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Lehman wins tchotchke battle against Barclays

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NEW YORK (AP) _ Lehman Brothers and Barclays have argued over deal value, real estate and the finer points of bankruptcy law. And now, teddy bears.

The bears are among thousands of trinkets including golf tees, paperweights, umbrellas and tote bags and that Lehman wanted back from Barclays, the British firm that bought Lehman's brokerage business and its Manhattan headquarters in September 2008 after it declared bankruptcy.

Lehman, once the fourth-largest U.S. investment bank, and Barclays Capital Inc. of England both claimed ownership of the trove of knickknacks. Some of the items are stored at Lehman's old headquarters building.

The two sides reached a deal out of court and a judge approved it on Friday, letting Lehman keep the lanyards, Tiffany paperweights and desktop clocks in exchange for \$65,000 in storage fees. Investment banks like Lehman keep supplies of logo-adorned tote bags and other gear to give as tokens to employees or as gifts to clients.

Lehman will likely sell off the items but the court filings offered little detail on how the sale would proceed. A spokeswoman from Lehman did not immediately return a phone call for comment, and a spokesman for Barclays declined to comment.

Nearly seven months after Lehman Brothers Holdings Inc. filed the biggest bankruptcy in U.S. history, its restructuring team is still working to determine the value of derivative contracts, coordinate between its numerous international insolvency proceedings and recover what it can for creditors.

The court's decision included a list of tchotchkes that stretched to its Boston, Chicago and San Francisco offices. They included Boston Red Sox and New England Patriots baseball caps, ski boot tote bags, a Montblanc paper clip bowl, Lehman-branded cocktail napkins and Lehman Brothers ties.

The list also included 13 copies of the book, "Theory of Financial Risk and Derivative Pricing."