Petition Date)	
			Payor	Number	Date	Fees	Expenses	Fees	Expenses
Rust Omni Consulting			Kid Brands, Inc.		8/21/2014	\$ 61,784	\$ -	\$ 61,784	
Rust Omni Consulting			Kid Brands, Inc.		8/21/2014	\$ 2,106	\$ -	\$ 63,890	
GRL Capital Advisors			Kid Brands, Inc.		8/4/2014	\$ 38,236	\$ 238	\$ 38,236	\$ 238
GRL Capital Advisors			Kid Brands, Inc.		8/18/2014	\$ 38,831	\$ -	\$ 77,068	\$ 238
GRL Capital Advisors			Kid Brands, Inc.		9/10/2014	\$ 39,636	\$ -	\$ 116,704	\$ 238
GRL Capital Advisors			Kid Brands, Inc.		9/18/2014	\$ 40,000	\$ -	\$ 156,704	\$ 238
GRL Capital Advisors			Kid Brands, Inc.		10/6/2014	\$ 40,000	\$ 1,630	\$ 196,704	\$ 1,868
GRL Capital Advisors			Kid Brands, Inc.		10/20/2014	\$ 42,500	\$ 4,000	\$ 239,204	\$ 5,868
GRL Capital Advisors			Kid Brands, Inc.		11/6/2014	\$ 42,500	\$ -	\$ 281,704	\$ 5,868
GRL Capital Advisors			Kid Brands, Inc.		11/26/2014	\$ 41,500	\$ 4,834	\$ 323,204	\$ 10,702
GRL Capital Advisors			Kid Brands, Inc.		12/5/2014	\$ 41,500	\$ -	\$ 364,704	\$ 10,702
GRL Capital Advisors			Kid Brands, Inc.		12/18/2014	\$ 40,250	\$ 4,000	\$ 404,954	\$ 14,702
GRL Capital Advisors			Kid Brands, Inc.		1/9/2015	\$ 36,950	\$ 3,300	\$ 441,904	\$ 18,002
GRL Capital Advisors			Kid Brands, Inc.		1/26/2015	\$ 33,932	\$ 2,450	\$ 475,836	\$ 20,452
GRL Capital Advisors			Kid Brands, Inc.		2/2/2015	\$ 35,000	\$ 1,382	\$ 510,836	\$ 21,834
GRL Capital Advisors			Kid Brands, Inc.		2/18/2015	\$ 25,500	\$ 932	\$ 536,336	\$ 22,766
GRL Capital Advisors			Kid Brands, Inc.		3/11/2015	\$ 26,200	\$ 35	\$ 562,536	\$ 22,801
GRL Capital Advisors			Kid Brands, Inc.		3/25/2015	\$ 19,500	\$ 170	\$ 582,036	\$ 22,971
GRL Capital Advisors			Kid Brands, Inc.		4/14/2015	\$ 19,035	\$ -	\$ 601,071	\$ 22,971
GRL Capital Advisors			Kid Brands, Inc.		5/1/2015	\$ 17,500	\$ 73	\$ 618,571	\$ 23,044
GRL Capital Advisors			Kid Brands, Inc.		5/15/2015	\$ 18,285	\$ -	\$ 636,856	\$ 23,044
GRL Capital Advisors			Kid Brands, Inc.		5/21/2015	\$ 18,700	\$ 20	\$ 655,556	\$ 23,064
GRL Capital Advisors			Kid Brands, Inc.		6/5/2015	\$ 16,550	\$ 33	\$ 672,105	\$ 23,097
GRL Capital Advisors			Kid Brands, Inc.		6/19/2015	\$ 16,681	\$ -	\$ 688,786	\$ 23,097
GRL Capital Advisors			Kid Brands, Inc.		7/2/2015	\$ 16,918	\$ -	\$ 705,704	\$ 23,097
GRL Capital Advisors			Kid Brands, Inc.		7/24/2015	\$ 23,380	\$ -	\$ 729,084	\$ 23,097
GRL Capital Advisors			Kid Brands, Inc.		7/24/2015	\$ -	\$ 200	\$ 729,084	\$ 23,297
GRL Capital Advisors			Kid Brands, Inc.		8/15/2015	\$ 2,018	\$ -	\$ 731,102	\$ 23,297
GRL Capital Advisors			Kid Brands, Inc.		9/1/2015	\$ 10,500	\$ 88	\$ 741,602	\$ 23,385
GRL Capital Advisors			Kid Brands, Inc.		9/28/2015	\$ 7,500	\$ -	\$ 749,102	\$ 23,385
GRL Capital Advisors			Kid Brands, Inc.		10/12/2015	\$ 15,931	\$ -	\$ 765,033	\$ 23,385
GRL Capital Advisors			Kid Brands, Inc.		10/23/2015	\$ 9,500	\$ 138	\$ 774,532	\$ 23,523

Form: MOR 1b

¹An amount of \$2,200,000 was disbursed into an escrow account for professional fees - Lowenstein Sandler - Debtor Counsel, PwC - Debtor Advisor, Omni - Claims Agent, Creditors' Committee professionals

In Re: Kid Brands, Inc. et al.
Debtors

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CASH DISBURSEMENTS JOURNALS
For the Period October1, 2015 through October31, 2015

Payor	Date	Payee	Amount Paid	Category	Payment type	Check no.
Kid Brands, Inc.	10/12/2015	GRL Expense	15,931.00	Trustee	Check	1017
Kid Brands, Inc.	10/14/2015	Stockbridge Risk Mgt	198.00	Trustee	Check	1018
Kid Brands, Inc.	10/23/2015	GRL Expense	9,637.50	Trustee	Check	1019
Kid Brands, Inc.	10/23/2015	Cohn Reznick	13,780.50	Trustee	Check	1020
Kid Brands, Inc.	10/23/2015	Iron mountain	565.54	Trustee	Check	1021
Kid Brands, Inc.	10/23/2015	Iron mountain	1,403.28	Trustee	Check	1022

Form: MOR-1c

In Re: Kid Brands, Inc. et al.
Debtors

Case No. 14-22582

STATEMENT OF OPERATIONS
For the Period October1, 2015 through October31, 2015

The Statement of Operations is to be prepared on an accrual basis. The accrual basis of accounting recognizes revenue when it is realized and expenses when they are incurred, regardless of when cash is actually received or paid.

REVENUES	Kid Brands, Inc.	Kids Line, LLC	Sassy, Inc.	I&J Holdco, Inc.	LaJobi, Inc.	CoCaLo, Inc. ¹	Kid Brands Australia	RB Trademark Holdco, LLC
Net Revenue	\$ -	-	-	\$ -	\$ -	-	-	-
Cost of Goods Sold	-	-	-	-	-	-	-	-
Inventory reserve	-	-	-	-	-	-	-	-
<i>Gross Profit</i>	-	-	-	-	-	-	-	-
OPERATING EXPENSES								
Direct Selling	-	-	-	-	-	-	-	-
Sales Support	-	-	-	-	-	-	-	-
Shipping	-	-	-	-	-	-	-	-
Administrative	-	-	-	-	-	-	-	-
MIS	-	-	-	-	-	-	-	-
Legal	-	-	-	12,676	-	-	-	-
Design and Product Development	-	-	-	-	-	-	-	-
Other	-	-	-	3,832	-	-	-	-
Intercompany	-	-	-	-	-	-	-	-
<i>Total Operating Expenses</i>	-	-	-	16,508	-	-	-	-
<i>Net Profit (Loss) Before Other Income & Expenses</i>	-	-	-	(16,508)	-	-	-	-
OTHER INCOME AND EXPENSES								
Gain/Loss on sale of subsidiary	-	-	-	-	-	-	-	-
TRC settlement	-	-	-	-	-	-	-	-
Interest Expense	-	-	-	110,431	-	-	-	-
<i>Net Profit (Loss) Before Reorganization Items</i>	-	-	-	(126,939)	-	-	-	-
REORGANIZATION ITEMS								
Professional Fees	-	-	-	39,547	-	-	-	-
U. S. Trustee Quarterly Fees	-	-	-	-	-	-	-	-
Other Reorganization Expenses	-	-	-	-	-	-	-	-
<i>Total Reorganization Expenses</i>	-	-	-	39,547	-	-	-	-
Income Taxes	-	-	-	-	-	-	-	-
<i>Net Profit (Loss)</i>	-	-	-	(166,486)	-	-	-	-

¹CoCaLo, Inc. operations are supported entirely by Kids Line, LLC staff

In Re: Kid Brands, Inc. et al.
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Case No. 14-22582

BALANCE SHEET
For the Period Ended October 31, 2015

The Balance Sheet is to be completed on an accrual basis only. Pre-petition liabilities must be classified separately from postpetition obligations.

ASSETS														
	Consolidated	Kid Brands, Inc.	Kids Line, LLC	Sassy, Inc.	I&J Holdco, Inc.	LaJobi, Inc.	CoCaLo, Inc.	RB Trademark Holdco, LLC	I&J Quality Co (Thailand)	I&J International (Hong Kong)	I&J Quality (China)	Kid Brands (Australia)	Russ Berrie (Benelux) B.V.	Kid Brands (UK)
CURRENT ASSETS														
Unrestricted Cash and Equivalents	606,614	-	-	-	-	-	-	-	959	-	-	598,760	-	6,895
Restricted Cash	83,987	-	-	-	83,987	-	-	-	-	-	-	-	-	-
Accounts Receivable (Net)	4,099,549	-	1,548,014	-	(69,307)	2,313,221	233,512	-	-	-	-	74,109	-	-
Notes Receivable	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Inventories (Net)	697,174	-	-	447,818	-	239,412	-	-	-	-	-	9,944	-	-
Income Taxes Receivable	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Prepaid Expenses and Other Current Assets	3,952,339	3,568,822	-	96,436	-	220,088	-	-	-	-	-	63,503	-	3,490
TOTAL CURRENT ASSETS	9,439,663	3,568,822	1,548,014	544,254	14,679	2,772,721	233,512	-	959	-	-	746,316	-	10,385
PROPERTY AND EQUIPMENT														
Fixed Assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Less Accumulated Depreciation	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL PROPERTY & EQUIPMENT	-	-	-	-	-	-	-	-	-	-	-	-	-	-
OTHER ASSETS														
Intangibles	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Notes Receivable, Long-term	209,850	-	-	-	-	-	-	209,850	-	-	-	-	-	-
Intercompany Accounts	(0)	118,618	5	-	(1,196,666)	928,044	-	150,000	-	-	-	-	-	-
Other Assets	168,955	-	-	-	-	106,140	-	-	-	-	-	62,815	-	-
TOTAL OTHER ASSETS	378,805	118,618	5	-	(1,196,666)	1,034,184	-	359,850	-	-	-	62,815	-	-
TOTAL ASSETS	9,818,468	3,687,440	1,548,019	544,254	(1,181,987)	3,806,905	233,512	359,850	959	-	-	809,131	-	10,385

LIABILITIES AND OWNER EQUITY														
	Consolidated	Kid Brands, Inc.	Kids Line, LLC	Sassy, Inc.	I&J Holdco, Inc.	LaJobi, Inc.	CoCaLo, Inc.	RB Trademark Holdco, LLC	I&J Quality Co (Thailand)	I&J International (Hong Kong)	I&J Quality (China)	Kid Brands (Australia)	Russ Berrie (Benelux) B.V.	Kid Brands (UK)
LIABILITIES NOT SUBJECT TO COMPROMISE (Postpetition)														
DIP Financing	8,648,964	-	-	-	8,648,964	-	-	-	-	-	-	-	-	-
Accounts Payable	565,789	84,401	15,015	23,442	(637)	6,895	2,815	-	-	-	-	433,858	-	-
Taxes Payable	208,641	-	-	-	-	-	-	-	-	-	-	208,641	-	-
Accrued expenses	292,024	84,194	-	-	115,804	-	26	-	-	-	-	58,916	16,519	16,566
TOTAL POSTPETITION LIABILITIES	9,715,419	168,595	15,015	23,442	8,764,131	6,895	2,841	-	-	-	-	701,415	16,519	16,566
LIABILITIES SUBJECT TO COMPROMISE (Pre-Petition)														
Accounts Payable	22,278,507	3,705,301	3,240,762	5,690,176	139,362	8,068,021	1,434,885	-	-	-	-	-	-	-
Taxes Payable	453,858	443,619	10,239	-	-	-	-	-	-	-	-	-	-	-
Accrued expenses	24,179,157	1,937,265	2,100,763	-	361	20,140,768	-	-	-	-	-	-	-	-
Deferred Rent-leases	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL PRE-PETITION LIABILITIES	46,911,522	6,086,185	5,351,764	5,690,176	139,723	28,208,789	1,434,885	-	-	-	-	-	-	-
TOTAL LIABILITIES	56,626,941	6,254,780	5,366,779	5,713,618	8,903,854	28,215,684	1,437,726	-	-	-	-	701,415	16,519	16,566
SHAREHOLDER EQUITY														
NET SHAREHOLDER EQUITY	(46,808,473)	(2,567,340)	(3,818,760)	(5,169,364)	(10,085,841)	(24,408,779)	(1,204,214)	359,850	959	-	-	107,716	(16,519)	(6,181)
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	9,818,468	3,687,440	1,548,019	544,254	(1,181,987)	3,806,905	233,512	359,850	959	-	-	809,131	-	10,385

* Assets liquidated to pay liabilities

Form: MOR-3

In Re: Kid Brands, Inc. et al.
Debtors

Case No. 14-22582

DEBTORS' STATEMENT WITH RESPECT TO STATUS OF POSTPETITION TAXES
For the Period October1, 2015 through October31, 2015

The Debtors have received approval to pay pre petition tax and fee obligations, including, without limitation, sales, use and excise taxes, franchise taxes, real and property taxes, and certain other taxes due in the normal course of business through certain First Day Motions. As such, the applicable taxes have been paid when due except for amounts that are in dispute, if any. All other post-petition tax obligations to the proper taxing authorities are current.

Form: MOR 4 Tax

In Re: Kid Brands, Inc. et al.
Debtors

Case No. 14-22582

**Consolidated Summary of Unpaid Post-Petition Accounts Payable
For the Period Ended October 31, 2015**

Post Petition Account Payable: Aging as of October 31, 2015

Debtors	Less than 30 Days	30 - 60 Days	60 - 90 Days	Greater than 90 Days
Kids Line LLC	-	-	-	15,015
CoCaLo, Inc.	-	-	-	2,815
LaJobi, Inc.	-	-	-	6,895
Sassy, Inc.	-	-	-	23,442
I&J Holdco, Inc.	-	-	-	3,052
Kid Brands, Inc.	-	-	-	80,712
Total	-	-	-	131,931

Note: the Debtors are currently in the process of reconciling post-petition accounts payable with vendors, that may or may not be in dispute
Form: MOR 4 AP

In Re: Kid Brands, Inc. et al.
Debtors

Case No. 14-22582

ACCOUNTS RECEIVABLE RECONCILIATION AND AGING
For the Period Ended October31, 2015

Accounts Receivable Aging	Amount
0 - 30 days old	-
31 - 60 days old	-
61 - 90 days old	-
91+ days old	6,058,817
Total Accounts Receivable	6,058,817
(Allowance Reserve)	(2,033,377)
Accounts Receivable (Net)	4,025,440

DEBTOR QUESTIONNAIRE

Must be completed each month	Yes	No
1. Have any assets been sold or transferred outside the normal course of business this reporting period? If yes, provide an explanation below.		X
2. Have any funds been disbursed from any account other than a debtor in possession account this reporting period? If yes, provide an explanation below.		X
3. Have all postpetition tax returns been timely filed? If no, provide an explanation below.	X	
4. Are workers compensation, general liability and other necessary insurance coverages in effect? If no, provide an explanation below.		X

Workers compensation, general liability, and other insurance policies have been discontinued, because the debtor has closed all facilities and terminated all employees as of September 30, 2014.

In Re: Kid Brands, Inc. et al.
Debtors

Case No. 14-22582

**Accounts Receivable Rollforward
For the Period October1, 2015 through October31, 2015**

	Kid Brands, Inc.	Kids Line, LLC	Sassy, Inc.	I&J Holdco, Inc.	LaJobi, Inc.	CoCaLo, Inc.	RB Trademark Holdco, LLC
Balance, beginning	\$ -	\$ 1,548,014	\$ -	\$ -	\$ 2,313,221	\$ 233,512	\$ -
Net Sales	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(Collections)	\$ -	\$ -	\$ -	\$ -	\$ (69,307)	\$ -	\$ -
Other	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Balance, ending		\$ 1,548,014	\$ -	\$ -	\$ 2,243,914	\$ 233,512	

MOR-5 Continued

(9/99)