FILED
U.S. BANKRUPTCY COURT
EASTERN DISTRICT OF TX
2003 MAY 21 AM 9:37
CLERK, U.S. BANKRUPTCY COURT
BY _____ DEPUTY

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE EASTERN DISTRICT OF TEXAS
SHERMAN DIVISION

NOT FOR PUBLICATION

IN RE:	§	
	§	
EOTL SYSTEMS, INC.	§	CASE NO. 03-31017
DEBTOR	§	
	§	
THE STRUCTURED ADVANTAGE, INC.	§	
and DANIEL A. FISHER	§	
PLAINTIFFS	§	
V.	§	
	§	ADV. NO. 03-04083
J. WASHINGTON COMPANY, INC.,	§	
JOHNNY K. WASHINGTON, Individually	§	
CDJ INVESTMENTS, INC., JOHN	§	
DURHAM, Individually, and as an	§	
employee of J. WASHINGTON CO., INC.	§	
MARY LOU MURCHISON, Individually	§	
and as an employee of J. WASHINGTON	§	
CO. INC., JUDGE DEAN, Individually and	§	
as an employee of J. WASHINGTON CO.	§	
INC., THAD TATUM, Individually and	§	
HIBERNIA NATIONAL BANK	§	
DEFENDANTS	§	
V.	§	
	§	
WILLIAM CLAXTON and QUINLAN	§	
ANIMAL CLINIC, PC INTERVENORS	§	

MEMORANDUM OPINION

The Court has before it a Motion to Transfer Venue to the Northern District of Texas, Dallas Division, seeking to have this Adversary Proceeding transferred to the Northern District of Texas where the bankruptcy proceeding of EOTL Systems, Inc. is now pending. Defendants, J. Washington Company, Inc. and John K.

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Washington have objected to the transfer asserting that this Court should first rule on Motions to Remand which were promptly filed when the State Court proceeding was removed to this Court. This Court has reviewed all of the documents filed in this Adversary Proceeding and finds no reason why the Motions to Remand should be considered by this Court as opposed to the court in the Northern District of Texas. The grounds for remand all center around the issue of whether or not this is a core proceeding and the jurisdictional basis for this Court, or any bankruptcy court, to hear the issues in this removed State Court proceeding. The objecting parties argue that the issues in this removed proceeding do not have sufficient impact on the bankruptcy estate to support "related to" jurisdiction in the bankruptcy courts.

As to the issue of why the matter of remand should be ruled upon by this Court before it considers the Transfer of Venue the parties cite no authority and give no argument in support of that proposition other than it is simply improper.

This Court believes that the court best equipped to determine whether or not this action should be remanded to the State Courts is the court that is administering the bankruptcy estate of EOTL Systems, Inc. This matter is only in this Court because the State Court proceeding was pending in Collin County and the action could not be removed directly to the Northern District of Texas but had to be removed to the bankruptcy court in the district in which the State Court action was pending. There is no reason for this Court to delve into the issues in the bankruptcy case pending in the Northern District of Texas to determine whether the State Court proceeding should be

remanded or whether mandatory or permissive abstention should apply. Judicial economy dictates that the court already familiar with the bankruptcy case should be the court to make those decisions. Accordingly, this Court finds that the Motion to Transfer Venue to the Northern District of Texas, Dallas Division should be Granted. An Order will be entered accordingly.

SIGNED this 19th day of May, 2003.

DONALD R. SHARP
UNITED STATES BANKRUPTCY JUDGE