

Morris Nichols Advises Impresa Aerospace on Asset Sale & Secures Chapter 11 Approval

Firm News

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In late 2020 and early 2021, Morris Nichols served as lead counsel to Impresa Aerospace in successfully pursuing a section 363 going-concern sale of its business and assets.

A tier-one aerospace parts manufacturer for Boeing, Airbus, and other key players in the industry, Impresa sought chapter 11 protection as a result of the temporary suspension of the Boeing 737 MAX and the COVID-19 pandemic's effect on the industry. Impresa secured a "stalking horse" credit bid from its prepetition lender and equity sponsor, subject to higher and better bids pursuant to a section 363 sale process. Impresa ultimately sold to a cash bidder at an approximately 30% premium over of the stalking horse credit bid.

Morris Nichols assisted in all aspects of the chapter 11 cases and section 363 sale process including forming and advising an independent restructuring committee, preparing first day motions, negotiating use of cash collateral for the duration of the chapter 11 cases, negotiating and drafting the asset purchase agreement, negotiating with creditors and the official committee appointed in the cases, and representing the company at all court hearings.

In December 2020, the Delaware Bankruptcy Court approved the going concern sale of Impresa's business and assets. Following sale closing, Morris Nichols successfully negotiated settlements among key stakeholders, including the prepetition lender, the creditors' committee, and a class action representative in a California labor law class action lawsuit. As a result of these settlements, the debtors were able to confirm a plan of liquidation that provided a meaningful return to unsecured creditors and releases for the company's board, management, and lender/equity sponsor. On April 28, 2021 the Delaware Bankruptcy Court confirmed Impresa's chapter 11 plan.

Morris Nichols' team was led by partners Rob Dehney and Matt Harvey, together with associates Paige Topper and Taylor Haga.

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PROFESSIONALS

Robert J. Dehney

Matthew B. Harvey

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PRACTICE AREAS

Bankruptcy & Restructuring

