



TAMPA BAY BANKRUPTCY CENTER, P.A.

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## Bankruptcy Current Affairs

### Uno Restaurant to Emerge from Bankruptcy

Uno Restaurant Holdings Corp., operator of the chain of restaurants known for their Chicago-styled deep dish pizzas are set to emerge from bankruptcy protection later this month with new owners. A New York bankruptcy court judge on Tuesday approved Uno's restructuring plans where bondholders Twin Havens Capital Partners of Los Angeles and New York's Coliseum Capital Management will become its new owners.

Uno Restaurant Holding's chief financial officer Louie Psallidas said that in January, Uno filed for Chapter 11 bankruptcy protection with the intention of reducing its total debts by \$142 million from \$176 million to under \$40 million in exchange for the two bondholders being given majority equity in the company.

As for Uno's unsecured creditors, under the restructuring plan, they receive 13% of their dues if they agree to sell their claims. As it stands, the only outstanding issue is that of exit financing. For this, Uno's existing lender, Wells Fargo Capital Financing and two other bondholders have agreed to put up \$55 million for exit financing costs. New York based private equity firm, Center Partners Management, which bought over the controlling stake in Uno in 2005 in a leveraged buyout, will act as the company's consultant in this process.

According to Psallidas, with all this in place, the company is in a position to grow again and begin to once again make investments in each of its core businesses. Declining sales due to the recession and increased costs were reasons why Uno filed for bankruptcy with net losses of \$22.1 million and \$15.1 million in the last two fiscal years.

Even though it made many cost-cutting measures, the company said it was unable to stay current in its debts. As a result, Uno shut 25 of its restaurants, reducing its number of restaurants to 91 corporate and 77 franchised restaurants. Besides the restaurants, the company also has a manufacturing division that produces pizza and other products for grocery store sales.

### BP May Go Bankrupt

British Petroleum (BP), one of the world's leading petroleum companies and the one liable for the worst ecological disaster in the US when one of its oil rigs exploded and collapsed into the Gulf of Mexico, may be going bankrupt. The UK government is trying to work out a plan to save the oil giant and it does not rule out nationalization.

BP itself has been paying compensation and seeking ways to avoid merging with its rivals. To-date, more than \$3 billion has been spent on clean-up operations and efforts to stop the spread of the oil. This, and the effect of Hurricane Alex two months ago has escalated the number of lawsuits filed by individuals and organizations.

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The company is currently contemplating selling their Venezuelan and Columbian oil fields and winding down operations in Azerbaijan. The BP executive management is attracting lots of investor interest and at the same time trying to avoid mergers with rival companies which would certainly result in a complete change in the management team.

It is better to file for bankruptcy voluntarily like Uno Restaurant Holdings than to be sued for bankruptcy like BP (potentially). Do not let your financial problems drive you out of your home or close down your business. Things do not have to end that way. Consider filing for bankruptcy protection. Contrary to common belief, bankruptcy does not make you lose everything, it saves what is most dear to you. Call us at (813) 200 4133 for a free consultation or visit <http://tampabankruptcy.pro>.