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10 Attorney for Sullivan Vineyards Partnership

11 UNITED STATES BANKRUPTCY COURT  
12 NORTHERN DISTRICT OF CALIFORNIA  
13 SANTA ROSA DIVISION

14 In Re

Case No. 17-10065-RLE-11  
(Jointly Administered)

15 SULLIVAN VINEYARDS  
16 CORPORATION,

17 Debtor.  
\_\_\_\_\_ /

18 SULLIVAN VINEYARDS  
19 PARTNERSHIP,

20 Debtor.  
\_\_\_\_\_ /

Date of hearing: August 7, 2017  
Time: 11:00 a.m.  
Location: 99 South E Street, Santa Rosa,  
CA

21  
22 **MOTION FOR FURTHER AUTHORITY TO USE CASH COLLATERAL**

23 Sullivan Vineyards Corporation, the Chapter 11 Debtor in Possession (the  
24 “Debtor”), shows as follows:

25 **I.**

26 **RELIEF REQUESTED**

27 1. The Debtor requests that the Court authorize its further use of the cash  
28 collateral of Winery Rehabilitation LLC (“WR”) and Stephen A. Finn (“Mr. Finn”) in the

1 manner requested herein.

2 **II.**

3 **MOTION**

4 2. The Court has jurisdiction over this motion pursuant to 28 U.S.C. §§ 1334  
5 and 157. This is a core proceeding pursuant to 28 U.S.C. §§ 157(b)(2)(M). This motion is  
6 made pursuant to 11 U.S.C. §§ 105 and 363 and Federal Rule of Bankruptcy Procedure  
7 4001(b).

8 3. The Debtor filed a voluntary petition for relief under Chapter 11 of the  
9 Bankruptcy Code on February 1, 2017.

10 4. The Debtor operates a winery. Its assets include inventory and accounts  
11 receivable.

12 5. After evidentiary hearing on April 11, 2017, the Court authorized the  
13 Debtor to use cash collateral through August 9, 2017.

14 6. The Debtor needs to continue to use its business revenues to preserve the  
15 its “cash flow streams,” as it continues to pursue plan confirmation. It seeks Court  
16 authority to use cash collateral to pay expenses that are necessary to preserve its cash  
17 flow stream. At this time, the Debtor requests authority to use cash collateral through the  
18 end of 2017.

19 7. The Debtor believes the secured creditors are adequately protected  
20 because the requested use of cash collateral will preserve the cash flow stream.  
21 Moreover, the Debtor believes that the secured creditors are adequately protected  
22 because the aggregate value of the assets securing their claims (including the real  
23 property owned by Sullivan Vineyards Partnership, an affiliated entity) substantially  
24 exceeds the claims of WR and Mr. Finn, even at the “lowball” values attributed to the  
25 collateral by WR and Mr. Finn. The dollar amount of the claim of WR is approximately  
26 \$10.5 million, and the dollar amount of the highly disputed claim of Mr. Finn is  
27 approximately \$5 million.

28 8. This Motion is based upon the foregoing, the Notice of Hearing which

1 accompanies this Motion, the Declaration of Ross Sullivan filed herewith, and the  
2 evidence presented to the Court with respect to the Debtor's prior successful motion to  
3 use cash collateral.

4 WHEREFORE, Sullivan Vineyards Corporation, the Chapter 11 Debtor in  
5 Possession, respectfully requests that the Court:

- 6 1. Authorize the above-described use of cash collateral; and
- 7 2. Grant the Debtor such other and further relief, at law or in equity, to  
8 which it may be justly entitled.

9 Dated: July 24, 2017

LAW OFFICE OF STEVEN M. OLSON

*/s/ Steven M. Olson*

BY: \_\_\_\_\_

Steven M. Olson

ATTORNEY FOR DEBTOR

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**SERVICE LIST**

**United States Trustee**

Minnie Loo, Esq.  
Attorney for U.S. Trustee  
450 Golden Gate Avenue, 5<sup>th</sup> Floor, Suite #05-0153  
San Francisco, CA 94102

**Secured Creditors**

Douglas D. Thaxton  
Registered Agent for Winery Rehabilitation LLC  
7103 S Revere Parkway  
Centennial, CO 80112

Stephen A. Finn  
7103 S Revere Parkway  
Centennial, CO 80112

Philip S. Warden, Esq.  
Pillsbury Winthrop Shaw Pittman LLP  
Four Embarcadero Center, 22<sup>nd</sup> Floor  
San Francisco, CA 94111-5998

**20 Largest Unsecured Creditors**

(See attachment)

AFIS Benefits & Insurance Services  
5858 Horton Street  
Suite 350  
Emeryville, CA 94608

Autumn Cruzan  
PO Box 2702  
Yountville, CA 94599

Beyers Costin Simon, PC  
200 Fourth Street, Suite 400  
Santa Rosa, CA 95401

Bittner & Company, LLC  
115 Dahlia Street  
Saint Helena, CA 94574

ETS Laboratories  
899 Adams Street  
Suite A  
Saint Helena, CA 94574

FIRST INSURANCE FUNDING  
CORP.  
P.O.BOX 7000  
Carol Stream, IL 60197-7000

Goode Company  
655 Park Court  
Rohnert Park, CA 94928

Napa Printing Design Studio & Mail  
Ctr.  
630 D Airpark Rd  
Napa, CA 94558

Occidental Technical Group LLC  
PO Box 665  
Saint Helena, CA 94574-0665

Penning Landscapes, Inc.  
68 Coombs Street  
# D11  
Napa, CA 94559

Printing Services - Napa Valley  
574 Gateway Drive  
Napa, CA 94558

Ramondin USA, Inc.  
791 Technology Way  
Napa, CA 94558

Scott Laboratories  
PO Box 398198  
San Francisco, CA 94139-8198

State Board of Equalization  
P.O. Box 942879  
Sacramento, CA 94279

Sunshine Foods Partners  
1115 Main Street  
Saint Helena, CA 94574

Thomas R. Harnett LLC  
965 Marina Drive  
Napa, CA 94559-4744

Toyota Material Handling  
PO Box 398526  
San Francisco, CA 94139-8526

Trove Professional Services LLC  
2081 Center Street  
Berkeley, CA 94704

Vicard Generation 7  
1370 Trancas St. # 141  
Napa, CA 94558

Vin65 - WineDirect  
1190 Airport Blvd.  
Ste. 101  
Napa, CA 94558