

1 John D. Fiero (CA Bar No. 136557)
PACHULSKI STANG ZIEHL YOUNG JONES
2 & WEINTRAUB LLP
150 California Street, 15th Floor
3 San Francisco, California 94111-4500
Telephone: 415/263-7000
4 Facsimile: 415/263-7010

5 Attorneys for the Official Committee of Unsecured
Creditors
6
7

8 **UNITED STATES BANKRUPTCY COURT**
9 **NORTHERN DISTRICT OF CALIFORNIA**
10 **OAKLAND DIVISION**

11 In re
12 **PREDI WAVE CORPORATION,**
a California Corporation,
13
14 Debtor.

15 Fed. Tax I.D. No. 77-0494328
16
17
18

Case No.: 06-40547 (RJN)

Chapter 11

**SEVENTH MONTHLY APPLICATION
FOR INTERIM COMPENSATION
AND REIMBURSEMENT OF
EXPENSES BY PACHULSKI STANG
ZIEHL YOUNG JONES &
WEINTRAUB LLP [JANUARY 1, 2007
THROUGH JANUARY 31, 2007]**

[No hearing requested]

19 **TO THE HONORABLE RANDALL J. NEWSOME, UNITED STATES BANKRUPTCY**
20 **JUDGE; THE OFFICE OF THE UNITED STATES TRUSTEE; COUNSEL TO THE**
21 **DEBTOR; AND OTHER PARTIES IN INTEREST:**

22 **PLEASE TAKE NOTICE THAT** Pachulski Stang Ziehl Young Jones & Weintraub LLP
23 (“PSZYJW” or the “Firm”), counsel to the Official Committee of Unsecured Creditors (the
24 “Committee”) of Prediwave Corporation, the debtor and debtor in possession in the above-captioned
25 case (the “Debtor”), hereby requests payment of interim compensation and reimbursement of
26 expenses for unpaid amounts (the “Monthly Application”) incurred or billed during the period from
27 January 1, 2007 through January 31, 2007 (the “Application Period”) in the amount of \$8,417.65,
28 consisting of \$7,385.00 in attorneys’ fees and \$1,032.65 in reimbursable costs and expenses.

1 **PLEASE TAKE FURTHER NOTICE THAT** the payment requested is made pursuant to
2 the *Order Granting Motion for Authority to Establish Procedures for Interim Payment of Fees and*
3 *Reimbursement of Expenses* [Docket No. 248] (the “Interim Fee Procedure Order”) and therefore
4 includes a narrative discussion of the various projects undertaken and tasks performed by PSZYJW
5 during the Application Period, categorized by subject matter, as contemplated by Paragraph 3 of the
6 *Guidelines for Compensation and Expense Reimbursement of Professionals and Trustees* (the
7 “Guidelines”).

8 **PLEASE TAKE FURTHER NOTICE THAT,** in accordance with the Interim Fee
9 Procedures Order, PSZYJW is serving a copy of this Monthly Application (with time descriptions)
10 on the Office of the United States Trustee (the “U.S. Trustee”). In addition, PSZYJW is serving a
11 copy of this Monthly Application (without time descriptions), which shall constitute the “Notice of
12 Monthly Statement” described in the Interim Fee Procedures Order, on the Debtor, counsel for the
13 Debtor, and all other parties in interest that have requested special notice. The time descriptions are
14 available upon written request to Pachulski Stang Ziehl Young Jones & Weintraub LLP, Attn: John
15 D. Fiero, Esq., 150 California Street, 15th Floor, San Francisco, CA 94111-4500, or by facsimile to
16 (415) 263-7010.

17 **PLEASE TAKE FURTHER NOTICE THAT** Prediwave will be authorized, in the
18 ordinary course of business and on an interim basis, to pay the amounts requested herein in
19 accordance with the terms and conditions of the Interim Fee Procedures Order, unless a party in
20 interest files an objection to the requested payment within fifteen (15) days following the service of
21 this Monthly Application, requests a hearing on its objection, and serves its objection on the
22 following parties: (1) the Office of the United States Trustee, Attn: Minnie Loo, Esq., 1301 Clay
23 Street, Suite 690N, Oakland, CA 94612-5217, Fax: (510) 637-3220, (2) counsel for Debtor, Klee,
24 Tuchin, Bogdanoff & Stern, LLP, Attn: Thomas E. Patterson, Esq. and Jonathan S. Shenson, Esq.
25 2121 Avenue of the Stars, 33rd Floor, Los Angeles, CA 90067, Fax (310) 407-9090; and (3) counsel
26 for the Committee, Pachulski Stang Ziehl Young Jones & Weintraub LLP, Attn: John D. Fiero, Esq.,
27 150 California Street, 15th Floor, San Francisco, CA 94111-4500.

Narrative

PROJECT BILLING OF SERVICES RENDERED FOR THE COMMITTEE

In accordance with the Guidelines, PSZYJW classifies all services performed for which compensation is sought into task-based categories. PSZYJW has attempted to place the services performed in the category that best relates to the service provided. However, because certain services may relate to more than one category, services pertaining to one category may occasionally be included in another category. During the Application Period, PSZYJW billed time to the following billing categories:

- Case Administration
- Compensation of Professionals
- Fee/Employment Application

Case Administration

Time billed to this category primarily relates to preparing for and conducting meetings with the Committee, as well as communication with Committee members and creditors, and other general tasks arising from the Firm's representation of the Committee. Also, in January, such fees related to the review and analysis of the stipulation for dismissal of the bankruptcy case drafted by counsel for the Debtor at the suggestion of counsel for New World and the consideration of the implications presented by the involuntary bankruptcy petitions filed against the debtor's affiliates.

Total Hours 12.60/ Total Fees \$5,248.50

Compensation of Professionals

Time billed to this category relates to the preparation of the firm's monthly fee notices, and review of interim applications prepared by other professionals employed in the case.

Total Hours 3.70/ Total Fees \$1,536.50

Fee/Employment Application

Time billed to this category relates to the preparation of the firm's quarterly fee application by a legal assistant.

Total Hours 3.00/ Total Fees \$600.00

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

Dated: February 20, 2006

PACHULSKI STANG ZIEHL YOUNG JONES
& WEINTRAUB LLP

By /s/ John D. Fiero
John D. Fiero
Attorneys for the Official Committee of
Unsecured Creditors

Exhibit A

PACHULSKI STANG ZIEHL YOUNG JONES & WEINTRAUB LLP

10100 Santa Monica Boulevard
11th Floor
Los Angeles, CA 90067

January 31, 2007

Invoice Number **72536** **70924 00001** **JDF**

Flash Electronics, Inc.
4050 Starboard Drive
Fremont, CA 94538
Attn: Jas Mundra

Balance forward as of last invoice, dated: January 31, 2007

\$11,715.58

Net balance forward

\$11,715.58

Re: Creditors' Committee Representation

Statement of Professional Services Rendered Through

01/31/2007

			Hours	Rate	Amount
Case Administration [B110]					
01/02/07	JDF	Review and analyze notice re state court judgment (.2); telephone conference with J. Shenson re dismissal stipulation (.5); telephone conference with J. Shenson re reductions in force (.3); send announcement of Committee call for Wednesday (.1).	1.10	495.00	\$544.50
01/03/07	JDF	Prepare for and participate in Committee conference call (.6); confer with J. Shenson re outcome of Committee meeting (.1); revise web site text to reflect current events (.6); telephone conference with J. Shenson re New World (.2).	1.50	495.00	\$742.50
01/04/07	LAF	Update website.	3.00	195.00	\$585.00
01/04/07	JDF	Telephone conference with K. Denniston (left message) (.1); telephone conference with D. Ragan re claims issues (left message) (.1); telephone conference with J. Shenson re stipulation and status (.3); send email report to committee re status (.1); exchange emails with J. Shenson re status of layoffs (.1).	0.70	495.00	\$346.50
01/05/07	JDF	Telephone conference with K. Denniston re case status and developments (.4); send email report to Committee re same (.1); telephone conference with K. Denniston re comments to stipulation (.2); confer with J. Shenson re New World comments to stipulation (.2); conference call re stipulation (.3).	1.20	495.00	\$594.00
01/08/07	JDF	Review involuntary petitions (.4); conference call re affiliate filings (.5); send email to Committee reporting on affiliate filings (.1).	1.00	495.00	\$495.00
01/09/07	JDF	Telephone conference with J. Shenson re involuntaries (.3); ; review Athena involuntary papers and send same to Committee (.3).	0.60	495.00	\$297.00

01/10/07	JDF	Prepare for and participate in Committee call re involuntaries (.6); telephone conference with J. Shenson re involuntaries (.2); review and comment upon stipulation (.2); confer with L. Bogdanoff re limiting administrative expense (.2); review lengthy email from K. Denniston re involuntaries (.2)	1.20	495.00	\$594.00
01/11/07	JDF	Telephone conference with J. Shenson re status.	0.20	495.00	\$99.00
01/12/07	JDF	Telephone conference with J. Shenson re status of Vincent Lin and other decision makers for company.	0.20	495.00	\$99.00
01/16/07	JDF	Confer with K. Denniston re admin claims bar date issues.	0.10	495.00	\$49.50
01/17/07	JDF	Email to K. Denniston re admin claims bar date motion opposition extension (.1); telephone conference with J. Shenson re status (.1).	0.20	495.00	\$99.00
01/22/07	JDF	Telephone conference with J. Shenson re status.	0.20	495.00	\$99.00
01/23/07	JDF	Review emails on extension.	0.20	495.00	\$99.00
01/25/07	JDF	Telephone conference with J. Shenson re case status.	0.30	495.00	\$148.50
01/29/07	PJJ	Draft Notice of hourly rate adjustment	0.30	200.00	\$60.00
01/31/07	JDF	Review affiliated debtor filings (.4); Telephone conference with J. Shenson re status (.2)	0.60	495.00	\$297.00
Task Code Total			12.60		\$5,248.50

Compensation Prof. [B160]

01/16/07	JDF	Comment upon and revise monthly fee statement.	0.30	495.00	\$148.50
01/16/07	PJJ	Prepare monthly cover sheet, notice and service lists	1.00	200.00	\$200.00
01/22/07	JDF	Coordinate notice of rate change filing.	0.10	495.00	\$49.50
01/22/07	JDF	Review and analyze fee statements from debtor and XRoads.	0.40	495.00	\$198.00
01/30/07	JDF	Revise and finalize fee application.	1.00	495.00	\$495.00
01/30/07	JDF	Work on quarterly fee application.	0.90	495.00	\$445.50
Task Code Total			3.70		\$1,536.50

Fee/Employment Application

01/25/07	PJJ	Draft 2nd quarterly fee application	3.00	200.00	\$600.00
Task Code Total			3.00		\$600.00

Total professional services: 19.30 \$7,385.00

Costs Advanced:

10/20/2006	PO	Postage [E108]			\$27.72
10/20/2006	PO	Postage [E108]			\$7.56

10/20/2006	PO	Postage [E108]	\$0.36
10/20/2006	PO	Postage [E108]	\$8.82
10/20/2006	PO	Postage [E108]	\$1.89
10/20/2006	PO	Postage [E108]	\$4.20
10/20/2006	PO	Postage [E108]	\$99.84
10/20/2006	PO	Postage [E108]	\$1.59
10/20/2006	PO	Postage [E108]	\$1.59
11/01/2006	PO	Postage [E108]	\$1.26
11/20/2006	PO	Postage [E108]	\$12.18
11/20/2006	PO	Postage [E108]	\$27.69
11/20/2006	PO	Postage [E108]	\$97.50
11/20/2006	PO	Postage [E108]	\$36.96
11/20/2006	PO	Postage [E108]	\$0.63
12/05/2006	CC	Conference Call---At&t Teleconference Service.(JDF) [E105]	\$3.28
12/05/2006	CC	Conference Call---At&t Teleconference Service.(JDF) [E105]	\$10.30
12/06/2006	PAC	70924 - 001 PACER charges for 12/06/2006	\$2.48
12/06/2006	PO	Postage [E108]	\$0.63
12/06/2006	PO	Postage [E108]	\$0.63
12/13/2006	CC	Conference Call---At&t Teleconference Service.(JDF) [E105]	\$3.86
12/13/2006	CC	Conference Call---At&t Teleconference Service.(JDF) [E105]	\$3.14
12/14/2006	PAC	70924 - 001 PACER charges for 12/14/2006	\$5.60
12/14/2006	PO	Postage [E108]	\$0.63
12/19/2006	PAC	70924 - 001 PACER charges for 12/19/2006	\$2.96
12/20/2006	PAC	70924 - 001 PACER charges for 12/20/2006	\$2.48
12/20/2006	PO	Postage [E108]	\$0.87
12/20/2006	PO	Postage [E108]	\$8.19
12/20/2006	PO	Postage [E108]	\$39.90
12/20/2006	PO	Postage [E108]	\$99.45
12/20/2006	PO	Postage [E108]	\$1.59
12/21/2006	PAC	70924 - 001 PACER charges for 12/21/2006	\$0.96
01/19/2007	PO	Postage [E108]	\$99.84
01/19/2007	PO	Postage [E108]	\$0.87
01/19/2007	PO	Postage [E108]	\$1.11
01/19/2007	PO	Postage [E108]	\$6.93
01/19/2007	PO	Postage [E108]	\$1.59
01/19/2007	RE	(D5 DOC 83 @0.20 PER PG)	\$16.60
01/19/2007	RE	(D6 CORR 168 @0.20 PER PG)	\$33.60
01/19/2007	RE	(D5 CORR 539 @0.20 PER PG)	\$107.80
01/22/2007	PO	Postage [E108]	\$0.63
01/30/2007	PO	Postage [E108]	\$38.25
01/30/2007	PO	Postage [E108]	\$2.55
01/30/2007	PO	Postage [E108]	\$2.55
01/30/2007	RE	(D5 CORR 869 @0.20 PER PG)	\$173.80

01/30/2007	RE	(D5 CORR 147 @0.20 PER PG)	\$29.40
01/31/2007	PO	Postage [E108]	\$0.39

Total Expenses: **\$1,032.65**

Summary:

Total professional services	\$7,385.00
Total expenses	\$1,032.65
Net current charges	<u>\$8,417.65</u>
Net balance forward	\$11,715.58
Total balance now due	\$20,133.23

JDF	Fiero, John D.	12.00	495.00	\$5,940.00
LAF	Forrester, Leslie A.	3.00	195.00	\$585.00
PJJ	Jeffries, Patricia J.	4.30	200.00	\$860.00
		<u>19.30</u>		<u>\$7,385.00</u>

Task Code Summary

		Hours	Amount
CA	Case Administration [B110]	12.60	\$5,248.50
CP	Compensation Prof. [B160]	3.70	\$1,536.50
FE	Fee/Employment Application	3.00	\$600.00
		<u>19.30</u>	<u>\$7,385.00</u>

Expense Code Summary

Conference Call [E105]	\$20.58
Pacer - Court Research	\$14.48
Postage [E108]	\$636.39
Reproduction Expense [E101]	\$361.20
	<u>\$1,032.65</u>