

## Friedman's unsecured creditors receive distributions

*June 30, 2009*

New York--Bankrupt chain retailers Friedman's Inc. and Crescent Jewelers made their initial distributions to unsecured creditors on Friday, according to a press release from Lee Buchwald, president of Buchwald Capital Advisors LLC, who has guided the companies through the bankruptcy process.

Mapped out in the companies' liquidation plans, initial distributions totaled 28.3 percent for Friedman's unsecured creditors--more than the 22.6 percent projected--and 18.6 percent for Crescent's unsecured creditors.

In the end, according to the release, Friedman's unsecured creditors are expected to receive about 34 percent, above the initially projected 31.6 percent, and unsecured creditors of Crescent are slated to receive distributions of about 19 percent.

Once the third-largest North American retail jewelry chain by store count with more than 500 units, Friedman's, which operated both Friedman's Jewelers and Crescent Jewelers stores, filed for [Chapter 11 bankruptcy protection](#) in January 2008.

The companies initially tried putting themselves on the auction block, but that process broke down in the spring of 2008, and, at the urging of the creditors' committee, Friedman's and Crescent opted for self-liquidation, a move that has resulted in greater returns for creditors.

In April, a court approved the Friedman's and Crescent liquidation plans.

The plans went into effect on June 8, at which time the Friedman's Liquidating Trust and Crescent Liquidating Trust were established to handle distributions.

Buchwald Capital Advisors is the liquidating trustee for each.

Buchwald credits the "all too rare" significant distributions made in this case to a number of agencies, including Moses and Singer, the counsel to the creditors' committee; Consensus Advisors, financial advisor to the creditors' committee; Buchwald, Steven Moore, who once served as the debtors' CRO, and a dedicated management team; and Stevens and Lee, the debtors' counsel.

Buchwald urges creditors to monitor the Web sites recently established by the trusts--[Friedmans-Trust.com](#) and [Crescent-Trust.com](#)--for updates and access to critical documents.