

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF RHODE ISLAND**

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In re:) Chapter 11
)
UTGR, INC. d/b/a TWIN RIVER,) Case No. 09-_____ (___)
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Debtor.)
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In re:) Chapter 11
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BLB WORLDWIDE HOLDINGS, INC.,) Case No. 09-_____ (___)
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Debtor.)
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In re:) Chapter 11
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BLB MANAGEMENT SERVICES, INC.,) Case No. 09-_____ (___)
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Debtor.)
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**DEBTORS' MOTION FOR ENTRY OF AN ORDER
DIRECTING JOINT ADMINISTRATION OF THEIR CHAPTER 11 CASES**

The above-captioned debtors, as debtors and debtors in possession (collectively, the "Debtors"), file this motion (the "Motion") for entry of an order, substantially in the form attached hereto as Exhibit A, directing joint administration of their related chapter 11 cases (the "Chapter 11 Cases"). In support of this Motion, the Debtors respectfully state as follows:

Jurisdiction

1. The United States Bankruptcy Court for the District of Rhode Island has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334. This matter is a core proceeding within the meaning of 28 U.S.C. § 157(b)(2).

2. Venue is proper pursuant to 28 U.S.C. §§ 1408 and 1409.

3. The statutory bases for the relief requested herein are section 105(a) of title 11 of the United States Code (the “Bankruptcy Code”), Rule 1015(b) of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”), and Rule 1015-1 of Local Bankruptcy Rules and Forms of the United States Bankruptcy Court for the District of Rhode Island (the “Local Bankruptcy Rules”).

Background¹

4. The Debtors’ principal asset is Twin River, a greyhound track and casino located in Lincoln, Rhode Island. BLB Investors, L.L.C. (“BLB Investors”), the direct and indirect parent of each of the Debtors, acquired Twin River in 2005. BLB Investors is a joint venture among three of the world’s most accomplished leisure and gaming operators, developers, and managers: Starwood Capital Group I Global, L.L.C., Kerzner International Holdings Ltd., and Waterford Group, LLC. (collectively, the “Sponsors”). The Sponsors purchased Twin River for \$470 million and then invested another \$220 million towards renovating Twin River into a world class facility.

5. Twin River today is the preeminent racing-casino (sometimes referred to as a “racino”) in New England. In many respects, the Debtors’ businesses have been great successes. Since 2005, the Debtors have grown Twin River to over 500,000 square feet, including more

¹ The facts and circumstances supporting this Motion are further set forth in the Declaration of George Papanier, President and Chief Operating Officer of UTGR, Inc., in Support of First Day Motions (the “First Day Declaration”), filed contemporaneously herewith.

than 156,000 square feet of gaming space and over 4,700 slot machines, and have improved revenues year over year as their primary regional competitors' revenues have slipped.

6. As successful as the Debtors' operations have been, their revenues cannot support the substantial demands imposed by the State of Rhode Island (the "State") tax rate and the Debtors' debt service obligations. Significantly, the State retains 61.5% of every dollar generated at Twin River (after winning customers have been paid), and reimburses Twin River less than 28% of every dollar.

7. Shortly before the filing of these chapter 11 cases (the "Chapter 11 Cases"), the Debtors reached an agreement with holders holding over 50% of the first lien debt and a substantial amount of the second lien debt, and the executive branch of the State on the terms of a preliminary restructuring transaction (the "Restructuring"), which is expected to eliminate approximately \$290 million in debt. The Restructuring provides for approximately \$11 million in annual support from the State in the form of promotional and marketing initiatives. Significantly, the Restructuring is conditioned on obtaining certain legislative enactments and amendments to the Master Video Lottery Terminal Contract (the "VLT Contract") between the State's Division of Lotteries and UTGR, Inc., which, among other things, will eliminate the requirement to maintain greyhound racing, approve 24 hour gaming at the facility, seven days a week, and enable the exercise of extension options under the VLT Contract, thus maintaining the tax rate for the facility. The Restructuring requires the Lenders to conduct a marketing process to identify a new operator of Twin River immediately, so that the Sponsors may transition out of the management and ownership of the facility.

8. The Debtors are operating their businesses and managing their properties as debtors in possession pursuant to Sections 1107(a) and 1108 of the Bankruptcy Code. No request for the appointment of a trustee or examiner has been made in these Chapter 11 Cases.

The Debtors have requested that the Court grant procedural consolidation and joint administration of these Chapter 11 Cases.

Relief Requested

9. By this Motion, the Debtors seek entry of an order directing joint administration of the Chapter 11 Cases for procedural purposes only. Specifically, the Debtors request that the Court maintain one file and one docket for all of the Chapter 11 Cases under the case of UTGR, Inc. d/b/a Twin River, and that the Chapter 11 Cases be administered under the following caption:

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_____)	
In re:)	Chapter 11
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UTGR, INC. d/b/a TWIN RIVER, <u>et al.</u> , ¹)	Case No. 09 - _____ ()
)	
Debtors.)	Jointly Administered
_____)	

10. The Debtors also request that an entry be made on the docket of each of the Chapter 11 Cases, other than the Chapter 11 Case of UTGR, Inc. d/b/a Twin River, to reflect the joint administration of the Chapter 11 Cases, substantially similar to the following:

An order has been entered in accordance with Rule 1015(b) of the Federal Rules of Bankruptcy Procedure and Rule 1015-1 of the Local Bankruptcy Rules and Forms of the United States Bankruptcy Court for the District of Rhode Island directing joint administration of the chapter 11 cases of UTGR, Inc.; BLB Management Services, Inc.; and BLB Worldwide Holdings, Inc. All further pleadings and other papers with respect to the chapter 11 cases of each of these entities shall be filed in, and all further docket entries shall be made in, Case No. 09-_____ (___).

¹ The Debtors in these chapter 11 cases are BLB Management Services, Inc., BLB Worldwide Holdings, Inc., and UTGR, Inc.

Basis for Relief

11. Bankruptcy Rule 1015(b) provides, in pertinent part, that “[i]f . . . two or more petitions are pending in the same court by or against . . . a debtor and an affiliate, the court may order a joint administration of the estates.” FED. R. BANKR. P. 1015(b). As described in the First Day Declaration, the three Debtors in the Chapter 11 Cases are “affiliates” as such term is defined under section 101(2) of the Bankruptcy Code. Accordingly, the Bankruptcy Code and Bankruptcy Rules authorize the Court to grant the relief requested herein.

12. Section 105(a) of the Bankruptcy Code also provides the Court with the power to grant the relief requested herein. That section states that a Bankruptcy Court “may issue any order, process, or judgment that is necessary or appropriate to carry out the provisions of the [Bankruptcy Code].” 11 U.S.C. § 105(a).

13. Given the integrated nature of the Debtors’ operations, as more fully described in the First Day Declaration, joint administration of the Chapter 11 Cases will provide significant administrative benefits to the Debtors and their estates. Most of the motions, hearings, and orders that will arise in the Chapter 11 Cases will affect each and every Debtor. The entry of an order directing joint administration of the Chapter 11 Cases will therefore reduce unnecessary administrative fees and costs by avoiding duplicative filings and objections. Joint administration also will allow the Office of the United States Trustee for the District of Rhode Island (the “U.S. Trustee”) and all parties in interest to monitor the Chapter 11 Cases with greater ease and efficiency.

14. Moreover, joint administration will not adversely affect the Debtors’ respective stakeholders because this Motion seeks only administrative, not substantive, consolidation of the Debtors’ estates. Such parties in interest will not be harmed by the relief requested, as their substantive rights with respect to each Debtor will not be affected. Such parties will, however,

benefit from the cost reductions and increased administrative efficiencies associated with the joint administration of the Chapter 11 Cases. Accordingly, the Debtors submit that the joint administration of the Chapter 11 Cases is in the best interests of the Debtors' estates, their creditors and all other parties in interest.

15. Joint administration of related bankruptcy cases is generally not controversial, and courts routinely grant relief similar to that requested in this Motion. See, e.g., In re Syratech Corp., Case No. 05-11062 (Bankr. D. Mass Feb. 17, 2005); see also In re Sun-Times Media Group, Inc., Case No. 09-11092 (Bankr. D. Del. Apr. 1, 2009); In re Masonite Corp., Case No. 09-10844 (Bankr. D. Del. Mar. 17, 2009); In re Portola Packaging, Inc., Case No. 08-12001 (Bankr. D. Del. Aug. 29, 2008); In re Hines Horticulture, Inc., Case No. 08-11922 (Bankr. D. Del. Aug. 21, 2008); In re Pierre Foods, Inc., Case No. 08-11480 (Bankr. D. Del. July 16, 2008); In re ACG Holdings, Inc., Case No. 08-11467 (Bankr. D. Del. July 16, 2008); In re Tropicana Entm't, LLC, Case No. 08-10856 (Bankr. D. Del. May 6, 2008).

Motion Practice

16. This Motion includes citations to the applicable rules and statutory authorities upon which the relief requested herein is predicated, and a discussion of their application to the Motion. Accordingly, the Debtors submit that the Motion satisfies Rule 9013-1(a) of the Local Bankruptcy Rules.

Notice

17. The Debtors have provided notice of this Motion either by electronic mail or facsimile and/or by overnight mail to: (a) the U.S. Trustee; (b) the entities listed on the Consolidated List of Creditors Holding the 40 Largest Unsecured Claims filed pursuant to Bankruptcy Rule 1007(d); (c) applicable local, state, and federal regulatory entities; (d) counsel to the Administrative Agents for the First and Second Lien Lenders; (e) counsel to the equity

sponsors; (f) counsel to those certain contractors who have asserted mechanic's liens against the Debtors; (g) the Internal Revenue Service; and (h) the Securities and Exchange Commission. Due to the urgency of the circumstances surrounding this Motion (as more fully described in the First Day Declaration) and the nature of the relief requested herein, the Debtors respectfully submit that no further notice of this Motion is required.

No Prior Request

18. No prior motion for the relief requested herein has been made to this or any other court.

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WHEREFORE, for the reasons set forth herein and in the First Day Declaration, the Debtors respectfully request that the Court enter an order, substantially in the form attached hereto as **Exhibit A**, granting the relief requested herein and such other and further relief as the Court deems appropriate.

Dated: June 23, 2009
Providence, Rhode Island

WINOGRAD, SHINE & ZACKS, P.C.

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Proposed Counsel for the Debtors and Debtors in Possession

EXHIBIT A

Proposed Order

**IN THE UNITED STATES BANKRUPTCY COURT
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In re:)	Chapter 11
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In re:)	Chapter 11
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BLB WORLDWIDE HOLDINGS, INC.,)	Case No. 09-_____ (___)
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Debtor.)	
)	
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In re:)	Chapter 11
)	
BLB MANAGEMENT SERVICES, INC.,)	Case No. 09-_____ (___)
)	
Debtor.)	
)	
)	

**ORDER DIRECTING JOINT ADMINISTRATION
OF THE DEBTORS' RELATED CHAPTER 11 CASES**

Upon the motion (the "Motion")¹ of the above-captioned debtors and debtors in possession (collectively, the "Debtors") for entry of an order directing the joint administration of the Debtors' related Chapter 11 Cases, and as more fully set forth in the Motion; and upon the Declaration of George Papanier, President and Chief Operating Officer of UTGR, Inc., in Support of the Debtors' First Day Motions (the "First Day Declaration"); and the Court having

¹ All capitalized terms used but otherwise not defined herein shall have the meaning ascribed to them in the Motion.

found that it has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334; and the Court having found that this is a core proceeding pursuant to 28 U.S.C. § 157(b)(2); and the Court having found that venue of this proceeding and the Motion in this District is proper pursuant to 28 U.S.C. §§ 1408 and 1409; and the Court having found that the relief requested is in the best interests of the Debtors' estates, their creditors, and other parties in interest; and the Court having found that notice of the Motion and of the hearing on the Motion (the "Hearing") was appropriate under the particular circumstances; and the Court having reviewed the Motion and the First Day Declaration, and having heard the statements in support of the relief requested therein at the Hearing; and the Court having determined that the legal and factual bases set forth in the Motion and the First Day Declaration, and at the Hearing, establish just cause for the relief granted herein; and upon all of the proceedings had before the Court; and after due deliberation and sufficient cause appearing therefor, it is HEREBY ORDERED THAT:

1. The Motion is granted as set forth in this order (the "Order").
2. The above-captioned Chapter 11 Cases are consolidated for procedural purposes only, and shall be jointly administered by the Court under Case No. 09-_____ (___).
3. The caption of the jointly administered cases shall read as follows:

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UTGR, INC. d/b/a TWIN RIVER, <u>et al.</u> , ¹)	Case No. 09 - _____ ()
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Debtors.)	Jointly Administered
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4. An entry shall be made on the docket of each of the Debtors' cases, other than that of UTGR, Inc. d/b/a Twin River, substantially similar to the following:

An order has been entered in accordance with Rule 1015(b) of the Federal Rules of Bankruptcy Procedure and Rule 1015-1 of the Local Bankruptcy Rules and Forms of the United States Bankruptcy Court for the District of Rhode Island directing joint administration of the chapter 11 cases of UTGR, Inc.; BLB Management Services, Inc.; and BLB Worldwide Holdings, Inc. All further pleadings and other papers with respect to the chapter 11 cases of each of these entities shall be filed in, and all further docket entries shall be made in, Case No. 09-_____ (___).

5. The Debtors shall maintain, and the Clerk of the United States Bankruptcy Court for the District of Rhode Island shall keep one consolidated docket, one file, and one consolidated service list for the Chapter 11 Cases.

6. Nothing contained in the Motion or this Order shall be deemed or construed as directing or otherwise affecting a substantive consolidation of the Chapter 11 Cases.

7. The Debtors are authorized to take all actions necessary to effectuate the relief granted pursuant to this Order.

¹ The Debtors in these chapter 11 cases are BLB Management Services, Inc., BLB Worldwide Holdings, Inc., and UTGR, Inc.

8. The Court retains jurisdiction with respect to all matters arising from or related to the interpretation or implementation of this Order.

Dated: _____, 2009
Providence, Rhode Island

Arthur N. Votolato
United States Bankruptcy Judge