

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF MARYLAND
(Baltimore Division)**

In re

The Boyds Collection, Ltd.,

Debtor.

Tax I.D. No. 52-1418730

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Case No. 05-____ ()
Chapter 11

In re

The Boyds Collection, Ltd., LP,

Debtor.

Tax I.D. No. 23-2975991

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Case No. 05-____ ()
Chapter 11

In re

Boyds Operations Inc.,

Debtor.

Tax I.D. No. 23-2972906

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Case No. 05-____ ()
Chapter 11

In re

The Boyds Collection - Pigeon Forge, LLC,

Debtor.

Tax I.D. No. 20-0913244

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Case No. 05-____ ()
Chapter 11

In re

**The Boyds Collection - Myrtle Beach, LLC,
Debtor.**

Tax I.D. No. Not Yet Applied For

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Case No. 05-____ (____)
Chapter 11

In re

**The Boyds Collection - Branson, LLC,
Debtor.**

Tax I.D. No. Not Yet Applied For

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Case No. 05-____ (____)
Chapter 11

In re

**J&T Designs and Imaginations, Inc.,
Debtor.**

Tax I.D. No. 17527615896

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Case No. 05-____ (____)
Chapter 11

In re

**HC Accents & Associates, Inc.,
Debtor.**

Tax I.D. No. 37-278811

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Case No. 05-____ (____)
Chapter 11

In re

Boyd's Bear and Company, LP,

Debtor.

Tax I.D. No. 23-3092698

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* Case No. 05-____ ()
* Chapter 11
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**DEBTORS' EMERGENCY MOTION FOR ENTRY OF AN ORDER
PURSUANT TO RULE 1015(b) OF THE FEDERAL RULES OF
BANKRUPTCY PROCEDURE DIRECTING JOINT ADMINISTRATION
OF THE DEBTORS' REORGANIZATION CASES**

The Boyds Collection, Ltd., *et al.*, the debtors and debtors in possession in the above-captioned cases (collectively, the "Debtors"), by counsel, file this Emergency Motion for Entry of an Order Pursuant to Rule 1015(b) of the Federal Rules of Bankruptcy Procedure Directing Joint Administration of the Debtors' Reorganization Cases (the "Motion"), and in support thereof state:¹

Jurisdiction

1. This Court has jurisdiction over this Motion under 28 U.S.C. §§ 157 and 1334. This matter is a core proceeding within the meaning of 28 U.S.C. § 157(b)(2). Venue of this proceeding and this Motion in this District is proper under 28 U.S.C. §§ 1408 and 1409.

2. The statutory bases for the relief requested herein are section 105(a) of title 11 of the United States Code (the "Bankruptcy Code") and Rule 1015(b) of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules").

¹ The facts and circumstances supporting this Motion are set forth in the Affidavit of Jan L. Murley in Support of First Day Motions filed contemporaneously herewith.

Background

3. On the date hereof (the “Commencement Date”), the Debtors each filed voluntary petitions for relief under Chapter 11 of the Bankruptcy Code (collectively, the “Reorganization Cases”). The Debtors continue to operate their businesses and manage their properties as debtors-in-possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code. Contemporaneously herewith, the Debtors requested an order for the joint administration of the Reorganization Cases pursuant to Rule 1015(b) of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”).

4. The Boyds Collection, Ltd. (“Boyds”) is a leading designer, marketer and distributor of high-quality, hand-crafted collectibles, gift and other specialty products. Boyds was founded in 1979 and is the parent company, holding direct or indirect ownership interests in eight (8) domestic subsidiaries and four (4) foreign subsidiaries.²

5. Boyds operates in two segments: a wholesale gift business and a retail gift/entertainment business. Boyds’ wholesale business designs, imports and distributes plush animals, resin figurines and other specialty giftware via a global network of independent retailers and distributors. Boyds imports substantially all of its products from manufacturers in China through buying agencies. Boyds’ retail business sells plush animals, resin figurines and specialty giftware products and provides a unique interactive entertainment experience at its Gettysburg, Pennsylvania and Pigeon Forge, Tennessee retail stores.

6. As set forth in the Form 10-Q filed by Boyds on August 12, 2005, as of June 30, 2005, the Debtors’ consolidated books and records reflected assets totaling approximately \$66.9 million and liabilities totaling approximately \$101.7 million. For the three months ended June 30, 2005, Boyds reported revenues of approximately \$17.1 million and net losses of approximately \$101.3 million.

² None of the foreign subsidiaries are Debtors.

7. The significant indebtedness of Boyds consists of: (i) approximately \$56.5 million in aggregate principal amount under a senior secured credit agreement, dated as of February 23, 2005 (the “Pre-Petition Credit Agreement”) and (ii) approximately \$34.4 million in aggregate principal amount pursuant to certain 9% senior subordinated notes due in 2008.

8. During 2001, Boyds’ financial results began to deteriorate significantly as a consequence of industry-wide and company-specific factors. Over a period of several years, retail sales of plush toys shifted from small independent retailers, in which Boyds had a leading presence, to large regional and national retailers and mass merchandisers, in which Boyds did not have a meaningful presence. Moreover, the large retailers competed with Boyds’ product line at lower price points. This shift in distribution channels coincided with a general cooling of consumer demand for “collectible” products. As a result, the retail sales of Boyds and its direct industry competitors were negatively affected.

9. In response, during 2004 Boyds began to implement various operational restructuring and cost reduction programs. Such programs focused on (i) redirecting sales efforts towards larger regional and national channels, (ii) developing products specifically targeted to these channels, (iii) selectively expanding distribution to include direct in-home marketing initiatives and (iv) developing co-branding campaigns with well-recognized brands such as NASCAR, Coca-Cola, Crayola and M&Ms. Unfortunately, despite the efforts of Boyds’ management to reposition the business in response to the changing industry sales dynamics, Boyds was not able to increase sales in the new channels quickly enough to offset the decline in sales from the company’s traditional core-market of independent retailers.

10. By the fall of 2005, it had become apparent that Boyds could not avoid a financial restructuring. From September to the Commencement Date, Boyds engaged in discussions with the lenders (the “Pre-Petition Lenders”) under the Pre-Petition Credit Agreement regarding the terms of a comprehensive plan to restructure Boyds’ operations and existing debt obligations. Though Boyds and the Pre-Petition Lenders made substantial progress in these negotiations, as of the Commencement Date, negotiations were still ongoing. The Pre-Petition Lenders were

unwilling to extend the waiver or commit to providing any further liquidity outside of a reorganization. On the Commencement Date, the Debtors, in the exercise of their prudent business judgment, determined that it was in the best interest of all their stakeholders to commence the Reorganization Cases, continue negotiations with the Debtors' creditor constituencies and consummate a restructuring under the auspices of this Court.

Relief Requested

11. In order to optimally and economically administer the Debtors' pending Reorganization Cases, by this Motion, the Debtors seek entry of an order pursuant to Bankruptcy Rule 1015(b), authorizing the joint administration, for procedural purposes only, under the case number assigned to The Boyds Collection, Ltd.

Basis for Relief

12. Pursuant to Bankruptcy Rule 1015(b), "[i]f . . . two or more petitions are pending in the same court by or against . . . (4) a debtor and an affiliate, the court may order a joint administration of the estates." Fed. R. Bankr. P. 1015(b).

13. Many of the motions, hearings and orders that will arise in the Reorganization Cases will jointly affect each and every Debtor. By jointly administering the Reorganization Cases, the Debtors will be able to reduce fees and costs resulting from the administration of these cases and ease the onerous administrative burden of having to file multiple and duplicative documents.

14. Further, the rights of the Debtors' respective creditors will not be adversely affected by the joint administration of the Reorganization Cases because this Motion requests only administrative, not substantive, consolidation of the estates. For example, any creditor may still file a claim against a particular Debtor or its estate, or multiple Debtors and their respective estates. Thus, all of the Debtors' creditors will benefit from the reduced costs as a result of such joint administration. This Court also will be relieved of the burden of entering duplicative orders

and maintaining duplicative files. Finally, supervision of the administrative aspects of the Reorganization Cases by the office of the United States trustee will be simplified.

15. Based on the foregoing, the joint administration of the Reorganization Cases is in the best interests of the Debtors, their creditors and equity security holders, and all parties in interest. Accordingly, the Debtors request that the caption of the Reorganization Cases be modified to reflect the joint administration of such cases, as follows:

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF MARYLAND
(Baltimore Division)**

<p>In re</p> <p>The Boyds Collection, Ltd., et al.</p> <p style="text-align: right;">Debtors.</p>	<p>*</p> <p>*</p> <p>*</p> <p>*</p> <p>*</p> <p>*</p> <p>*</p> <p>*</p>	<p>Case No. 05-____ (____) through</p> <p>05-____ (____)</p> <p>Chapter 11</p> <p>(Jointly Administered under</p> <p>Case No. 05-____ (____))</p>
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16. The Debtors also request that a docket entry be made in each of the above-captioned cases substantially as follows:

An order has been entered in accordance with Rule 1015(b) of the Federal Rules of Bankruptcy Procedure directing the joint administration of The Boyds Collection, Ltd.; The Boyds Collection, Ltd., LP; Boyds Operations Inc.; The Boyds Collection - Pigeon Forge, LLC; The Boyds Collection - Myrtle Beach, LLC; The Boyds Collection - Branson, LLC; J&T Designs and Imaginations, Inc.; HC Accents & Associates, Inc.; and Boyds Bear and Company, LP. The docket in Case No. 05-_____ should be consulted for all matters affecting the above listed cases.

17. Finally, the Debtors request that the Court enter an order that any creditor filing a proof of claim against any of the Debtors or their respective estates shall file such proof of claim in the particular bankruptcy case of the Debtor against whom such claim is asserted, and not in the jointly administered case.

Memorandum of Law

18. This Motion includes citations to the applicable authorities and a discussion of their application to this Motion. Accordingly, the Debtors respectfully submit that such citations and discussion satisfy the requirement that the Debtors submit a separate memorandum of law in support of this Motion pursuant to Rule 9013-2 of the Local Bankruptcy Rules for the District of Maryland.

Notice

19. Notice of this Motion has been given to (a) the office of the United States trustee; (b) counsel to the Agent to the Debtors' Pre-Petition Lenders; (c) counsel for the indenture trustee for the Debtors' 9% Senior Subordinated Notes due 2008; and (d) each of the Debtors' top twenty (20) unsecured creditors.

No Prior Request

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

Conclusion

WHEREFORE, the Debtors respectfully request the entry of an order, substantially in the form attached hereto as Exhibit A, (i) authorizing the joint administration of the Reorganization Cases under the case number assigned to The Boyds Collection, Ltd. and (ii) granting such other relief as the Court deems just and proper.

Washington, D.C.
Dated: October 16, 2005

Respectfully submitted,

SWIDLER BERLIN LLP

/s/ Monique D. Almy
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Kimberly E. Neureiter (Bar No. 27167)
The Washington Harbour
3000 K Street, N.W., Suite 300
Washington, D.C. 20007
Phone: (202) 424-7500
Fax: (202) 424-7643
mdalmy@swidlaw.com
keneureiter@swidlaw.com

-and-

KIRKLAND & ELLIS LLP
Richard M. Cieri (NY RM 6062)
Matthew A. Cantor (NY MC 7727)
(*Pro hac vice* admissions pending)
Citigroup Center
153 East 53rd Street
New York, New York 10022-4611
Phone: (212) 446-4800
Fax: (212) 446-4900
rcieri@kirkland.com
mcantor@kirkland.com

Proposed Counsel for the Debtors and Debtors in Possession

EXHIBIT A
Proposed Order

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF MARYLAND
(Baltimore Division)**

In re	*	
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The Boyds Collection, Ltd.,	*	Case No. 05-____ ()
	*	Chapter 11
Debtor.	*	
	*	
Tax I.D. No. 52-1418730	*	

In re	*	
	*	
The Boyds Collection, Ltd., LP,	*	Case No. 05-____ ()
	*	Chapter 11
Debtor.	*	
	*	
Tax I.D. No. 23-2975991	*	

In re	*	
	*	
Boyds Operations Inc.,	*	Case No. 05-____ ()
	*	Chapter 11
Debtor.	*	
	*	
Tax I.D. No. 23-2972906	*	

In re

The Boyds Collection - Pigeon Forge, LLC,

Debtor.

Tax I.D. No. 20-0913244

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Case No. 05-____ ()
Chapter 11

In re

The Boyds Collection - Myrtle Beach, LLC,

Debtor.

Tax I.D. No. Not Yet Applied For

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Case No. 05-____ ()
Chapter 11

In re

The Boyds Collection - Branson, LLC,

Debtor.

Tax I.D. No. Not Yet Applied For

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Case No. 05-____ ()
Chapter 11

In re

J&T Designs and Imaginations, Inc.,

Debtor.

Tax I.D. No. 17527615896

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Case No. 05-____ ()
Chapter 11

In re

HC Accents & Associates, Inc.,

Debtor.

Tax I.D. No. 37-278811

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Case No. 05-____ ()
Chapter 11

In re

Boyd's Bear and Company, LP,

Debtor.

Tax I.D. No. 23-3092698

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Case No. 05-____ ()
Chapter 11

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**ORDER PURSUANT TO RULE 1015(B) OF THE FEDERAL
RULES OF BANKRUPTCY PROCEDURE DIRECTING
JOINT ADMINISTRATION OF THE DEBTORS' REORGANIZATION CASES**

Upon the Debtors' Emergency Motion for Entry of an Order Pursuant to Rule 1015(b) of the Federal Rules of Bankruptcy Procedure Directing Joint Administration of the Debtors' Reorganization Cases, dated October 16, 2005;¹ upon consideration of the supporting papers and the files and records in these cases and upon the arguments and testimony presented at a hearing before the Court; any responses to the Motion having been withdrawn or overruled on the merits; it appearing that the Court has jurisdiction over the subject matter of the Motion and the relief requested therein pursuant to 28 U.S.C. §§ 157 and 1334; it appearing that this is a core proceeding pursuant to 28 U.S.C. § 157(b); it appearing that the relief requested in the Motion is in the best interests of the Debtors, their estates and their creditors; it appearing that notice of the

¹ Capitalized terms used but not defined herein shall have the meaning set forth in the Motion.

Motion was sufficient, and no other or further notice need be provided; and after due deliberation and cause appearing therefor;

IT IS HEREBY ORDERED THAT:

1. The Motion is granted.
2. The joint administration of the Reorganization Cases is hereby authorized under the case number assigned to The Boyds Collection, Ltd. in the format set forth below:

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF MARYLAND
(Baltimore Division)**

In re	*	
	*	Case No. 05-____ (____) through
	*	05-____ (____)
The Boyds Collection, Ltd., et al.	*	
	*	Chapter 11
Debtors.	*	(Jointly Administered under
	*	Case No. 05-____ (____))
	*	

3. A docket entry shall be made in each of the Reorganization Cases substantially as follows:

An order has been entered in accordance with Rule 1015(b) of the Federal Rules of Bankruptcy Procedure directing the joint administration of The Boyds Collection, Ltd.; The Boyds Collection, Ltd., LP; Boyds Operations Inc.; The Boyds Collection - Pigeon Forge, LLC; The Boyds Collection - Myrtle Beach, LLC; The Boyds Collection - Branson, LLC; J&T Designs and Imaginations, Inc.; HC Accents & Associates, Inc.; and Boyds Bear and Company, LP. The docket in Case No. 05-_____ should be consulted for all matters affecting the above listed cases.

4. Any creditor filing a proof of claim against any of the Debtors or their respective estates shall file such proof of claim in the particular bankruptcy case of the Debtor against whom such claim is asserted, and not in the jointly administered case.

5. Notwithstanding the possible applicability of Bankruptcy Rules 6004(g), 7062, 9014, or otherwise, the terms and conditions of this Order shall be immediately effective and enforceable upon its entry.

END OF ORDER

ORDER SERVICE LIST

Admobile of Knoxville
10217 Lynn Chase Lane
Knoxville, TN 37932

AFC Worldwide Express
P.O. Box 965549
Marietta, GA 30066

All-Size Corrugated Products
P.O. Box 92973
Cleveland, OH 44194-2973

Alpha Marketing Resources LLC
10 Hilltop Drive
Mount Holly Springs, PA 17065

AmericaSmart Real Estate LLC
P.O. Box 933005
Atlanta, GA 31193-3005

Appalachia Business Comm Corp.
PO Box 30517
Knoxville, TN 37930-0517

Banta Direct Marketing Group
PO Box 78201
Milwaukee, WI 53278-0201

Best Read Guide
Touring Publications
PO Box 4580
Sevierville, TN

Bo Whaley Music, Inc.
Jimbo Whaley
686 Lloyd Huskey Road
Pigeon Forge, TN 37863

Brochure Distribution Services
PO Box 4065
1881 County Meadows Drive
Sevierville, TN 37864

Calico Cottage Inc.
210 New Highway
Amityville, NY 11701-1116

Capital Blue Cross
P.O. Box 779516
Harrisburg, PA 17177-9516

Chart Media
PO Box 1379
Murfreesboro, TN 37133-1379

C.I.T. Group/Commercial Services Inc.
PO Box 1036
Charlotte, NC 28201-1036

Cintas Corporation # 407
340 Dunavant Drive
Rockford, TN 37853

Cody Kramer
200 Corporate Drive
Blauvelt, NY 10913

Countainerport Group, Inc.
P.O. Box 827506
Philadelphia, PA 19182-7506

County of Sevier
125 Court Avenue, Suite 202e
Sevierville, TN 37862

Dolly Inc.
PO Box 931174
Cleveland, OH 44193

Effem Direct. Incorporated
PO Box 406678
Atlanta, GA 30384-6678

Fixture Resource Group
4148 Webster Avenue
Cincinnati, OH 45212

Grossman Law Offices
122 S. Michigan Avenue, Suite 1720
Chicago, IL 60603

H.G. Rotz Associates Inc.
105 Leader Heights Road
York, PA 17403

Hanover Terminal, Inc.
PO Box 77
Hanover, PA 17331

J.B. Hunt Transport, Inc.
File 98545
PO Box 1067
Charlotte, NC 28201-1067

John F. Freet, Jr.
2268 Sutton Road
York, PA 17403

Kelsan, Inc.
PO Box 60038
Charlotte, NC 28260

Kinsley Construction Inc.
2700 Water Street
PO Box 2886
York, PA 17405

Knoxville News - Sentinel Co.
Department 888583
Knoxville, TN 37995-8583

Kuehne & Nagel, Inc.
P.O. Box 33100
Newark, NJ 07188-0100

Lumpkin Oxner & Stacy PA
90 Wall Street
Pawleys Island, SC 29585

Mallmed Mall Media Inc.
PMB 4416
Blair, WA 98230

Merchandise Testing Lab, Ltd.
NO. 105, Guang Zhong Road
Zhuan Quiao Town, Min Hang

Nancy Greenholt
Tax Collector
409 Main Street
McSherrystown, PA 17344

Neel's Wholesale Produce Co.
2308 Forest Avenue
Knoxville, TN 37916

Oki Wear Inc.
9109 Bachman Road
Orlando, FL 32824

PA Department of Community
Commonwealth Keystone Building
400 North Street- 4th Floor
Harrisburg, PA 17120-0225

Packaging Corp. of America
PO Box 532058
Atlanta, GA 30353-2058

Pelican Bay, Ltd.
150 Douglas Avenue
Dunedin, FL 34698-7908

Pickard Distributing Corp.
6900 Strawberry Plane Pike
Knoxville, TN 37914

QA International Ltd.
446 North Seymour Ave.
Mundelein, IL 60060

Reliable Printing
3425 Teaster Lane
Sevierville, TN 37876

Resource Global Professionals
File 55221
Los Angeles, CA 90074-5221

Roden
Box 440417
Nashville, TN 37244-0417

Sevier County Electric System
315 East Main Street
PO Box 4870
Sevierville, TN 37864

Sevier County Utility District
420 Robert Henderson Road
PO Box 4398
Sevierville, TN 37864-4398

Shoreline Creations Ltd.
2465 112th Avenue
Holland, MI 49424

Small Small World Enterprises
185 South Dean Street
Englewood, NJ 07631

Smoky Mountain Discount Service
912 Parkway
Gaitlinburg, TN 37738

Strine Printing Company
PO Box 149
York, PA 17405-0149

Sunny Day Guide
800 Seahawk Circle, #106
Virginia Beach, VA 23452

Sysco Food Services
Robert Orr-Sysco
PO Box 305138
Nashville, TN 37230

Sysco Foods
PO Box 3641
Harrisburg, PA 17105

Taiwan Merchants
140-42 Austin Rd, Tsim Sha Tsui
Kowloo Hong Kong China

Tennessee Florist Supply Inc.
2713 John Deere Drive
Knoxville, TN 37917

The Herald Newspaper
500 Maryvill Highway
Seymour, TN 37865

The Lamar Companies
TP Composites, Inc.
8 Croserville Road
Aston, PA 19014-1488

The Mountain Press
PO Box 4810
Sevierville, TN 37864-4810

The Tennessean
PO BOx 331309
Nashville, TN 37203-1309

Thinkmedia
2407 Elliot Avenue
Nashville, TN 37204

UNI - Contemporary
1504 Captains Court
Virginia Beach, VA 23452

United Parcel Service
P.O. Box 7247-0244
Philadelphia, PA 19170-0001

UPS
P.O. Box 7247-0244
Philadelphia, PA 19170-0001

UPS Canada Ltd.
P.O. Box 2127 CRO
Halifax, NS B3J 3B7

WCI TN - Knoxville
2400 Chipman Street
Knoxville, TN 37917

Willkie Farr & Gallagher LLP
The Equitable Center
787 Seventh Avenue
New York, NY 10019-6099
Attn.: Steven Wilamowsky

Whiteford Taylor & Preston LLP
7 Saint Paul Street
Baltimore, MD 21202-1626
Attn.: Martin T. Fletcher

Paul Hastings Janofsky & Walker LLP
75 East 55th Street
New York, NY 10022
Attn.: Andrew Rosenberg

Mayer Brown Rowe & Maw LLP
1675 Broadway
New York, NY 10019-5820
Attn.: Frederick D. Hyman

Moore & Van Allen PLLC
100 North Tryon Street, Suite 4700
Charlotte, NC 28202-4003
Attn.: Alan W. Pope

Bank of New York
101 Barclay St., Floor 21 West
New York, NY 10286
Attn.: Corporate Trust Administration
The Boyds Collection, Ltd.

Office of the U.S. Trustee
300 W. Pratt Street, Suite 350
Baltimore, MD 21201
Attn.: Sandra Manocchio