

UNITED STATES BANKRUPTCY COURT  
For the Southern District of Iowa

In the Matter of Case No. 84-1467-W  
Inter-State Nurseries, Inc., Chapter 11  
Debtor.

ORDER

On October 30, 1987, debtor's counsel, Charles L. Smith, filed an application for allowance of compensation and expenses. On the same day, a notice filed by applicant set a twenty-day bar for objections. The bar date has passed and no objections have been filed. The matter is fully submitted.

The applicant prays for an allowance of \$7,280.00 in fees and \$440.16 in expenses.

[T]he party who seeks payment must keep records in sufficient detail that a neutral judge can make a fair evaluation of the time expended, the nature and need for the service, and the reasonable fees to be allowed.

Hensley v. Eckerhart, 461 U.S. 424, 441 (1982) (Burger, C. J., concurring)

The burden of proof in matters concerning professional compensation is always on the applicant. In re Pettibone Corp., 74 B.R. 293, 299 (Bankr. N.D. Ill. 1987) . Pursuant to Bankruptcy Rule 2016, the applicant must provide a detailed statement of the services rendered, time expended, expenses incurred and the

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amounts requested. Id. at 301. In addition, the applicant is required under 11 U.S.C. section 330 to demonstrate in writing that the services were actual, necessary and reasonable. Id. Even if no objections are filed, the court has an independent obligation to determine the reasonableness of the fee application. Id. at 299-300; In re Kentucky Threaded Products, Inc., 49 B.R. 118, 120 (Bankr. W.D. Ky. 1985)

The fee application must describe the duration and substance of each activity. In re Wabash Valley Power Ass'n, Inc., 69 B.R. 471, 479 (Bankr. S.D. Ind. 1987). This includes all phone calls, letters, research, and meetings. Id.

When preparing the fee application, counsel may not “lump” all the tasks performed in one day into a single billing. Pettibone, 74 B.R. at 302; In re NRG Resources, Inc., 64 B.R. 643, 654 (Bankr. W.D. La. 1986); In re Hoithoff, 55 B.R. 36, 42 (Bankr. E.D. Ark. 1985). Counsel must list each type of service with the corresponding specific time allotment. Id. Otherwise, the court cannot determine if the time spent on the specific task was reasonable. Id. As a result, services which are lumped together will not be compensated. Pettibone, 74 B.R. at 302 (emphasis added).

The court finds that the application suffers from a general lack of specificity and detail. Most of this lack of detail is due to applicant’s practice of lumping services. This practice prevents the court from determining the amount of time spent on each activity. Such specificity is important because the court

does not permit full billing for all activities. In evaluating the activity, the court takes into account numerous factors including the novelty and difficulty of questions presented by the case, the skill necessary to perform the services, the benefit of the activity to the estate, and the experience and skill of the attorney. In the absence of adequate information, the court must resolve any doubts against the applicant. See Cle-Ware Industries, Inc. v. Sokolsky, 493 F.2d 863, 876—77 (6th Cir. 1974)

The court agrees with the Pettibone court which stated:

The requirement that attorneys ... adequately explain time entries for which compensation is sought is not an overly burdensome task, especially in light of the fact that every dollar expended on legal fees results in a dollar less that is available for distribution to the creditors or return to debtor.

Pettibone, 74 B.R. at 302. However, since the preparation of a properly detailed fee application will take some time, the court will award reasonable compensation for time spent in preparing the application. Id. at 304.

#### CONCLUSION AND ORDER

WHEREFORE, for the reasons set forth above, the court finds that the application lacks sufficient information.

THEREFORE, the application is denied without prejudice and the applicant may resubmit an application that comports with this order.

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RUSSELL J. HILL  
U.S. BANKRUPTCY JUDGE