

#125 - hourly rate compensable for experienced, knowledgeable attorney in Chapter 11.

IN THE UNITED STATES BANKRUPTCY COURT

FILED

at 4:20'clock & 38 min. P.M

FOR THE

Date 6/4/90

SOUTHERN DISTRICT OF GEORGIA
Savannah Division

MARY C. BECTON, CLERK
United States Bankruptcy Court
Savannah, Georgia PCB

In the matter of:)
)
BOUY, HALL & HOWARD)
AND ASSOCIATES)
A Georgia Partnership)
)
Debtor)

Chapter 11 Case

Number 89-41946

MEMORANDUM AND ORDER
ON APPLICATION FOR ATTORNEYS FEES

On April 23, 1990, McCallar & Associates, attorneys for the debtor-in-possession, filed an Interim Application for Professional Services rendered from December 19, 1989, through April 2, 1990. After consideration of the application and all objections thereto, the Court makes the following Findings of Fact and Conclusions of Law.

FINDINGS OF FACT AND CONCLUSIONS OF LAW

The Application seeks compensation for the following services which are fully detailed in the application in a manner

sufficient to determine the nature and extent of all services performed:

C. James McCallar, Jr.	45.62 hrs./\$125.00 per hour	= \$ 5,702.50	
H. Joseph Chandler, Jr.	35.60 hrs./\$125.00 per hour	= \$ 4,450.00	
Mark Bulovic	.60 hrs./\$125.00 per hour	= \$ 75.00	
			<hr/>
Expenses			\$10,227.50
			1,442.94
			<hr/>
	Total		\$11,670.44

Debtor's counsel seeks compensation for services at a rate of \$125.00 per hour. In general this Court has heretofore adopted \$100.00 per hour as the lodestar rate to be paid counsel in cases before this Court. That rate has not been revised for several years. Under Norman v. Housing Authority of the City of Montgomery, 836 F.2d 1292 (11th Cir. 1988) a reasonable hourly rate has been defined in this Circuit as "the prevailing market rate in the relevant legal community for similar services by lawyers of reasonably comparable skills, experience and reputation."

I find that the rate of \$100.00 per hour is no longer the prevailing market rate in the Savannah area for services of experienced, capable, specialized and reputable attorneys' services in Chapter 11 business reorganization cases. In most consumer bankruptcies and in some less complicated Chapter 11 reorganizations, which would qualify for Chapter 13 relief based on

debt structure but are ineligible because the business is incorporated, the \$100.00 rate doubtless is still sufficient to meet the "prevailing rate" test.

However, the time has come to recognize that in larger, more complicated Chapter 11 cases involving larger businesses or unique legal or factual issues, a \$100.00 rate simply does not match the "prevailing market rate" charged by attorneys who are specialized practitioners with substantial years of experience in sophisticated areas of practice. Rather, for services of such a nature I find that \$125.00 per hour is the prevailing market rate in this area. As applied to the facts in this case I conclude that \$125.00 per hour is a reasonable rate of compensation for C. James McCallar, Jr., and Mark Bulovic, Debtors' attorneys in this Chapter 11 case, based upon the experience of these attorneys in Chapter 11 matters and their work performed in this case. I further find that \$100.00 per hour is a reasonable rate of compensation for H. Joseph Chandler, Jr.

The services described in the Application for Interim Compensation are adequately detailed, were actually rendered by the Applicants, and with one exception were necessarily expended for the benefit of the estate. Considerable research has been devoted to cash collateral issues which are commonly encountered in Chapter 11

cases. However, Debtor's counsel asserts that the particular cash collateral issue in this case is a novel one, the outcome of which is critical to the success of the case. In that context it may well be that all of the research time on cash collateral may be compensable, but at this point it would be premature to so rule. Only after the cash collateral issue is resolved can the necessity of the time spent and the benefit to the estate be assessed. Accordingly, I will now allow compensation for only one half of the research time performed by the Debtor's attorneys on the cash collateral issue pending a further determination by this Court as to the benefit derived by the estate for research on this issue. A recalculation of the time has been made and attached to this order disclosing the time and expenses hereby approved. Debtor's attorneys may on later application request that this additional research time be compensated. I also find that the expenses detailed in the Application are adequately described, reasonable and necessarily incurred for the benefit of the estate.

O R D E R

Pursuant to the foregoing Findings of Fact and Conclusions of Law, IT IS THE ORDER OF THIS COURT that the firm of McCallar & Associates is awarded interim attorney's fees in the

amount of \$8,327.50 and reimbursement of expenses in the amount of \$1,442.94.

FURTHER ORDERED that the Debtor is authorized to pay McCallar & Associates the total sum of \$9,770.44 as an administrative expense.



Lamar W. Davis, Jr.
United States Bankruptcy Judge

Dated at Savannah, Georgia

This 4th day of June, 1990.