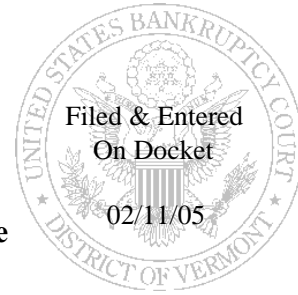


UNITED STATES BANKRUPTCY COURT  
DISTRICT OF VERMONT



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**In re:**  
**FIBERMARK, INC.,**  
**FIBERMARK NORTH AMERICA, INC., and**  
**FIBERMARK INTERNATIONAL HOLDINGS, INC.,**  
**Debtors.**

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**Chapter 11 Case**  
**# 04-10463**  
**Jointly Administered**

**ORDER**  
**GRANTING THE SECOND INTERIM APPLICATION**  
**OF SKADDEN ARPS SLATE MEAGHER & FLOM, LLP**  
**FOR ALLOWANCE AND PAYMENT OF COMPENSATION**  
**FOR SERVICES RENDERED**  
**AND GRANTING IN PART THE REIMBURSEMENT OF EXPENSES**

WHEREAS, on December 21, 2004, Skadden Arps Slate Meagher & Flom LLP (“Skadden”), in its capacity as lead bankruptcy counsel for the Debtors in the above-referenced case, filed its second interim application for allowance and payment of compensation for professional services rendered and reimbursement of expenses incurred for the period from July 1, 2004 through October 31, 2004 (doc. # 898) (“Skadden’s Second Application”); and

WHEREAS, no objection has been filed and the United States Trustee has neither objected nor consented to Skadden’s Second Application; and

WHEREAS, Skadden’s Second Application seeks compensation in the amount of \$1,698,658.50 for attorney services rendered for the period from July 1, 2004 through October 31, 2004 (the “Application Period”) and \$86,281.95 for reimbursement of expenses incurred during the Application Period;<sup>1</sup>

THE COURT FINDS that the attorneys’ fees earned during the Application Period to be fully and properly compensable. Specifically, the Court finds the services rendered by Skadden were reasonable, necessary and of benefit to the estate, pursuant to 11 U.S.C. § 330(a). See also *In re JLM, Inc.*, 210 B.R. 19, 24 (2d Cir. BAP 1997). Accordingly, the attorneys’ fees sought in connection with services rendered by Skadden during the Application Period are approved and allowed in full.

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<sup>1</sup> In Skadden’s Second Application, Skadden does not seek compensation for its paraprofessionals’ services during the Application Period; it has specifically reserved its rights to request compensation for its paraprofessionals’ services in its final application.

THE COURT FURTHER FINDS that although the expenses are generally well itemized and fully articulated, certain of the expenses for which reimbursement is sought lack sufficient information for the Court to determine whether the expenses are actual, necessary or justified. See 11 U.S.C. § 330(a); S.T.N. Enterprises, 70 B.R. 823, 836 (Bankr. Vt. 1987); In re Fibermark, No. 04-10463, \*4 (Bankr. Vt. filed Nov. 29, 2004)(doc. # 783); In re Fibermark, No. 04-10463, \*10 (Bankr. Vt. filed Oct. 22, 2004)(doc. # 698); In re Fibermark, No. 04-10463, \*2-3(Bankr. Vt. filed Sept. 30, 2004)(doc. # 645). Specifically, the expenses labeled as “Telecommunications,” “Office Supplies” and “Telephone Long Distance” lack sufficient information for the Court to distinguish them from overhead expenses. As articulated in S.T.N. Enterprises, those expenses which are incurred day-to-day by a law office regardless of whom it represents are considered “overhead expenses” and are categorically not reimbursable from the estate. 70 B.R. at 844. However, if the applicant provides information for such charges which demonstrate and justify that they are of benefit to the estate, the expenses may be reimbursed. Id. Skadden’s Second Application lacks sufficient information for the Court to make this determination on the following entries:

<i>Date Incurred</i>	<i>Description Provided</i>	<i>Amount Requested</i>
July 2004	Telecommunications/ Telephone Expense	\$ 66.93
July 2004	Telephone Long Distance	\$ 32.75
7/8/04	Office Supplies	\$ 13.13
7/8/04	Office Supplies	\$ 125.37 <sup>2</sup>
August 2004	Telecommunications/ Telephone Expense	\$ 59.71
August 2004	Telephone Long Distance	\$ 18.50
September 2004	Telecommunications/ Telephone Expense	\$ 114.67
7/19/04	Air Phone Charges	\$1,314.40
9/13/04	Office Supplies	\$ 198.14
October 2004	Telecommunications/ Telephone Expense	\$ 74.87
<b>TOTAL</b>		<b>\$2,018.47</b>

Consequently, the request for reimbursement of these expenses is denied.

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<sup>2</sup> Skadden’s Second Application contains an additional entry of the same date for “Office Supplies” in the amount of \$581.85 for a printer purchased in Burlington in connection with the KERP hearings that was delivered to the Debtors upon the conclusion of the hearings and is currently in the possession of the Debtors. Skadden may have included it this entry in an abundance of caution although it appears as though this expense could be considered a business expense incurred in the ordinary course by the Debtors that could have been paid without Court approval. The Court grants reimbursement of this extraordinary expense in this limited circumstance.


THE COURT FURTHER FINDS that the remaining \$ 84,263.48 of expenses for which Skadden seeks reimbursement during the Application Period are reasonable and appropriate and, accordingly, they are approved and allowed.

THEREFORE, IT IS HEREBY ORDERED that

1. The Second Interim Application of Skadden Arps Slate Meagher & Flom LLP is allowed in part and disallowed in part.
2. The following fees and expenses requested in Skadden's Second Application are approved and allowed:
  - (A) \$1,698,658.50 for professional services rendered; and
  - (B) \$ 84,263.48 for reimbursement of expenses.
3. The Debtors are hereby authorized and directed to pay to Skadden Arps Slate Meagher & Flom LLP (to the extent not previously paid) the sum of:
  - (A) \$1,698,658.50, representing attorneys' fees earned by Skadden Arps Slate Meagher & Flom LLP during the Application Period; and
  - (B) \$ 84,263.48, representing reimbursement for the approved expenses incurred by Skadden Arps Slate Meagher & Flom LLP during the Application Period.

**SO ORDERED.**

February 11, 2005  
Rutland, Vermont

  
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Colleen A. Brown  
United States Bankruptcy Judge