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## Kodak puts off plans to preferred suppliers

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Eastman Kodak Co. has indefinitely put off plans to create a two-tier system for paying its U.S. trade suppliers in its Chapter 11 bankruptcy.

A critical-vendor motion that would let Kodak set up a list of favored suppliers was among the camera giant's first-day motions the company filed in the case some two weeks ago. Previously postponed from an initially scheduled date in January, the motion was to have been heard Friday.

Under the Bankruptcy Code, Chapter 11 debtors have to pay fully vendors for goods and services ordered after they file but can pay less than full freight for pre-petition debts incurred before their filing dates.

Kodak proposes to pay an unspecified number of U.S. suppliers that it deems critical up to 100 percent of pre-petition debts. U.S. critical-vendor payments would be capped at \$40 million. A companion motion proposing similarly to pay a group of critical foreign suppliers up to \$60 million was quickly heard and approved.

It is not clear when or if the U.S. critical vendor motion will be heard. An order filed in the Bankruptcy Court in Manhattan on Thursday states the motion "will be heard at a date to be determined." Kodak would say when it planned to reintroduce the motion, the order adds.

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