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Denny Hecker Held Responsible For \$400 Million



Denny Hecker

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Denny Hecker is on the hook for about \$400 million, but at least his girlfriend gets to keep the guard dog that the former auto mogul bought for her.

The trade-off forms the basis of a [settlement](#) between Hecker and the bankruptcy trustee tasked with liquidating Hecker's assets, which the [Minnesota Star Tribune](#) and [St. Paul Pioneer Press](#) said a federal bankruptcy judge in Minnesota approved Wednesday. As a result, Hecker, who has pleaded not guilty to federal charges of bankruptcy fraud for allegedly hiding his assets from creditors, won't benefit from the common perk of a personal bankruptcy filing that allows an individual's debts to be discharged. While the \$400 million in claims that Hecker expects to have to cover isn't pocket change, it's significantly less than the \$767 million in debts that Hecker, the former owner of more than two dozen car dealerships and the Advantage Rent A Car chain, listed in the bankruptcy petition he filed last summer.

In exchange, the trustee will rescind his call for Hecker to turn over certain [watches](#) (Hecker had a big collection, and maybe the trustee didn't want them anyway) and will allow Hecker's girlfriend, Christi Rowan, to keep the Harrison K-9 security dog. Purchased last spring for more than \$30,000, the dog could have been a valuable asset for Hecker's creditors. However, the

bankruptcy trustee determined that the dog likely couldn't be sold for more than \$5,000. Such a low price wouldn't be worth the cost of seeking a buyer, the trustee said in court papers, while allowing Rowan to keep the dog would be "a worthwhile exchange for denial of debtor's discharge."

While Hecker and his lawyer didn't comment on the ruling, a bankruptcy expert told the newspaper that Hecker may have decided that accepting the debt was a better option than risking his bid to fight the 25 criminal charges (including bankruptcy fraud) that have been brought against him.

"If he was going to contest the discharge, he'd have to make statements that are incriminatory against him in his criminal trial," said David Leibowitz, editor-in-chief of the American Bankruptcy Institute's Commercial Fraud Manual. "So you'd have to think this is the least of his worries right now."

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