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of Unsecured Creditors*

**UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK**

In re:  
  
Atari, Inc., *et al.*,  
  
Debtors.

Chapter 11  
  
Case No. 13-10176 (JMP)  
(Jointly Administered)

**SUMMARY SHEET PURSUANT TO UNITED STATES TRUSTEE  
GUIDELINES FOR REVIEWING APPLICATIONS FOR COMPENSATION  
AND REIMBURSEMENT OF EXPENSES FILED UNDER 11 U.S.C. § 330**

**Name of Applicant:** Cooley LLP, Official Committee of Unsecured Creditors of Atari, Inc., *et al.*  
**Date of Retention:** *Nunc pro tunc* to February 8, 2013  
**Period for which compensation and reimbursement is sought:** February 8, 2013 through April 30, 2013  
**Amount of Fees:** \$472,854.00<sup>1</sup>  
**Amount of Expense Reimbursement:** \$4,886.87<sup>2</sup>  
**Total Fees and Expenses Due:** \$475,098.28  
**This is a(n):** \_\_\_\_\_ Monthly  Interim \_\_\_\_\_ Final Fee Application

<sup>1</sup> On May 6, 2013, Alden Global Value Recovery Master Fund, L.P. (“Alden”) filed its *Notice of Omnibus Objection of Alden Global Value Recover Master Fund, L.P. to Second Monthly Fee Statement of Cooley LLP and Fee Statement of Duff & Phelps Securities LLC* (the “Alden Objection”) (Doc. No. 204) pursuant to which, among other things, Alden objected to the payment of fees requested by Cooley in its 2<sup>nd</sup> Monthly Fee Statement in excess of a purported allocation of \$150,000 per month for Committee professionals. The Committee disputes that the Itemized Budget (as defined in the Alden Objection) governs the payment of fees and expenses incurred by Committee professionals, as it was never subject to Court approval or agreement among the parties. On May 7, 2013, the Debtors filed a joinder to the Alden Objection (Doc. No. 207).

<sup>2</sup> Expenses include \$2,642.64 in Committee member expenses as documented in the 2<sup>nd</sup> Monthly Fee Statement and Exhibit B to the Application.

This is Cooley LLP's First Interim fee application in these cases. The following table summarizes the monthly fee statements covered by this First Interim fee application.

<b>PERIOD COVERED, DATE FILED, AND DOCKET NO.</b>	<b>FEES REQUESTED</b>	<b>FEES PAID OR TO BE PAID (80%)</b>	<b>HOLDBACK (20%)</b>	<b>EXPENSES REQUESTED (100%)</b>	<b>OBJECTIONS</b>
2/8/2013 – 2/28/2013 (FILED 3/20/2013, #155)	\$186,146.00	\$148,916.80	\$37,229.20	\$123.60	YES
3/1/2013 - 3/31/2013 (FILED 4/22/2013, #191)	\$218,168.50	\$174,534.80 <sup>3</sup>	\$43,633.70	\$3,008.81	YES
4/1/2013 - 4/30/2013 (FILED 5/20/2013, #218)	\$68,539.50	\$54,831.60 <sup>4</sup>	\$13,707.90	\$1,754.51	NONE
<b>TOTALS</b>	<b>\$472,854.00</b>	<b>\$378,283.20</b>	<b>\$94,570.80</b>	<b>\$4,886.92<sup>5</sup></b>	<b>--</b>

<sup>3</sup> Of this amount, \$97,323.60 has been paid by the Debtors. The remainder has not been paid pending the resolution of the Alden Objection and joinder by the Debtors, pursuant to the Interim Compensation Order.

<sup>4</sup> As of the date of this Application, this amount has not been paid.

<sup>5</sup> Expenses include \$2,642.64 in Committee member expenses as documented in the 2<sup>nd</sup> Monthly Fee Statement and Exhibit B to the Application.

**SUMMARY OF FIRST INTERIM FEE APPLICATION OF COOLEY LLP  
FOR THE PERIOD FEBRUARY 8, 2013 THROUGH APRIL 30, 2013**

<b>Name of Professional Person</b>	<b>Position of the Applicant, Number of Years in that Position, Year of Obtaining License to Practice, Area of Expertise</b>	<b>Hourly Billing Rate</b>	<b>Total Billed Hours</b>	<b>Total Compensation</b>
Lawrence C. Gottlieb	Partner since 1998; Member of New York Bar since 1974; Area of Expertise: Bankruptcy	\$995.00	1.80	1,791.00
Cathy Rae Hershcopf	Partner since 2002; Member of New York Bar since 1989; Area of Expertise: Bankruptcy	\$845.00	80.60	68,107.00
Jeffrey L. Cohen	Partner since 2010; Member of New York Bar since 2000; Area of Expertise: Bankruptcy	\$695.00	261.20	181,534.00
Alex R. Velinsky	Associate since 2009; Member of the New York Bar since 2010; Area of Expertise: Bankruptcy	\$475.00	239.40	113,715.00
Dana S. Katz	Associate since 2007; Member of the New York Bar since 2010; Area of Expertise: Bankruptcy	\$475.00	1.30	617.50
Robert B. Winning	Associate since 2010; Member of the New York Bar since 2011; Area of Expertise: Bankruptcy	\$435.00	233.30	101,485.50
David M. Fleischer	Paralegal	\$315.00	0.30	94.50
Rebecca Goldstein	Paralegal	\$270.00	18.50	4,995.00
Kris T. Cachia	Paralegal	\$245.00	2.10	514.50
<b>Total Fees</b>				<b>\$472,854.00</b>
<b>Total Hours</b>			<b>838.50</b>	
<b>Blended Rate*</b>		<b>\$571.49</b>		

\*Blended rate does not include paraprofessional time.

**COMPENSATION BY WORK TASK CODE FOR SERVICES RENDERED BY  
COOLEY LLP FOR THE PERIOD FEBRUARY 8, 2013 THROUGH APRIL 30, 2013**

<b>Task Code</b>	<b>Task Description</b>	<b>Hours</b>	<b>Fees</b>
B02	Asset Disposition	38.40	23,847.00
B03	Business Operations	11.80	7,154.00
B04	Case Administration	142.60	72,831.50
B05	Claims	64.00	30,535.00
B06	Employee Benefits/Pension	56.50	34,403.50
B07	Fee/Employment Applications	93.00	50,531.00
B08	Fee/Employment Objections	27.50	17,226.50
B09	Financing and Cash Collateral	140.40	81,078.00
B10	Litigation	121.70	65,202.50
B11	Meetings	95.80	61,708.00
B12	Plan and Disclosure Statement	10.70	6,446.50
B19	Preparation for and Attendance at Court Hearings	34.80	21,273.00
B14	Travel	1.30	617.50
<b>Total:</b>		<b>838.50</b>	<b>\$472,854.00</b>

**EXPENSE SUMMARY OF COOLEY LLP FOR THE  
PERIOD FEBRUARY 8, 2013 THROUGH APRIL 30, 2013**

<b>Expenses</b>	<b>Amounts</b>
Federal Express	\$153.76
Meals	\$1,453.29
Reproduction of Documents	\$195.90
Research Database/Document Retrieval	\$309.96
Telephone	\$71.32
Transportation	\$60.00
<b>Subtotal:</b>	<b>\$2,244.23</b>
Plus Committee Member Expenses:	\$2,642.64
<b>Total:</b>	<b>\$4,886.87<sup>6</sup></b>

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<sup>6</sup> Expenses include \$2,642.64 in Committee member expenses as documented in the 2<sup>nd</sup> Monthly Fee Statement and Exhibit B hereto.

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**UNITED STATES BANKRUPTCY COURT  
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In re:  
  
Atari, Inc., *et al.*,  
  
Debtors.

Chapter 11  
  
Case No. 13-10176 (JMP)  
(Jointly Administered)

**FIRST INTERIM APPLICATION OF COOLEY LLP FOR COMPENSATION  
FOR SERVICES AND REIMBURSEMENT OF EXPENSES AS ATTORNEYS FOR THE  
OFFICIAL COMMITTEE OF UNSECURED CREDITORS FOR THE PERIOD  
FROM FEBRUARY 8, 2013 THROUGH APRIL 30, 2013**

Cooley LLP (“Applicant”), counsel to the Official Committee of Unsecured Creditors (the “Committee”) of Atari, Inc., *et al.* (collectively, the “Debtors”), in the above-captioned chapter 11 cases, respectfully represents:

**INTRODUCTION**

1. This is Applicant’s first interim application (the “Application”) for allowance of compensation and reimbursement of expenses pursuant to § 331 of chapter 11 of title 11 of the United States Code (the “Bankruptcy Code”), the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”), the Local Rules of Bankruptcy Practice and Procedure of the United States Bankruptcy Court for the Southern District of New York (the “Local Rules”), the Amended Guidelines for Fees and Disbursements for Professionals in Southern District of New York

Bankruptcy Cases, promulgated pursuant to General Order M-447 of Chief Bankruptcy Judge Cecelia G. Morris, dated January 29, 2013 (the “Local Guidelines”), and the *Order Establishing Procedures for Interim Monthly Compensation and Reimbursement of Expenses of Professionals*, dated February 15, 2013 (Doc. No. 81, the “Interim Compensation Order”).

2. This Application seeks an interim allowance of compensation for legal services rendered by Applicant in the total amount of **\$472,854.00** and reimbursement of certain expenses incurred by (or first billed by outside vendors to) Applicant in the amount of **\$4,886.87<sup>1</sup>** for the period from February 8, 2013 through April 30, 2013 (the “Compensation Period”), all as more fully set forth below.

3. This Application complies with the Bankruptcy Code, the Bankruptcy Rules, the Local Rules, and the Interim Compensation Order.

### **BACKGROUND**

4. On January 21, 2013 (the “Petition Date”), the Debtors filed voluntary petitions for relief under chapter 11 of the Bankruptcy Code in the United States Bankruptcy Court for the Southern District of New York (the “Court”). Pursuant to sections 1107 and 1108 of the Bankruptcy Code, the Debtors continue to operate their businesses and properties as debtors-in-possession. No trustee or examiner has been appointed in these cases.

5. On February 6, 2013, the Committee was appointed in these cases by the Office of the United States Trustee for the Southern District of New York (the “US Trustee”), consisting of the following five members: (i) CD Projekt S.A., f/k/a CD Projekt Red S.A.; (ii) CDV Software Entertainment, USA, Inc.; (iii) Liquid Entertainment; (iv) Rackspace Hosting; and (v) Tavant Technologies, Inc. On February 8, 2013, the Committee selected Cooley LLP as

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<sup>1</sup> Expenses include \$2,642.64 in Creditors Committee expenses as documented in the 2<sup>nd</sup> Monthly Fee Statement and Exhibit B hereto.

its counsel. On February 11, 2013 the Committee met and selected D&P to serve as its financial advisor in these Chapter 11 cases.

6. On May 6, 2013, Alden Global Value Recovery Master Fund, L.P. ("Alden") filed its *Notice of Omnibus Objection of Alden Global Value Recover Master Fund, L.P. to Second Monthly Fee Statement of Cooley LLP and Fee Statement of Duff & Phelps Securities LLC* (the "Alden Objection") (Doc. No. 204) pursuant to which, among other things, Alden objected to the payment of fees requested by Cooley in its 2<sup>nd</sup> Monthly Fee Statement in excess of a purported allocation of \$150,000 per month for Committee professionals. The Committee disputes that the Itemized Budget (as defined in the Alden Objection) governs the payment of fees and expenses incurred by Committee professionals, as the Itemized Budget was never subject to Court approval or agreement among the parties. On May 7, 2013, the Debtors filed a joinder to the Alden Objection (Doc. No. 207).

#### **JURISDICTION AND STATUTORY PREDICATES**

7. This Court has jurisdiction to consider this Application pursuant to 28 U.S.C. § 1334. This is a core proceeding pursuant to 28 U.S.C. § 157(b)(2). Venue is proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409. The statutory predicates for the relief requested herein are §§ 105(a), 330 and 331 of the Bankruptcy Code and Bankruptcy Rule 2016.

#### **SERVICES RENDERED DURING COMPENSATION PERIOD**

8. During the Compensation Period, Applicant's services to the Committee included professional advice and representation in connection with discreet categories in these chapter 11 proceedings. The aggregate hours and amount for each category are set forth on the cover pages to this Application.

9. During the Compensation Period, Applicant, on behalf of and in consultation with



the Committee, maintained an active role in these chapter 11 cases.

10. To apprise this Court of the legal services rendered during the Compensation Period, Applicant sets forth the following summary. However, the summary is intended only to highlight the general categories of services performed by Applicant on behalf of the Committee. It is not intended to set forth each and every item of professional services which Applicant performed.<sup>2</sup>

### **Asset Disposition**

11. This category includes time expended by Applicant with respect to the disposition of the Debtors' assets. During the Compensation Period, Applicant expended time in this category conferring with advisors to the Debtors and the Committee regarding the sale process (the "Sale Process") with respect to substantially all of the Debtors' assets.

12. In total, Applicant expended 38.40 hours of time for a charge of \$28,847.00 for services rendered with respect to the handling of matters relating to asset dispositions.

### **Business Operations**

13. This category includes time expended by Applicant with respect to the Debtors' business operations and other business issues, including Applicant's time on matters concerning the Debtors' financial performance. Applicant spent time in this category reviewing cash flow and DIP financing projections and variance reports as well as certain corporate governance documents of the Debtors.

14. Applicant expended 11.80 hours of time for a charge of \$7,154.00 for services rendered with respect to matters relating to business operations.

### **Case Administration**

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<sup>2</sup> Attached as **Exhibit C** is a list of each timekeeper that provided services on each project category during the Interim Compensation Period, as well as the number of hours spent and the amount of compensation requested.

15. This category includes time expended by Applicant on a variety of activities relating to the day-to-day management of these chapter 11 cases. Services rendered in this project category include, *inter alia*, (i) extensive contact with the Committee, creditors, the Committee's financial advisor, and counsel to the Debtors and Alden regarding critical case issues and developments, (ii) the review of pleadings filed by parties in interest, and (iii) the filing and service of pleadings on behalf of the Committee.

16. Applicant expended 142.60 hours of time for a charge of \$72,831.50 for services rendered with respect to the handling of matters relating to case administration.

### **Claims**

17. This category includes time expended by Applicant with respect to various claims against the Debtors. Applicant spent time in this category, among other things, attending to issues related to the treatment of certain claims (including critical vendor claims), the establishment of the bar date and the review of the Debtors' statements of financial affairs and schedules of assets and liabilities. Applicant also spent time in this category corresponding with numerous creditors regarding claims-related issues.

18. Applicant expended 64.00 hours of time for a charge of \$30,535.00 for services rendered with respect to the handling of matters relating to claims.

### **Employee Benefits/Pensions**

19. This category includes time expended by Applicant regarding the Debtors' employee benefits and pensions. Applicant spent time during the Compensation Period in connection with, among other things, review and analysis of the Debtors' key employee incentive program, loyalty program and review of employment agreements with certain executives. Applicant also spent time in this category conferring with the Debtors' advisors

regarding their proposed key employee incentive program and drafting a related objection.

20. Applicant expended 56.50 hours of time for a charge of \$34,403.50 for services rendered with respect to matters relating to employee benefits and pensions.

#### **Fee/Employment Applications**

21. This category includes time expended by Applicant regarding the retention and compensation of various professionals in the Debtors' bankruptcy proceedings. Applicant spent time during the Compensation Period in connection with, among other things: (i) Applicant's retention application and the retention application for the Committee's financial advisor, (ii) Applicant's monthly fee statements, (iii) the retention applications of certain of the Debtors' professionals, (iv) the drafting of memoranda regarding the same, and (v) the invoices of the professionals employed by the Debtors and lenders.

22. Applicant expended 93.00 hours of time for a charge of \$50,531.00 for services rendered with respect to matters relating to fee/employment applications.

#### **Fee/Employment Objections**

23. This category includes time expended by Applicant with respect to objections to retention and fee applications filed by various professionals in the Debtors' bankruptcy proceedings. Applicant spent time during the Compensation Period (i) responding to Alden's objection to the Committee's application to retain Duff & Phelps Securities, LLC as its financial advisor and (ii) preparing for a contested hearing necessitated by the Alden objection.

24. Applicant expended 27.50 hours of time for a charge of \$17,226.50 for services rendered with respect to matters relating to fee/employment objections.

#### **Financing and Cash Collateral**

25. This category includes time expended by Applicant with respect to the debtor-in-

possession financing facility (the “DIP”) and the terms thereof. In connection therewith, Applicant, among other things, attended to issues related to the DIP budget, reviewed and analyzed DIP loan documents and engaged in negotiations related to the DIP financing order. Applicant also expended time in this category drafting a limited objection to the DIP.

26. Applicant expended 140.40 hours of time for a charge of \$81,078.00 for services rendered with respect to the handling of matters relating to cash collateral and financing.

### **Litigation**

27. This category includes time expended by Applicant with respect to litigation or contested hearings against third parties. Applicant expended time in this category in connection with (i) drafting document and information requests and a related motion pursuant to Bankruptcy Rule 2004 for service on the Debtors and other interested parties in connection with the Committee’s investigation (the “Investigation”) of the prepetition claims and interests asserted against the Debtors’ estates, (ii) reviewing documents produced by various parties, (iii) corresponding with various parties regarding the Investigation, (iii) researching various potential causes of action, and (iv) corresponding with the Committee regarding various litigation scenarios. Applicant also expended time in this category in connection with settlement correspondence with various parties.

28. Applicant expended 121.70 hours of time for a charge of \$65,202.50 for services rendered with respect to the handling of matters relating to litigation.

### **Meetings**

29. This category includes time expended by Applicant for preparation and attendance at meetings with, among others, the Committee, the financial advisor to the Committee, counsel for the Debtors, and counsel for the lenders regarding, among other things,

the Sale Process, the Investigation, global settlement discussions, proposed incentive plans and case status issues.

30. Applicant expended 95.80 hours of time for a charge of \$61,708.00 for services rendered with respect to preparation for and attendance at meetings.

**Plan and Disclosure Statement**

31. This category includes time expended by Applicant in connection with a plan of reorganization or liquidation for the Debtors' estates. Applicant expended time in this category reviewing and analyzing a proposed plan term sheet and researching related issues.

32. Applicant expended 10.70 hours of time for a charge of \$6,446.50 for services rendered with respect to matters relating to fee/employment objections.

**Preparation For and Attendance at Court Hearings**

33. This category includes time expended by Applicant with respect to preparation for, and attendance at, Court hearings, including hearings regarding the Debtors' second-day matters, the contested hearing on DIP financing, the contested hearing on the Committee's financial advisor retention, and the initial hearing on the Debtors' incentive plans among others.

34. Applicant expended 34.80 hours of time for a charge of \$21,273.00 for services rendered with respect to preparation for and attendance at Court hearings.

**Travel**

35. This category includes time expended by Applicant for travel. Applicant spent time in this category traveling to and from Court for hearings. All travel time was billed at half-time.

36. Applicant expended 1.30 hours of time for a charge of \$617.50 for travel.

**MATTERS PERTAINING TO APPLICANT**

37. Applicant has maintained contemporaneous time records which indicate the time that each attorney has spent working on a particular matter and the nature of the work performed. Copies of these time records are annexed to this Application as **Exhibit B**. The total number of hours expended by Applicant's attorneys and para-professionals during the Compensation Period in conjunction with these cases is 838.50. All of the services have been rendered by those individuals at Applicant's firm as listed on Applicant's personnel chart attached hereto.

38. The personnel who have expended extensive time on this matter during the Compensation Period are as follows: (a) Cathy R. Hershcopf and Jeffrey L. Cohen: Ms. Hershcopf and Mr. Cohen have been actively involved in all aspects of this engagement, with Ms. Hershcopf focusing on sale-related issues and Mr. Cohen taking primary responsibility for all other issues arising during the Compensation Period; (b) Alex R. Velinsky and Robert Winning: Messrs. Velinsky and Winning were responsible for various day-to-day issues that arose during the Compensation Period; and (c) David M. Fleischer, Rebecca Goldstein, and Kris T. Cachia: Mr. Fleischer, Ms. Goldstein and Ms. Cachia were responsible for various para-professional activities that arose during the Compensation Period.

39. It is respectfully submitted that Applicant's expertise in bankruptcy cases has allowed certain matters to be handled without difficulty, and that other bankruptcy attorneys without such expertise could have had to spend additional time researching issues. Some of the chapter 11 cases in which Applicant has been retained include: Against All Odds in Newark, New Jersey; Alexander Gallo Holdings in New York, NY; Archibald Candy Corporation in Chicago, Illinois; Bag n'Baggage in Dallas, Texas; Boscov's in Wilmington, Delaware; BT Tires in Wilmington, Delaware; Claim Jumper Restaurants in Wilmington, Delaware; Corona Food

Products in Brooklyn, New York; Eddie Bauer in Wilmington, Delaware; EPV Solar in Newark, New Jersey; Filene's Basement in Wilmington, Delaware; Goody's in Wilmington, Delaware; Gottschalks in Wilmington, Delaware; Harvey Electronics in New York, New York; KB Toys in Wilmington, Delaware; Lenox Sales in New York, New York; Levitz Home Furnishings in New York, New York; Long John Silver's Restaurants in Wilmington, Delaware; Marty's Shoes in Wilmington, Delaware; Mervyn's in Wilmington, Delaware; Orchard Brands in Wilmington, Delaware; Princeton Ski Shops in Newark, New Jersey; Ritz Camera in Wilmington, Delaware; Robb & Stucky in Tampa, Florida; Samsonite Company Stores in Wilmington, Delaware; Sharper Image in Wilmington, Delaware; Signature Styles in Wilmington, Delaware; Ski Market in Springfield, Massachusetts; Steve & Barry's in New York, New York; Sweet Factory in Boston, Massachusetts; Ultimate Electronics in Wilmington, Delaware; and Urban Brands in Wilmington, Delaware.

40. Applicant rendered all the professional services for which compensation is requested herein in connection with the Debtors' chapter 11 cases in furtherance of Applicant's professional responsibilities as attorneys for the Committee.

41. During the Compensation Period, the partners, associates and para-professionals of Applicant devoted substantial time, 838.50 hours, in rendering professional services to the Committee, all of which time was reasonable and necessary.

42. Applicant, by experience, training and ability, is fully qualified to perform the services for which compensation is sought here. Applicant represents or holds no interest adverse to the Committee with respect to the matters upon which it is engaged.

43. No agreement or understanding exists between Applicant and any other entity for the sharing of compensation to be received for services rendered in or in connection with these

chapter 11 cases.

44. The fees and disbursements sought are billed at rates and in accordance with practices customarily employed by Applicant and are generally accepted by Applicant's clients.

45. Pursuant to the Local Guidelines, annexed hereto as **Exhibit A** is a certification regarding Applicant's compliance with the Interim Compensation Order, the Local Guidelines, and the United States Trustee Guidelines for Reviewing Applications for Compensation and Reimbursement of Expenses Filed Under 11 U.S.C. § 330, dated January 30, 1996.

### **EXPENSES**

46. Annexed as part of the cover sheet is a list of the necessary and actual disbursements incurred by Applicant during the Compensation Period in connection with the above-described work. This list is derived from the expense detail included in Applicant's monthly invoices annexed hereto as **Exhibit B**. These records indicate that Applicant has advanced, during the Compensation Period, the sum of **\$4,886.87**<sup>3</sup> in necessary and actual out-of-pocket expenses.<sup>4</sup> In connection with said expenses, it should be noted that Applicant charges \$1.00 per page for outgoing telefacsimilies with no charge for incoming telefacsimilies, 10¢ per page for photocopying, and charges for meals only necessitated by meetings with the Debtors or the Committee or when Applicant's personnel would work on these cases through a normal meal period.

### **ALLOWANCE OF INTERIM COMPENSATION**

47. With respect to the level of compensation, section 330 of the Bankruptcy Code

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<sup>3</sup> Expenses include \$2,642.64 in Committee member expenses as documented in the 2<sup>nd</sup> Monthly Fee Statement and Exhibit B hereto.

<sup>4</sup> Additional expenses incurred by Applicant during the Compensation Period may not have been captured as of the date hereof. Applicant reserves the right to include such expenses in the next application to the extent necessary.



provides, in pertinent part, that the Court may award to a professional person, “reasonable compensation for actual, necessary services rendered.” Section 330(a)(3), in turn, provides that:

In determining the amount of reasonable compensation to be awarded . . . , the court shall consider the nature, the extent, and the value of such services, taking into account all relevant factors, including –

- (A) the time spent on such services;
- (B) the rates charged for such services;
- (C) whether the services were necessary to the administration of, or beneficial at the time which the service was rendered toward the completion of, a case under this title;
- (D) whether the services were performed within a reasonable amount of time commensurate with the complexity, importance, and nature of the problem, issue, or task addressed;
- (E) with respect to a professional person, whether the person is board certified or otherwise has demonstrated skill and experience in the bankruptcy field; and
- (F) whether the compensation is reasonable based on the customary compensation charged by comparably skilled practitioners in cases other than cases under this title.

11 U.S.C. § 330(a)(3).

48. The congressional policy expressed above provides for adequate compensation in order to continue to attract qualified and competent professionals to bankruptcy cases. See In Re Busy Beaver Bldg. Ctrs., Inc., 19 F.3d 833, 850 (3d Cir. 1994) (“Congress rather clearly intended to provide sufficient economic incentive to lure competent bankruptcy specialists to practice in the bankruptcy courts.”) (citation and internal quotation marks omitted); In re Drexel Burnham Lambert Group, Inc., 133 B.R. 13, 18 (Bankr. S.D.N.Y. 1991) (“Congress’ objective on requiring that the market, not the Court, establish attorneys’ rates was to ensure that bankruptcy cases were staffed by appropriate legal specialists.”).

49. Applicant asserts that in accordance with the factors enumerated in 11 U.S.C. § 330, the amount requested is fair and reasonable given (a) the complexity of these cases, (b) the time expended, (c) the nature and extent of the services rendered, (d) the value of such services, and (e) the costs of comparable services other than in a case under this title. It is respectfully submitted that, had counsel with less experience in these types of matters been retained, the cost to the estates would have been much greater. This Application covers a period of approximately three months. During that time, Applicant's partners, associates and paraprofessionals devoted 838.50 hours in rendering professional services to the Committee, all of which time was reasonable and necessary.

#### **RESPONSE TO ALDEN OBJECTION**

50. In the Alden Objection, Alden objects to the payment of fees to Committee professionals, including Applicant, that exceed (in the aggregate) an amount purportedly allocated to Committee professionals in an Itemized Budget that was never submitted to or approved by this Court or agreed to by the parties. Applicant reserves all rights to respond to any substantive objections that Alden or the Debtors may assert with respect to the fees and expenses requested by this Application.

#### **NOTICE**

Pursuant to the Interim Compensation Order, Cooley has served this Application by hand or overnight delivery on: (i) the Debtors, Atari, Inc., 475 Park Avenue South, Twelfth Floor, New York, New York 10016, Attn: Robert A. Mattes, CFO; (ii) counsel to Debtors, Akin Gump Strauss Hauer & Feld LLP, One Bryant Park, New York, New York 10036, Attn: Ira S. Dizengoff, Esq. and Kristine Manoukian Esq.; Akin Gump Strauss Hauer & Feld LLP, Robert S. Strauss Building, 1333 New Hampshire Avenue, N.W., Washington, District of Columbia

20036, Attn: Scott L. Alberino, Esq.; (iii) counsel to Alden, Bracewell & Giuliani LLP, 1251 Avenue of the Americas, 49th Floor, New York, New York 10020, Attn: Robert G. Burns, Esq.; and (iv) the Office of the United States Trustee for the Southern District of New York, 271 Cadman Plaza East, Suite 4529, Brooklyn, New York 11201, Attn: Richard C. Morrissey, Esq. In light of the nature of the relief requested, Cooley respectfully submits that no further notice need be provided.

**WHEREFORE**, Applicant hereby respectfully requests (i) interim allowance of compensation for Applicant's duly authorized, necessary, and valuable service to the Committee during the Compensation Period in the aggregate amount of **\$472,854.00**, and reimbursement to Applicant and Committee Members for actual and necessary expenses incurred during the Compensation Period in connection with the aforesaid services in the aggregate amount of **\$4,886.87**, and (ii) payment of all allowed fees which have not yet been paid to Applicant by the Debtors.

Dated: June 20, 2013  
New York, New York

Respectfully submitted,

By: /s/ Jeffrey L. Cohen

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Committee of Unsecured Creditors*