

UNITED STATES BANKRUPTCY COURT
MIDDLE DISTRICT OF FLORIDA
ORLANDO DIVISION

In re:

Case No. 6:07-bk-00761-ABB
Chapter 11
(Jointly Administered)

LOUIS J. PEARLMAN, et al.,

Debtors.

ORDER

This matter came before the Court on the First Interim Application for Compensation and Reimbursement of Expenses Filed by Pachulski Stang Ziehl & Jones LLP, Counsel to the Official Committee of Unsecured Creditors (Doc. No. 1312) filed by Pachulski Stang Ziehl & Jones LLP ("Pachulski") pursuant to 11 U.S.C. Sections 330, 331, and 503(b). A hearing was held on July 16, 2008 at which the Chapter 11 Trustee, counsel for the Chapter 11 Trustee, counsel for the Office of the United States Trustee, counsel for Pachulski and various other parties in interest appeared. Pachulski filed a post-hearing summary of its application (Doc. No. 1384) pursuant to the Court's directive.

Pachulski requests an interim administrative expense award of \$181,460.97 consisting of fees of \$162,737.48¹ and costs of \$18,723.49. The Application reflects fees and costs incurred in connection with the legal representation of the Official Committee of Unsecured Creditors during the period June 14, 2007 through May 31, 2008.

The Application states a total of 383.63 hours was billed at an average blended hourly rate of \$392.73. However, Pachulski provided billing records reflecting a total of 424.2 hours billed at hourly rates of \$112.50 to \$575.00 for both professionals and paraprofessionals, with a total blended hourly rate of \$383.63 (Doc. No. 1312, Exh. 4).

¹ Pachulski erroneously requested fees in the amount of \$167,737.48 in the beginning of its prayer for relief, but the Application taken as a whole reflects a requested amount of \$162,737.48 in fees.

After consideration of the First Colonial and Johnson factors,² Pachulski is due an interim award of fees of \$80,000.00 and costs of \$18,723.49.

Accordingly, it is

ORDERED, ADJUDGED and DECREED that Pachulski Stang Ziehl & Jones LLP is hereby awarded on an interim basis fees of \$80,000.00 plus costs of \$18,723.49, for a total award of \$98,723.49, as an allowed administrative expense pursuant to 11 U.S.C. Sections 503(b) and 507(a)(2). This interim award of fees and costs is subject to disgorgement upon final application and review by the Court.

Dated this 26th day of September, 2008.

/s/Arthur B. Briskman
ARTHUR B. BRISKMAN
United States Bankruptcy Judge

² The reasonableness of attorney's fees and costs is determined through an examination of the criteria enunciated by the Fifth Circuit Court of Appeals in In the Matter of First Colonial Corp. of Am., 544 F.2d 1291 (5th Cir. 1977) and Johnson v. Georgia Highway Express, Inc., 488 F.2d 714 (5th Cir. 1974). The twelve factors are: (1) the time and labor required; (2) the novelty and difficulty of the questions involved; (3) the skill requisite to perform the legal service properly; (4) the preclusion of other employment by the attorney due to acceptance of the case; (5) the customary fee; (6) whether the fee is fixed or contingent; (7) time limitations imposed by the client or the circumstances; (8) the amount involved and the results obtained; (9) the experience, reputation, and ability of the attorneys; (10) the "undesirability" of the case; (11) the nature and the length of the professional relationship with the client; (12) awards in similar cases. Johnson at 714.