



**ENTERED**

TAWANA C. MARSHALL, CLERK  
THE DATE OF ENTRY IS  
ON THE COURT'S DOCKET

The following constitutes the ruling of the court and has the force and effect therein described.

**United States Bankruptcy Judge**

Signed August 16, 2010

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE NORTHERN DISTRICT OF TEXAS  
FORT WORTH DIVISION**

In re	§	Chapter 11 Case
	§	
TEXAS RANGERS BASEBALL	§	Case No. 10-43400 (DML)
PARTNERS,	§	
	§	
Debtor.	§	

**MEMORANDUM ORDER**

Before the court is the application of the above-named Debtor to employ pursuant to section 327(a) of the Bankruptcy Code (the “Code”)<sup>1</sup> Weil, Gotshal & Manges (“WGM”) as its counsel in this chapter 11 case (the “Application”). The United States Trustee (the “UST”) objected to the Application, and the court held a hearing respecting the employment of WGM as well as other professionals on June 17, 2010, (the “Hearing”), at which Martin Sosland (“Sosland”), a partner at WGM, testified respecting the Application. The court also heard argument from various of the parties.

<sup>1</sup> 11 U.S.C. §§ 101 *et. seq.*

During the Hearing the court invited the parties to submit briefs respecting WGM's ability to represent Debtor. The court also directed WGM to make any further disclosures regarding its employment within one week of the Hearing. WGM filed a supplemental declaration of Sosland on June 24, 2010, and the UST filed a post-Hearing brief to which WGM filed a response.

At the conclusion of the Hearing the court ruled that, pending its final decision on the Application, Debtor might employ WGM as its counsel and WGM would be paid for its services until that decision regardless of the ultimate disposition of the Application. *See Diamond Lumber, Inc. v. Unsecured Creditors' Committee (In re Diamond Lumber, Inc.)*, 88 B.R. 773, 779 (N.D. Tex. 1988) (work done by a professional with court approval after disclosure of disqualifying facts should be compensated). On July 14, 2010, the court entered its *Interim Order Pursuant to Sections 327(a) and 328(a) of the Bankruptcy Code and Bankruptcy Rule 2014(a) and 2016 Authorizing the Employment of Weil, Gotshal & Manges, LLP as Attorneys for the Debtor, Nunc Pro Tunc to the Commencement Date* (the "Interim Order") which effects the court's oral ruling at the Hearing.

The court exercises its core jurisdiction in ruling on the Application. 28 U.S.C. §§ 1334 and 157(b)(2)(A). This memorandum order embodies the court's findings of fact and conclusions of law.

In his objection, the UST opposes the employment of WGM on the basis that WGM is not disinterested. *See* Code §§ 101(14) and 327(a). The UST supported that contention by eliciting evidence that WGM had represented (and continued to represent

affiliates of Debtor. The UST also provided authorities in support of his position both in argument at the Hearing and in his post-Hearing brief as well. WGM and Debtor argue that WGM is disinterested in that it does not fall within any of the categories described in section 101(14) and does not hold an interest adverse to Debtor's estate.

Since the Hearing, various events have transpired that affect the necessity of addressing the UST's objection to the Application.

At the commencement of its case Debtor filed its *Prepackaged Plan of Reorganization of Texas Rangers Baseball Partners Under Chapter 11 of the Bankruptcy Code* (the "Plan"). Debtor amended the Plan twice in anticipation of an auction to be held respecting its assets. *See In re Texas Rangers Baseball Partners*, Case No. 10-43400, Memorandum Opinion (dkt. 257) (Bankr. N.D. Tex. June 22, 2010); *In re Texas Rangers Baseball Partners*, Case No. 10-43400, Memorandum Opinion and Order (dkt. 478) (Bankr. N.D. Tex. June 22, 2010).

On August 4, 2010, the auction was held, and prospective purchasers bid on Debtor's assets (principally its Major League Baseball franchise). The auction was successful, the winning bidder being the purchaser originally proposed by the Plan.

Following amendment as necessary to conform to changes wrought through the auction, the Plan was considered at a hearing on August 5, 2010. At that hearing, all parties supported confirmation of the Plan, and, on that same day, the court entered its order confirming the Plan. On August 12, 2010, the sale of Debtor's assets, as contemplated by the Plan, closed. Consequently, the Plan was substantially consummated (*see Code* § 1101(2)) and has become effective (*see Plan* (as confirmed) § 1.37).

Following confirmation of a plan, a bankruptcy court ordinarily has no authority to approve or disapprove retention of professionals by the reorganized debtor. *See* 3 Collier on Bankruptcy ¶ 327.03[1] (16<sup>th</sup> ed. 2010); *In re eToys, Inc.*, 331 B.R. 176 (Bankr. D. Del. 2005); *In re Van Dyke*, 275 B.R. 854 (Bankr. C.D. Ill. 2002).

Thus, the court need not consider the Application in terms of WGM's future employment by Debtor. As to WGM's employment between the commencement of Debtor's case and this writing, the Interim Order provided that WGM could be paid for services performed during that period. As a result, the UST's objection is moot; it would serve no purpose to decide the question of WGM's disinterestedness at this stage in the case since to do so would not affect either the firm's retention or its payment.

For the foregoing reasons, the court concludes it should adopt the Interim Order as its final disposition of the Application. The objection of the UST should be overruled as moot. The court's conclusions are without prejudice to (1) any party objecting to WGM's fees other than for the reasons stated in the UST's objection to the Application; and (2) Debtor's employment of WGM in the future.

It is so **ORDERED**.

### END OF MEMORANDUM ORDER ###