

In the United States Bankruptcy Court

for the Northern District of Iowa

RUBBER DEVELOPMENT INC.
Debtor(s).

Bankruptcy No. 98-03432-W
Chapter 11

ORDER RE: APPLICATION FOR COMPENSATION

This matter came before the undersigned on Fiegen Law Firm, P.C.'s ("Fiegen") Third and Final Application for Court Approval of Compensation of Attorneys' Fees and Expenses filed March 20, 2000. As no objections have been filed, the Court determines no hearing is necessary. Nevertheless, this Court is bound to perform an independent review of this final fee application, as well as Fiegen's first two fee applications pursuant to 11 U.S.C. §330(a). The three fee applications request total fees of \$33,019.50 and total expenses of \$7,439.45. This is a core proceeding pursuant to 28 U.S.C. §157 (b)(2)(A).

LEGAL STANDARDS

The Court finds that Fiegen's fee applications fail to comport with this Court's standards in certain areas. These areas include compensation for preparation of fee applications, clerical services rendered by paralegals, intra office conferences and duplication of work, and travel to and from the law office for court hearings.

1. Preparation of Fee Applications

Attorneys generally will not be compensated for the preparation, submission and defense of fee applications in bankruptcy cases. Such work, except in extraordinary circumstances, is a cost of doing business. In re Courson, 138 B.R. 928, 936 (Bankr. N.D. Iowa 1992); In re Cedar Rapids Meats, Inc., No. L90-00445-C, slip op. at 10 (Bankr. N.D. Iowa June 17, 1999).

2. Clerical Services

The use of paralegals to the greatest extent possible to reduce more expensive attorney time has been approved whole-heartedly. In re Almacs, Inc., 178 B.R. 598, 605 (Bankr. D.R.I. 1995). This Court disallows, however, paralegal compensation for secretarial or ministerial work. In re Cargo, Inc., No. X90-00200, slip op. at 15 (Bankr. N.D. Iowa Jan. 24, 1992); see also Almacs, 178 B.R. at 606. Paralegal billing entries for "[s]ecretarial tasks are overhead expenses of the attorney and [] not additionally compensable." In re Bonds Lucky Foods, Inc., 76 B.R. 664, 671 (Bankr. E.D. Ark. 1986). No compensation is "allowed for paralegals performing clerical functions such as organizing files, copying documents, checking the docket, updating files, checking court dates and delivering papers." In re Biocoastal Corp., 121 B.R. 653, 655 (Bankr. M.D. Fla. 1990). The court will consider factors such as the amount of discretion allowed the paralegal, the experience or education required to accomplish the assignment, the responsibility delegated to the paralegal, and the amount of

supervision retained by the attorney. In re CF & I Fabricators, Inc., 131 B.R. 474, 489-90 (Bankr. D. Utah 1991). Some of the types of services which are clerical in nature and require no special experience or education include updating mailing lists, managing returned mail, checking court dockets, and calendaring court dates. Id. at 492.

This Court in In re Reil, No. 92-00860, slip op. at 2-3 (Bankr. N.D. Iowa June 27, 1994), disallowed compensation for paralegals doing clerical work, reviewing the work of attorneys for what appeared to be merely informational purposes or the similar review of court orders or other filings, discussing matters or events in the case without justification for the discussion, and noting deadlines on calendars. Likewise, the Court in In re Stein, No. 92-31609XF, slip op. at 11-13 (Bankr. N.D. Iowa Feb. 28, 1996), disallowed charges where a paralegal spent time reviewing documents about which the paralegal was not competent to make legal judgments.

3. Intra Office Conferences and Duplication of Work

Generally, fees are not allowed for simply reading the work product of another as a matter of interest. In re Pettibone, 74 B.R. 293, 303 (Bankr. N.D. Ill. 1987). Document review is compensable only if review is required to form some kind of response or to perform a particular task in the case. Id. In Reil and Stein, this Court disallowed charges where attorneys and paralegals were reviewing and redoing each other's work.

Likewise, duplicative billing arising from intra office conferences should not be borne by the bankruptcy estate "unless counsel can show that the estate benefitted from each [individual's] special area of expertise." In re Pothoven, 84 B.R. 579, 585 (Bankr. S.D. Iowa 1988). This conclusion was also reached in In re Wideau's, Inc., 78 B.R. 904, 908 (Bankr. S.D. Ill. 1987), which stated that "[w]hile some intra office conferences may be necessary, no more than one attorney may charge for it unless an explanation of each attorney's participation is given."

4. Travel to Court

The fee application herein contains entries for the attorney's travel between the firm's office and the court for hearings. The time charged for such travel is one-half of the attorney's standard hourly rate. See In re Paquin, No. 95-40909XM, slip op. at 3 (Bankr. N.D. Iowa May 13, 1996). The Court finds, however, that round trip travel from one's office to the court in the same locale is generally not compensable. In re S.T.N. Enters., Inc., 70 B.R. 823, 844 (Bankr. D. Vt. 1987).

CONCLUSIONS

The Court has reviewed all of Fiegen's applications for compensation in this case. All three applications include time entries in some or all of the four categories discussed above. In total, Fiegen's applications improperly include charges for preparation of fee applications of \$354, clerical work of \$1,575, intra office conferences or duplication of work of \$651 and travel between the office and the court of \$240. Based on the foregoing, the Court will disallow a total of \$2,820 of the amounts Fiegen Law Firm requests as fees.

WHEREFORE, Fiegen Law Firm, P.C.'s Third and Final Application for Court Approval of Compensation of Attorneys' Fees and Expenses is GRANTED IN PART and DENIED IN PART.

FURTHER, the Court disallows fees requested of \$2,820.

FURTHER, the Court approves the remainder of fees and expenses requested by Fiigen Law Firm, P.C.

SO ORDERED this 24th day of April, 2000.

Paul J. Kilburg, Chief Judge
U.S. Bankruptcy Court