



Stuart Maue's Bankruptcy Services were used in the largest bankruptcy in the history of the American media industry.



**STUART MAUE**  
PREMIER COST MANAGEMENT

# Bankruptcy Services

## Case Study

### Debtor Profile

By 2007, with more than a century of business success, the publicly traded Tribune Company ("Tribune") had positioned itself as one of the nation's leading multi-media companies. The company owned other entities outside of media such as the Chicago Cubs and Wrigley Field. In December 2007, Sam Zell, a billionaire real estate developer and investor, orchestrated an \$8.3 billion leveraged buyout of the company.

### Business Situation

The Zell deal, which privatized the company, was approved by 97% of the Tribune Company shareholders. The Zell buyout occurred just before a global recession. The recession resulted in

a major slump in print advertising, which was devastating to Tribune's revenues. With the significant loss in newspaper revenue and the recent debt load taken on through the Zell buyout, there was only one viable option: Chapter 11. In its bankruptcy filings, Tribune listed \$7.6 billion in assets against a high debt load of \$13 billion—making it the largest bankruptcy in the history of the American media industry.

The bankruptcy would provide the catalyst for a court fight between bondholders who held Tribune's pre-buyout debt and the lenders who funded the Zell takeover. Thus, as Tribune entered bankruptcy, there were immediate concerns regarding the significant legal and professional costs Tribune would be forced to

incur throughout its restructuring.

### Solution

To address these concerns, the Bankruptcy Judge worked with the U.S. Trustee's office, Debtors' counsel, the UCC, and its counsel in an effort to appoint a qualified fee examiner who could diligently manage the task of auditing, negotiating, and reporting on all the fee applications that would be generated in the massive Chapter 11 case. From the initial filing through emergence, the charges billed to the estate through the fee application process exceeded \$338 million.

With Stuart Maue's reputation and experience in the bankruptcy industry, it was selected as the fee examiner. Stuart Maue reviewed

## Learn more about Stuart Maue's Bankruptcy Services...

### Contact us

To learn more about how Stuart Maue's Bankruptcy Services can save on legal and professional fees associated with a Chapter 11 proceeding, call or e-mail:

John Theil, Managing Attorney  
Bankruptcy Group  
Phone: 314.291.3030 | E-mail: [jtheil@smmj.com](mailto:jtheil@smmj.com)  
-or-  
James P. Quinn, President & Chief Operating Officer  
Phone: 314.291.3030 | E-mail: [jquinn@smmj.com](mailto:jquinn@smmj.com)

**STUART MAUE**  
PREMIER COST MANAGEMENT

3840 McKelvey Road Phone: 800.291.9940  
St. Louis, MO 63044 [www.stuartmaue.com](http://www.stuartmaue.com)



all the fee applications filed in the Tribune case. It provided prompt and professional initial reports to each case professional with detailed exhibits. The exhibits displayed individual billing entries, highlighting those questioned in the audit process. Stuart Maue's experienced attorneys worked with the case professionals to discuss the questioned and/or non-compliant charges, reviewed their responses, and ultimately filed final reports with the bankruptcy court. Stuart Maue met or exceeded all deadlines set by the court to ensure there were no delays in scheduled fee hearings.

## Benefits of Stuart Maue's Bankruptcy Services

- Stuart Maue promptly and professionally reviewed and reported on all legal and professional charges submitted by fee applications in the Tribune bankruptcy, including case demands covering fee application periods of six months.
- Stuart Maue provided prompt and professional feedback during discussions and negotiations with all case professionals throughout the four-year pendency of the case.
- Tribune saved millions of dollars in non-compliant charges to the estate. With Stuart Maue properly scrutinizing all fee applications, the appointment also served to significantly reduce unreasonable and unnecessary professional fees and costs from being submitted.
- The reliance on Stuart Maue's expertise freed the Court from the time-consuming task of the fee application review process.

### Learn more about Stuart Maue's Bankruptcy Services...

#### Contact us

To learn more about how Stuart Maue's Bankruptcy Services can save on legal and professional fees associated with a Chapter 11 proceeding, call or e-mail:

John Theil, Managing Attorney  
Bankruptcy Group  
Phone: 314.291.3030 | E-mail: [jtheil@smmj.com](mailto:jtheil@smmj.com)  
-or-  
James P. Quinn, President & Chief Operating  
Officer  
Phone: 314.291.3030 | E-mail: [jquinn@smmj.com](mailto:jquinn@smmj.com)

**STUART MAUE**  
PREMIER COST MANAGEMENT

3840 McKelvey Road Phone: 800.291.9940  
St. Louis, MO 63044 [www.stuartmaue.com](http://www.stuartmaue.com)