Dated: December 11, 2025
The following is ORDERED:

M. Ruthie Hagan
UNITED STATES BANKRUPTCY JUDGE

UNITED STATES BANRUPTCY COURT
WESTERN DISTRICT OF TENNESSEE
WESTERN DIVISION

In re	
Avery Brook Bridges	Case No. 25-24333
Debtor	Chapter 7

OPINION AND ORDER GRANTING MOVANTS' MOTION FOR RELIEF FROM THE AUTOMATIC STAY

This matter came before the Court on the Motion for relief from the automatic stay filed by Trevor Fitschen and Rebecca Fitschen ("Movants") for the purpose of proceeding with pending state court litigation [DE 12] ("Motion") and Avery Brook Bridges's ("Debtor") Response in opposition to the Motion [DE 22]. A hearing was held on October 29, 2025, and upon reviewing the relevant supporting documentation and hearing arguments of counsel, the Court took the matter

under advisement in part [DE 35].[1] Debtor also filed a supplemental brief [DE 26] on November 10, 2025, and Movants filed a supplemental brief [DE 28] in response on November 11, 2025.

JURISDICTION

This is a core proceeding under 28 U.S.C. § 157(b)(2)(A) and (G). Accordingly, the Court has both the statutory and constitutional authority to hear and determine these proceedings subject to the statutory appellate provisions of 28 U.S.C. § 158(a)(1) and Part VIII ("Bankruptcy Appeals") of the Federal Rules of Bankruptcy Procedure. This decision constitutes the Court's findings of fact and conclusions of law under FED. R. CIV. P. 52, made applicable to this contested matter by FED. R. BANKR. P. 9104 and 7052. Regardless of whether specifically referred to in this decision, the Court has examined the submitted materials, considered statements of counsel, considered all the evidence, and reviewed the entire record of the case. Based upon that review, and for the following reasons, the Court finds that Movants' Motion is hereby granted.

BACKGROUND FACTS AND PROCEDUAL HISTORY OF THE CASE

Movants own real property located at 286 Vescovo Dr., Memphis, TN 38117 ("Property"). Movants allege they hired Wolf River Design Collaborative ("WRDC"), Debtor, Marilyn Bridges, and Laura Elizabeth Givens to provide design and construction services on the Property related to a residential addition, renovation, and an outdoor kitchen and patio area. WRDC contracted with Open Door Memphis, LLC ("Open Door") to provide framing services for the residential portion of the Project. Movants have since filed suit against Debtor, WRDC, Ms. Bridges, Open Door, and Ms. Givens in the Chancery Court for Shelby County, Tennessee, alleging claims for breach of contract, breach of express and implied warranties, fraudulent inducement, fraudulent

[1] The Court granted relief from the automatic stay in part to allow Movants to take the deposition of Debtor in connection with the State Court Litigation. All other remaining issues, including further relief from the stay, were taken under advisement.

misrepresentation, negligence, and violations of the Tennessee Consumer Protection Act in relation to the Project ("State Court Litigation").[2] The State Court Litigation was originally set for a jury trial on November 10, 2025, but it has not proceeded due to commencement of this case and the resulting imposition of the automatic stay on August 27, 2025.

Movants argue that, if forced to litigate the issues before this Court, starting the litigation over in a new forum will be far more detrimental to them than the minor impact it will have upon Debtor to proceed with the State Court Litigation. Thus, Movants argue, the stay should be modified to allow the State Court Litigation to proceed. Movants also seek a clarifying order stating that the stay does not apply to Debtor's non-filing codefendants in order for them to request that their claims be restored to the active docket in the Chancery Court. Debtor disputes his liability to Movants and argues that "even if this debt is valid, it is a fully dischargeable debt" so the Court should deny the Motion [DE 22]. Movants have filed a timely 11 U.S.C. § 523(a) dischargeability adversary proceeding and seek to have the adversary proceeding held in abeyance pending an outcome in the State Court Litigation [DE 33 and Adversary Case No. 25-00103].

DISCUSSION

The automatic stay is often described as "one of the fundamental debtor protections provided by the bankruptcy laws." *Midlantic Nat'l Bank v. New Jersey Dep't of Env't Prot.*, 474 U.S. 494, 503 (1986) (citation omitted). When a bankruptcy petition is filed, the automatic stay prohibits several actions, including the commencement or continuation of proceedings against a bankruptcy debtor, 11 U.S.C. § 362(a)(1), and prohibits acts to take possession of, or exercise control over, property of the bankruptcy estate, § 362(a)(3). The automatic stay essentially

[2] Chancery Court for Shelby County, Tennessee for the 30th Judicial District at Memphis, Docket No.: CH-23-0328. Open Door has since been dismissed [DEs 26 and 28].

provides a debtor a breathing spell from his creditors. The stay also provides protection to creditors "by preventing particular creditors from acting unilaterally in self-interest . . . to the detriment of other creditors." *In re Johnson*, 548 B.R. 770, 786 (Bankr. S.D. Ohio 2016) (citations omitted).

Section 362(d)(1) of the Bankruptcy Code provides that a court may grant relief from the automatic stay "for cause," but cause is not defined within the Code. Therefore, a court must determine whether to grant relief "on a case-by-case basis." *Trident Assocs. Ltd. P'ship v. Metro. Life Ins. Co.* (*In re Trident Assocs. Ltd. P'ship)*, 52 F.3d 127, 131 (6th Cir. 1995) (quoting *Laguna Assocs. Ltd. P'ship v. Aetna Cas. & Sur. Co. (In re Laguna Assocs. Ltd. P'ship)*, 30 F.3d 734, 737 (6th Cir. 1994)). The decision to grant relief from the automatic stay "resides within the sound discretion of the bankruptcy court" after considering the following factors: (1) judicial economy; (2) trial readiness; (3) the resolution of preliminary bankruptcy issues; (4) the creditor's chance of success on the merits; and (5) the cost of defense or other potential burden to the bankruptcy estate and the impact of litigation on other creditors. *Garzoni v. K-Mart Corp. (In re Garzoni)*, 35 F. App'x 179, 181 (6th Cir. 2002) (citations omitted); *see also In re Martin*, 542 B.R. 199, 202 (B.A.P. 6th Cir. 2015) (applying the *Garzoni* factors).

Judicial economy and trial readiness

Judicial economy concerns the time and energy other courts have already expended on the proceedings. *Hornback v. Polylok, Inc. (In re Hornback)*, No. 21-8006, 2021 WL 5320418, at *3 (B.A.P. 6th Cir. Nov. 16, 2021) (citing *Junk v. CitiMortgage, Inc. (In re Junk)*, 512 B.R. 584, 607 (Bankr. S.D. Ohio 2014)). The more time and energy spent, the more familiar a court typically is with the facts and circumstances of the underlying causes of action. *Id.* (citing *Ewald v. Nat'l City Mortg. Co. (In re Ewald)*, 298 B.R. 76, 81 (Bankr. E.D. Va. 2002)). The length of time an action has been pending in another court is not important in and of itself; rather a court should focus on

"the stage to which the non-bankruptcy litigation has progressed" because "the further along the litigation, the more unfair it is to force the plaintiff suing the debtor-defendant to duplicate all of its efforts in the bankruptcy court." *Id.* at *4 (citing *Int'l Bus. Machs. v. Fernstrom Storage & Van Co. (In re Fernstrom Storage & Van Co.)*, 938 F.2d 731, 737 (7th Cir. 1991)). The further along the state court litigation is, the more likely a bankruptcy court is to lift the stay to allow it to proceed. *Compare In re Martin*, 542 B.R. at 203 (affirming the decision to lift the stay because "[d]iscovery has commenced and thousands of pages of written discovery have been exchanged and reviewed"), *with Sonnax Indus., Inc. v. Tri Component Prods. Corp. (In re Sonnax Indus., Inc.)*, 907 F.2d 1280, 1287 (2d Cir. 1990) (declining to lift the stay because "the litigation in state court has not progressed even to the discovery stage"). The first factor drives the second. Presumably, parties in litigation that is further along are more prepared to go to trial.

Movants filed the State Court Litigation on March 7, 2023, against Debtor, WRDC, Ms. Bridges, Open Door, and Ms. Givens. The State Court Litigation has progressed substantially. At the time of the hearing on this Motion, the parties had completed written discovery, conducted several depositions, and engaged in extensive case management before the Chancery Court.[3] The Chancery Court set the matter for a November 10, 2025 jury trial and entered a detailed scheduling order, leaving only expert motions, some depositions, motions in limine, and pretrial submissions outstanding. Thus, the Court finds that the State Court Litigation is significantly advanced, and discovery is nearly complete.

The State Court Litigation involves multiple non-Debtor defendants. As Movants note, the Court only has jurisdiction over the claims against Debtor. Splitting the claims risks inconsistent

[3] Movants stated that Debtor's deposition was noticed for August 21, 2025, but through counsel, Debtor represented that he was filing this bankruptcy case on August 20, 2025. Debtor, however, did not file the petition commencing this case until August 27, 2025, though his deposition was nevertheless postponed pending a resolution of the matter now before this Court.

findings. Movants further allege WRDC, at all relevant times, was an unlimited general partnership consisting of Debtor, Ms. Bridges, Ms. Givens, and Open Door. So, despite Debtor's argument that the State Court Litigation can proceed without Debtor, the Court is persuaded by the fact that adjudication of certain claims against Debtor will involve the other defendants in the State Court Litigation and claims against the other defendants will involve Debtor. Moreover, if it is determined that WRDC is general partnership, Debtor would be jointly and severally liable for all obligations and liabilities of WRDC alongside the other State Court Litigation defendants. Courts have recognized that where claims are factually bound together, a single forum should adjudicate the dispute to avoid inconsistent judgments, attendant duplication, and waste of judicial resources. *Int'l Unions v. Maritas (In re Maritas)*, 664 B.R. 670 (Bankr. W.D. Pa. 2024); *In re Marvin Johnson's Auto Serv., Inc.*, 192 B.R. 1008, 1015–16 (Bankr. N.D. Ala. 1996) (explaining that when a debtor's potential liability is vicarious or closely aligned with a non-debtor party, allowing the state court to proceed avoids having two trials and conserves judicial resources). Thus, proceeding in a single forum favors judicial economy.

As to trial readiness, all parties in the State Court Litigation, including Debtor, demanded a jury trial. However, under 28 U.S.C. § 157(e), the bankruptcy court may not conduct a jury trial unless all parties expressly consent, and the record does not reflect such consent from Debtor. In fact, despite demanding a jury trial in the Chancery Court action, Debtor now suggests it would be more burdensome to the bankruptcy estate to proceed with a jury trial in the State Court Litigation rather than proceeding with a trial in this Court. The Court notes that besides the deposition this Court previously permitted [*see* DE 35], the only remaining items on the Chancery Court's scheduling order are motions to exclude or limit experts, motions in limine, and various briefs,

orders, and jury instructions to be submitted in the weeks leading up to trial. Therefore, the Court finds that the State Court Litigation has reached an advanced stage.[4]

The Court should not replicate the two years of coordinated party and expert discovery already completed in the Chancery Court. Re-doing depositions, re-serving written discovery, and re-litigating evidentiary issues would delay trial and undermine the very efficiency that the trial-readiness factor seeks to measure. *See In re Fernstrom Storage & Van Co.*, 938 F.2d at 736–37. The purpose of this factor is to ask whether a tribunal is already poised to try the case—not whether it could eventually become ready after duplicating existing efforts. Accordingly, judicial economy and trial readiness in this case weigh in favor of Movants.

The resolution of preliminary bankruptcy issues

As for the third factor, this bankruptcy has been pending for approximately three months. The § 341 meeting of creditors concluded on November 3, 2025 [DE 25] and most, if not all, of the preliminary bankruptcy issues have concluded.[5] Movants recently filed a timely dischargeability complaint under 11 U.S.C. § 523(a)(2), (a)(4), and (a)(6) on November 21, 2025 [Adv. Proc. 25-00103]. The adjudication of those causes of action is separate from liquidation of

[4] Debtor also argues that additional discovery needed to proceed in this Court could be incorporated from the State Court Litigation through Federal Rule of Bankruptcy Procedure 2004 examinations. Rule 2004 is a broad investigatory tool used to examine a debtor's financial affairs, assets, liabilities, and conduct. Courts have held, however, that once litigation between parties is pending, discovery must proceed under the Federal Rules of Bankruptcy Procedure rather than Rule 2004. *In re Enron Corp.*, 281 B.R. 836, 840 (Bankr. S.D.N.Y. 2002) (citing *In re Bennett Funding Group, Inc.*, 203 B.R. 24, 28 (Bankr. N.D.N.Y. 1996)) ("[U]nder the well recognized rule that once an adversary proceeding or contested matter is commenced, discovery should be pursued under the Federal Rules of Civil Procedure and not by Rule 2004."); *see also In re Washington Mut., Inc.*, 408 B.R. 45, 50 (Bankr. D. Del. 2009); *Cf. In re Snyder*, 52 F.3d 1067, 1071 (5th Cir. 1995) (citing *In re Coffee Cupboard, Inc.*, 128 B.R. 509, 516 (Bankr. E.D.N.Y. 1991)) (explaining Rule 2004 cannot be used to circumvent civil discovery rules in pending litigation).

[5] The Chapter 7 Voluntary Petition, [DE 1], was filed August 27, 2025. The debtor filed all required schedules, statements, and documents by September 11, 2025. The deadline to object to exemptions has expired, and no objections were filed. As of the date of this opinion, the Chapter 7 trustee has not indicated whether this is an asset or no-asset case, so there is no deadline to file a proof of claim.

the underlying debt, and bankruptcy courts routinely allow state courts to liquidate claims even where nondischargeability issues remain for later determination. 11 U.S.C. § 523; FED. R. BANKR. P. 4007; *see Long v. Piercy (In re Piercy)*, 21 F.4th 909, 918 (6th Cir. 2021) (citing *Sill v. Sweeney (In re Sweeney)*, 276 B.R. 186, 195–96 (B.A.P. 6th Cir. 2002)) ("Whether a debt is nondischargeable under 11 U.S.C. § 523(a) is a matter separate from the merits of the debt itself."). "Res judicata applies to the existence of a debt, but not to the question of whether that debt is dischargeable in bankruptcy because dischargeability is a legal conclusion within the exclusive jurisdiction of the bankruptcy courts." *In re Piercy*, 21 F. 4th at 918 (citing *Brown v. Felsen*, 442 U.S. 127, 136–39 (1979)). All preliminary bankruptcy issues have been resolved. The only substantive issue remaining for the Court is the pending dischargeability complaint. Accordingly, this factor weighs in favor of granting relief because the preliminary bankruptcy issues have been resolved. The dischargeability question can be addressed after the liquidation of the underlying claim in the State Court Litigation.

The creditor's chance of success on the merits

The fourth factor questions a creditor's likelihood of success on the merits in the State Court Litigation. A movant seeking relief from stay need only "make more than a 'vague initial showing' that he can establish a prima facie case." *Peterson v. Cundy (In re Peterson)*, 116 B.R. 247, 249 (D. Colo. 1990) (citations omitted); *In re Hornback*, 2021 WL 5320418, at *5. Notably, the Chancery Court, after written discovery, expert disclosures, and nearly two years of proceedings, determined the claims were sufficient to proceed to trial.

Debtor argues that a plethora of the allegations raised in the Chancery Court Complaint were against the now-dismissed Open Door Defendant. Debtor states that, at trial, "Debtor will point to the empty chair and argue to the jury that if there is any liability," it rests with Open Door

in reliance on Movants' own pleadings [DE 26]. In those initial pleadings, Movants alleged the following causes of action against Open Door: breach of implied warranty, violation of the Tennessee Consumer Protection Act, negligence, negligence per se, and unjust enrichment [DE 26]. Movants also stated in those pleadings that they had to spend $321,409 to repair Open Door's defective work [DE 26]. Movants counter by pointing out that Open Door was dismissed from the State Court Litigation because the parties reached a settlement in mediation [DE 28]. Moreover, Movants note that they did not even contract with Open Door or deal with it directly—Open Door was a subcontractor of WRDC [DE 28]. Thus, Movants argue, WRDC, and by extension Debtor, would be liable for any damages caused by Open Door regardless of its dismissal [DE 28]. *See Fed. Ins. Co. v. Winters*, 354 S.W.3d 287, 293–96 (Tenn. 2011) (holding a general contractor may be liable for the acts of subcontractors under Tennessee law). Movants also state they intend to call the owner of Open Door as a witness in their case-in-chief [DE 28].

Given the stage of the proceedings in this Court and the lack of knowledge as to the viability of the pending allegations in the State Court Litigation, the Court is in no position to assess whether Movants are likely to prevail on its claims. *See In re Hornback*, 2021 WL 5320418, at *5 ("A bankruptcy court is not required to be clairvoyant regarding the movant's chance of success on the merits when determining whether to lift the automatic stay."). Considering the brief arguments presented by both parties and that the Chancery Court determined the claims to be sufficient to proceed to trial, the Court finds that this factor weighs slightly in favor of granting relief from the automatic stay.

The cost of defense or other potential burden to the bankruptcy estate and the impact of the litigation on other creditors

The final factor weighs the cost of defense or other potential burden to the bankruptcy estate and the impact of the litigation on other creditors. Debtor argues that trying the matter in

bankruptcy court would avoid jury-trial costs and prevent excessive resources from being drained from the bankruptcy estate. Debtor also argues that a judgment resulting from the State Court Litigation could potentially disrupt the priority scheme established by the Bankruptcy Code, "prejudicing other creditors who are participating in the collective proceeding rather than pursuing individual remedies" [DE 26]. Movants argue Debtor must bear the costs of liquidating the claims in one forum or another and that "[s]tarting the litigation over again in a new forum, with additional discovery, motion practice, and an evidentiary hearing, will increase costs to the estate" [DE 12]. Movants also argue that creditors would not be impacted by resolution of these claims in the State Court Litigation any further than they would be by resolution in this Court [DE 12].

Restarting litigation in this Court would require repeating discovery, engaging in new motion practice, and conducting an evidentiary hearing in a forum unfamiliar with the case. Courts recognize that requiring parties to begin anew in bankruptcy court imposes significant additional costs. *See In re Marvin Johnson's Auto Serv., Inc.*, 192 B.R. at 1016. Moreover, because this Court does not have jurisdiction over Debtor's non-filing co-defendants, Debtor, creditors, and the estate could benefit from the resolution of all issues in one trial "by avoiding duplicitous attorney fees and other litigation expenses" such as discovery costs. *Id.* at 1015–16. This Court also notes that Movants have timely commenced a § 523 adversary proceeding, ensuring that issues concerning dischargeability will be determined by this Court regardless of the forum where any liability is determined. Thus, this factor weighs in favor of Movants.

CONCLUSION

For the reasons stated above, the Court grants Movants' Motion for relief from the automatic stay.

The Bankruptcy Court Clerk shall serve a copy of this Opinion and Order on the following interested parties:

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