

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION

_____)	
In re:)	Chapter 11
_____)	
SOUTHERN FOODS GROUPS, LLC, <i>et al.</i> ,)	Case No. 19-36313 (DRJ)
_____)	
Debtors. ¹)	Jointly Administered
_____)	
_____)	

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NOTICE OF SALE, BIDDING PROCEDURES, AND SALE HEARING

PLEASE TAKE NOTICE that the above-captioned debtors and debtors in possession (collectively, the “**Debtors**”) each filed a voluntary petition for relief under chapter 11 of title 11 of the United States Code in the United States Bankruptcy Court for the Southern District of Texas (the “**Court**”) on November 12, 2019.

PLEASE TAKE FURTHER NOTICE that, on February 17, 2020, in connection with the proposed sale (the “**Sale Transaction**”) of all, substantially all, or a portion of Debtors’ assets (collectively, the “**Bid Assets**”), the Debtors filed a motion (the “**Bidding Procedures Motion**”)² with the Court seeking entry of orders, among other things, approving (a) procedures for the solicitation of bids in connection with the Sale Transaction (the “**Bidding Procedures**”), (b) the form and manner of notice related to the Sale Transaction, and (c) procedures for the assumption and assignment of contracts and leases in connection with the Sale Transaction.

¹ The debtors and debtors in possession in these chapter 11 cases, along with the last four digits of their respective Employer Identification Numbers, are as follows: Southern Foods Group, LLC (1364); Dean Foods Company (9681); Alta-Dena Certified Dairy, LLC (1347); Berkeley Farms, LLC (8965); Cascade Equity Realty, LLC (3940); Country Fresh, LLC (6303); Dairy Information Systems Holdings, LLC (9144); Dairy Information Systems, LLC (0009); Dean Dairy Holdings, LLC (9188); Dean East II, LLC (9192); Dean East, LLC (8751); Dean Foods North Central, LLC (7858); Dean Foods of Wisconsin, LLC (2504); Dean Holding Company (8390); Dean Intellectual Property Services II, Inc. (3512); Dean International Holding Company (9785); Dean Management, LLC (7782); Dean Puerto Rico Holdings, LLC (6832); Dean Services, LLC (2168); Dean Transportation, Inc. (8896); Dean West II, LLC (9190); Dean West, LLC (8753); DFC Aviation Services, LLC (1600); DFC Energy Partners, LLC (3889); DFC Ventures, LLC (4213); DGI Ventures, Inc. (6766); DIPS Limited Partner II (7167); Franklin Holdings, Inc. (8114); Fresh Dairy Delivery, LLC (2314); Friendly’s Ice Cream Holdings Corp. (7609); Friendly’s Manufacturing and Retail, LLC (9828); Garelick Farms, LLC (3221); Mayfield Dairy Farms, LLC (3008); Midwest Ice Cream Company, LLC (0130); Model Dairy, LLC (7981); Reiter Dairy, LLC (3675); Sampson Ventures, LLC (7714); Shenandoah’s Pride, LLC (2858); Steve’s Ice Cream, LLC (6807); Suiza Dairy Group, LLC (2039); Tuscan/Lehigh Dairies, Inc. (6774); Uncle Matt’s Organic, Inc. (0079); and Verifine Dairy Products of Sheboygan, LLC (7200). The debtors’ mailing address is 2711 North Haskell Avenue, Suite 3400, Dallas, TX 75204.

² Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to them in the Bidding Procedures Motion.

PLEASE TAKE FURTHER NOTICE that, on March 19, 2020, the Court entered an order (the “**Bidding Procedures Order**”) approving, among other things, the Bidding Procedures, which establish the key dates and times related to the Sale Transaction (as modified by such Bidding Procedures Order). All parties interested in bidding should carefully read the Bidding Procedures Order and the Bidding Procedures in their entirety.³

Contact Persons for Parties Interest in Submitting a Bid

The Bidding Procedures set forth the requirements for submitting a bid, and any person interested in making an offer to purchase the Bid Assets should comply with the Bidding Procedures.

Any interested bidder should contact, as soon as practicable:

EVERCORE GROUP L.L.C.⁴

55 East 52nd Street
New York, NY 10055
Attn.: John Kimm
john.kimm@evercore.com
(tel.) +1 (212) 849-3436

Obtaining Additional Information

Copies of the Bidding Procedures Motion and the Bidding Procedures Order, as well as all related exhibits (including the Bidding Procedures) and all other documents filed with the Court, are available free of charge on the Debtors’ case information website, located at <https://dm.epiq11.com/SouthernFoods> or can be requested by email at DeanInfo@epiqglobal.com.

Important Dates and Deadlines

1. **Bid Deadline.** The deadline to submit a bid is **March 30, 2020 at 12:00 p.m. (prevailing Central Time)**.
2. **Public Filings.** Absent further order or direction of the Court, by no later than **March 30, 2020 at 11:59 p.m. (prevailing Central Time)**, the Debtors shall file copies of the following: (a) all bids received by the Bid Deadline; (b) a Notice of Bid Results; *provided* that the Debtors may determine not to designate Successful Bidders and Alternate Bidders with respect to certain Bid Assets if they believe, in consultation with the Consultation Parties, that extending the sale process with respect to such Bid Assets

³ To the extent of any inconsistencies between the Bidding Procedures and the summary descriptions of the Bidding Procedures in this notice, the terms of the Bidding Procedures shall control in all respects.

⁴ Evercore Group L.L.C., in its capacity as financial advisor the Debtors, is referred to herein as “**Evercore**.”

would likely to maximize value for the benefit of the Debtors' estates; and (c) the proposed Sale Order(s).

3. **Sale Objection Deadline.** The deadline to file an objection with the Court to the proposed Sale Order(s) or the Sale Transaction(s) (collectively, the "Sale Objections") is **April 1, 2020 at 12:00 pm. (prevailing Central Time)** (the "Sale Objection Deadline").
4. **Sale Hearing.** A hearing (the "Sale Hearing") to consider the proposed Sale Transaction(s) will be held before the Court on **April 3, 2020 at 9:00 a.m. (prevailing Central Time)**⁵ or such other date as determined by the Court, at 515 Rusk St., Houston, Texas 77002.

Filing Objections

Sale Objections, if any, must (a) be in writing, (b) state, with specificity, the legal and factual bases thereof, (c) comply with the Bankruptcy Code, Bankruptcy Rules, and Local Rules, (d) be filed with the Court no later than the Sale Objection Deadline, and (e) no later than the Sale Objection deadline, be served on (i) counsel to the Debtors, (y) Davis Polk & Wardwell LLP, 450 Lexington Avenue, New York, New York 10017, Attn: Brian M. Resnick, Steven Z. Szanzer, and Nate Sokol and (z) Norton Rose Fulbright US LLP, 1301 McKinney Street, Suite 5100, Houston, Texas 77010, Attn: William Greendyke, Jason L. Boland, Robert B. Bruner, and Julie Harrison, (ii) (y) counsel to the DIP Agent and the Prepetition Agent, White & Case LLP, 1221 Avenue of the Americas, New York, NY 10020, Attn: Scott Greissman, Philip Abelson, and Elizabeth Feld and (z) Gray Reed, 1300 Post Oak Blvd, Suite 2000, Houston, TX 77056, Attn: Jason S. Brookner, (iii) counsel to the Committee, Akin Gump Strauss Hauer & Feld LLP, One Bryant Park, New York, NY 10036, Attn: Philip Dublin and Meredith Lahaie, and (iv) the U.S. Trustee.

CONSEQUENCES OF FAILING TO TIMELY ASSERT AN OBJECTION

Any party or entity who fails to timely make an objection to the Sale Transaction(s) on or before the Sale Objection Deadline in accordance with the Bidding Procedures Order and this Notice shall be forever barred from asserting any objection to the Sale Transaction(s), including with respect to the transfer of the assets free and clear of all liens, claims, encumbrances, and other interests.

NO SUCCESSOR LIABILITY

The Debtors are a leading public food and beverage company and the largest processor and direct-to-store distributor of fresh fluid milk and other dairy and dairy case products in the United States. The Debtors manufacture, market, and distribute a wide variety of branded and private label dairy and dairy case products, including fluid milk, ice cream, cultured dairy products, creamers, ice cream mix, and other dairy products to retailers, distributors, foodservice outlets, educational institutions, and governmental entities across the United

⁵ This date remains subject to Court approval.

States. For more information on the Debtors' businesses or their products, refer to the Declaration of Gary Rahlfs in Support of Debtors' Chapter 11 Proceedings and First Day Pleadings [D.I. 46]. The assets sold in the Sale Transaction(s) will be free and clear of, among other things, any claim arising from any conduct of the Debtors prior to the closing of the Sale Transaction(s), whether known or unknown, whether due or to become due, whether accrued, absolute, contingent, or otherwise, so long as such claim arises out of or relates to events occurring prior to the closing of the Sale Transaction(s). Accordingly, as a result of the Sale Transaction(s), the Successful Bidder(s) will not be a successor to any of the Debtors by reason of any theory of law or equity, and the Successful Bidder(s) will have no liability, except as expressly provided a definitive agreement reached between the Debtors and the Successful Bidder(s), for any liens, claims, encumbrances, and other interests against or in any of the Debtors under any theory of law, including successor liability theories.

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Dated: March 19, 2020
Houston, Texas

Respectfully submitted,

NORTON ROSE FULBRIGHT US LLP

/s/ William R. Greendyk

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-and-

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