

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

In re:

MIG, INC.,

Debtor.

Chapter 11

Case No. 09-12118 (KG)

Ref. Docket No. 553

**DEBTOR'S OBJECTION TO COMMITTEE'S MOTION FOR AN ORDER
AUTHORIZING THE OFFICIAL COMMITTEE OF UNSECURED
CREDITORS TO PUBLICALLY FILE ITS REPLY IN SUPPORT OF
ITS MOTION FOR AN ORDER PURSUANT TO §§ 105(a), 1104(a), 1121(c)(1)
AND (d)(1) AND 1112(b), APPOINTING A CHAPTER 11 TRUSTEE AND
TERMINATING THE DEBTOR'S EXCLUSIVITY TO FILE A PLAN OR,
IN THE ALTERNATIVE, DISMISSING THE CHAPTER 11 CASE FOR CAUSE**

MIG, Inc., the above-captioned debtor and debtor-in-possession (the "Debtor" or "MIG") hereby submits this objection to the Motion (the "Motion") of the Official Committee of Unsecured Creditors' (the "Committee") for an order authorizing it to publically file its Reply In Support Of Its Motion (the "Trustee Motion") For An Order Pursuant To §§ 105(A), 1104(A), 1121(C)(1) And (D)(1) And 1112(B), Appointing A Chapter 11 Trustee And Terminating The Debtor's Exclusivity To File A Plan Or, In The Alternative, Dismissing The Chapter 11 Case For Cause (the "Trustee Reply"), and respectfully submits as follows:

1. The Motion is nothing more that the Committee's latest attempt to prevent this chapter 11 case from moving forward. The Committee is aware that their pleadings contain many inflammatory statements and that the evidence does not support those statements or the relief in the Trustee Motion or their motion for standing (the "Standing Motion"). See Debtor's objection to the Trustee Motion and Standing Motion [Docket Nos. 214, 326, and 541]. The Committee is equally aware that section 1125 of the Bankruptcy Code prevents it from soliciting a plan - or in the case of the Committee, urging rejection of the Debtor's Plan - other

than through an approved disclosure statement. *See* 11 U.S.C. §1125. Recognizing these facts and instead of allowing this Court to evaluate the evidence, the Committee is now attempting to try their case in the court of public opinion where they are not subject to the evidentiary burdens imposed by the bankruptcy code.

2. The Motion, purportedly to inform creditors,¹ is nothing more than an attempt to “win” public opinion because the Committee cannot win its case. The Debtor requests that the Committee be required to prove its case before it is permitted to disseminate “information” for the public good. Any other result would prejudice the Debtor and its plan process because the Committee’s unfounded allegations will be seen as “evidence” by the public.

3. The Debtor has sought throughout this case to protect from dissemination the Confidential Information, particularly related to its non-debtor Georgian affiliate, Magticom Ltd. (“Magticom”), which in turn protects the value of the Debtor’s estate. Dissemination of Confidential Information related to Magticom could place Magticom at a competitive disadvantage or otherwise harm MIG’s interest in Magticom or its relationship with its Georgian joint venture partner. As MIG’s indirect ownership interest in Magticom is its most valuable asset, any action that could harm Magticom would be detrimental to the value of the estate and to the creditors the Committee purportedly represents.

4. In recognition of this, Debtor and the Committee entered into a confidentiality agreement (the “Confidentiality Agreement”) in July 2009, shortly after the commencement of this case. In reliance on the Confidentiality Agreement the Debtor has produced tens of thousands of pages of information, marking certain of that information confidential (the “Confidential Information”). The Debtor and the Committee have filed fifteen requests to file

¹ The Committee asserts that unsealing of information in this case is necessary to inform “all creditors” - once again illustrating that the Committee is prepared to admit that this case is more than a two-party dispute when in its interest. *See* Motion at ¶15.

information under seal in this case and the Court has granted those requests. *See, e.g.*, Docket Nos. 79 and 138, 133 and 183, 279 and 308, 311 and 364. As stated in those pleadings, including those filed by the Committee, “[p]ublic disclosure of the Confidential Information could detrimentally affect the Debtor’s operations, and thus reduce expected distributions to creditors.” *See* Docket No. 133 at ¶15, Docket No. 279 at ¶15.

5. The Committee did not request that the Debtor reconsider the confidential nature of any Confidential Information at any time in the nearly seven months since the parties entered into the Confidentiality Agreement and the Debtor began providing information. Instead, a mere half an hour before the deadline for the Committee to file the Trustee Reply - a deadline the Committee missed by over three hours - the Committee for the first time requested that the Debtor agree to permit the Committee to file the Trustee Reply and its exhibits without redacting or filing portions under seal. Because this request was made without any disclosure by the Committee to the Debtor of what Confidential Information would be in the Trustee Reply, the Debtor, of course, could not consent. The Committee followed with the Motion.

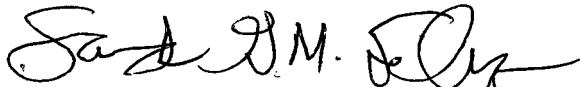
6. The Trustee Reply that the Committee ultimately filed is sixty-eight pages long and relies on seventy-nine exhibits. Thirty-eight pages have information that the Committee has redacted as relying on Confidential Information and seventy-two of the exhibits were designated as Confidential. The Committee requests a blanket waiver of confidentiality for all thirty-eight pages of information and all seventy-two exhibits. It is absurd and prejudicial for the Committee to suggest that during the week of trial that has been pending before this Court for six months the Debtor spend resources to determine which of those items, if any, may not contain Confidential Information. Nor should the Committee be allowed to use the unfounded allegations in the Reply to attempt to front run the Debtors’ Disclosure Statement process. To

the extent that the Committee truly believes that certain of the Confidential Information is necessary to ensure that the Debtor's Disclosure Statement provides adequate information it should raise that issue in connection with the hearing on the adequacy of the Disclosure Statement.

WHEREFORE, the Court should deny the Motion, enter an order directing the Committee to file the portions of Trustee Motion containing Confidential Information under seal, and grant the Debtor such other and further relief as the Court deems just and proper.

Dated: February 8, 2010

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