

**UNITED STATES BANKRUPTCY COURT FOR THE
EASTERN DISTRICT OF PENNSYLVANIA**

In re:)	Chapter 11
)	
Philadelphia Newspapers, LLC, <i>et al.</i> , ¹)	Case No. 09-11204 (JKF)
)	
)	Jointly Administered
Debtors.)	
_____)	

**NINTH APPLICATION OF CHANIN CAPITAL PARTNERS LLC FOR PAYMENT ON
ACCOUNT PURSUANT TO LOCAL RULE 2016-5 FOR THE PERIOD
JANUARY 1, 2010 THROUGH JANUARY 31, 2010**

Chanin Capital Partners, LLC (“Chanin”) financial advisors to the Official Committee of Unsecured Creditors (the “Committee”), in accordance with Local Bankruptcy Rule 2016-5, requests an award of fees and reimbursement of actual, necessary expenses and represents:

Part A - PRELIMINARY STATEMENT

1. Chanin is financial advisor to the Committee. All services for which compensation is requested by Chanin were performed for or on behalf of the Committee.
2. The services described in this request (the “Request”) are actual and necessary and the compensation requested is reasonable.
3. The expenses described in this Request are actual, necessary expenses.
4. Chanin makes this request of compensation and reimbursement of expenses for the period from January 1, 2010 through January 31, 2010 (the “Compensation Period”).

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, are: Philadelphia Newspapers, LLC (3870), PMH Acquisition, LLC (1299), Broad Street Video, LLC (4665), Philadelphia Direct, LLC (4439), Philly Online, LLC (5185), PMH Holdings, LLC (1768), Broad Street Publishing, LLC (4574) and Philadelphia Media, LLC (0657).

Part B – General Information

5. General Information
 - A. Date case filed: February 22, 2009.
 - B. Date Application to Approve Employment filed: March 20, 2009.
 - C. Date employment approved: June 5, 2009, *nunc pro tunc* to March 2, 2009.
 - D. First date services rendered in the case: March 2, 2009.

Billing by professionals for Compensation Period (January 1, 2010 through January 31, 2010)

6. Billing Rates

The monthly billing rate set forth in this Request is the normal market rate charged by Chanin for the services rendered.

Part C – Billing Summary

7. Terms of Chanin’s Engagement

Pursuant to the engagement letter setting forth the terms of Chanin’s employment, Chanin is entitled to monthly compensation in the form of a “flat rate,” in the amount of \$150,000 per month. Summaries of the fees and expenses are attached hereto as Exhibit A.

8. Description of Services

- A. Due Diligence

During the Compensation Period, Chanin performed in depth due diligence of the Company and its industry by reviewing and analyzing (i) Company specific and industry wide operating and financial performance, and (ii) various contracts and legal documents.

B. Restructuring Issue Discussions

During the Compensation Period, Chanin had discussions with the Committee and its counsel, the Debtors' advisors, and the Debtors regarding key restructuring related issues, including but not limited to: financial position, liquidity, contract assumption / rejection, and the Company's debtor in possession financing.

C. Weekly Cash Flow Updates

During the Compensation Period, Chanin maintained consistent contact with the Debtors' advisors regarding the Company's week to week operating performance as compared with the stated forecasted budget and to review the required cash collateral reporting items. Chanin presented its analysis to the Committee and its counsel and had subsequent discussions regarding the same.

D. Sales Process Monitoring

During the Compensation Period, Chanin conducted numerous calls with the Debtors advisors and the Sales Monitors, at least weekly, in order to monitor the Company's sale process being led by Sonenshine Partners LLC. As a part of this process, Chanin reviewed the data room made available to potential bidders, reviewed the list of prospective bidders, kept abreast of the responses of these bidders, and reviewed the activity of and the due diligence inquiries made by prospective bidders. Chanin advised the Committee and its counsel weekly on the Sales Process and had subsequent discussions regarding the same.

E. Conference Calls and Updates with Debtors

During the Compensation Period, Chanin corresponded with the Debtors and their financial advisors to receive updated information on the Debtors' progress, diligence efforts and timeline developments. Conference call topics included the status of the Company's restructuring effort; cash flow performance; liquidity position; financial performance; the Reorganization Plan; the Sale Process; contract assumption / rejection; and other matters. Chanin provided analyses to the Committee members based on these calls with the Debtors and their financial advisors.

F. Committee Meetings and Presentations

Through telephone conferences and correspondence with the Committee, Chanin assisted the Committee in fulfilling its statutory duties to make informed decisions regarding the various issues which have arisen in these cases, to monitor closely the Debtors' management of these proceedings, and to reach independent conclusions on the merits of specific matters.

G. Other Tasks

In addition to the assignments and tasks set forth above, at the request of the Committee, Chanin (i) provided the Committee with other appropriate general restructuring advice, (ii) reviewed and analyzed certain other financial information (as requested by the Committee), and (iii) provided other financial analyses as requested by the Committee. All of Chanin's activities were conducted with the goal of producing efficient and effective services to the Debtors' estate.

9. Request

Based on the above, Chanin seeks payment of \$121,420.24, consisting of (a) \$150,000 in compensation for the Compensation Period pursuant to the engagement letter, less a twenty percent holdback in the amount of \$30,000.00 (the "Holdback"), and (b) 100% of the expenses in the amount of \$1,420.24. Chanin reserves the right to seek and be awarded payment of the Holdback, pursuant to further order of this Court.

Part D – Expense Summary

10. From January 1, 2010 through January 31 2010, Chanin has expended \$1,420.24 in expenses in connection with the services provided to the Committee. Set forth in Exhibit B is a detailed listing of the expenses incurred by Chanin for the Committee during the Compensation Period.

WHEREFORE, Chanin requests payment of interim compensation and reimbursement of expenses in the total amount of \$121,420.24. This total for the Compensation Period consists of \$120,000.00 (80% of compensation) for fees and \$1,420.24 for reimbursement of actual and necessary expenses.

March 8, 2010
New York, New York



Brent Williams
CHANIN CAPITAL PARTNERS LLC
Managing Director
55 East 52nd Street, 31st Floor
New York, NY 10055
(212) 758-2629

Proposed Financial Advisors for the
Official Committee of Unsecured Creditors

EXHIBIT A

EXHIBIT A

Period	Fees	Expenses
January 1, 2010 – January 31, 2010	\$150,000.00	\$1,420.24
Total	\$150,000.00	\$1,420.24

Expenses

Category	Amount
Meals	\$89.53
Parking/Transportation	242.91
Professional Services (Legal)	1,087.80
Total	\$1,420.24

EXHIBIT B

Chanin & Company LLC
Expense Detail for Philly News
Period from January 1, 2010 through January 31, 2010

EXPENSE DETAIL LOCATED ON THE FOLLOWING PAGE(S)

January 1, 2010 through January 31, 2010	
Category	Amount
Meals	\$ 89.53
Parking/Transportation	242.91
Professional Services	1,087.80
Totals	\$ 1,420.24

Chanin & Company LLC
Expense Detail for Philly News
Period from January 1, 2010 through January 31, 2010

January 2010	
Category	Amount
Meals	\$ 89.53
Parking/Transportation	242.91
Professional Services	1,087.80
Totals	\$ 1,420.24

Meals Detail [All in-office deal-related working lunches capped at \$15 and dinners capped at \$25, per Employee]

Professional	Date	Description	Amount
Sussman, Jacob	01/01/10	Working Dinner - One Professional	\$ 24.66
Sussman, Jacob	01/12/10	Working Dinner - One Professional	18.87
Marino, Christopher	01/13/10	Working Dinner - One Professional	25.00
Murphy, Brendan J	01/27/10	Working Dinner - One Professional	21.00
			<u>\$ 89.53</u>

Transportation Detail [All in-town late night taxis are allowed after 8pm, otherwise public transportation is required]

Professional	Date	Description	Amount
Murphy, Brendan J	12/15/09	East Coast car svc home to NYP	\$ 37.91
Murphy, Brendan J	01/04/10	NYC taxi late night office to home	16.00
Sussman, Jacob	01/04/10	NYC taxi late night office to home	15.00
Marino, Christopher	01/08/10	NYC taxi late night office to home	14.00
Sussman, Jacob	01/08/10	NYC taxi late night office to home	15.00
Murphy, Brendan J	01/11/10	NYC taxi late night office to home	16.00
Marino, Christopher	01/13/10	NYC taxi late night office to home	12.00
Murphy, Brendan J	01/19/10	NYC taxi late night office to home	13.00
Sussman, Jacob	01/21/10	NYC taxi late night office to home	13.00
Marino, Christopher	01/25/10	NYC taxi late night office to home	14.00
Williams, Brent	01/26/10	Philly taxi to PHL	65.00
Murphy, Brendan J	01/27/10	NYC taxi late night office to home	12.00
			<u>\$ 242.91</u>

Professional Services [Hours Detail and Invoice(s) Attached]

Professional	Date	Description	Amount
Miller, Erica	01/01/10 - 01/31/10	Independent Counsel to Process Fee Application	\$ 1,087.80
			<u>\$ 1,087.80</u>

Chanin & Company LLC

Summary of **PHILADELPHIA NEWSPAPERS** Hours for Erica Jones Miller

Period from January 1, 2010 through January 31, 2010

Professional Services Performed for Chanin Capital Partners

<u>Date</u>	<u>Description</u>	<u>Hours</u>	<u>Rate/Hour</u>	<u>Billed Amount</u>
5-Jan-10	Worked on October, November and interim.	0.50	\$ 98.00	\$ 49.00
6-Jan-10	Worked on October. Emails re: same. Worked on interim.	0.50	98.00	49.00
7-Jan-10	Completed and sent October. Worked on interim. Emails re: same.	1.50	98.00	147.00
8-Jan-10	Follow up emails re: status. Worked on November and interim.	1.20	98.00	117.60
11-Jan-10	Worked on interim fee app.	0.80	98.00	78.40
12-Jan-10	Worked on interim application and November. Emails re: same.	1.00	98.00	98.00
13-Jan-10	2nd interim completed and sent.	1.80	98.00	176.40
14-Jan-10	Emails and revisions for interim app.	0.50	98.00	49.00
15-Jan-10	Emails re: interim app. Worked on November.	1.00	98.00	98.00
25-Jan-10	Reviewed case docket. Worked on December fee statement.	1.00	98.00	98.00
26-Jan-10	Worked on December statement.	1.00	98.00	98.00
28-Jan-10	Emails with counsel re: CNO. Reviewed case docket.	0.30	98.00	29.40
Total January Hours		11.10		\$ 1,087.80