

Porzio Congratulates EZ Worldwide Express and United Business Freight Forwarders on Emerging from Chapter 11 Bankruptcy

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EZ Worldwide Express and United Business Freight Forwarders, freight carriers to the retail clothing industry serving Forever 21, H&M Stores, the Disney Store, Phillips Van Heusen, Amazon and others, emerged from Chapter 11 Bankruptcy on Friday. During their Chapter 11 proceedings, the companies' largest customer, Forever 21, left them for a period of 90 days, only to return as a substantial customer in August 2016.

The two affiliated companies entered bankruptcy on January 13, 2016 with 700 employees, 13 locations, more than 300 trucks and \$55 million in unprofitable revenues. They emerge a streamlined business with some 350 employees, 5 locations, 150 trucks and \$40 million in profitable revenues. During the bankruptcy, the companies closed on three Debtor in possession financing packages (two equipment loans and one working capital line) with three different lenders. Their primary lender, North Mill Capital, will continue as the company's primary working capital lender after the Effective Date.

Ajay Aggarwal, company president, said, "We are a somewhat smaller company, but profitable, due to substantial changes to our business model made during the Chapter 11. We look forward to significant future growth and note that our business has already improved by nearly \$10 million, on an annualized basis, since the downsizing we completed in August. This has resulted from the return of Forever 21, new customer PVH, and additional new business from Amazon and H&M Stores."

The Porzio team was led by attorneys Warren J. Martin Jr., Michael J. Naporano, Kelly D. Curtin and Rachel A. Parisi.