

LEYDIG, VOIT & MAYER, LTD
Attorneys for Debtors and
Debtors in Possession
1420 5th Avenue, Suite 2200
Seattle, Washington 98101
(206) 521-5984
Roger D. Wylie

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

In re	:		X
	:	Chapter 11 Case Nos.	
AI REALTY MARKETING OF NEW YORK,	:	01-42052 (AJG) through	
INC., LASER ACQUISITION CORP., DDG I,	:	01- 40290 (AJG)	
INC., SUNBEAM AMERICAS HOLDINGS,	:		
LTD., <u>et al.</u> ,	:	(Jointly Administered)	
	:		
Debtors.	:		
			X

**COVER SHEET PURSUANT TO UNITED STATES TRUSTEE GUIDELINES FOR
REVIEWING APPLICATIONS FOR COMPENSATION AND
REIMBURSEMENT OF EXPENSES FILED UNDER 11 U.S.C. & 330**

FIRST AND FINAL APPLICATION

NAME OF APPLICANT:	Leydig, Voit & Mayer, LTD	
ROLE IN THE CASE:	Attorneys for the Debtors and the Debtors in Possession	
CURRENT APPLICATION: (August 2002)	Fees:	\$68,671.25
	Expenses:	\$17,802.92
	Holdback per Court Order	\$3433.56
NO PRIOR APPLICATIONS		
FINAL APPLICATION:	Total Fees for which Allowance is Requested:	\$68,671.25
	Total Expenses Requested:	\$17,802.92

HOURS BILLED

Counsel

Name	Year Admitted	Hourly Rate	Hours	Total Compensation
Roger D. Wylie	1991	\$350	177.9	\$62,265.00

Paraprofessionals

Name	Type of Work	Hourly Rate	Hours	Total Compensation
Sherie Dodson	Paralegal	\$100	42.2	\$4220.00
Mark Totz	Illustrator	\$55	39.75	\$2186.25

Total

Name	Hours	Total Compensation
Roger D. Wylie	177.9	\$62,265.00
Sherie Dodson	42.2	\$4220.00
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Total	259.85	\$86,474.17

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INC., SUNBEAM AMERICAS HOLDINGS,	:	
LTD., <u>et al.</u> ,	:	(Jointly Administered)
	:	
	:	
Debtors.	:	

**APPLICATION OF LEYDIG, VOIT & MAYER, LTD AS ATTORNEYS FOR THE
DEBTORS, FOR FINAL ALLOWANCE OF COMPENSATION FOR PROFESSIONAL
SERVICES RENDERED AND
FOR REIMBURSEMENT OF ACTUAL AND NECESSARY EXPENSES**

TO THE HONORABLE AUTHOR J. GONZALEZ
UNITED STATES BANKRUPTCY JUDGE:

Leydig, Voit & Mayer, LTD ("LV&M"), attorneys for Sunbeam American Holdings and certain of its direct subsidiaries, as debtors and debtors in possession in these chapter 11 cases (collectively, the "Debtors"), for its final application (the "Final Application"), pursuant to sections 330 of title 11 of the United States Code (the "Bankruptcy Code") and Rule 2016 of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules"), for the final allowance of the 5% holdback for professional services rendered during the month of August in the Final Compensation Period in the amount of \$3433.56 compensation for professional services performed by LV&M for the period commencing August, 2002 through and including December

18, 2002 (the "Final Compensation Period"), and for reimbursement of its actual and necessary expenses incurred during the Final Compensation Period, respectfully represents:

**SUMMARY OF PROFESSIONAL COMPENSATION
AND REIMBURSEMENT OF EXPENSES REQUESTED**

1. Based on the balance of this application, LV&M is requesting allowance of the 5% holdback of professional services rendered during the month of August in the amount of \$3433.56.

2. This Final Application has been prepared in accordance with the Amended Guidelines for Fees and Disbursements for Professionals in Southern District of New York Bankruptcy Cases adopted by the Court on April 19, 1995 (the "Local Guidelines"), the United States Trustee Guidelines for Reviewing Applications for Compensation and Reimbursement of Expenses Filed Under 11 V.S.C. § 330, adopted on January 30, 1996 (the "VST Guidelines") and the Order Pursuant to Sections 1 05(a) and 331 of the Bankruptcy Code Establishing Procedures for Monthly Compensation and Reimbursement of Expenses of Professionals (the "Administrative Order" and, collectively with the Local Guidelines and VST Guidelines, the "Guidelines"). Pursuant to the Local Guidelines, a certification regarding compliance with same is attached hereto as Exhibit "A."

3. LV&M seeks allowance of compensation for professional services rendered to the Debtors and expenses incurred during the month of August, the only month in which it, as an ordinary course professional, exceeded the \$25,000 cap established for this case for ordinary course professionals. During the month of August, the professional services totaled an aggregate amount of \$68,671.25, and reimbursement of expenses incurred in connection with the rendition of such services totaled an aggregate amount of \$17,802.92. During the Final Compensation

Period, LV&M attorneys and paraprofessionals expended a total of 259.85 hours for which allowance of compensation of the 5% holdback is requested.

4. Of the foregoing amounts, 100% (\$17,802.92) of disbursements and 95% (\$65,237.69) of fees are paid to LV&M as an ordinary course professionals, and 5% of the fee amount (\$3433.56) is held back pursuant to the Court's order. This application has been filed to request allowance of the 5% holdback.

5. During the Final Compensation Period, LV&M has received no payment and no promises of payment from any source for services rendered or to be rendered in any capacity whatsoever in connection with the matters covered by this Final Application, other the amounts in paragraph 4, above.

6. There is no agreement or understanding between LV&M and any other person, other than members of the firm, for the sharing of compensation to be received for services rendered in these cases.

7. The fees charged by LV&M in these cases are billed in accordance with its existing billing rates and procedures in effect during the Final Compensation Period. The rates LV&M charges for the services rendered by its professionals and paraprofessionals in to the Debtors are the same rates LV&M charges for professional and paraprofessional services rendered in comparable matters. Such fees are reasonable based on the customary compensation charged by comparably skilled practitioners in comparable cases in a competitive national legal market.

8. Pursuant to the UST Guidelines, annexed hereto as Exhibit "B" is a schedule setting forth all LV&M professionals and paraprofessionals who have performed services in these chapter 11 cases during the Final Compensation Period, the capacities in which each such individual is employed by LV&M, the department in which each individual practices, the hourly

billing rate charged by LV&M for services performed by such individual, the aggregate number of hours expended in this matter and fees billed therefor, and the year in which each professional was first licensed to practice law.

9. Annexed hereto as Exhibit "C" is a schedule specifying the categories of expenses for the month of August. LV&M is not seeking allowance of reimbursement of these expenses, because such allowance is granted via the Order for ordinary course professionals. However, such expenses are discussed here in detail to assure that the requirements of the fee application are met in full.

10. Pursuant to Section II.D. of the UST Guidelines, annexed hereto as Exhibit "D" is a summary of LV&M's time records billed during the Final Compensation Period, including the utilization of project categories as hereinafter described.

11. LV&M maintains computerized records of the time spent by all LV&M attorneys and paraprofessionals in connection with the prosecution of the Debtors' chapter 11 cases. Copies of these computerized records, subject to redaction for the attorney-client privilege where necessary to protect the Debtors' estates, are provided with the notice copies of this fee application, and an additional copy may be provided upon request.

12. No retainer has been provided by the Debtors to LV&M.

13. LV&M declines to reserve the right to request additional compensation for services and reimbursement of expenses in a supplement to this Final Application.

14. Since the commencement of these cases, pursuant to the Administrative Order, LV&M provides the Debtors with a monthly fee statement following the month for which compensation is sought. During the Final Compensation Period, LV&M has provided the Debtors with four fee statements for each of the months between August, 2002 and December, 2002. A statement was sent for the month of the request, August 2002. A redacted copy of that

fee statement is included with the notice copies of this Fee Application, and can be provided upon request.

15. The Debtors have served this Final Application on all of the members of the Fee Committee.

BACKGROUND

16. On February 6, 2001 (the "Commencement Date"), each of the Debtors commenced a case under chapter 11 of the Bankruptcy Code. The Debtors continue to operate their businesses and manage their properties as debtors in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code.

17. By an order of the Court dated May 2002, the Debtors were authorized to retain LV&M as ordinary course professionals.

18. LV&M commenced services for the Debtors in May, 2002.

SUMMARY OF SERVICES

19. LV&M rendered professional services during August in furtherance of the Debtors' filing of and maintenance of various patent applications with the United States Patent and Trademark Office. These services were often performed under time constraints, which was necessary to deal with a trade show in which The Coleman Company, Inc. was attending in late August.

20. Specifically, LV&M rendered professional services to the Debtors in their effort to file patent applications, review and report communications with the United States Patent and Trademark Office, and in some cases an evaluation of competitors' patents to determine applicability to Debtors' products.

21. The following is a summary of the significant professional services rendered by LV&M during the month of August. All of these professional services fall under a single category of patent prosecution, most likely falling under the project category “Business Operations” as set forth in the Guidelines for Reviewing Applications.

Review and report various communications with the United States Patent and Trademark Office;
Prepare and file patent applications for new technology of the Debtors;
Review issued patents of competitors to determine relevance to Debtors’ products; and
Prepare drawings for patent applications for Debtors’ products.

22. The foregoing professional services performed by LV&M were necessary and appropriate to the maintenance of Debtors’ patent portfolio. Professional services performed by LV&M were in the best interests of the Debtors and other parties in interest. Compensation for the foregoing services as requested is commensurate with the complexity, importance and nature of the problems, issues or tasks involved. The professional services were performed with expedition and in an efficient manner.

23. LV&M has a pre-eminent practice in the area of patent law enjoys a national reputation for its expertise in patent prosecution and intellectual property counseling, with approximately 75 attorneys specializing in this area of law.

24. Professional services performed by LV&M on behalf of Debtors during the month of August required an aggregate expenditure of 177.9 recorded hours by LV&M’s counsel. In addition, 81.95 recorded hours were expended by paraprofessionals of LV&M. The total recorded hours for paraprofessionals and the counsel were 259.85 hours.

25. During the month of August, the only counsel for LV&M working for the Debtors had an hourly rate of \$350 per hour, resulting in a blended hourly rate for attorneys of \$350 per hour. Such a rate is reasonable based upon the customary compensation charged by comparably skilled practitioners in comparable patent prosecution in a competitive national legal

market. As noted, attached hereto is a schedule listing each LV&M professional and paraprofessional who performed services during the month of August, the hourly rate charged by LV&M for services performed by each such individual, and the aggregate number of hours and charges by each such individual.

ACTUAL AND NECESSARY DISBURSEMENTS OF LV&M

26. As set forth in Exhibit C, LV&M dispersed \$17,802.92 as expenses incurred in providing professional services during the month of August. LV&M did not charge for faxing expenses or telephone calls. Photocopies were charged at less than the 20 cent amount designated as reasonable by the Guidelines. All expenses were reasonable and economical, and are customarily charged to clients of LV&M. The bulk of the charges relate to foreign associate fees and Patent and Trademark Office fees, which are customary in patent prosecution matters. LV&M has not pro-rated expenses. Expenses incurred by the applicant and third parties are limited amounts billed to, or paid by LV&M on behalf of the Debtors. All expenses reflect the actual cost of such expenses to the applicant. The expenses are not in the nature of non-reimbursable overhead.

27. LV&M does not charge overtime expense, consistent with firm policy. Overtime expense was not charged to the Debtors during the month of August.

THE REQUESTED COMPENSATION SHOULD BE ALLOWED

28. Section 330 provides that a court may award a professional employed under section 327 of the Bankruptcy Code "reasonable compensation for actual necessary services rendered. . . and reimbursement for actual, necessary expenses." 11 V.S.C. § 330(a)(I). Section 330 also sets forth the criteria for the award of such compensation and reimbursement:

In determining the amount of reasonable compensation to be awarded, the court should consider the nature, 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 V.S.C. § 330(a)(3).

29. In the instant case, LV&M respectfully submits that the services for which it seeks compensation in this Final Application were, at the time rendered, believed to be necessary for, beneficial to, and in the best interests of the Debtors' estates. LV&M further submits that the compensation requested herein is reasonable in light of the nature, extent, and value of such services to the Debtors, their estates, and all parties in interest.

30. Whenever possible, LV&M sought to minimize the costs of LV&M's services to the Debtors by utilizing a paraprofessional to handle the more routine aspects of patent file administration.

31. In sum, the services rendered by LV&M were necessary and beneficial to the Debtors' estates, and were consistently performed in a timely manner commensurate with the complexity, importance, and nature of the issues involved, and approval of the compensation sought herein is warranted.

MEMORANDUM OF LAW

32. LV&M submits that the relevant legal authorities are set forth herein and that the requirement pursuant to Local Bankruptcy Rule 9013-1 that LV&M file a memorandum of law in support of this Final Application is satisfied.

NOTICE

33. Notice of this Final Application has been provided as required.

CONCLUSION

WHEREFORE LV&M respectfully requests (i) allowance of the 5% holdback of professional services rendered during the month of August in the Final Compensation Period in the amount of \$3433.56; (ii) the Court grant LV&M such other and further relief as is just.

Dated: Seattle, Washington
February 6, 2003

/s/ Roger D. Wylie
Roger D. Wylie, Esq.

Leydig, Voit & Mayer, Ltd.
1420 Fifth Avenue
Suite 2200
Seattle, WA 98101
(206) 521-5984 (telephone)
(206) 224-3557 (facsimile)

EXHIBIT A

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INC., SUNBEAM AMERICAS HOLDINGS,	:	
LTD., <u>et al.</u> ,	:	(Jointly Administered)
	:	
Debtors.	:	

X

X

**CERTIFICATION UNDER GUIDELINES FOR FEES AND DISBURSEMENTS
FOR PROFESSIONALS
IN RESPECT OF APPLICATION OF LEYDIG, VOIT & MAYER, LTD FOR
FINAL COMPENSATION AND REIMBURSEMENT OF EXPENSES**

I, Roger D. Wylie, hereby certify that:

1. I am of counsel with the applicant firm, Leydig, Voit & Mayer, LTD. ("LV&M"), with responsibility for the patent and intellectual property work for Sunbeam American Holdings, Inc. and certain of its direct subsidiaries, as debtors and debtors in possession (collectively, the "Debtors"), in respect of compliance with the Amended Guidelines for Fees and Disbursements for Professionals in Southern District of New York Bankruptcy Cases adopted by the Court on April 19, 1995 (the "Local Guidelines"), the United States Trustee Guidelines for Reviewing Applications for Compensation and

Reimbursement of Expenses Filed Under 11 U.S.C. § 330, adopted on January 30, 1996 (the 'OUST Guidelines") and the Order Pursuant to Sections 105(a) and 331 of the Bankruptcy Code Establishing Procedures for Monthly Compensation and Reimbursement of Expenses of Professionals (the "Administrative Order" and, collectively with the Local Guidelines and UST Guidelines, the "Guidelines").

2. This certification is made in respect of LV&M's final application, dated February 6, 2003 (the "Application"), for compensation and reimbursement of expenses for the period of August 2002 (the "Final Compensation Period") in accordance with the Guidelines.

3. In respect of section B.1 of the Local Guidelines, I certify that:

- a. I have read the application;
- b. to the best of my knowledge, information, and belief formed after reasonable inquiry, the fees and disbursements sought fall within the Local Guidelines;
- c. the fees and disbursements sought are billed at rates in accordance with practices customarily employed by LV&M and generally accepted by LV&M's clients; and
- d. in providing a reimbursable service, LV&M does not make a profit on that service, whether the service is performed by LV&M in-house or through a third party.

4. In respect of section B.2 of the Local Guidelines and as required by the Administrative Order, I certify that LV&M has complied with the provision requiring it to provide the Debtors, on a monthly basis, with a statement of LV&M's fees and disbursements accrued during the previous month.

5. In respect of section B.3 of the Local Guidelines, I certify that counsel for the statutory creditors' committee, the United States Trustee for the Southern District of New York and the members of the Joint Fee Review Committee are each being provided with a copy of the Application.

Dated: Seattle, Washington

February 6, 2003

/s/ Roger D. Wylie
Roger D. Wylie, Esq.

Exhibit B
PROFESSIONAL SERVICES RENDERED IN AUGUST

Counsel

Name	Year Admitted	Hourly Rate	Hours	Total Compensation
Roger D. Wylie	1991	\$350	177.9	\$62,265.00

Paraprofessionals

Name	Type of Work	Hourly Rate	Hours	Total Compensation
Sherie Dodson	Paralegal	\$100	42.2	\$4220.00
Mark Totz	Illustrator	\$55	39.75	\$2186.25

Total

Name	Blended Rate	Hours	Total Compensation
Roger D. Wylie	\$350	177.9	\$62,265.00
Sherie Dodson	\$100	42.2	\$4220.00
Mark Totz	\$55	39.75	\$2186.25
Total		259.85	\$86,474.17

Exhibit C
ACTUAL AND NECESSARY DISBURSEMENTS INCURRED

<u>Expense</u>	<u>Total</u>
Search Fees	\$34.66
Photocopying	\$9.69
Postage	\$7.10
Courier Services	\$145.65
Patent Office Fees	\$12515.00
Foreign Associate Fees	\$4375.82
Drawing Fees	\$715.00
Total	\$17,802.92

Exhibit D
SUMMARY OF SERVICES BY WORK

Description	Hours	Total Compensation
Business Operations	259.85	\$86,474.17
Total	259.85	\$86,474.17