

Bankruptcy Proceedings Filed Jamestown Lounge Will

By MANLEY J. ANDERSON

A nearly 100-year-old Jamestown furniture company has filed bankruptcy proceedings under Chapter 11 of the U.S. Bankruptcy Act which permits reorganization of the firm in an effort to remain in business.

The action was taken by Jamestown Lounge Co. in U.S. Bankruptcy Court in Buffalo yesterday just minutes before the court closed for the day.

A court employee said the filing was by Arbor Industries Inc. doing business as Jamestown Lounge Co. She commented, "There are quite a few creditors here," and counted 16 pages of them.

The employee said the bankruptcy filing showed debts of \$168,200 as priority claims, including taxes. It also listed a total of \$1,931,869 owed to secured creditors and \$502,938 owed to unsecured creditors.

The company was represented in the proceedings by the Jamestown law firm of Price, Miller, Evans and Flowers.

Efforts by *The Post-Journal* over three days to reach Paul H. Combs, company president, for comment on the developments were unsuccessful.

Under the bankruptcy law, a Chapter

11 proceeding permits a company to remain in business with the court's protection against legal action by creditors while a reorganization plan and payment schedule is developed.

A spokesman for United Furniture Workers, which has a local at the plant, said Jamestown Lounge recently employed about 75 production workers and 20 office staff members.

Another spokesman, Biaggio Baggiانو, president of UFW Local 50 at the Winsor Street firm, said the local used to have about 100 members but this has declined to about 35. He noted that he and some other members of the local have accepted a layoff and that the company is trying to stay in business under the Chapter 11 bankruptcy proceedings but does not know when it can pay them.

The firm was established in 1888 by four former employees of the then Shearman Brothers Co. to manufacture upholstered furniture.

Jamestown Lounge long has been recognized as a manufacturer of quality lines of living room, dining room and bedroom furniture, principally in solid oak.

The business was purchased in November 1978 by Combs, formerly a