

**IN THE UNITED STATES DISTRICT COURT  
FOR THE EASTERN DISTRICT OF PENNSYLVANIA**

HENRY STRANAHAN; H&W ASSOCIATES	:	CIVIL ACTION
and STRANAHAN CHARITABLE TRUST	:	
	:	
v.	:	
	:	
CHRISTINE C. SHUBERT, CHAPTER 7	:	No. 04-2
TRUSTEE	:	

**Diamond J.**

**September 13, 2004**

**MEMORANDUM**

This is an appeal from a Bankruptcy Court Order approving a settlement between Appellees Christine Shubert, Trustee for the Debtor, Pennsylvania Gear Corporation, and Fleet National Bank, a secured creditor of the Debtor. Henry Stranahan, acting on his own behalf and on behalf of two other creditors - - H&W Associates and the Stranahan Charitable Trust - - seeks to challenge that settlement. Fleet moves to dismiss, contending that as a *pro se* litigant, Henry Stranahan may not appeal either on his own behalf or on behalf of H&W Associates or the Stranahan Charitable Trust. I grant the motion and dismiss this appeal.

**Background**

On November 18, 2002, the Debtor filed a voluntary Chapter 11 petition in the United States Bankruptcy Court for the Eastern District of Pennsylvania. The case was converted to one under Chapter 7 on December 30, 2002. The Bankruptcy Court appointed Christine Shubert as Trustee for the Debtor on December 31, 2002. Among the creditors were Fleet National Bank and H&W Associates. Henry Stranahan and William Stranahan (relationship unknown) are the

two partners of H&W Associates.

In August 2003, the Trustee, attempting to satisfy Fleet, filed a motion seeking approval of a Stipulation and Agreed Order allowing the sale of some of Debtor's property. (Appellee's Ex. at A23.) H&W Associates and the Debtor's shareholders filed objections to the Stipulation. (Id. at A32 & A57.) Although Henry Stranahan was listed as a shareholder in these objections, a later filing confirms that Henry Stranahan is not a shareholder of the Debtor. (Appellee's Ex. at A109). The Debtor's only direct shareholders are William Stranahan and the Stranahan Family Limited Partnership. (Id.) Thus, only those entities (and not Henry Stranahan) objected to the First Stipulation.

After the Trustee and the objectors came to an agreement, the Trustee filed an Amended Stipulation between Trustee and Fleet to which *no* objections were filed. (Id. at A93.) On October 6, 2003, the Bankruptcy Court approved the Amended Stipulation.

Henry Stranahan subsequently pursued numerous motions, *pro se*, in the Bankruptcy Court, including a Motion to Amend the Amended Stipulation, which he purportedly filed on behalf of himself and the Stranahan Charitable Trust. (Id. at A102.) The Bankruptcy Court rejected the motion as untimely and meritless. (Certificate of Appeal at Ex. 2.)

Henry Stranahan, again acting *pro se*, now appeals to this Court, seeking to overturn the Bankruptcy Court's approval of the Amended Stipulation even though he did not timely object to that Stipulation when it was filed.

Fleet has moved to dismiss and is supported by the Trustee.

## Discussion

### **A. Legal Standard**

A court may dismiss a complaint under Fed. R. Civ. P. 12(b)(6) only when it is certain that no relief could be granted under any set of facts the plaintiff could prove. Ransom v. Marrazzo, 848 F.2d 398, 401 (3d Cir. 1988). In considering a Rule 12(b)(6) motion, a court must accept as true all well pleaded allegations, and view them in the light most favorable to the plaintiff. Angelastro v. Prudential-Bache Sec., Inc., 764 F.2d 939, 944 (3d Cir. 1985). Although a court usually looks only to the facts alleged in the complaint and its attachments, it may also look beyond the complaint if the matters considered are a part of the public record as to which there can be no dispute. Pension Benefit Guar. Corp. v. White Consol. Indus., 998 F.2d 1192, 1196 (3d Cir. 1993). Accordingly, a court may properly consider filings made in the course of the bankruptcy proceedings that are the subject of an appeal. Id.

### **B. Analysis**

Fleet raises a single issue here: whether or not Henry Stranahan may pursue this appeal as a *pro se* litigant.

Henry Stranahan argues that he has authority to represent himself, H&W Associates, and the Stranahan Charitable Trust on the following grounds:

- (1) The Bankruptcy Court authorized Henry Stranahan to proceed personally on December 22, 2003;
- (2) Henry Stranahan is a shareholder of the Debtor;
- (3) Henry Stranahan is trustee of the Stranahan Charitable Trust; and
- (4) Henry Stranahan is a general partner in H&W Associates.

(Appellant's Reply Brief at 11.) First, Henry Stranahan is factually incorrect. The Bankruptcy

Court allowed him to represent himself only during the hearing on the Motion for Reconsideration of the Amended Stipulation. (Appellant's Reply Brief at B48.) Moreover, even if the Bankruptcy Court authorized Henry Stranahan to represent himself in all subsequent proceedings, the only parties that may appeal a Bankruptcy Court decision are those that timely objected to the Amended Stipulation. See Valucci v. Glickman, Berkovitz, Levinson & Weiner (In re Glickman, Berkovitz, Levinson & Weiner), 204 B.R. 450, 453 (E.D.Pa. 1997); see also Frank v. Colt Indus., Inc., 910 F.2d 90, 100 (3d Cir. 1990). Here, *no* party timely objected to the Amended Stipulation. Further, only H&W Associates and the Debtor's shareholders (William Stranahan and the Stranahan Family Limited Partnership) objected to the Original Stipulation. (Appellee's Ex. At A32 & A57.) Thus, even if I allowed the parties that objected to the First Stipulation to appeal the Bankruptcy Court's approval of the Amended Stipulation, Henry Stranahan is not one of those parties.

Further, Henry Stranahan may not represent H&W Associates or the Stranahan Charitable Trust in this appeal because artificial entities, such as partnerships and trusts, must be represented by counsel. Rowland v. California Men's Colony, 506 U.S. 194, 203 n.5, 113 S.Ct. 716, 121 L.Ed 656 (1993). In Rowland, the Supreme Court underscored that the general rule allowing parties to conduct their own cases does not apply to artificial entities. See 28 U.S.C. § 1654 (2004). Further, the Rowland Court expressly overruled the case cited by Henry Stranahan, United State v. Reeves, which, in any event, dealt with Alaskan law. See United States v. Cocivera, 104 F.3d 566, 572 (3d Cir. 1996) (noting that Rowland overruled Reeves). Henry Stranahan cites no other authority for the proposition that he may represent an artificial entity, and I am aware of none.

Finally, Henry Stranahan may not represent himself *pro se* as a shareholder of the Debtor. Once again, the record shows that Henry Stranahan is *not* a shareholder. (Appellee’s Ex. at A109.) Henry Stranahan’s ownership of stock in Debtor is, by his own admission, indirect: he purports to be a shareholder of Debtor solely through his position as a “general partner of one of the [Debtor’s] shareholders, the Stranahan Family Business Limited Partnership.” (*Id.* at A109 n. 1.) Hence, Henry Stranahan’s appearance in this case, purportedly as a shareholder, is actually in a representative capacity on behalf of an actual shareholder: the Stranahan Family Business Limited Partnership, an artificial entity. As discussed above, Henry Stranahan - - a lay person - - may not represent the interests of the Stranahan Family Business Limited Partnership. See Valucci v. Glickman, Berkovitz, Levinson & Weiner (In re Glickman, Berkovitz, Levinson & Weiner), 204 B.R. 450 (E.D. Pa. 1997).

In these circumstances, Henry Stranahan, acting *pro se*, may not prosecute this appeal on his own behalf, as a shareholder of the Debtor (which he is not), or on behalf of H&W Associates or the Stranahan Charitable Trust. I will grant the Motion to Dismiss. In an abundance of caution, however, I will allow the parties to the Bankruptcy Court proceedings 30 days to employ counsel and determine whether they wish to appeal from the Bankruptcy Court’s Order approving the Amended Stipulation.

An appropriate Order follows.

**BY THE COURT:**

\_\_\_\_\_  
**Date**

\_\_\_\_\_  
**Paul S. Diamond, J.**

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AND NOW this 13th day of September, 2004, for the reasons set forth in the foregoing Memorandum, the appeal of Henry Stranahan is DISMISSED. It is further ORDERED that the real parties in interest - - H&W Associates, William Stranahan, the Stranahan Charitable Trust, and the Stranahan Family Business Limited Partnership - - are granted leave to employ counsel, and, should they chose, attempt to appeal the Bankruptcy Court's Order approving the Amended Stipulation within 30 days of the date of this Memorandum and Order.

**BY THE COURT:**

\_\_\_\_\_  
**Paul S. Diamond, J.**