

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF DELAWARE**

In re:

SPORTS AUTHORITY HOLDINGS, INC., et al.,<sup>1</sup>

Debtors.

Chapter 11

Case No. 16-10527 (MFW)

(Jointly Administered)

Re: Docket Nos. 9, 15, 20, 644

**LIMITED OMNIBUS OBJECTION OF TRENDS INTERNATIONAL, LLC  
("TRENDS") TO DEBTORS' MOTIONS FOR ORDERS ON THE (1) CONSIGNMENT  
MOTION; (2) GOB MOTION; AND (3) DIP MOTION, JOINDER BY TRENDS IN  
OMNIBUS OBJECTION OF ASICS AMERICA CORPORATION, AND  
RESERVATION OF RIGHTS BY TRENDS**

Trends International, LLC ("Trends") by and through its undersigned counsel, files this limited omnibus objection (this "Objection") to the following motions filed by Sports Authority Holdings, Inc. and its affiliated debtors and debtors in possession (collectively, the "Debtors"):

- A. *Debtors' Motion for Interim and Final Orders (A) Authorizing the Debtors to (I) Continue to Sell Consigned Goods in the Ordinary Course of Business Free and Clear of all Liens, Claims and Encumbrances and (II) Grant Administrative Expense Priority to Consignment Vendors for Consigned Goods Delivered Postpetition; and (B) Grant Replacement Liens to Consignment Vendors with Perfected Security Interests in Consigned Goods and/or Remit the Consignment Sale Price arising from Sale of Consigned Goods to Putative Consignment Vendors [D.I. No. 9] (the "Consignment Motion")*;
- B. *Debtors' Emergency Motion for Interim and Final Orders (A) Authorizing the Debtors to Assume the Closing Store Agreement, (B) Authorizing and Approving Store Closing Sales Free and Clear of all Liens, Claims and Encumbrances, (C) Authorizing the Implementation of Customary Employee Bonus Program and Payments to Non-Insiders Thereunder, (D) Approving Dispute Resolution Procedures, and (E) Approving the Debtors' Store Closing Plan [D.I. No. 15] (the "GOB Motion")*; and

<sup>1</sup> The Debtors and the last four digits of their respective taxpayer identification numbers are as follows: Sports Authority Holdings, Inc. (9008); Slap Shot Holdings, Corp. (8209); The Sports Authority, Inc. (2802); TSA Stores, Inc. (1120); TSA Gift Card, Inc. (1918); TSA Ponce, Inc. (4817); and TSA Caribe, Inc. (5664). The headquarters for the above-captioned Debtors is located at 1050 West Hampden Avenue, Englewood, Colorado 80110.



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*C. Debtors' Motion for Interim and Final Orders (I) Authorizing Debtors to Obtain Post-Petition Secured Financing Pursuant to 11 U.S.C. §§ 105, 362, 363, and 364; (II) Granting Liens and Superpriority Claims to Post-Petition Lenders Pursuant to 11 U.S.C. §§ 364 and 507; (III) Authorizing the Use of Cash Collateral and Providing Adequate Protection to Prepetition Secured Parties and Modifying the Automatic Stay Pursuant to 11 U.S.C. §§ 361, 362, 363, and 364; and (IV) Scheduling a Final Hearing Pursuant to Bankruptcy Rules 4001(B) and (C) And Local Rule 4001-2 [D.I. No. 20] (the "DIP Motion" and together with the Consignment Motion and GOB Motion, the "Motions").*

Trends also joins ("Joinder") in the omnibus objection of ASICS America Corporation ("ASICS") [D.I. 644] (the "ASICS Objection") to the Debtors' Motions.<sup>2</sup> In support of this Objection and Joinder, Trends respectfully states as follows:

### **BACKGROUND**

1. Prior to the Petition Date, Trends entered into a Consignment Agreement with TSA Stores, Inc. or one or more of its affiliated debtors in the above-referenced cases (collectively, the "Debtors"), pursuant to which Trends periodically delivered Consigned Goods to the Debtors for sale in various Sports Authority brand stores across the country. The Consigned Goods primarily, but not necessarily exclusively, were comprised of "Costacos Sports" brand name products. All of such Consigned Goods and the proceeds from the sale or other disposition thereof are hereinafter referred to collectively as the "Trends Property."

2. At all times during their consignment relationship, including under the Consignment Agreements, the parties acknowledged and agreed that all right, title and interest in and to the Trends Property, including Consigned Goods, remained with Trends and never transferred to the Debtors. Pursuant to the Consignment Agreements, title to such Consigned Goods transfers, if at all, directly from Trends to the ultimate purchaser of such goods.

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<sup>2</sup> Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to them in the respective Motions or the ASICS Objection.

3. Trends does not consent to any of the Trends Property being sold, encumbered or otherwise disposed of based upon or in relation to any of the subject Motions.

4. Trends objects to any request by the Debtors to sell or grant a security interest in or lien upon the Trends Property without Trends' consent. Each of the Motions could have the effect of irreparably harming and impairing Trends' rights in its owned property, either by seeking authority to sell Trends' property, including at substantially discounted prices at GOB sales, or to grant a security interest in or lien upon property that is not property of the Debtors' estates.

#### **JOINDER**

5. Trends hereby joins in, and incorporates herein by reference, the ASICS Objection, and adopts the arguments therein as its own. For the reasons stated in the ASICS Objection, Trends hereby objects to the Debtors' Motions.

6. To the extent not inconsistent with the relief sought herein, Trends joins in any other objections to the Motions that have been or may be filed by other Consignment Vendors.

#### **RESERVATION OF RIGHTS**

7. Nothing contained herein shall be deemed an admission of any fact or a waiver of any of Trends' rights or remedies in connection with the Motions, whether at law or in equity, all of which rights and remedies are hereby expressly reserved. Further, Trends reserves all of rights, claims and remedies that may be afforded to it under any applicable order of this Court.

WHEREFORE, Trends respectfully requests this Court (i) modify the Consignment Motion, the GOB Motion, and the DIP Motion as requested herein and in the ASICS Objection, and (ii) grant such further relief to Trends as the Court deems just and proper.

Dated: March 23, 2016  
Wilmington, Delaware

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*Counsel to Trends International, LLC*

**CERTIFICATE OF SERVICE**

I hereby certify that on March 23, 2016, I caused the foregoing to be electronically filed with the Clerk of the Court using CM/ECF system, which will automatically send e-mail notifications to all parties and counsel of record.

I further certify that I caused a copy of the foregoing to be served on March 23, 2016 upon the following counsel in the manner indicated:

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