

## [\\$55.1 Million Sought In Attorneys' Fees for 5 Months of Work.](#)

Posted on May 14, 2009 by [John "Jack" S. Pierce](#)

On April 13, 2009, the law firm of **Weil, Gotchal & Manges** filed an application for legal fees in the **Lehman Brothers bankruptcy case** seeking a total of **\$55.1 million** for professional services rendered over the 5 month and 15 day period from September 15, 2008, through January 31, 2009.

Justification for the fees is set forth in an Application filed in support which, amongst other things, proclaimed, in a somewhat dramatic fashion:

*As Lehman's employees rushed out of Lehman's offices with boxes and suitcases filled with their belongings, WGM attorneys rushed in.*

During this time the Weil Gotchal lawyers clocked a total of **100,296 hours** on Lehman-related work as counsel for Lehman Brother, the debtor in possession. While most firms in today's economy are facing a shortage of billable hours, Weil Gotshal is apparently not.

A review of the petition provides some interesting observations:

- Collectively the firm's timekeepers (partners, associates, paralegals etc) averaged more than 700 billed hours per day, seven days per week.
- Billing rates of at least 15 Weil Gotshal timekeepers were in excess of **\$1,000.00 per hour**.
- More than 19 attorneys billed at legal rates in between \$900 and \$975 per hour.
- 68 other lawyers billed at legal rates between \$800 and \$890 per hour.
- Recent 2009 bar admittees were billing at rates as high as \$415 per hour.
- Harvey R. Miller, the head of the firm's restructuring practice, billed 794.8 hours at the rate of \$950 an hour for a total of \$755,060 for his fees alone during this 5 month period.
- One Corporate associate, licensed in 2008, billed at \$560 per hour and had his billing rate increased to \$650 per hour during this same 5 month period.

The Application for fees was submitted to the Court on April 13, 2009, and will be reviewed by the Trustee in Bankruptcy. All objections were required to be filed by May 6, 2009. To date there has been no ruling on the issue of Weil Gotshal's fees.

Surprisingly there has been an absence of objections filed to date. The sole objection filed thus far is from a retired Arizona school teacher, Ms. Edith S. Hall, who had purchased \$50,000 of Lehman's AA-rated corporate bonds in 2005 for their security value, which, at the time she believed to be a "*conservative investment*".

Ms. Hall has asked the court to carefully review the fees of Weil Gotshal to which she has objected on the grounds that their fee request was "*exorbitant*". She also told the court that "*when the economy is in crisis and executive bonuses are being questioned, I feel these fees are*

*excessive and should be capped.*” Other potential objectors have, thus far, been suspiciously silent.

Weil isn't the only firm seeking significant fees from Lehman's Chapter 11 case. Milbank Tweed Hadley McCloy, which is advising Lehman's official committee of unsecured creditors, is now seeking **\$12.1 million** in fees for the period through the end of January.

Lazard, Lehman's investment banker, is also asking for **\$6.6 million** in fees.