

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

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

**REQUEST FOR PAYMENT OF FEES AND REIMBURSEMENT
OF EXPENSES OF O'MELVENY & MYERS LLP FOR THE PERIOD
JULY 1, 2009 THROUGH JULY 31, 2009, PURSUANT TO LOCAL RULE 2016-5**

O'Melveny & Myers LLP ("OMM"), lead counsel to the Official Committee of Unsecured Creditors (the "Committee") appointed in the chapter 11 cases of the above-captioned debtors and debtors-in-possession (the "Debtors"), in accordance with Rule 2016 of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules") and Rule 2016-5 of the Local Rules for the United States Bankruptcy Court for the Eastern District of Pennsylvania (the "Local Bankruptcy Rules"), requests an award of fees and reimbursement of expenses, a summary of which is annexed hereto as Exhibit A, incurred during the period from July 1, 2009 through July 31, 2009 (the "Compensation Period").²

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), Philadelphia Media, LLC (0657) and Philadelphia Media Holdings, LLC.

² It is possible that some time entries and expenses for the period ended July 31, 2009 have not yet been entered in OMM's accounting system. OMM reserves the right to seek payment for such fees and expenses in subsequent monthly statements submitted pursuant to LBR 2016-5 and in OMM's fee applications.

JURISDICTION

1. The Court has jurisdiction over this application pursuant to 28 U.S.C. § 1334. Venue is proper pursuant to 28 U.S.C. §§1408 and 1409. This Application is a core proceeding pursuant to 28 U.S.C. § 157(b).

PRELIMINARY STATEMENT

OMM is lead counsel to the Committee. All services for which compensation is requested by OMM were performed for or on behalf of the Committee. The services described in this request are actual and necessary and the compensation requested is reasonable. The expenses described in this request are actual and necessary expenses.

GENERAL INFORMATION

2. The petitions in these cases were filed on February 22, 2009.
3. OMM's employment application was filed on March 20, 2009.
4. OMM's employment application was approved on April 9, 2009, *nunc pro tunc* to March 2, 2009.
5. OMM first rendered services to the Committee on March 2, 2009.
6. Billing Rates. The billing rates set forth in this Request are the normal rates charged by OMM for the services rendered.
7. Attorneys and paraprofessionals billing for the Compensation Period (July 1, 2009 through July 31, 2009) are set forth below:

<u>TIMEKEEPER</u>	<u>HOURS</u>	<u>RATE</u>	<u>VALUE</u>
ROBERT BLASHEK	10.10	860.00	\$ 8,888.00
BEN LOGAN	39.50	860.00	33,970.00
TOM JERMAN	.90	860.00	774.00

<u>TIMEKEEPER</u>	<u>HOURS</u>	<u>RATE</u>	<u>VALUE</u>
GERALD BENDER	60.80	810.00	49,248.00
GERALD BENDER (NON-WORKING TRAVEL TIME)	6.00	810.00	2,430.00
JASON ALDERSON	1.30	565.00	734.50
ANNIE JEONG	2.60	540.00	1,404.00
ORLY NHAISSI	.80	490.00	392.00
JENNIFER TAYLOR	13.40	480.00	6,432.00
MELANIE McLAUGHLIN	81.30	425.00	34,552.50
MELANIE McLAUGHLIN (NON-WORKING TRAVEL TIME)	1.50	425.00	318.75
LYNN TALAB	1.00	310.00	310.00
ROBERT WAJDA	1.00	260.00	260.00
TOTAL	220.20		\$139,713.75

BILLING SUMMARY

8. Activities performed during the Compensation Period, by categorical listing, include the following:

A. Business Operations (003)

Fees: \$243.00 Total Hours: .30

9. The work performed by OMM in this category includes review of the Debtors' motions related to the assumption and rejection of leases.

B. Case Administration (004)

Fees: \$11,160.50 Total Hours: 20.10

10. The work performed by OMM in this category includes review and coordination regarding the large assortment of pleadings filed in these cases that do not fit in another category, general coordination with the Debtors and discussions with members of the Committee regarding the overall status of these cases.

C. Claims Administration and Objections (005)

Fees: \$417.00 Total Hours: .80

11. The work performed by OMM during the Compensation Period charged to this category includes OMM's work to review and answer creditors' questions regarding claims procedures and review of filings regarding the proposed extension of the bar date for Key Equipment Finance, Inc.

D. Employee Benefits / Pensions (006)

Fees: \$2,867.00 Total Hours: 4.10

12. This category includes work performed by OMM in analyzing various issues related to the Debtors' unions.

E. Fee/Employment Applications (007)

Fees: \$8,067.50 Total Hours: 18.80

13. The work performed by OMM during the Compensation Period charged to this category includes (i) discussions with the U.S. Trustee regarding certain aspects of prior fee requests and revisions to them based on these discussions, (ii) conflicts review and drafting of supplemental declaration to be filed in connection with the bankruptcy case of Philadelphia Media Holdings, LLC, and (iii) preparation of OMM's monthly payment application for June 2009.

F. Fee/Employment Objections (008)

Fees: \$3,237.50 Total Hours: 4.90

14. The work performed by OMM during the Compensation Period charged to this category includes review of fee requests submitted by other estate professionals and work relating to the Debtors' appeal from the Bankruptcy Court's order denying the Debtors' application to retain special litigation counsel to investigate a taping of a pre-petition meeting

with the senior lenders.

G. Financing (009)

Fees: \$17,606.50 Total Hours: 24.30

15. The work performed by OMM during the Compensation Period that was charged to this category related mainly to the review, analysis and negotiations of the DIP proposals and related litigation between the Debtors and the senior lenders. In addition, OMM performed work related to the Debtors' use of cash collateral, including negotiating the eighth and ninth interim cash collateral stipulations and OMM's coordination with Chanin concerning the Debtors' projected cash flows and actual performance.

H. Litigation (010)

Fees: \$243.00 Total Hours: .30

16. The work performed by OMM during the Compensation Period that was charged to this category related to discussions with local counsel regarding the investigation of the taping incident involving the senior lenders.

I. Meeting of Creditors (011)

Fees: \$25,107.00 Total Hours: 37.80

17. This category includes OMM's participation in weekly telephonic meetings with the Debtors' professionals and separate weekly telephonic meetings with the members of the Committee. Both sets of meetings dealt with assorted current issues and upcoming events. In addition, OMM prepared for and participated in an in-person meeting between the Debtors and the members of the Committee held on July 9, 2009 to discuss the status of business operations and the chapter 11 cases.

J. Plan and Disclosure Statement (012)

Fees: \$40,284.00 Total Hours: 62.30

18. The work performed by OMM during the Compensation Period that was charged to this category related mainly to the analysis of possible issues affecting alternative plans of reorganization and discussions with representatives for the Debtors and the senior lenders regarding possible plan structures and terms.

K. Tax Issues (020)

Fees: \$19,236.00 Total Hours: 23.10

19. The work performed by OMM during the Compensation Period that was charged to this category related mainly to research regarding various tax consequences of plan structures and related communications between counsel for the Committee and the Debtors.

L. Review of Secured Debt (022)

Fees: \$8,496.00 Total Hours: 15.90

20. The work performed by OMM during the Compensation Period that was charged to this category related mainly to the review and analysis of the senior loan documents and liens and negotiations with the senior lenders related to the extension of time in which the Committee must bring an action on the results of such investigation.

M. Non-Working Travel (023)³

Fees: \$2,748.75 Total Hours: 7.50

21. The time billed by OMM during the Compensation Period that was charged to this category related to travel time that was not otherwise billed to any other matter.

EXPENSE SUMMARY

22. During the Compensation Period, OMM incurred \$6,483.30 in expenses. Set forth in Exhibit A is a summary of the expenses by category.⁴

³ Non-working travel is billed at one half the attorney's hourly rate.

⁴ OMM has charged \$1.00 per page for out-going facsimile transmissions and \$.10 per page for photocopying expenses for this case. Actual long-distance carrier charges for outgoing facsimile transmissions are reflected in the long-distance telephone NY1:1788259.2

By this application, OMM seeks payment of their compensation totaling \$118,254.30. This consists of \$111,771.00 (80% of \$139,713.75) for fees and \$6,483.30 for reimbursement of actual and necessary expenses.

August 19, 2009
New York, New York

/s/ Gerald C. Bender
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charges. Regarding providers of on-line legal research (e.g., LEXIS and WESTLAW), OMM charges all its clients the standard usage rates these providers charge, which, due to contractual flat fees, may not always equal OMM's actual cost. OMM is currently under contract to pay these providers a flat fee every month. For certain months the flat fee may be higher than actual usage. For certain other months the flat fee may be lower than actual usage. Charging its clients the on-line providers' standard usage rates allows OMM to cover adequately the monthly flat fees it must pay to these types of providers. OMM believes the foregoing rates are the market rates that the majority of law firms charge clients for such services. In addition, OMM believes that such charges are in accordance with the American Bar Association's ("ABA") guidelines, as set forth in the ABA's Statement of Principles, dated January 12, 1995, regarding billing for disbursements and other charges.

NY1:1788259.2

EXHIBIT A

EXPENSES

	<u>AMOUNT</u>
COPYING	\$ 18.20
LASERTRAK PRINTING	281.40
ONLINE RESEARCH - LEXIS-NEXIS	57.53
ONLINE RESEARCH (MISCELLANEOUS)	227.28
ONLINE RESEARCH - WESTLAW	2,102.38
LOCAL TRAVEL (TAXI)	80.72
EXPENSE REPORT OTHER - INCLUDES OUT OF TOWN TRAVEL	623.09
OUT-OF-TOWN TRAVEL (DIRECT BILL FIRM - AIRFARE)	2,979.54
OTHER PROFESSIONALS (ACCOUNTS PAYABLE)	113.16
TOTAL	\$6,483.30

SUMMARY OF TIME BILLED BY TASK

	HOURS	VALUE
003 BUSINESS OPERATIONS	.30	\$243.00
004 CASE ADMINISTRATION	20.10	11,160.50
005 CLAIMS ADMINISTRATION AND OBJECTIONS	.80	417.00
006 EMPLOYEE BENEFITS / PENSIONS	4.10	2,867.00
007 FEE / EMPLOYMENT APPLICATION	18.80	8,067.50
008 FEE / EMPLOYMENT OBJECTIONS	4.90	3,237.50
009 FINANCING	24.30	17,606.50
010 LITIGATION	.30	243.00
011 MEETINGS OF CREDITORS	37.80	25,107.00
012 PLAN AND DISCLOSURE STATEMENT	62.30	40,284.00
020 TAX ISSUES	23.10	19,236.00
022 REVIEW OF SECURED DEBT	15.90	8,496.00
023 NON-WORKING TRAVEL TIME	7.50	2,748.75
TOTAL	220.20	\$139,713.75

SUMMARY OF EXPENSES

004 CASE ADMINISTRATION	\$6,483.30
TOTAL OF FEES AND EXPENSES	\$146,200.05