IN THE UNITED STATES DISTRICT COURT FOR THE DISTRICT OF DELAWARE

IN RE: School Specialty Inc. et al

Official Committee of Unsecured

Creditors,

Appellants,

C. A. No. 13-1009-GMS ٧.

Bayside Finance LLC, Bankruptcy Case No. 13-10125

AP 13-44

Appellees.

RECOMMENDATION

At Wilmington this 6th day of August, 2013.

WHEREAS, pursuant to paragraph 2(a) of the Procedures to Govern Mediation of Appeals from the United States Bankruptcy Court for this District dated September 11, 2012, a teleconference occurred for an initial review and discussion with counsel to determine the appropriateness of mediation in this matter;

WHEREAS, as a result of that teleconference, mediation occurred on July 19, 2013.

WHEREAS, no resolution of this matter occurred and further mediation at this stage would not be a productive exercise, a worthwhile use of judicial resources nor warrant the expense of the process.

THEREFORE, IT IS RECOMMENDED that, pursuant to paragraph 2(a) Procedures to Govern Mediation of Appeals from the United States Bankruptcy Court for this District and 28 U.S.C. § 636(b), this matter be withdrawn from the mandatory referral for mediation and proceed through the appellate process of this Court. The parties have advised no objection will be filed to this Recommendation pursuant to 28 U.S.C. § 636(b)(1)(B), FED. R. CIV. P. 72(a) and D. DEL. LR 72.1.

Local counsel are obligated to inform out-of-state counsel of this Order.

/s/ Mary Pat Thynge
UNITED STATES MAGISTRATE JUDGE