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# 75 jobs saved after Don Pablo Coffee emerges from bankruptcy




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By **Erik Bojnansky** – Reporter, South Florida Business Journal

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The South Florida maker and distributor of Don Pablo coffee has emerged from Chapter 11, the company's attorney said.

A financial reorganization plan for Burke Brands LLC was approved by U.S. Bankruptcy Judge Robert A. Mark of the Southern District of Florida on Dec. 21, according to documents from the United States Court for the Southern District of Florida.

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Burke Brands LLC, based in unincorporated Miami-Dade County near Miami Gardens, is now operating at full capacity, said Aaron Wernick, who represented the coffee company in the Chapter 11 proceedings. That also means the jobs of the 75 people who work at Burke Brands are saved, he added.

"They kept their customers, especially their main ones at Costco and Sam's Club and online," said Wernick of Boca Raton-based Wernick Law PLLC.

**Burke Brands filed a Chapter 11** Subchapter V voluntary petition in December 2022, stating it had \$3.78 million in assets and \$17.13 million in liabilities. The coffee company sought bankruptcy protection after the price of coffee beans shot up during the pandemic, Wernick said.

"During Covid, inflation shot up, but Costco and Sam's Club don't raise their prices quickly," he said. "It caused the company to have a temporary cash crunch and it therefore had to resort to high-interest [lenders]."

Burke Brands filed a lawsuit in Florida Southern District Bankruptcy Court against nine merchant cash advance companies to determine if the payments they demanded violated usury laws or were - as the companies claimed - a "cash advance" sale for future receivables, according to the reorganization order. The companies opted to settle their claims to lower amounts. Velocity Capital Group in Cedarhurst, New York, for example,

reduced its claim from over \$1.7 million to \$740,700, Wernick and Burke Brands' approved reorganization plan stated.

Wernick said because Burke Brands' main Don Pablo brand has such a loyal following the company "never missed a beat" and stayed in business, even during Chapter 11 proceedings.

Founded in 2004 by Darron and Eliana Burke, Burke Brands produces and distributes Don Pablo, Subtle Earth Organic Coffee, and Pablo's Pride.

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