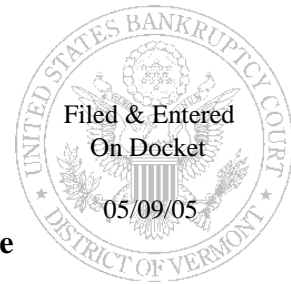


UNITED STATES BANKRUPTCY COURT
DISTRICT OF VERMONT



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

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

ORDER

GRANTING, IN PART, THE SECOND INTERIM FEE APPLICATION OF WILMER CUTLER PICKERING HALE AND DORR, LLP AND GRANTING THE REIMBURSEMENT OF EXPENSES

WHEREAS, on January 10, 2005, Wilmer, Cutler, Pickering, Hale & Dorr, LLP (“WCPHD”), in its capacity as special counsel to the above-captioned debtors and debtors-in-possession, filed a Second Interim Fee for Interim Allowance of Compensation for Services and for Reimbursement of Expenses (doc. # 1052) (“WCPHD’s Second Application”) from July 1, 2004 through October 31, 2004 (the “Application Period”); and

WHEREAS no objection was filed and the United States Trustee neither objected nor consented to WCPHD’s Second Application; and

WHEREAS WCPHD’s Second Application seeks compensation in the amount of \$ 456,185.40 for professional services rendered,¹ with \$86,134.14 of this amount related to internal conferences, and also seeks \$16,706.28 for the reimbursement of expenses; and

WHEREAS the Court directed WCPHD to respond to specific questions regarding the internal conferences and allowed WCPHD an opportunity to provide a supplement articulating its response to those questions (doc. # 1178); and

WHEREAS, on March 15, 2005, WCPHD filed a Response addressing the internal conferences included in WCPHD’s Second Application (doc. # 1320) (the “Response”); and

WHEREAS the Court heard arguments on WCPHD’s Second Application at a hearing held on March 22, 2005;

THE COURT FINDS that certain of the professionals’ fees earned during the Application Period are not compensable and therefore, professionals’ fees are approved only in part. Professionals’ fees are allowed to the extent of \$426,190.73.

The COURT FINDS that the following time entries in WCPHD’s Second Application are not compensable as requested either because they are travel time billed at full rate or administrative activities.

¹ The services for which compensation is sought include both attorney and paraprofessional time. Accordingly, for ease of reference, the Court collectively refers to the fees requested as “professionals’ fees.”

Time spent traveling to or from a single location may be compensable at one-half the professional's regular hourly billing rate. See S.T.N. Enterprises, 70 B.R. 823, 837 (Bankr. Vt. 1987). Accordingly, the 22.5 hours billed below for travel time is allowed only at half the amount billed.² The remaining \$4,328.75 itemized below is disallowed because time devoted to administrative activities such as mailing or delivering papers, photocopying, word processing, and organizing files constitutes overhead expenses and is not compensable from the debtor's estate. See S.T.N. Enterprises, 70 B.R. at 838.

<i>Date</i>	<i>Description of Services</i>	<i>Time Spent</i>	<i>Amount Billed</i>
7/11/04	Travel to California for Barbee deposition and prepare for same	8.00	3,000.00
7/12/04	Conduct Barbee deposition and travel back from California	10.50	3,937.50
8/10/04	Travel to New York for Esselte deposition (full rate)	2.0	860.00
8/11/04	Return travel to Boston (full rate)	2.0	860.00
8/26/04	Reorganize documents	1.4	154.00
10/15/04	Review and revise index to hearing binder for October 19, 2004 hearing regarding Georgia-Pacific lift stay motion	1.0	308.00
9/2/04	Compile binder of six executory contracts and summaries of each (summaries prepared separately – separate billing entries)	1.10	121.00
10/25/04	Compile and reorganize executory contract binders to include various leases and other agreements	0.70	77.00

The Response provides details of each internal conference, classifies the internal conferences into three categories and sets forth a breakdown of the time spent by each participant in each conference. Exhibit A lists conferences for which only one participant billed. As indicated at the March 22nd hearing, the Court does not find the conferences on Exhibit A problematic and in fact views them as demonstrating sound billing judgment. Exhibit B lists the internal conferences in WCHPD's Second Application where the time billed by all participants in the conference was identical. The Court has no question about the billing for the conferences detailed on Exhibit B. It is the set of conferences itemized on Exhibit C that is the focus of the Court's inquiry. This exhibit provides a delineation of internal conferences where the participants billed varying amounts of time, showing the differential in billing amounts, by participant. Differences in the time spent for a particular conference vary from 0.1 hours to as much as 1.2 hours. WCPHD maintains that the time billed by each participant is the actual amount of time spent for each conference and has provided theories for why the time entries may differ from participant to participant. However, WCPHD has admitted that it cannot provide the factual explanation for why there is such variance in the time billed for so many of the internal conferences, since so much time has passed since the conferences were held.

² The Court allows the "lumped" time entries for the deposition and travel to California at one-half the attorney's billing rate.

Based upon the data provided in the Response and the verbal responses presented at the hearing, THE COURT FINDS that of the \$46,885.62 in professionals' fees that are itemized in Exhibit C, \$16,348.42 of those fees are not reasonable and not compensable from the Debtors' estates. In light of the lack of clarity in the time records as to the duration of these Exhibit C conferences, the Court applies a "common denominator approach" presuming that each of those conferences lasted for the smallest amount of time billed for it. For example, on September 17, 2004, there were seven time entries pertaining to what appears to be two conferences among various participants at WCPHD. The time entries range from 1.4 hours to 0.7 hours. The Court allowed the time entries for each participant for the 0.7 hours.

THE COURT FURTHER FINDS that the remaining professionals' fees earned during the Application Period to be properly compensable 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 professionals' fees sought in connection with services rendered by WCPHD during the Application Period are approved and allowed to the extent of \$426,190.73.


THE COURT FURTHER FINDS that the \$16,706.28 of expenses for which WCPHD seeks reimbursement during the Application Period is reasonable and appropriate and, accordingly, they are approved and allowed in full.

THEREFORE, IT IS HEREBY ORDERED that

1. WCPHD's Second Application is allowed in part and disallowed in part.
3. The following fees and expenses requested in WCPHD's Second Application are approved and allowed:
 - a. \$426,190.73 for professional services rendered; and
 - b. \$ 16,706.28 for reimbursement of expenses.
3. The Debtors are hereby authorized and directed to pay to Wilmer, Cutler, Pickering, Hale & Dorr, LLP (to the extent not previously paid) the sum of:
 - a. \$426,190.73, representing professionals' fees earned by Wilmer, Cutler, Pickering, Hale & Dorr, LLP during the Application Period; and
 - b. \$16,706.28, representing reimbursement for the approved expenses incurred by Wilmer, Cutler, Pickering, Hale & Dorr, LLP during the Application Period.

SO ORDERED.

May 9, 2005
Rutland, Vermont



Colleen A. Brown
United States Bankruptcy Judge