

**Division of:** Ontario  
**Division No.:** 09 - Toronto  
**Estate Number:** 31-3209384  
**Court Number:** 31-3209384

**IN THE MATTER OF THE BANKRUPTCY OF  
VEGETRON INC.  
OF THE CITY OF MARKHAM  
IN THE PROVINCE OF ONTARIO**

**REPORT OF THE TRUSTEE'S PRELIMINARY ADMINISTRATION**

**BACKGROUND**

1. Vegetron Inc. ("**Vegetron**" or the "**Debtor**") is a private family-owned food production and distribution company.
2. On April 9, 2025, Vegetron had assigned itself into bankruptcy ("**Date of Bankruptcy**") and Dodick Landau Inc. was appointed as Trustee in Bankruptcy of the estate of Vegetron (the "**Trustee**").

**INTRODUCTION**

3. Vegetron which was founded in the 1980's, was in the business of manufacturing and selling plantain chips throughout Canada and parts of the United States. Its product was sold through grocery store chains and specialty food stores.
4. Vegetron's financial difficulties began with the onset of the COVID pandemic which resulted in material increases to Vegetron's raw material costs. On account of the increased cost to inputs the Debtor attempted to increase its pricing but one of its wholesale clients (Sobeys) refused the price increase resulting in lost sales. The final challenge, which the Debtor could not overcome was when the landlord of its leased premises advised that its rent would be increasing by 300% after its lease ended on April 30, 2025.
5. As Vegetron's owners could not see any financially feasible path forward, the Debtor decided to cease operations and assign itself into bankruptcy to end its operating losses.

**INSOLVENCY PROCEEDING**

6. Following its appointment as Trustee, DLI distributed a Notice of Bankruptcy, a copy of the Statement of Affairs and a Proof of Claim form with instructions to all known creditors, as well as placed a Notice of Bankruptcy ad in the National Post.

## **ASSETS**

7. As summarized in the Statement of Affairs there were three remaining assets which are; (i) accounts receivable with a value of \$18,307.30; (ii) equipment with a liquidation value of \$5,000 and (iii) other intangible assets with an estimated value of \$5,000 as of the Date of Bankruptcy.

## **BOOKS AND RECORDS**

8. The Trustee has received the books and records but has not yet had an opportunity to review all of them.

## **PROVABLE CLAIMS**

9. At the date of this report, the Trustee has received 3 proofs of claim totalling \$31,599.93.
10. The Statement of Affairs lists 21 unsecured creditors with potential provable claims totalling \$331,060.11 and two preferred creditors, former employees, totaling \$4,000 on account of unpaid wages.

## **ANTICIPATED REALIZATIONS and PROJECTED DISTRIBUTION**

11. The Trustee notes that it is unknown at this time whether there will be any proceeds remaining for the unsecured creditors of Vegetron after a distribution to preferred creditors.

## **TRANSFERS AT UNDERVALUE and PREFERENTIAL PAYMENTS**

12. To date, the Trustee has not commenced a review of Vegetron's records in the Trustee's possession to determine if there are any potential transfers at undervalue or preferential transactions.

## **RETAINER DEPOSIT**

13. Prior to the commencement of the Bankruptcy proceeding, the Trustee obtained a retainer deposit totalling \$15,000 as security for a portion of the costs of the Bankruptcy administration.

Dated at Toronto, Ontario, this 30th day of April 2025.

**DODICK LANDAU INC.**

Acting solely as Trustee in Bankruptcy  
of the Estate of Vegetron Inc.  
and not in its personal or corporate capacity.

Per:

A handwritten signature in black ink, appearing to read 'R. Dodick', written over a horizontal line.

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Rahn Dodick CPA, CA, CIRP, LIT  
President