

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

| | | |
|--|---|---|
| In re: |) | Chapter 11 |
| SPORTCO HOLDINGS, INC., <i>et al.</i> , ¹ |) | Case No. 19-11299 (LSS) |
| Debtors. |) | Jointly Administered |
| |) | Objection Deadline: October 11, 2019 at 4:00 p.m. |
| |) | Hearing Date: Only if an objection is filed. |

**THIRD MONTHLY FEE APPLICATION OF POLSINELLI PC
FOR COMPENSATION AND REIMBURSEMENT OF EXPENSES
AS CO-COUNSEL TO THE DEBTORS FOR THE PERIOD FROM
AUGUST 1, 2019 THROUGH AUGUST 31, 2019**

| | |
|---|---|
| Name of Applicant: | <u>Polsinelli PC</u> |
| Authorized to Provide Professional Services to: | <u>Debtors and Debtors in Possession</u> |
| Date of Retention: | <u>July 15, 2019, <i>nunc pro tunc</i> to June 10, 2019</u> |
| Period for which compensation and reimbursement is sought: | <u>August 1, 2019 to August 31, 2019</u> |
| Amount of Compensation sought as actual, reasonable and necessary: | <u>\$62,287.50</u> |
| 80% of Amount of Compensation sought as actual, reasonable and necessary: | <u>\$49,830.00</u> |
| Amount of Expense Reimbursement sought as actual, reasonable and necessary: | <u>\$2,236.04</u> |
| This is a(n): | <input checked="" type="checkbox"/> Monthly <input type="checkbox"/> Interim <input type="checkbox"/> Final application |

This is the **THIRD** monthly fee application filed in this case.

¹ The Debtors, together with the last four digits of each Debtor’s federal tax identification number, are: Bonitz Brothers, Inc. (4441); Ellett Brothers, LLC (7069); Evans Sports, Inc. (2654); Jerry’s Sports, Inc. (4289); Outdoor Sports Headquarters, Inc. (4548); Quality Boxes, Inc. (0287); Simmons Guns Specialties, Inc. (4364); SportCo Holdings, Inc. (0355); and United Sporting Companies, Inc. (5758). The location of the Debtors’ corporate headquarters and the service address for all Debtors is 267 Columbia Ave. Chapin, SC, 29036.

Summary of Polsinelli's Monthly Fee Applications

| Compensation Period | 100% Fees | 80% Fees | 100% Expenses | Total | 20% Holdback |
|----------------------------------|------------------|-----------------|----------------------|--------------|---------------------|
| June 10, 2019 – June 30, 2019 | \$47,857.50 | \$38,286.00 | \$19,439.40 | \$67,296.90 | \$9,571.50 |
| July 1, 2019 – July 31, 2019 | \$66,390.00 | \$53,112.00 | \$537.00 | \$66,927.00 | \$13,278.00 |
| August 1, 2019 – August 31, 2019 | \$62,287.50 | \$49,830.00 | \$2,236.04 | \$64,523.54 | \$12,457.50 |

Summary of Timekeepers Included in Fee Application

| Name | Title | Section | Date of First Admission | Fees Billed | Hours Billed | Hourly Rate Billed in This Application |
|--------------------|--------------|---------------------------------|--------------------------------|---------------------|---------------------|---|
| Ward, Chris A. | Shareholder | FR Bankruptcy and Restructuring | 12/15/1999 | \$ 25,800.00 | 34.40 | 750.00 |
| Dolphin, Brenna A | Associate | FR Bankruptcy and Restructuring | 12/15/2011 | \$ 22,387.50 | 59.70 | 375.00 |
| Suprum, Lindsey M. | Paralegal | FR Bankruptcy and Restructuring | | \$ 14,100.00 | 47.00 | 300.00 |
| | | | | \$ 62,287.50 | 141.10 | 441.44 |

Summary of Compensation By Project Category

| Project Category | Hours Billed | Fees Sought |
|---|---------------------|---------------------|
| Asset Disposition & Sales | 14.00 | \$ 6,120.00 |
| Assumption/Rejection of Leases & Contracts | 4.70 | \$ 2,025.00 |
| Bankruptcy-Related Advice | 5.10 | \$ 1,710.00 |
| Budgeting | 1.20 | \$ 450.00 |
| Business Operations | 0.20 | \$ 150.00 |
| Case Administration | 6.70 | \$ 2,280.00 |
| Claims Administration & Objections | 9.20 | \$ 3,712.50 |
| Court Hearings | 31.90 | \$ 14,955.00 |
| Creditor Inquiries | 0.90 | \$ 525.00 |
| Employment/Fee Applications | 1.30 | \$ 787.50 |
| Financing & Cash Collateral | 8.20 | \$ 3,817.50 |
| Litigation & Other Contested Matters | 30.60 | \$ 13,432.50 |
| Other Professional Fee Application | 1.60 | \$ 517.50 |
| Other Professional Retention | 2.50 | \$ 1,110.00 |
| Plan & Disclosure Statement (including business plan) | 12.30 | \$ 5,902.50 |
| Polsinelli Fee Applications | 2.50 | \$ 795.00 |
| Polsinelli Retention | 1.60 | \$ 870.00 |
| Relief from Stay/Adequate Protection Proceedings | 1.90 | \$ 1,065.00 |
| Schedules/SOFAS/UST Reports | 4.60 | \$ 2,025.00 |
| Tax Issues | 0.10 | \$ 37.50 |
| | 141.10 | \$ 62,287.50 |

Summary of Expense Reimbursement By Category

| Category | Amount |
|---------------------------|--------------------|
| Document Production | \$ 1,379.98 |
| Deliveries | \$ 60.00 |
| Filing Fees | \$ 125.00 |
| Meals | \$ 314.41 |
| Miscellaneous | \$ 134.20 |
| Transcript of Proceedings | \$ 222.45 |
| | \$ 2,236.04 |

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AUGUST 1, 2019 THROUGH AUGUST 31, 2019**

Polsinelli PC (“**Polsinelli**”), co-counsel to the debtors and debtors in possession (the “**Debtors**”) in the above-captioned cases (the “**Cases**”), submits its third monthly fee application (the “**Application**”) for approval pursuant to 11 U.S.C. §§ 330 and 331 of its interim compensation and reimbursement of expenses for the period from August 1, 2019 through August 31, 2019 (the “**Compensation Period**”). In support of this Application, Polsinelli respectfully represents as follows:

**JURISDICTION, VENUE AND STATUTORY
PREDICATES FOR RELIEF SOUGHT**

1. This Court has jurisdiction over this Application pursuant to 28 U.S.C. § 1334. This is a core proceeding pursuant to 28 U.S.C. § 157(b)(2)(A) and (B). Venue of this proceeding and this Application is proper in this District pursuant to 28 U.S.C. §§ 1408 and 1409. The statutory predicates for the relief sought sections 105(a) and 331 of the Bankruptcy

¹ The Debtors, together with the last four digits of each Debtor’s federal tax identification number, are: Bonitz Brothers, Inc. (4441); Ellett Brothers, LLC (7069); Evans Sports, Inc. (2654); Jerry’s Sports, Inc. (4289); Outdoor Sports Headquarters, Inc. (4548); Quality Boxes, Inc. (0287); Simmons Guns Specialties, Inc. (4364); SportCo Holdings, Inc. (0355); and United Sporting Companies, Inc. (5758). The location of the Debtors’ corporate headquarters and the service address for all Debtors is 267 Columbia Ave. Chapin, SC, 29036.

Code and the *Order Establishing Procedures for Interim Compensation and Reimbursement of Expenses of Professionals* [Docket No. 141] entered in these Cases.

BACKGROUND

2. On June 10, 2019 (the “**Petition Date**”), each of the Debtors filed a voluntary petition for relief under chapter 11 of the Bankruptcy Code with the United States Bankruptcy Court for the District of Delaware (the “**Court**”) commencing the above-captioned chapter 11 Cases. The factual background regarding the Debtors, including their business operations and the events leading to the filing of these Cases, is set forth in detail in the *Declaration of Bradley P. Johnson in Support of the Debtors’ Chapter 11 Petitions and First Day Pleadings* [Docket No. 9] fully incorporated by reference herein. The Debtors have continued in the management and operation of their businesses and properties as debtors in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code.

3. No trustee or examiner has been appointed in these Cases. On June 17, 2019, the Office of the United States Trustee appointed an official committee of unsecured creditors pursuant to section 1102 of the Bankruptcy Code.

4. On July 15, 2019, this Court entered an order (the “**Retention Order**”) approving the retention of Polsinelli as co-counsel to the Debtors, *nunc pro tunc* to the Petition Date [Docket No. 139].

FEES AND EXPENSES

5. Polsinelli has continuously rendered services on behalf of the Debtors during the Compensation Period, totaling 141.10 hours of professional time, comprising 94.10 hours of professional services and 47.00 hours of paraprofessional services. The services of Polsinelli are necessary to enable the Debtors to execute faithfully their duties as debtors and debtors in

possession. Polsinelli has provided, and will continue to provide, services to the Debtors including the following:

- a. taking all necessary action to protect and preserve the estates of the Debtors, including the negotiation of disputes in which the Debtors are involved, the prosecution of actions on the Debtors' behalf, the defense of any actions commenced against the Debtors, and the preparation of objections to claims filed against the Debtors' estates;
- b. providing legal advice with respect to the Debtors' powers and duties as debtors in possession in the continued operation of their business;
- c. providing legal advice as Delaware bankruptcy counsel with respect to practice and procedures in the Delaware Bankruptcy Court and with respect to Delaware law;
- d. negotiating, preparing, and pursuing confirmation of a plan and approval of a disclosure statement;
- e. preparing on behalf of the Debtors, as debtors in possession, necessary motions, applications, answers, orders, reports, and other legal papers in connection with the administration of the Debtors' estates;
- f. appearing in court and protecting the interests of the Debtors before this Court;
- g. assisting with any disposition of the Debtors' assets, by sale or otherwise;
- h. reviewing all pleadings filed in these Chapter 11 Cases; and
- i. performing all other legal services in connection with the Chapter 11 Cases as may reasonably be required.

6. The total sum due to Polsinelli for professional services rendered on behalf of the Debtors for the Compensation Period is \$62,287.50, 80% of which will be due and payable immediately upon approval of this Application. Polsinelli submits that the professional services it rendered on behalf of the Debtors during this time were reasonable and necessary under the circumstances.

7. Polsinelli also expended costs on behalf of the Debtors during the Compensation Period in the sum of \$2,236.04. In accordance with Rule 2016-2(e)(iii) of the Local Rules of

Practice and Procedure for the United States Bankruptcy Court for the District of Delaware (the “**Local Rules**”), all copying charges are billed at no more than \$0.10 per page.

8. Polsinelli has received no payment and no promises for payment from any source for services rendered or to be rendered in any capacity whatsoever in connection with the matters covered by this Application for the Compensation Period. There is no agreement or understanding between Polsinelli and any persons for the sharing of compensation to be received for services rendered in the Cases.

9. Attached as Exhibit A is a detailed invoice of Polsinelli’s fees and expenses for the Compensation Period.

10. The facts set forth in this Application are true and correct to the best of the undersigned’s knowledge, information, and belief.

11. The undersigned attests that he has reviewed the requirements of Local Rule 2016-2 and this Application conforms to such requirements.

WHEREFORE, Polsinelli requests that the Court approve the Application, pursuant to 11 U.S.C. §§ 330 and 331, granting it interim compensation for professional services rendered in the amount of \$62,287.50, 80% of which is to be currently paid upon the filing of a certificate of no objection, and the sum of \$2,236.04 for reimbursement of actual and necessary costs expended as co-counsel to the Debtors for the period from August 1, 2019 through August 31, 2019.

Dated: September 20, 2019
Wilmington, Delaware

POLSINELLI PC

/s/ Christopher A. Ward

Christopher A. Ward (Del. Bar No. 3877)

Brenna A. Dolphin (Del. Bar No. 5604)

222 Delaware Avenue, Suite 1101

Wilmington, Delaware 19801

Telephone: (302) 252-0920

Facsimile: (302) 252-0921

Email: cward@polsinelli.com

bdolphin@polsinelli.com

-and-

MCDERMOTT WILL & EMERY LLP

Timothy W. Walsh (admitted *pro hac vice*)

Darren Azman (admitted *pro hac vice*)

Riley T. Orloff (admitted *pro hac vice*)

340 Madison Avenue

New York, New York 10173-1922

Telephone: (212) 547-5400

Facsimile: (212) 547-5444

Email: twwalsh@mwe.com

dazman@mwe.com

rorloff@mwe.com

*Counsel to the Debtors and
Debtors in Possession*