

**UNITED STATES BANKRUPTCY COURT
WESTERN DISTRICT OF LOUISIANA
LAFAYETTE DIVISION**

IN RE:

**PICCADILLY RESTAURANTS, LLC,
ET AL.,**

DEBTORS

* **CASE NO. 12-51127**
*
* **(JOINT ADMINISTRATION)¹**
*
* **CHAPTER 11**
*
* **JUDGE ROBERT SUMMERHAYS**

**FIRST APPLICATION FOR COMPENSATION FOR THE PERIOD OF SEPTEMBER 18, 2012
THROUGH OCTOBER 31, 2012, AND REIMBURSEMENT OF EXPENSES, BY THE LAW
FIRM OF JONES, WALKER, WAECHTER, POITEVENT, CARRERE & DENEGRÉ, L.L.P.,
AS COUNSEL TO THE DEBTORS AND DEBTORS-IN-POSSESSION**

NOW INTO COURT, through undersigned counsel, comes the law firm of Jones, Walker, Waechter, Poitevent, Carrere & Denegre, LLP (“Jones Walker,” the “Firm,” or the “Applicant”), counsel herein to the debtors and debtors-in-possession (collectively, the “Debtors”),² and, pursuant to 11 U.S.C. §§ 327 and 330, FED. R. BANKR. P. 2016, LBR 2016-1, and the *Order Granting Motion for an Administrative Order Establishing Procedures for Interim Compensation and Reimbursement of Expenses for Professionals and Committee Members* (P-231) submits this first application (the “Application”) for entry of an order granting to it allowance and payment of compensation on account of the Firm’s representation of the Debtors during the period from September 18, 2012 through October 31, 2012 (the “Fee Period”). The amount of this Application is Two Hundred Sixty-Eight Thousand Nine Hundred Forty-Four Dollars (\$268,944.00) for a total of 855.10 hours expended, and reimbursement of expenses in the aggregate amount of Fourteen Thousand Seventy-Nine Dollars and 55/100 (\$14,079.55).

¹ Jointly administered with *In re Piccadilly Food Service, LLC*, 12-51128 (Bankr. W.D. La. 2012), and *In re Piccadilly Investments, LLC*, 12-51129 (Bankr. W.D. La. 2012).

² The debtors in these Chapter 11 cases include Piccadilly Restaurants, LLC, Piccadilly Food Service, LLC, and Piccadilly Investments, LLC.

Further, by this Application, Jones Walker seeks payment in the amount of Fifty-Three Thousand Seven Hundred Eighty-Eight Dollars and 80/100 (\$53,788.80) which is 20% of \$268,944.00. In support of this Application, Jones Walker represents as follows:

BACKGROUND

1. On September 11, 2012 (the "Petition Date"), the Debtors filed for relief under Chapter 11 of the Bankruptcy Code. The Debtors are operating their businesses and managing their properties as debtors-in-possession pursuant to Bankruptcy Code §§ 1107 and 1108.

2. The Debtors are jointly administrated pursuant to Bankruptcy Code § 105(a) and Bankruptcy Rule 1015(b) (collectively, this "Chapter 11 Case").

3. No trustee or examiner has been appointed. An Official Committee of Unsecured Creditors (the "Unsecured Creditors' Committee") was appointed in this Chapter 11 Case on October 23, 2012.

4. This Court has jurisdiction over this Motion pursuant to 28 U.S.C. § 1334. Venue is proper in this district pursuant to 28 U.S.C. §§ 1408 and 1409. This is a core matter within the meaning of 28 U.S.C. § 157(b)(2).

THE ADMINISTRATIVE ORDER AND THE RETENTION OF JONES WALKER

5. On September 21, 2012, Jones Walker filed an *Application to Employ Jones, Walker, Waechter, Poitevent, Carrere & Denegre, LLP as Counsel for the Debtors Nunc Pro Tunc to September 19, 2012* (P-104) (the "Retention Application"). This Court granted the Retention Application on an interim basis on the same day (P-111) and entered a final order approving the Retention Application on October 24, 2012 (P-245).

6. On October 22, 2012, this Court entered an *Order Granting Motion for an Administrative Order Establishing Procedures for Interim Compensation and Reimbursement of Expenses for Professionals and Committee Members* (P-231) (the "Administrative Order").

{N2561202.2}

7. Pursuant to the Administrative Order, on or before the fifteenth day of each month, a professional may submit a Fee Statement to the Service Parties. If no objection is made to the Fee Statement, the Debtors will be authorized to pay eighty percent (80%) of the fees and one hundred percent (100%) of the costs.

8. The Administrative Order further provides that approximately every four months, each of the Professionals will file an application for interim court approval and allowance of the compensation and reimbursement of expenses requested for the prior 4 months.

PREVIOUS FEE APPLICATIONS AND FEE STATEMENTS

9. This is the first Fee Application filed by Jones Walker. On November 14, 2012, pursuant to the Administrative Order Jones Walker served on the Service Parties its first Fee Statement. The first Fee Statement sought compensation in the amount of \$268,944.00 and reimbursement for expenses in the amount of \$14,079.55. Jones Walker did not receive any objection to the Fee Statement. Therefore, on November 27, 2012, pursuant to the Administrative Order, the Debtors paid Jones Walker, 80% of the requested fees (\$215,155.20) and 100% of the requested expenses.

THIS FEE PERIOD

10. The Fee Period at issue in this Application covers the period from September 19, 2012 to October 31, 2012.

RELIEF SOUGHT

11. By this Application, Jones Walker seeks entry of an order granting to it allowance of the Firm's representation of the Debtors during the Fee Period in the aggregate amount of \$268,944.00 (sometimes referred to as the "Compensation Sought"), and reimbursement of expenses in the aggregate amount of \$14,079.55, each as detailed in the attached Exhibit A. Jones Walker further seeks payment of \$53,788.80 (20% of \$268,944.00).

{N2561202.2}

COMPENSATION SOUGHT

12. The Compensation Sought for the Fee Period aggregates to \$268,944.00 for 855.10 hours expended of legal services during the Fee Period. Jones Walker, pursuant to the Administrative Order has received 80% of the Compensation Sought (\$215,155.20).

13. Below is a breakdown of the work performed by each attorney and paraprofessional and the rates charged by each.

Attorney/Paralegal	Hours	Rate	Total Fee
Kathryn S. Friel	4.5	275.00	\$1,237.50
Elizabeth J. Futrell	281.5	400.00	112,600.00
Sidney F. Lewis, V	3.5	400.00	1,400.00
A. Justin Ourso, III	2.8	415.00	1,162.00
R. Patrick Vance	139.6	425.00	59,330.00
Patrick R. Byrd	1.9	285.00	541.50
Celeste L. McNulty	2.3	230.00	529.00
Patrick L. McCune	156.8	230.00	36,064.00
Mark A. Mintz	119.5	240.00	28,680.00
Tyler J. Rench	61.5	230.00	14,145.00
Brittany M. Simpson	50.5	200.00	10,100.00
April R. Freeman	.5	270.00	135.00
Lisa S. James	14.7	100.00	1,470.00
Mary E. Rolland	15.5	100.00	1,550.00

14. The expenses and advances incurred in the representation of the Debtors for which the Firm seeks reimbursement aggregate \$14,079.55 as follows:

{N2561202.2}

Cost Category	Total Costs
Copying @ .20 per page	\$339.80
Choice Copy (for service)	9,061.25
Facsimile Service	15.00
Long Distance	871.73
Computer Legal Research	3,096.17
Delivery Services	72.97
Court Fees	473.80
Travel Expenses	148.83

EXHIBITS TO THE APPLICATION

15. **Exhibit A** to this Application consists of the Firm's Fee Statement issued for the Fee Period. The Fee statement sets forth for each take for which compensation is sought, the date on which the Firm performed the task, the person or persons who performed it, the activity that occurred, the time required to perform the task, the compensation rate at which it was billed, and the fee billed. The Fee Statement also describes each cost incurred by the Firm, and the date on which each was incurred. Attached to Exhibit A are copies of invoices related to the expenses listed in paragraph 14 above.

16. **Exhibit B** to this Application describes the contributions made by individual Jones Walker professionals and paraprofessionals to the Firm's representation of the Debtors.

17. For the purposes of this Application, the time devoted by the Firm to the representation has been categorized among 13 project categories as follows:

Task Code	Summary	Hours	Fees
AAAR	Asset Analysis and Recovery	5.6	\$1,920.00
AD	Asset Disposition	59.8	22,792.00
BO	Business Operations	88.35	36,235.00
CA	Case Administration	405.1	115,419.50
CAAO	Claims Administration and Objections	122.4	36,991.00
EBP	Employee Benefits/Pensions	.5	200.00
FEA	Fee/Employment Applications	85.00	26,251.00
FIN	Financing	30.7	12,705.00
LIT	Litigation	5.9	1,757.00
MOC	Meeting of Creditors	34.3	8,441.50
PADS	Plan and Disclosure Statement	1.3	552.50
RFSP	Relief from Stay Proceeding	1.8	725.00
TRVL	Travel	14.35	4,754.00
Total		855.1	\$268,944.00

Asset Analysis and Recovery

18. This task code category covers the Firm's legal work in recovering and identifying assets of the estate. This task code aggregates only 5.6 hours of time (for a total of

{N2561202.2}

\$1,920.00). The time logged to this category was logged by Elizabeth J. Futrell (3.6) and Mark A. Mintz (2.0).

Asset Disposition

19. This task code category covers the Firm’s legal work in identifying payments that are authorized to be paid post petition and the assets that are required to make such dispositions. The majority of this work was performed by Elizabeth J. Futrell, as reflected below, and relates to the proposed sale of property in Ocala, Florida, as wells as the potential sale of other properties that are not being used by the Debtors:

Attorney/Paralegal	Hours	Fee
Elizabeth J. Futrell	53.9	\$21,560.00
Brittany M. Simpson	4.6	920.00
Mark A. Mintz	1.3	312.00
Total	59.8	\$22,792.00

Business Operations

20. This task code category covers the Firm’s legal work in advising the Debtors on their post-petition obligations and operations, including assistance with analysis of the proposed transaction with The Merchants FoodService Company, and the competing solicitations received by the Debtors, issues related to the Debtors’ office lease, and letter of credit issues. The following attorneys performed work within the BO category:

Attorney/Paralegal	Hours	Fee
Elizabeth J. Futrell	46.65	\$18,660.00
R. Patrick Vance	36.5	15,512.50

{N2561202.2}

Sidney F. Lewis, V	3.5	1,400.00
Brittany M. Simpson	.2	40.00
A. Justin Ourso	1.5	622.50
Total	88.35	\$36,235.00

Case Administration

21. This task code category includes the Firm's legal work in generally administering the case, and includes many activities including review of matters already filed when Jones Walker was retained, and preparing various administrative orders necessary in a case such as this. The following attorneys and paralegals performed work within the CA task code category:

Attorney/Paralegal	Hours	Fee
Elizabeth J. Futrell	83.5	\$33,400.00
R. Patrick Vance	57.9	24,607.50
Celeste L. McNulty	2.3	529.00
Mark A. Mintz	68.7	16,488.00
Patrick L. McCune	155.30	35,719.00
Tyler J. Rench	7.2	1,656.00
Lisa S. James	14.7	1,470.00
Mary E. Rolland	15.5	1,550.00
Total	405.1	\$115,419.50

Claims Administration and Objections

22. This task code category covers the Firm's review and analysis of proofs of claim asserted against the Debtors' estates, including work regarding the PACA claims. The following

{N2561202.2}

attorneys performed work within the CAAO task code category:

Attorney/Paralegal	Hours	Fee
Elizabeth J. Futrell	37.6	\$15,040.00
R. Patrick Vance	17.9	\$7,607.50
Kathryn S. Friel	4.5	1,237.50
Brittany M. Simpson	44.0	8,800.00
Mark A. Mintz	7.4	1,776.00
Tyler J. Rench	11.0	2,530.00
Total	122.4	\$36,991.00

Employee Benefits/Pensions

23. This task code category includes the Firm's efforts to advise the Debtors with regards to certain Employee Benefit matters. Elizabeth J. Futrell is only attorney that logged time (.5) to the EBP category, for fees in the aggregate about of \$200.00.

Fee/Employment Applications

24. This task code category includes the Firm's efforts with respect to the retention of estate professionals, including but not limited to the Firm, the Financial Consultant, the Accountants, the Other Ordinary Course Professionals and the Claims Agent. The following attorneys performed work within the FEA category:

Attorney/Paralegal	Hours	Fee
Elizabeth J. Futrell	33.4	\$13,360.00
R. Patrick Vance	5.3	2,252.50
Brittany M. Simpson	1.7	340.00

{N2561202.2}

Tyler J. Rench	43.3	9,959.00
A. Justin Ourso	1.3	539.50
Total	85.0	\$26,451.00

Financing

25. This task code category covers the Firm's work in securing post-petition financing. Elizabeth J. Futrell (13.7 hours) and R. Patrick Vance (17.0 hours) are the only attorneys to log time to the FIN task code category for fees in the aggregate amount of \$12,705.00.

Litigation

26. This task code category covers the Firm's efforts to identify litigation pending as of the petition date and preparing and filing appropriate notices of stay. The following attorneys performed work within the LIT category:

Attorney/Paralegal	Hours	Fee
R. Patrick Vance	1.3	\$552.50
Mark A. Mintz	2.2	528.00
Patrick R. Byrd	1.9	541.50
April R. Freeman	.5	135.00
Total	5.9	\$1757.00

Meetings of Creditors

27. This task code category includes the Firm's preparation and attendance at the Meeting of Creditors held pursuant to 11 U.S.C. § 341. The following attorneys performed work within the MOC category:

{N2561202.2}

Attorney/Paralegal	Hours	Fee
Elizabeth J. Futrell	.50	\$200.00
R. Patrick Vance	.70	297.50
Mark A. Mintz	33.1	7,944.00
Total	34.3	\$8,441.50

Plan and Disclosure Statement

28. This task code category includes the Firm's efforts in preparing for a plan and disclosure statement. R. Patrick Vance is the only attorney who logged time (1.3 hours) to the PADS task code category, for fees in the aggregate amount of \$552.50.

Relief from Stay Proceedings

29. This task code category includes the Firm's efforts to respond to motions to lift the stay. Elizabeth J. Futrell (1.6 hours) and R. Patrick Vance (.2 hours) are the only attorneys who logged time to this task code category for fees in the aggregate amount of \$725.00.

Travel

30. This task code category includes the time that Firm attorneys spent travelling on behalf of the debtors. All time on the Fee Statement on Exhibit A has been reduced by half from the full amount of time spent travelling. The following attorneys performed work within the TRVL task code.

Attorney/Paralegal	Hours	Fee
Elizabeth J. Futrell	6.55	\$2,620.00
R. Patrick Vance	1.50	\$637.50
Mark A. Mintz	4.80	1,152.00

{N2561202.2}

Patrick L. McCune	1.5	345.00
Total	14.35	\$4,754.50

THE JOHNSON FACTORS AND SECTION 330 CRITERIA

31. Jones Walker submits that the services rendered by the Firm to the Debtors were of substantial benefit to the estate and satisfy the factors set forth in *Johnson v. Ga. Highway Express*, 488 F.2d 714 (5th Cir. 1974), and at 11 U.S.C. § 330, as explained below.

i. The time and labor required

The professional fees for services rendered herein by Jones Walker to the Debtors total \$268,944.00 for a total of 855.1 hours expended, calculated at the hourly rates that have been approved by this Court, which are equal to or below the rates that the Firm typically charges its clients. Of the 855.1 hours, 422.7 hours (49.4%) were spent by associates and paralegals at Jones Walker who have the lower billing rates of those logging time to the Chapter 11 Case.

ii. The novelty and difficulty of the questions presented

The issues presented during this Fee Period were difficult as they required attorneys at Jones Walker to become familiar with the Debtors' business in a very short time period. Jones Walker was faced with potentially novel questions related to the Debtors' leases, business operations, and PACA claims.

iii. The skill required to perform the legal services properly

Jones Walker implemented a number of complex actions over a diversified field of activities to stabilize the Debtors in the days immediately following the filing of the Petition. Each of these steps required a high to moderate degree of skill.

iv. **The preclusion of other employment**

Jones Walker spent significant amount of time on the Chapter 11 Case, which time could not be spent on other files or other matters.

v. **The customary fee**

The rates at which Jones Walker seeks compensation are equal to or lower, with respect to some timekeepers, than the rates charged by the Firm to many of its clients. The Firm submits that the rates sought in this Fee Application are fair and reasonable and compare favorably to the rates charged by attorneys with similar expertise in comparable matters.

vi. **Whether the fee is fixed or contingent**

Jones Walker's rates are fixed by the hour, but are always subject to this Court's review for reasonableness under the Bankruptcy Code.

vii. **Time limitation imposed by the client or circumstances**

Jones Walker was employed by the Debtors just days after the Petition Date and had to spend significant amounts of time learning about the Debtors' business. During the early days of the Chapter 11 Case, Jones Walker attorneys needed to become familiar enough with the Debtors to enable them to meet early case deadlines.

viii. **The amount involved and the results obtained**

As a result of the Firm's efforts, the Debtors have concluded a DIP financing order, completed a deal with Merchants, the largest vendor of the Debtor, and closed 10 underperforming cafeterias. The Debtors continue to make progress towards filing a plan.

ix. **The experience, reputation and ability of the professionals**

Jones Walker believes and respectfully submits that its attorney are highly regarded as experts in the areas of bankruptcy, insolvency and corporate reorganization in the State of Louisiana. The Firm has extensive experience in handling bankruptcy and insolvency matters.

{N2561202.2}

x. **The undesirability of the Chapter 11 Case**

This matter was not particularly undesirable for Jones Walker.

xi. **The nature and length of the professional relationship**

Except as disclosed in the Affidavit of R. Patrick Vance that accompanied the Application to employ the Firm, Jones Walker had no relationship with the Debtor or its creditors before the Firm's retention to represent the Debtors.

xii. **Awards in similar cases**

Jones Walker submits that an order of compensation on the basis prayed for is consistent with awards made in similar cases in this district. Jones Walker further submits that the rates charged will reasonably compensate the Firm for the services provided, given the experience and expertise of its attorneys and paraprofessionals. The rates charged are typical of and, in some instances, are less than those that the Firm charges to other clients.

32. In addition, 11 U.S.C. § 330 provides that a court may award to a professional person pursuant to section 327 of the Bankruptcy Code the "reasonably compensation for actual, necessary services rendered by the . . . attorney and by any paraprofessional person employed by [him]; and . . . reimbursement for actual, necessary expenses."

33. Under 11 U.S.C. § 330, relevant factors that the courts are to consider in determining reasonable awards of compensation include: (a) the time devoted to the services; (b) the rates charged for them; (c) whether or not the services were necessary to the administration of the case, or, when rendered, were beneficial towards completing it; (d) whether the services were performed in a reasonable amount of time in keeping with the complexity, important, and nature of the problem, issue or task addressed; (e) whether the professional is board certified or otherwise is demonstrably skilled and experienced bankruptcy practitioner; and (f) whether the

{N2561202.2}

compensation is reasonable in light of the compensation customarily charged by comparable practitioners in non-bankruptcy cases. *Id.*

CONCLUSION

34. The Firm submits that the services it has provided to the Trustee were of direct benefit to the estate and the administration of the Chapter 11 Case. For these reasons and those set forth above, the Compensation Sought is reasonable in light of professional services provided.

WHEREFORE, Jones, Walker, Waechter, Poitevent, Carrere & Denegre, LLP, as counsel to the Debtors and Debtors in Possession prays that an Order be entered:

(a) Granting to Jones Walker allowance of compensation on account of their representation herein of the Debtors for the time period from September 19, 2012 through October 31, 2012 in the total amount of \$268,944.00 for a total of 855.1 hours expended, and the reimbursement of expenses in the aggregate amount of \$14,079.55 for a total of \$283,023.55;

(b) Granting the Debtors the authority to pay Jones Walker 20% of the Compensation Sought, or \$53,788.80 in accordance with the Administrative Order; and

(c) For all other relief to which they are entitled in law and equity.

Respectfully Submitted

/s/ Mark A. Mintz

R. PATRICK VANCE (#13008)

ELIZABETH J. FUTRELL (#05863)

MARK A. MINTZ (#31878)

TYLER J. RENCH (#34049)

Jones, Walker, Waechter, Poitevent,

Carrère & Denègre, L.L.P.

201 St. Charles Avenue, 51st Floor

New Orleans, Louisiana 70170

Telephone: (504) 582-8000 / Direct: 582-8194

Direct Facsimile: (504) 589-8194

Email: pvance@joneswalker.com

Email: efutrell@joneswalker.com

{N2561202.2}

Email: mmintz@joneswalker.com
Email: trench@joneswalker.com

*Attorneys for Piccadilly Restaurants, LLC
Piccadilly Food Service, LLC and
Piccadilly Investments, LLC*