

## Quirky Picks Q Holdings As Stalking Horse For Asset Auction

By **Jonathan Randles**

Law360, New York (November 3, 2015, 7:07 PM EST) -- Quirky Inc. has named investment company Q Holdings the front-runner to acquire the bankrupt startup incubator's remaining assets at a bankruptcy auction later this month with a \$2.3 million stalking horse bid, according to court documents filed in New York.

Q Holdings' bid, which will serve as the price floor at the upcoming auction, comes a week after U.S. Bankruptcy Judge Martin Glenn **signed off** on Quirky's bidding procedures. The assets on the auction block include Quirky's trademark, domain name and a plethora of products it has developed, including the Pivot Power brand power strip and Cordies brand computer cable organizer.

Quirky said last month that it generated "significant interest" when it marketed its assets before the company filed for bankruptcy. The deadline to bid on Quirky's assets is currently Nov. 13, according to court documents.

At the time Judge Glenn approved Quirky's bidding procedures for the auction, the company did not have a stalking horse bidder lined up. The proposed bankruptcy sale is a key component of Quirky's court-monitored restructuring.

The upcoming auction is distinct from the separate process that has been floated to sell Quirky's Internet of Things unit Wink Inc.

Wink, which San Jose, Calif.-based Flextronics International USA Inc. has posted a \$15 million stalking horse bid to acquire, is specifically geared toward using wireless Internet to control basic household systems.

Quirky opened its doors in 2009 and by last year was making 150 products, but the company filed for Chapter 11 in September after laying off more than 150 employees over the summer. Quirky listed \$53.9 million in assets and \$136.8 million in liabilities in its filings.

An attorney representing Quirky did not immediately respond to a message sent Tuesday seeking comment. Q Holdings could not immediately be reached for comment.

Q Holdings is represented by Edward Neiger and Marianna Udem of ASK LLP.

Quirky is represented by Jeffrey Cohen of Cooley LLP. The debtor's conflicts counsel is Klestadt Winters Jureller Southard & Stevens LLP.

The case is Quirky Inc., case number 1:15-bk-12596, in the U.S. Bankruptcy Court for the Southern District of New York.

--Editing by Catherine Sum.