

**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 (SR)
)	
Debtors.)	Jointly Administered
)	

**LOCAL RULE 2016-5 SEVENTEENTH REQUEST FOR PAYMENT ON ACCOUNT
FOR COMPENSATION AND REIMBURSEMENT OF EXPENSES OF DILWORTH
PAXSON LLP, CO-COUNSEL FOR DEBTORS, FOR THE PERIOD
JULY 1, 2010 THROUGH JULY 31, 2010**

Dilworth Paxson LLP (“Dilworth”), counsel to the above-captioned debtors (collectively, the “Debtors”), in accordance with Federal Rule of Bankruptcy Procedure 2016 and Local Bankruptcy Rule 2016-5, requests an award of compensation and reimbursement of actual, necessary expenses and represents:

Part A – Preliminary Statement

1. Dilworth is counsel for the Debtors.
2. All services rendered and incurred for which compensation or reimbursement is requested were performed or incurred for or on behalf of the Debtors.
3. The services described in this request (the “Request”) are actual, necessary services and the compensation requested for those services is reasonable.
4. The expenses described in this Request are actual, necessary expenses.
5. Dilworth makes this Request for compensation and reimbursement of expenses for the period July 1, 2010 through July 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: PMH Acquisition, LLC (1299), Broad Street Video, LLC (4665), Philadelphia Newspapers, LLC (3870), Philadelphia Direct, LLC (4439), Philly Online, LLC (5185), PMH Holdings, LLC (1768), Broad Street Publishing, LLC (4574), Philadelphia Media, LLC (0657) and Philadelphia Media Holdings, LLC (4680).

Part B – General Information

6. General Information
 - A. Date case filed: February 22, 2009.
 - B. Date Application to Approve Employment filed: February 22, 2009.
 - C. Date employment approved: March 16, 2009.
 - D. First date services rendered in the bankruptcy case: February 22, 2009.
 - E. First Request for Payment filed: April 15, 2009
 - F. Supplemental Request for Payment filed: May 11, 2009
 - G. Second Request for Payment filed: May 14, 2009
 - H. Third Request for Payment filed: June 4, 2009
 - I. First Non-Bankruptcy Request for Payment filed: June 5, 2009
 - J. Second Non-Bankruptcy Request for Payment filed: June 26, 2009
 - K. Third Non-Bankruptcy Request for Payment filed: July 7, 2009
 - L. Fourth Non-Bankruptcy Request for Payment filed: July 7, 2009
 - M. Fourth Request for Payment filed: July 7, 2009
 - N. Fifth Non-Bankruptcy Request for Payment filed: August 7, 2009
 - O. Fifth Request for Payment filed: August 7, 2009
 - P. First Interim Non-Bankruptcy Fee Application filed: August 7, 2009
 - Q. First Interim Fee Application: filed August 7, 2009
 - R. Sixth Non-Bankruptcy Request for Payment filed: September 4, 2009
 - S. Sixth Request for Payment filed: September 4, 2009
 - T. Seventh Non-Bankruptcy Request for Payment filed: October 7, 2009
 - U. Seventh Request for Payment filed: October 7, 2009
 - V. Eighth Non-Bankruptcy Request for Payment filed: November 6, 2009

- W. Eighth Request for Payment filed: November 6, 2009
- X. Second Non-Bankr. Interim Fee Application filed: November 10, 2009
- Y. Second Interim Fee Application filed: November 10, 2009
- Z. Ninth Non-Bankruptcy Related Request for Payment
filed: December 3, 2009
- AA. Ninth Request for Payment filed: December 3, 2009
- BB. Tenth Request for Payment filed: January 11, 2010
- CC. Tenth Non-Bankruptcy Related Request for Payment
filed: January 14, 2010
- DD. Eleventh Request for Payment filed: February 10, 2010
- EE. Eleventh Non-Bankruptcy Related Request for Payment filed:
February 22, 2010
- FF. Twelfth Request for Payment filed: March 12, 2010
- GG. Twelfth Non-Bankruptcy Related Request for Payment filed:
March 12, 2010
- HH. Thirteenth Request for Payment filed: April 9, 2010
- II. Thirteenth Non-Bankruptcy Related Request for Payment filed:
May 11, 2010
- JJ. Fourteenth Request for Payment filed: May 14, 2010
- KK. Fourteenth Non-Bankruptcy Related Request for Payment filed:
June 7, 2010
- LL. Fifteenth Request for Payment filed: June 10, 2010
- MM. Fifteenth Non-Bankruptcy Related Request for Payment filed:

June 22, 2010

NN. Sixteenth Request for Payment filed: July 14, 2010

OO. Fourth Interim Fee Application filed: July 20, 2010

PP. Sixteenth Non-Bankruptcy Related Request for Payment filed:

August 6, 2010

7. Attorneys Billing for Compensation Period (July 1, 2010 through July 31, 2010)

CORE BANKRUPTCY TEAM

<u>Name</u>	<u>Hours</u>	<u>Billing Rate</u>	<u>Total</u>
Anne M. Aaronson	20.40	\$395	\$8,058.00
Lawrence G. McMichael	12.70	725	9,207.50
Catherine G. Pappas	100.30	275	27,582.50

BANKRUPTCY LITIGATION TEAM

<u>Name</u>	<u>Hours</u>	<u>Billing Rate</u>	<u>Total</u>
Christie Callahan Comerford	39.50	\$425	\$16,787.50
Erin Galbally	4.80	220	1,056.00
Meryl B. Vinocur	18.70	225	4,207.50

GENERAL (NON-BANKRUPTCY) LITIGATION TEAM

<u>Name</u>	<u>Hours</u>	<u>Billing Rate</u>	<u>Total</u>
Kevin C. Rakowski	1.10	\$375	\$412.50
Laura E. Vendzules	8.40	430	3,612.00
Joshua D. Wolson	10.00	340	3,400.00

CORPORATE

<u>Name</u>	<u>Hours</u>	<u>Billing Rate</u>	<u>Total</u>
Roger F. Wood	1.00	\$495	\$495.00

PARALEGALS

<u>Name</u>	<u>Hours</u>	<u>Billing Rate</u>	<u>Total</u>
Stephanie McFadyen	52.80	\$150	\$7,920.00

TOTAL FEES: \$82,738.50

8. Billing Rates

The billing rates set forth in this Request are the normal hourly rates charged by Dilworth for the services rendered.

Part C – Billing Summary

9. Description of Services

Compensation and reimbursement for expenses is now sought for all reasonable and necessary activities performed in the case from July 1, 2010 through July 31, 2010 including, by categorical listing:

B110 – Case Administration (Fees: \$1,968.50 Total Hours: 11.30)

This category represents coordination and compliance activities, including preparation of schedules, statements and monthly operating reports for filing, coordination of service lists, scheduling and preparation for hearings and other general case administration activities. During the Compensation Period, Dilworth prepared and filed various pleadings related to the bankruptcy cases, coordinated service to interested parties, oversaw the Debtors' compliance with requirements for certain financial documentation and other disclosures, maintained the hearing calendar and prepared and filed related scheduling motions, agendas, and notices and

participated in weekly status conferences with the client. During the Compensation Period, Dilworth coordinated the day-to-day administration of the case which, in connection with a complex chapter 11, involves a host of varied responsibilities, including those described above.

B130 - Asset Disposition (Fees \$1,877.50 Total Hours: 3.30)

This category includes time incurred by Dilworth for actions taken to administer the Debtors' bankruptcy estate through the disposition of assets, including the auction sale of substantially all of the Debtors' assets. Specifically, Dilworth incurred time analyzing cash flow projections and related post auction assignments.

B150 – Meetings of and Communications with Creditors
(Fees: \$137.50 Total Hours: 0.50)

This category includes routine communications with the Debtors' creditors regarding the status of the bankruptcy case, claim distribution, and other issues arising from time to time.

B160 – Fee/Employment Applications (Fees: \$8,718.50 Hours: 42.50)

This category represents certain matters pertaining to retention of counsel and other professionals in the Debtors' cases and addressing responses to such retention. Dilworth incurred time preparing and filing the sixteenth monthly requests for payment on account and fourth interim fee applications. In conjunction with preparation of the requests for payment and fee applications, Dilworth has spent a reasonable amount of time reviewing the billing entries of its professionals and paraprofessionals to ensure that such entries comply with the Court's requirements. Further, Dilworth has incurred time in overseeing the filing of the Debtors' professionals' requests for payments, fee applications, related objections to same, and related certificates of no objection.

B190 – Other Contested Matters (Fees: \$56,176.00 Total Hours: 172.70)

This category generally includes time incurred prosecuting and defending against general contested matters during the bankruptcy case. Specifically, during the Compensation Period, Dilworth spent time assisting in preparing the Memorandum in Opposition to (I) Motion of the Teamsters Pension Trust Fund of Philadelphia & Vicinity for Stay of Confirmation Order Pending Appeal Pursuant to Federal Rule of Bankruptcy Procedure 8005; (II) the Joinder of CWA/ITU Negotiated Pension Plan; (III) the Joinder of United Independent Union-Newspaper Guild of Greater Philadelphia Pension Fund; and (IV) the Joinder Warehouse Employees Local 169 and Employers Joint Pension Fund, Warehouse Employees Local 169, Graphic Communications Conference District Council 9 Local 16-N International Brotherhood of Teamsters, Newspaper and Magazine Employees Union and Philadelphia Publishers Pension Fund, Newspaper and Magazine Employees Union Teamsters Local 1414, and Teamsters Local 628 [Docket No. 2308] and attending the hearing on same. Also during the Compensation Period, Dilworth prepared the Motion for Entry of an Order Directing the Production of Documents from Certain Pension Funds Pursuant to Rule 2004 of the Federal Rules of Bankruptcy Procedure [Docket No. 2346] and related Motion to Expedite Hearing [Docket No. 2347]. Additionally, during the Compensation Period, Dilworth prepared the Objection to Motion for Relief from Stay filed by Alycia Lane [Docket No. 2378] and attended the hearing on same. Dilworth also continued the representation of the Debtors in various District Court proceedings related to the appeal of the Confirmation Order.

B230 – Financing/Cash Collections (Fees: \$55.00 Total Hours: 0.20)

This category generally includes time spent on cash collateral and other financing matters. During the Compensation Period, Dilworth has communicated with co-counsel to address ongoing cash collateral, financing issues, and reporting obligations.

B310 – Claims Administration & Objections (Fees: \$13,805.50 Total Hours: 39.20)

This category includes matters relating to the review and analysis of claims against the Debtors' bankruptcy estate. During the Compensation Period, Dilworth incurred time preparing the Administrative Bar Date Order and Administrative Bar Date Notice for publication. Dilworth also prepared for and attended multiple rescheduled hearings on administrative claim requests filed by Bruce Toll and Republic First. Further, Dilworth negotiated a settlement and prepared a Stipulation Allowing Maurice Johnson to File Proof of Claim Against Philadelphia Newspapers, LLC and Deeming Proof of Claim Timely Filed [Docket No. 2345]. Dilworth also analyzed issues regarding employee related administrative claims.

10. Detail of Hours Expended

Attached hereto as Exhibit A is a listing of categories of services rendered and the hours expended in each category.

11. Request

Based on the above, Dilworth seeks payment of interim compensation in the total amount of \$73,370.92. This total is comprised as follows: \$66,190.80 (80% of the fees for services rendered) plus \$7,180.12 (100% of interim expenses incurred).

Part D – Expense Summary

12. From July 1, 2010 through July 31, 2010, Dilworth has expended \$7,180.12 for expenses in connection with the services provided to the Debtors. Set forth in Exhibit B is a list

that shows the type of expenses for which reimbursement is sought and the amount of reimbursement sought for each type for the Compensation Period.

13. The following expenses listed on Exhibit B are calculated using Dilworth's in-house actual cost or the actual amount billed by a third party provider: Postage/Freight, Messenger/Courier Services, Court Reporting/Transcripts, Search Fees, Information Services and Outside Duplicating Services.

14. The following expenses listed on Exhibit B are not calculated using Dilworth's in-house actual cost or the actual amount billed by a third party provider: Duplicating and Fax.

15. Copy charges are calculated at a discounted rate of \$.23 per page. Facsimile charges are calculated at \$1.00 per page.

16. On Exhibit B, the category titled Information Services includes charges for docket searches through Pacer. Pacer charges are billed at actual cost. Westlaw and Lexis charges are billed by Dilworth, in these cases, upon receipt of invoice from Westlaw and Lexis and in the amount actually paid by Dilworth to Westlaw and Lexis.

WHEREFORE, Dilworth requests payment of interim compensation in the total amount of \$73,370.92. This total is comprised as follows \$66,190.80 (80% of the fees for services rendered) plus \$7,180.12 (100% of interim expenses incurred).

Dated: August 24, 2010

/s/ Lawrence G. McMichael

DILWORTH PAXSON LLP

Lawrence G. McMichael

Anne M. Aaronson

Catherine G. Pappas

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Philadelphia, PA 19102

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Facsimile: (215) 575-7200

Co-Counsel for the Debtors and Debtors in Possession

EXHIBIT A

[Categories of Service]

DILWORTH PAXSON LLP
1500 MARKET STREET
SUITE 3500E
PHILADELPHIA, PA 19102-2101

PHILADELPHIA NEWSPAPERS, LLC

Invoice Number 246952
Invoice Date 08/23/10
Due Date 09/22/10
Client Number 26883
Matter Number 86427

SUMMARY OF TIME BILLED BY TASK:

			Hours	Value
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TOTAL TASK	B110	Case Administration	11.30	1,968.50
TOTAL TASK	B130	Asset Disposition	3.30	1,877.50
TOTAL TASK	B150	Meetings of and Communicat	0.50	137.50
TOTAL TASK	B160	Fee/Employment Application	42.50	8,718.50
TOTAL TASK	B190	Other Contested Matters (e	172.70	56,176.00
TOTAL TASK	B230	Financing/Cash Collections	0.20	55.00
TOTAL TASK	B310	Claims Administration and	39.20	13,805.50
INVOICE TOTAL			269.70	82,738.50
			=====	=====

