

IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE NORTHERN DISTRICT OF OHIO  
EASTERN DIVISION

IN RE:	)	
	)	
LTV STEEL COMPANY, INC.,	)	Chapter 11
a New Jersey corporation, <u>et al.</u> ,	)	Jointly Administered
	)	Case No. 00-43866
Debtors	)	Successor to
	)	Judge William T. Bodoh

**SUMMARY OF SECOND INTERIM AND FINAL FEE APPLICATION OF  
MCDERMOTT, WILL & EMERY FOR INTERIM ALLOWANCE  
OF COMPENSATION AND REIMBURSEMENT OF EXPENSES AS  
SPECIAL LABOR COUNSEL TO COPPERWELD CORPORATION FOR THE  
PERIOD MAY 28, 2003 THROUGH JANUARY 31, 2004**

**Name of Application: McDermott, Will & Emery**

Authorized to provide professional services to:	Copperweld Corporation
Date of Retention:	July 15, 2003 ( <i>nunc pro tunc</i> to May 28, 2003)
Period for which Compensation and Reimbursement is Sought:	May 28, 2003 through January 31, 2004
Amount of Compensation for Services Sought to be Reimbursed as Actual, Reasonable and Necessary:	\$215,429.50
Amount of Expenses Sought to be Reimbursed to be Reimbursed as Actual, Reasonable and Necessary	\$15,019.58
Total Amount of Fees and Expenses Sought to be Reimbursed as Actual, Reasonable and Necessary:	\$230,449.08

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EASTERN DIVISION

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	)	Chapter 11
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a New Jersey corporation, <u>et al.</u> ,	)	Jointly Administered
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Debtors	)	
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	)	Judge William T. Bodoh

**SECOND INTERIM AND FINAL FEE APPLICATION  
OF MCDERMOTT, WILL & EMERY FOR  
ALLOWANCE OF COMPENSATION AND REIMBURSEMENT OF  
EXPENSES AS SPECIAL LABOR COUNSEL TO COPPERWELD CORPORATION  
FOR THE PERIOD JANUARY 11, 2001 THROUGH JANUARY 31, 2004**

McDermott, Will & Emery ("MWE"), pursuant to Federal Bankruptcy Rule 2016, hereby makes this Application ("Application") for an allowance of \$54,995.50 in interim compensation for professional services rendered and \$6,984.93 in expense reimbursement for costs incurred on behalf of Copperweld Corporation (the "Copperweld") for the period of September 1, 2003 through January 31, 2004. Based on the attached time records, MWE's services and expenses at its usual and customary rates are \$60,629.56. MWE has performed substantial and valuable services for the Debtor for which MWE is entitled to payment pursuant to § § 330 and 331 of Title 11 of the United States Code. In support of this Application, MWE states as follows:

### Introduction

1. On December 29, 2000, LTV Steel Company, Inc. (the "Debtors") Debtors filed their voluntary petitions for relief under Chapter 11 of Title 11 of the United States Code (the "Bankruptcy Code") with the clerk of this Court.

2. The Debtors continue in the management and possession of their businesses and properties as debtors-in-possession pursuant to Sections 1107 and 1108 of the Bankruptcy Code. No trustee or examiner has been appointed herein.

3. On July 15, 2003, this Court issued an Order appointing the Applicant as Special Labor Counsel for Copperweld, nunc pro tunc, as of May 28, 2003, a copy of which is attached hereto as Exhibit A.

4. On December 23, 2003, this Court entered the Order Authorizing LTV Steel Company, Inc. and Georgia Tubing Corporation to Establish Distribution and Dismissal Procedures and Granting Certain Related Relief (D.I. 7163). Paragraph (f) therein provides for a bar date for filing final fee applications for professionals for the period from the Petition Date to the Initial Distribution Date (January 22, 2004). The bar date therein established is 60 days after the Initial Distribution Date, or March 1, 2004, whichever is later, for professional fees and expenses rendered to the Debtors. This Application is filed pursuant to and in accordance with that Order.

### Summary Of Compensation And Expense Reimbursement Requested

5. This is the Second and Final Application of McDermott, Will & Emery for Allowance of Interim Compensation and Expenses Reimbursement and is for the period of September 1, 2003 through January 31, 2004 and all amounts previously held back. MWE has submitted its First Application request for payment of its fees and expenses which have been approved by this Court. MWE has not been paid any retainer in this case.

6. This Application seeks final Court approval for all fees and expenses incurred by McDermott during the period of May 28, 2003 through January 31, 2004, and is subject to, *inter alia*, this Court's Order dated January 31, 2001 (the "Administrative Order"). McDermott has received no retainers, but has received interim compensation, pursuant to the Administrative Order, as set forth below. McDermott has no arrangements or agreements with any person(s) regarding payment of its compensation other than the Orders entered by this Court.

7. Each of the persons who has performed services herein has kept daily time records setting forth the services performed and the time expended in connection therewith by category of service (the "Categories") reflected in the Guidelines for Reviewing Applications For Compensation and Reimbursement of Expenses Filed Under 11 U.S.C. § 330 dated March 22, 1995 issued by the Office of the United States Trustee (the "Guidelines").

8. Set forth in Exhibit B is a listing of the names and hourly rates for each professional and paralegal who rendered services during McDermott's representation of Copperweld, and when they last did work for Copperweld. Set forth in Exhibit C is a chronological listing of services for the period May 28, 2003 through January 31, 2004

performed by individual professionals under the same matter Categories set forth in the Guidelines. Set forth in Exhibit D is a copy of the Order of Court approving McDermott's prior application for interim compensation and reimbursement of fees. Set forth in Exhibit E is a summary of each monthly statement, including a breakdown of fees and expenses incurred in each matter category. Set forth in Exhibit F is a chart showing expenses in the amount of \$15,019.58 incurred during McDermott's representation of Copperweld.

9. Set forth below is a chart summarizing the interim applications filed by McDermott as counsel to Copperweld, the date on which such applications were approved by this Court, those amounts which were paid, and those amounts which remain unpaid.

10. In support of its request for final allowance of compensation and reimbursement sought in this Application, McDermott incorporates all prior interim fee applications filed in its capacity as counsel to Copperweld in this case by reference.

**SUMMARY OF MCDERMOTT, WILL & EMERY REQUEST  
FOR COMPENSATION AND REIMBURSEMENT OF EXPENSES  
FOR FEES AND EXPENSES INCURRED**

Period Covered	Requested Fees	Requested Expenses	Status	Balance Due
5/28/03-8/31/03	\$160,434.00	\$8,034.65	Approved 12/10/03 Fees Paid: \$156,356.50 <sup>1</sup> Expenses Paid: \$8,034.65	\$0
9/1/03 – 1/31/04	\$54,995.50	\$6,894.93	Submitted herein: Fees Paid: \$42,959.60 Expenses Paid: \$6,930.06	\$10,739.90

<sup>1</sup> A reduction was made because certain travel entries were not billed at 50%.

### Project Summaries

11. Set forth below is a narrative summary of the Category under which material and substantial services were performed by the Applicant during the period May 28, 2003 through January 31, 2004. Reference should be made to the attachments hereto for a more detailed description of the services.

### Employee Matters

MWE attorneys worked with management and other Company professionals in preparation for and negotiation new collective bargaining agreements with the United Steelworkers of America and representing the Company in discussions with the Pension Benefit Guaranty Corporation concerning termination of defined benefit pension plans.

### Allowance of Compensation

12. Section 330(a)(1) of the Bankruptcy Code provides, in pertinent part, that the Court may award to a professional person:

reasonable compensation for actual, necessary services rendered . . .

13. Section 330(a)(3)(A), in turn, provides:

In determining the amount of reasonable compensation to be awarded, the court shall consider the nature, the extent, and the value of such services, taking into account all relevant factors, including –

- (A) the time spent on such services;
- (B) the rates charged for such services;
- (C) whether the services were necessary to the administration of, or beneficial at the time at which the service was rendered toward the completion of, a case under this title;
- (D) whether the services were performed within a reasonable amount of time commensurate with the complexity,

importance, and nature of the problem, issue, or task addressed;  
and

(E) whether the compensation is reasonable based on the customary compensation charged by comparably skilled practitioners in cases other than cases under this title.

11 U.S.C. § 330(a)(3)(A). The clear Congressional intent and policy expressed in this statute is to provide for adequate compensation in order to continue to attract qualified and competent bankruptcy practitioners to bankruptcy cases.

14. As shown by this Application and supporting documents, McDermott spent its time economically and without unnecessary duplication. In light of the complexity of this case, McDermott preformed services for Copperweld in a reasonable amount of time and at rates which are reasonable when compared with practitioners of comparable skill and experience in non-bankruptcy cases.

15. McDermott additionally incurred actual out-of-pocket expenses in connection with rendering professional services to Copperweld as indicated at Exhibit F for which McDermott has requested reimbursement. The disbursements and expenses have been incurred in accordance with McDermott's normal practice of charging clients for expenses clearly related to and required by particular matters. McDermott has endeavored to minimize these expenses to the fullest extent possible.

16. McDermott's billing rates do not include charges for photocopying, telephone and telecopier toll charges, computerized research, travel expenses, "working meals," secretarial overtime, postage, and certain other office services, since the needs of each client for such services differ. McDermott believes that it is most fair to charge each client only for the services

actually used in performing services for that client. In these proceedings, McDermott charges \$.20 per page for internal duplicating and McDermott charges the actual third party telephone charges for outgoing facsimiles. McDermott does not charge for incoming facsimile transfers. The expenses incurred by McDermott are in compliance with the Administrative Order and Guidelines.

17. No agreement or understanding exists between McDermott and any other person for the sharing of any compensation to be received for professional services rendered or to be rendered in connection with these cases.

18. No prior application has been made in this or in any other Court for the relief requested herein.

#### Certification

19. The undersigned hereby certifies that Copperweld has reviewed all invoices submitted herein and further certifies that McDermott has complied with the Administrative Order dated January 31, 2001. The undersigned has read this Application and to the best of his knowledge, information, and belief, formed after reasonable inquiry, the compensation and expense reimbursement sought comports with the Guidelines, unless otherwise specifically noted herein. The undersigned further certifies that the compensation and reimbursement for which Court approval is sought are billed at rates and are in accordance with practices no less favorable to the Debtor than those customarily employed by McDermott generally, unless otherwise specifically noted herein.

WHEREFORE, McDermott respectfully requests that this Court enter an Order:



- (1) Granting final approval for the allowance for compensation of professional services rendered to Copperweld during the period from May 28, 2003 through and including January 31, 2004;
- (2) Granting final approval of the reimbursement of McDermott's out-of-pocket expenses incurred in connection with the rendering of such professional services during the period May 28, 2003 through and including January 31, 2004;
- (3) Authorizing the Debtor to make all payments with respect to the fees and expenses requested in this Application; and
- (4) Granting such other and further relief as this Court may deem just and proper.

MCDERMOTT, WILL & EMERY

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Special Labor Counsel to Copperweld Corporation

Dated: February 27, 2004