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United States Bankruptcy Court
Albuquerque, New Mexico

UNITED STATES BANKRUPTCY COURT
DISTRICT OF NEW MEXICO

In re:

FURR'S SUPERMARKETS, INC., Case No. 11-01-10779 SA

Debtor. Chapter 11

CARDINAL DISTRIBUTION'S DEMAND FOR RECLAMATION

Now comes Whitmire Distribution Corporation d/b/a Cardinal Distribution ("Cardinal"), by counsel of record, Baker & Hostetler LLC (Sherri Lazear and Otto Beatty, III), and pursuant to 11 U.S.C. §546(c) and §55-2-702 NMSA, demands reclamation of any and all pharmaceutical products, health and beauty care products, home health care products, sundries, tobacco products, general merchandise and supplies, and other personal property received by Debtor Furr's Supermarkets, Inc. ("Debtor") from Cardinal. As grounds for this demand, Cardinal states as follows:

1. Debtor filed a petition for relief under Chapter 11 of the Bankruptcy Code on February 8, 2001. Upon information and belief, Debtor is a debtor in possession.

2. Cardinal is a distributor that provides pharmaceutical and other related products to Debtor on credit terms. These items constitute goods.

3. Upon information and belief Debtor was insolvent at the time some of these goods were shipped.

4. Pursuant to 11 U.S.C. § 546 and §55-2-702 NMSA, on February 9, 2001, Cardinal sent a demand to reclaim all goods received by Debtor, between

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January 29, 2001, and February 9, 2001, both dates inclusive, from Cardinal. A copy of Cardinal's demand is attached as Exhibit A. Cardinal provided documentation of its claim to Debtor at the time it sent its demand. The documentation associated with this claim is too voluminous for this filing, but is available upon request of the Court.

5. Furthermore, the automatic stay imposed by 11 U.S.C. §362 should be modified to permit Cardinal to reclaim the goods described herein.

6. Demand is hereby made that Debtor segregate and safeguard all of Cardinal's goods received by it in the ten days before filing so that Cardinal may reclaim such goods, or in the alternative, that Cardinal be given administrative expense priority for such goods.

THEREFORE, Cardinal requests that the Court order Debtor to segregate and safeguard all pharmaceutical and all other goods received from Cardinal with the 10 days of filing of the petition, modify the automatic stay to permit Cardinal to reclaim its goods or to grant administrative priority for such goods, and to grant such other such relief the Court deems just.

BAKER & HOSTETLER LLP

By: _____

Sherri B. Lazear (0030546)
Otto Beatty, III (0062803)
Attorneys for Whitmire Distribution Corporation d/b/a Cardinal Distribution
65 East State Street, Suite 2100
Columbus, Ohio 43215
Fax (614) 462-2616
(614) 228-1541

CERTIFICATE OF SERVICE AND TRANSMITTAL

I certify under penalty of perjury that a copy of the foregoing was mailed and faxed on February ____, 2001, to:

Robert H. Jacobvitz
500 Marquette, N.W., Suite 650
Albuquerque, New Mexico 87102
Fax (505) 766–9287

Assistant United States Trustee
P.O. Box 608
Albuquerque, New Mexico 87103
Fax (505) 248–6558

_____
Executed on: _____

EXHIBIT
A

a Cardinal Health company

P.O. Box 2520
7500 Mars Drive
Waco, Texas 76702-2520

tel 254.776.7583
fax 254.751.0857
www.cardinal.com

February 9, 2001

VIA FACSIMILE AND CERTIFIED MAIL

Furr's Supermarkets, Inc.
PO Box 10267
4411 The 25 Way NE
Albuquerque, NM 87184

Subject: Notice of Reclamation

Gentlemen:

The purpose of this letter is to notify Furr's Supermarkets, Inc. that Whitmire Distribution Corporation d/b/a Cardinal Distribution ("Cardinal"), pursuant to Section 2-702(2) of the Uniform Commercial Code and pursuant to United States Bankruptcy Code Section 546, 11 U.S.C. §546, hereby demands reclamation of all goods of the type described below which were received by Furr's Supermarkets Inc. between January 29, 2001, and February 8, 2001, both dates inclusive, from Cardinal. The goods subject to this demand include all of the following:

Any and all and all pharmaceutical products, health and beauty care products, home health care products, sundries, tobacco products, general merchandise and supplies, and other personal property.

An itemized list of the goods subject to this reclamation demand will be delivered to Furr's Supermarkets as soon as practicable.

Please advise Cardinal immediately regarding an arrangement for prompt transportation of the goods to Cardinal.

Whitmire Distribution Corporation d/b/a
Cardinal Distribution

By _____
John McAchran
Regional Credit Manager