

UNITED STATES BANKRUPTCY COURT
WESTERN DISTRICT OF LOUISIANA
LAFAYETTE DIVISION

IN RE:

PICCADILLY RESTAURANTS, LLC, *et al.*,

DEBTORS

CASE NO. 12-51127

(JOINTLY ADMINISTERED)¹

CHAPTER 11

JUDGE ROBERT SUMMERHAYS

**THIRD INTERIM APPLICATION OF GORDON, ARATA, MCCOLLAM, DUPLANTIS
& EAGAN, LLC FOR ALLOWANCE OF FEES AND EXPENSES AS SPECIAL
COUNSEL TO DEBTORS AND DEBTORS-IN-POSSESSION**

NOW INTO COURT, through undersigned counsel, comes the law firm of Gordon, Arata, McCollam, Duplantis & Eagan, LLC (“GAMDE”), who submits this third interim application for allowance of compensation and for reimbursement of costs (this “Application”) rendered in connection with GAMDE’s representation as special counsel for the above captioned debtors and debtors-in-possession (collectively, “Debtors”) during the period from April 1, 2013 through June 30, 2013 (the Application Period). In support, GAMDE represents:

Jurisdiction and Venue

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

2. 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

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

Creditors (the “Unsecured Creditors’ Committee”) was appointed in this Chapter 11 Case on October 23, 2012.

4. The Court has jurisdiction to consider this Application pursuant to 28 U.S.C. §§ 157 and 1334. Consideration of this Application is a core proceeding pursuant to 28 U.S.C. §157(b)(2)(B). Venue of these proceedings is proper pursuant to 28 U.S.C. §§ 1408 and 1409.

5. The statutory predicates for the relief requested herein are 11 U.S.C. §§ 105(a), 330, 331, and Fed. R. Bankr. P. 9013. GAMDE believes that the time and cost records attached hereto as Exhibit A, Exhibit B, Exhibit C, Exhibit D, and Exhibit E, and made a part hereof, are in compliance with the requirements of LBR.WD 2016-1.

Background

6. On September 25, 2012, Debtors filed an Application for Order Authorizing the Employment of GAMDE and Peter A. Kopfinger as Special Counsel, *Nunc Pro Tunc* to the Petition Date, Pursuant to § 327(e) of the Bankruptcy Code [Dkt. No. 140].

7. On September 26, 2012, the Court entered an interim order approving the Application [Dkt. 148].

8. On October 22, 2012, the Court entered a Final Order Authorizing the Employment of GAMDE and Peter A. Kopfinger as Special Counsel, *Nunc Pro Tunc* to the Petition Date, Pursuant to § 327(e) of the Bankruptcy Code [Dkt. 230].

9. This Application is filed pursuant to the Order Granting Motion for an Administrative Order Establishing Procedures for Interim Compensation and Reimbursement of Expenses for Professionals and Committee Members [Dkt. 231] (the “Administrative Order”), entered on October 22, 2012.

10. The Administrative Order provides, in pertinent part,

Approximately every four (4) months, each of the Professionals will file with the Court, and serve on the Service Parties (as defined in the Motion) ... an application for interim court approval and allowance, pursuant to section 331 of the Bankruptcy Code, of the compensation and reimbursement of expenses requested for the prior four (4) months in the Fee Statements. The first such application will be filed on or before December 15, 2012, and will cover the period from the commencement of this Chapter 11 Case through November 31, 2012.

Administrative Order at 3.

11. On May 16, 2013, pursuant to the Administrative Order, GAMDE served on the Service Parties its seventh Fee Statement for the period from April 1, 2013 through April 30, 2013. The seventh Fee Statement sought compensation in the amount of \$33,227.36 representing \$31,720.00 for fees and \$1,507.36 for necessary costs incurred. GAMDE did not receive any objection to the Fee Statement. Therefore, on May 30, 2013, pursuant to the Administrative Order, Debtors paid GAMDE 80% of the requested fees (\$25,376.00) and 100% of the requested expenses of \$1,507.36. The remaining twenty percent (20%) of the requested fees equals \$6,344.00.

12. On June 19, 2013, GAMDE served on the Service Parties its eighth Fee Statement for the period from May 1, 2013 through May 31, 2013. The eighth Fee Statement sought compensation in the total amount of \$38,145.62, representing \$37,296.00 in fees and \$849.62 for necessary costs incurred. GAMDE did not receive any objection to the Fee Statement. Therefore, on July 5, 2013, pursuant to the Administrative Order, Debtors paid GAMDE 80% of the requested fees (\$29,836.80) and 100% of the requested necessary costs of \$849.62. Twenty percent (20%) of the remaining fees equals \$7,459.20.

13. On July 16, 2013, pursuant to the Administrative Order, GAMDE served on the Service Parties its ninth Fee Statement for the period from June 1, 2013 through June 30, 2013. The ninth Fee Statement sought compensation in the amount of \$34,094.47, representing

\$33,770.75 for fees and \$323.72 for necessary costs incurred. If no objection is made to the Fee Statement sent on July 16, 2013, the Debtors will pay GAMDE, pursuant to the Administrative Order, 80% of the fees shown on the ninth Fee Statement or \$27,016.60 and 100% of the requested necessary costs of \$323.72. Twenty percent (20%) of the requested fees equals \$6,754.15.

Services Performed During the Application Period

14. GAMDE provided significant legal services as Special Counsel to Debtors during the Application Period, which services are described generally as follows:

- a. Continued inspection period tasks, addressing title matters and monitoring related to the sale of property owned by Piccadilly Restaurants, LLC (“Restaurants”) or and located in Florida;
- b. Continued inspection period tasks, addressing title matters and monitoring related to the sale of property owned by Restaurants and located in Georgia;
- c. Preparation of purchase and sale agreement Pool II property (Restaurants is the Tenant) located in Atlanta, Georgia;
- d. Assisted Debtors counsel in lease rejection matters;
- e. Assisted in obtaining stipulation for Master Lease I and Master Lease II;
- f- Preparation of lease amendments with respect to various store locations;
- g. Document review and revisions related to swap transaction (swap of properties between Master Lease Pool I and Master Lease Pool II);
- h. Participated in drafting motion concern approval of Master Agreement in connection with the proposed swap transactions;
- i. Litigation matters regarding Region collection matter;

- j. Participated in several telephone conferences regarding to swap transaction (swap of properties between Master Lease Pool I and Master Lease Pool II);
- k. Assisted Debtors counsel in plan and disclosure statement matters, and
- l. Various other real estate and general business matters as requested by Debtors.

Fees and Expenses Requested

15. During the Application Period, GAMDE's legal fees for services provided to Debtors as special counsel totaled \$102,786.75, and GAMDE incurred expenses totaling \$2,680.70. Exhibits A, B, C, D & E contain: (i) itemized descriptions of the services performed, (ii) the date the services were performed, (iii) the amount of time spent performing those services, (iv) the identity of the person performing the services, and (v) a listing of all expenses incurred during the Application Period. GAMDE bills clients at \$0.10 per page for photocopies. Additionally, the expenses incurred include the actual cost of automated research and courier service. Mileage is calculated at the rate accorded by the Internal Revenue Service. Long distance charges represent actual cost of calls. Conference call charges represent actual cost of conference calls. Fax and telecopies are charged at \$0.75 per page. GAMDE submits that all effort was made to keep out-of-pocket expenses at a minimum and that such expenses are reasonable based on the services provided heretofore by GAMDE.

16. All members of GAMDE involved in this case have made a deliberate effort to avoid any unnecessary duplication of work. GAMDE believes no unnecessary duplication has occurred.

17. GAMDE has not shared or agreed to share with any other entity or law firm the compensation received, allowance of which is requested herein, except to the extent that the funds received may be distributed to members of GAMDE. All professional services for which

allowance is requested herein were performed by GAMDE, its attorneys, and its staff members for and on behalf of Debtors and not on behalf of any other entity or party in interest.

18. "The Fifth Circuit uses the 'lodestar' method to calculate attorneys' fees." *Transamerican Natural Gas Corp. v. Zapata P'ship, Ltd. (In re Fender)*, 12 F.3d 480, 487 (5th Cir. 1994) (citation omitted). The lodestar is the number of hours reasonably expended multiplied by "the prevailing hourly rate in the community for similar work." *Id.* The request for fees is then adjusted upward or downward based on the factors identified in *Johnson v. Ga. Highway Express, Inc.*, 488 F.2d. 714 (5th Cir. 1974). A detailed description of the application of each of these factors relevant to this Application is set forth below.

- A. **The Time and Labor Expended** – During the Application Period, the time expended by GAMDE for legal services was commensurate with the factual and legal issues involved in the representation of Debtors.
- B. **Experience, Reputation and Ability** – Professional services rendered in this case have been performed by attorneys with broad experience and a high level of skill in the areas for which they have been employed. GAMDE submit that its attorneys, with varying levels of experience and seniority, have been used effectively and efficiently to meet the requirement of the tasks assigned. GAMDE's expertise and experience in these matters enabled the case to progress in an efficient manner to the benefit of the estate and the creditors. The bulk of the work performed by GAMDE has been performed by **Peter A. Kopfinger**. Any other attorney[s] providing services to Debtors on this case devoted minimal time, but maximum assistance depending on the particular specialty of each attorney. GAMDE submits that the fees for time expended, and rates charged for such services are reasonable given the experience and special knowledge of each attorney working on the case.
- C. **The Skills Required for Performance of Services** – GAMDE's attorneys have appeared before courts in this district and throughout Louisiana in bankruptcy cases on behalf of Debtors, creditors, trustees, and receivers for many years. Applicant believes and respectfully submits that they are highly regarded in the areas of bankruptcy law, commercial litigation, property transactions, and the law of secured transactions in the State of Louisiana. GAMDE's attorneys possess the experience, reputation, and ability to merit an award of the requested compensation and reimbursement.
- D. **The Novelty and Difficulty of Issues** – The issues in this case were not particularly novel or overly difficult.

- E. **The Customary Fees** – GAMDE has applied for allowance of compensation for fees that reflect its billing rates charged to clients by GAMDE. GAMDE believes that its customary fees for services are equal to or below those of other firms in the national bankruptcy community and within the range of fees approved for attorneys of similar experience within the Louisiana bankruptcy courts.
- F. **The Amount Involved and the Results Obtained** – GAMDE successfully completed lease modifications for various store locations; GAMDE successfully negotiated and prepared a purchase and sale agreements for Debtors on property site located in Atlanta, Georgia; GAMDE assisted Debtors’ efforts with lease rejections; and GAMDE assisted Debtors with respect to Debtors’ efforts concerning the swap of properties between Master Lease I and Master Lease II.
- G. **Preclusion from Other Employment** – Although GAMDE was not precluded from other employment during the representation of Debtors as Special Counsel during the Application Period, GAMDE did spend many hours on Debtors’ projects which could have been spent on other files or other matters.
- H. **Contingent Nature of Fees** – These fees were contingent to the extent that all fees due counsel in a pending bankruptcy proceeding are contingent upon the success of the case, the availability of cash, review by the Office of the U.S. Trustees, and the approval of the Court.
- I. **Time Limitations and Other Circumstances** – Many of the tasks completed by GAMDE were performed on abbreviated time deadlines customary with the nature of the projects and/or the existence of this Chapter 11 case.
- J. **The Undesirability of the Case** – This case was not particularly undesirable, but involved substantial time and expedited effort.
- K. **The Nature and Length of the Professional Relationship with the Client** – GAMDE represented Piccadilly Restaurants, L.L.C. and Piccadilly Food Service, L.L.C. in various general business matters including, without limitation, real estate matters, contract matters, and litigation matters for approximately three years prior to the Petition Date. GAMDE also advised Restaurants and Food Service on various bankruptcy related matters during the year prior to the Petition Date.
- L. **Awards in Similar Cases** – GAMDE submits that an order of compensation on the basis provided for is comparable to that awarded in similar cases in the Western District of Louisiana and bankruptcy courts within Louisiana. In comparison to the fees and costs requested by other parties-in-interest and their counsel, the fees and costs requested herein are fair and reasonable, and have resulted in a demonstrable benefit to the estate.

Conclusion

- 19. GAMDE submits that the services it has provided to the Debtors were of direct

benefit to the estate. For these reasons and the reasons set forth above, the compensation sought is reasonable in light of professional services provided.

WHEREFORE, GAMDE prays that an Order be entered:

(a) Granting GAMDE allowance of compensation on account of their representation as Special Counsel for Debtors during the Application Period in the amount of \$102,786.75, and the reimbursement of expenses in the aggregate amount of \$2,680.70, for a total of \$105,467.45; and

(b) Granting the Debtors the authority to pay GAMDE the remaining 20% of the compensation for fees sought on the seventh Fee Statement (\$6,344.00), the remaining 20% of the compensation for fees sought on the eighth Fee Statement (\$7,459.20), and the remaining 20% of the compensation for fees sought on the ninth Fee Statement (\$6,754.15) or, if applicable, the full amount of the amount of the ninth Fee Statement (\$33,770.75 in fees and \$323.72 in costs); and

(c) Such other general, legal or equitable relief as is appropriate and just under the circumstances.

Respectfully submitted,

**GORDON, ARATA, MCCOLLAM,
DUPLANTIS & EAGAN, LLC**

By: /s/ Peter A. Kopfinger

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