

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re:) Chapter 11
)
INACOM CORP., et al.,¹) Case No. 00-2426 (PJW)
) Jointly Administered
)
Debtors.)

Objection Deadline: November 20, 2002 at 4:00 p.m.
Hearing Date: November 26, 2002 at 2:00 p.m.

**MOTION OF WERB & SULLIVAN FOR FIRST QUARTERLY FEE APPLICATION
FOR COMPENSATION FOR SERVICES RENDERED AND REIMBURSEMENT OF
EXPENSES AS SPECIAL DELAWARE COUNSEL FOR DEBTORS FOR
THE PERIOD OF MAY 29, 2002 THROUGH SEPTEMBER 30, 2002**

Name of Applicant: Werb & Sullivan

Authorized to Provide
Professional Services to: Debtors and Debtors-in-Possession

Date of Retention: May 29, 2002

Period for which Compensation
and Reimbursement is Sought: May 29, 2002 through September 30, 2002

Amount of Compensation Sought as
Actual, Reasonable and Necessary: \$24,367.50

Amount of Expense Reimbursement
Sought as Actual, Reasonable and
Necessary: \$ 1,326.20

This is an interim application. No prior Fee Applications have been filed by Werb & Sullivan.

The total time expended on this fee application is approximately 6.8 hours and
the corresponding compensation requested is approximately \$748.00.

¹ The Debtors are the following entities: InaCom Corp.; InaCom Latin America; InaCom Solutions, Inc.; InaCom Communications, Inc.; InaCom Financial Services, Inc.; Perigee Communications, Inc.; Networks, Inc.; Gorham Clark, Inc.; InaCom International, Inc.; InaCom Tennessee, Inc.; InaCom Professional Services, Inc.; Kure Associates, Inc.; Office Products of Minnesota, Inc.; Boston Computer Exchange Corporation; PC Technical Services, Inc.; Vanstar Corporation; Computerland International Development, Inc.; Computerport World Trade, Inc.; Vanstar International Corporation; VST West, Inc.; VST Illinois, Inc.; VSTNC, Inc.; Cland Tex, Inc.; InaCom Government Systems, Inc.; Contract Data, Inc.; Computer Professionals, Inc.; Vanstar Professional Technical Services, Inc.

COMPENSATION BY PROJECT CATEGORY
(May 29, 2002 through September 30, 2002)

PROJECT CATEGORY	TOTAL HOURS	TOTAL FEES
Case Administration	124.7	\$24,367.50
TOTAL FEES:		\$24,367.50

EXPENSE SUMMARY
(May 29, 2002 through September 30, 2002)

EXPENSE CATEGORY	SERVICE PROVIDER	TOTAL EXPENSES
In-House Reproduction (\$.15)		\$174.60
Outside Reproduction	PARCELS, INC.	\$323.85
Scanning Services	Virtual Docket, Inc.	\$406.35
Overnight Courier	(a) UPS (b) Federal Express	\$ 37.18 \$ 29.47
Postage		\$ 24.75
Local Courier		\$330.00
TOTAL EXPENSES:		\$1,326.20

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Pursuant to §§ 330 and 331 of Title 11 of the United States Code (the “Bankruptcy Code”), Rule 2016 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”), and the Court’s Administrative Order Pursuant to §§ 105(a) and 331 of the Bankruptcy Code Establishing Procedures for Allowance and Payment of Monthly Interim Compensation and Reimbursement of Expenses of Professionals, as modified on December 12, 2000 (the “Administrative Order” (Docket No. 1027)), Werb & Sullivan hereby moves this Court for an Order awarding it reasonable compensation with respect to the bankruptcy cases of the above-captioned Debtors (collectively the “Debtors”) for professional legal services rendered on behalf of the Debtors in the amount of \$24,367.50, together with reimbursement for actual and necessary expenses incurred in the amount of \$1,326.20 for the period of May 29, 2002 through September 30, 2002, inclusive (the “Interim Fee Period”). In support of its Application, Werb & Sullivan respectfully represents as follows:

1. Pursuant to an Order entered by this Court on July 8, 2002 (the “Retention Order”), Werb & Sullivan was engaged to provide such legal services as are necessary and

requested in furtherance of the Debtors' Chapter 11 case including, without limitation, rendering legal advice on bankruptcy, corporate litigation, and acting as the Debtors' Special Delaware Counsel with regard to Adversary Complaints filed to avoid and recover preferential transfers pursuant to 11 U.S.C. § 547 and 550, to avoid and recover fraudulent transfers pursuant to 11 U.S.C. §§ 548 and 550 and to disallow claims pursuant to 11 U.S.C. § 502(d). The Retention Order authorized Werb & Sullivan to be compensated on an hourly basis and to be reimbursed for actual and necessary out-of-pocket expenses. At all relevant times, Werb & Sullivan has been a disinterested person, as that term is defined in § 101(14) of the Bankruptcy Code (the "Code"), and has not represented nor held any interest adverse to the interest of the Debtors with respect to the matters for which Werb & Sullivan is engaged.

2. All services for which compensation is requested by Werb & Sullivan were performed for or on behalf of the Debtors and not on behalf of any committee, creditor or other person.

3. Werb & Sullivan has received no payment or promise of payment for the services rendered in these cases other than those as expressed in the Court's Retention Order. No agreement or understanding exists between Werb & Sullivan and any other entity for the sharing of compensation to be received for services rendered in or in connection with these cases.

4. This request and interim fee application is the first such fee request made by Werb & Sullivan and, as of the date of this Motion and Request, Werb and Sullivan has not been compensated in any way for legal services rendered or for expenses incurred in its representation of the Debtors.

SUMMARY OF SERVICES RENDERED

5. The attorney of Werb & Sullivan who has rendered professional services in these

cases during the Interim Fee Period is Duane D. Werb. In addition, Law Clerk services were provided by Joseph Bongiorno, Jennifer Unhoch and Jonathan O'Neill.

6. Werb & Sullivan, by and through the above-named persons, has advised the Debtors on a regular basis with respect to multiple legal matters in connection with these Chapter 11 proceedings and has worked closely with the law firm of McDonald, Hopkins, Burke & Haber CO., L.P.A. in Cleveland, Ohio in providing extensive services to the Debtors in furtherance of Werb & Sullivan's professional responsibilities as special counsel to the Debtors. Werb & Sullivan has performed all necessary professional services which are described and narrated in detail hereinafter.

SUMMARY OF SERVICES BY CATEGORY

7. The services rendered by Werb & Sullivan during the Interim Fee Period can be grouped into the categories set forth below. The attorney and law clerks that rendered services relating to each category are identified below, along with the number of hours for each individual and the total compensation sought for each category

DISBURSEMENTS

8. Werb & Sullivan has incurred out-of-pocket expenses during the Interim Fee Period in the amount of \$1,326.20 in the rendering of professional services. Such expenses were necessary and reasonable in scope and amount and do not include a charge for profit. The expenses are broken down into categories of charges, including, among other things, in-house reproduction, outside reproduction, courier services, postage, scanning fees, etc. Moreover, the expenses incurred comply with the provisions of Local Bankruptcy Rule 32.

VALUATION OF SERVICES

9. Attorneys and law clerks of Werb & Sullivan have expended a total of 124.7

hours in connection with this matter during the Interim Fee Period as follows:

<u>ATTORNEY(S)</u>	<u>TOTAL HOURS</u>
Duane D. Werb	32.3
<u>LAW CLERKS</u>	<u>TOTAL HOURS</u>
Joseph Bongiorno	57.8
Jennifer Unhoch	8.7
Jonathan O'Neill	25.9

The hourly rates for these Services are as follows:

<u>ATTORNEY(S)</u>	<u>TOTAL HOURS</u>
Duane D. Werb	\$395.00
<u>LAW CLERKS</u>	<u>TOTAL HOURS</u>
Joseph Bongiorno	\$135.00
Jennifer Unhoch	\$110.00
Jonathan O'Neill	\$110.00

10. In accordance with the factors enumerated in 11 U.S.C. § 330, the amount requested is fair and reasonable given: (a) the complexity of these cases; (b) the time expended; (c) the nature and extent of the services rendered; (d) the value of such services; and (e) the costs of comparable service other than in a case under this Title.

WHEREFORE, Werb & Sullivan requests an Order approving the fees and expenses incurred during the Interim Fee Period for the benefit of the Debtors and that allowance be made to it in the sum of \$24,367.50 as compensation for necessary professional service rendered to the Debtors during the Interim Fee Period, and the sum of \$1,326.20 for reimbursement of necessary costs and expenses, for a total of \$25,693.70, and further request such other and further relief as

this Honorable Court may deem just and proper.

Dated: October 30, 2002
Wilmington, Delaware

WERB & SULLIVAN

By: /s/ Duane D. Werb
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*Special Delaware Counsel for InaCom
Corp., on behalf of the estates of Debtors
InaCom Corp., et al.*