

KREKELER LAW REPORT



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THANKSGIVING HISTORY

Thanksgiving is a time of giving thanks in the United States. It also marks the start of the holiday shopping season. We all know that Thanksgiving is the 4th Thursday in November, but did you know that this was not always the case?

In 1939, President Franklin D. Roosevelt decided to change Thanksgiving to the second to last Thursday in November to extend the holiday shopping season and help businesses suffering during the War Time economy. This caused confusion, and while 32 states followed the decree, 16 others opted to celebrate the following Thursday, creating a time of two Thanksgivings. This was corrected in 1941 when Congress set the permanent date for Thanksgiving as the 4th Thursday in November.

Now we can all enjoy the Federal holiday together and dive into the Holiday season at the same time.



From Krekeler Strother, S.C.

To allow our staff to celebrate with family and friends, we will be closed Thanksgiving Day.

We will also be closed Christmas Day and New Year's Day.

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Comments? Contact Charlotte at (608) 310-3404
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THE CHRISTMAS THAT ALMOST WASN'T

Remember that time in your life when you couldn't wait for the mailman to deliver the Sears Christmas Wish Catalog? And when it arrived, you laid down on the floor and scoured it for hours carefully selecting those toys that you thought would make you the happiest during those long winter months? Oh, to return to those simpler days....

Sadly, the paper catalog has been replaced by mass marketing through the television, cell phones, computers, and social media advertisements. Today's wish list is much more complex than the former Sears Catalog; it contains electronics (and I am not talking the record player), gadgets that we wear on our arms to track our movement and even our sleep, wireless gadgets we stick in our ears to hear music, the latest cell phone technology and more electronic this and that. Sometimes the tremendous financial pressure put on people to spend and overspend during the holiday season can create a severe mental strain. How does one even plan to purchase expensive gifts and do so without going into debt?

A person needs a disciplined budget and the help of a savings institution Christmas or Holiday Club Account.

Just what is a Christmas or Holiday Account? This account is a short-term savings account in which money is deposited periodically to be withdrawn at the end of the year for Christmas purchases. They are designed to help consumers control their spending during the holiday season. The concept of the club account is to create an incentive to save now in order to have money to spend later. Account holders earn interest on their account balances; if funds are withdrawn early (before the redemption period) fees and penalties may apply and thus, discouraging depositors from using the account for purposes other than the intended purpose of holiday expenses, or allocation to gift-gifting. Many smaller banks and credit unions offer this account option to the bank customers. A small balance is usually required to start earning interest on the deposited funds and the account will usually renew after the yearly disbursement most often in the month of November with a debit card given to you, or a transfer of funds from the club account into your personal checking account.

In addition to setting up the club account, make a budget for spending based on the redemption amount and stick to it! Every dollar has a name or purpose whether it is Johnny or the Christmas ham. Create a journal and take it

with you when you shop and keep it for the following year to see if you need to make adjustments in funding your club account-do you need to save more, or not.

By following some of the simplest disciplines, you will go from the Christmas that almost wasn't to jingling all the way!! Happy Holidays!!

INDIVIDUAL CHAPTER 11 CASES

When we think of Chapter 11 bankruptcy cases most of us think of big corporations. We can usually recall that General Motors filed Chapter 11, as did Chrysler, K-Mart, and Owens Corning. Many of the airlines have filed. So did Dean Foods, as discussed elsewhere in this issue.

All of those mentioned emerged successfully from bankruptcy, but other large corporate Chapter 11 debtors did not fare as well. Think Circuit City and Toys R Us.

So, we all know that Chapter 11 often works for big businesses, but did you know that about 1/3 of all Chapter 11 cases are filed by individuals? Individual Chapter 11 cases are governed by somewhat different rules than those for corporations or LLCs, but these filings can be very effective under the right circumstances.

Some of the reasons why an individual Chapter 11 case might be filed include the following:

- Debtor wants to pay all creditors in full but needs an extended time to do so.
- Debtor needs to retain certain assets that are collateral of an aggressive creditor.
- Debtor needs to adjust interest rates or amortizations.
- Debtor does not qualify for relief under Chapter 7 or Chapter 13.
- Debtor needs lower payments than what would be required under Chapter 13, which limits payments to only five years.

We believe it is important to understand and practice in every area of debt relief. Chapter 11 has its place for individuals, and that option should always be considered when solving financial problems.



“DON’T GOT MILK”: THE DAIRY DOWNTURN



Dean Foods, America’s Largest Milk Producer, has announced that they are filing Chapter 11 and secured \$850 million from current lenders to keep the business running while they look for a buyer. With sales of dairy milk declining over the last few years, it is no surprise to see that profits fell by 14% in the first half of 2019. They were hit very hard when a major buyer, Walmart, switched to producing their own milk in 2017, causing them to cancel hundreds of contracts with dairy farms across the nation.

Another trend hindering the dairy market is the abundance of dairy-milk alternatives. More people are turning to milk alternatives such as almond milk, soy milk, coconut milk, and even oat milk. These options provide a less harsh option for those suffering from lactose intolerance.

This doesn’t mean the end of our beloved brands such as Land o’ Lakes, TruMoo, and Dairy Pure. Dean Foods is currently in discussion with Dairy Farms of America to see if the Kemp’s parent company would like to acquire most of Dean Foods’ assets.

Living in Wisconsin, it’s hard to imagine a world without dairy products. Even our football fans are “Cheese Heads”. So, what happens when the rest of the country decides they can’t consume the dairy that we love so much?



UNREAL



SEASONAL DELIVERY DRIVER IS A SECRET PORCH PIRATE?!

It is not uncommon for delivery services to hire on extra workers for the holiday season. Unfortunately, this does not always bring out the best and most honest people. A Florida man devised a plan with two friends to help them steal packages that he had delivered for one of the country’s largest package delivery services. He would deliver the package, check to see if anyone was home to receive the package, and then text his two friends to come and take the package. Lucky for one package recipient, they not only were home when their Dyson Vacuum was delivered, but they also had a home surveillance system that caught the whole thing on tape! In Florida, Porch Piracy is a form of second-degree burglary and can land you with up to \$10,000 in fines or five years in jail. Needless to say, these men are not going to make the cut the next time Santa is hiring helpers.



WHERE'S KREKELER?



On October 23rd, Attorney Krekeler and Attorney Sederholm held an all-day long Bankruptcy Training Program for the Volunteer Lawyers Project. They presented “Bankruptcy Basics” breaking down the different subjects that may arise during a bankruptcy case such as: bankruptcy issues relating to divorce and the affect a bankruptcy has on your credit. This was a great opportunity for David and Kris to share their knowledge with Volunteer Lawyers who are interested in bankruptcy law.

Speaking Engagements

If you'd like information on any of the topics, David would love to discuss them over coffee and a bagel – his treat. Contact him at jdkrek@ks-lawfirm.com.



MEET OUR NEW CLIENT LIAISON and MARKETING PRO, CHARLOTTE BABBITT

Charlotte Babbitt is the newest addition to the Krekeler Strother Team. Charlotte will be acting as Client Service Coordinator, Marketing and Administrative Assistant. Charlotte is a hard worker who does her best to do business with a smile. When not at work, she enjoys traveling to see friends and family, as well as spending time at home with her boyfriend watching movies or lending a hand with his hobby: building their home's furniture. Charlotte is ready to do everything in her power to help you and, hopefully, leave you with a smile on your face.



The office was extra festive as we hosted a trick or treat event for the Staff's children this Halloween. David got the chance to join in the fun with his “Bumblebee” granddaughter, as well as the rest of the well-dressed crew. This was a nice chance for everyone to avoid the snow and still have a little fun. We hope another Happy Halloween was had by all!



Have a question? Idea for a future article?
If you ask for it – we will write it!

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