

UNITED STATES BANKRUPTCY COURT
DISTRICT OF MINNESOTA

In re:

Odyssey Gifts, Inc.

Chapter 11 Bankruptcy

Debtor

Bky 03 37054 (DDO)

**NOTICE OF HEARING AND FINAL APPLICATION FOR ALLOWANCE OF FEES
AND FOR REIMBURSEMENTS OF EXPENSES FOR ATTORNEYS
FOR THE OFFICIAL COMMITTEE OF UNSECURED CREDITORS
JANUARY 1, 2004 THROUGH JULY 31, 2004
(FREDRIKSON & BYRON, P.A.)**

To: The Parties in interested specified in Local Rule 9013-3.

1. Fredrikson & Byron, P.A. (Fredrikson) makes this final fee application (the "Application"), for allowance of legal fees and reimbursement of expenses for services performed as local counsel for the Official Committee of Unsecured Creditors (the "Committee"), and gives notice of hearing herewith.

2. The Court will hold a hearing on this application at 10:00 a.m. on September 27, 2004, or soon thereafter as counsel may be heard before the Honorable Dennis D. O'Brien in Courtroom No. 228A, U.S. Courthouse, 316 North Robert Street, St. Paul, Minnesota.

3. Any response to this Application must be filed and delivered not later than September 20, 2004, which is seven (7) days before the time set for hearing, or filed and served by mail not later than September 17, 2004, which is ten (10) days before the time set for the hearing. **UNLESS A RESPONSE OPPOSING THE APPLICATION IS TIMELY FILED, THE COURT MAY ALLOW THE APPLICATION WITHOUT A HEARING.**

4. This Court has jurisdiction over this Application pursuant to 28 U.S.C. §§ 157 and 1334, Fed. R. Bankr. P. 5005, and Local Rule 1070-1. This Application is filed under Fed R. Bankr. P. 2016 and Local Rule 2016-1. It arises under 11 U.S.C. § § 328(a) and 330. Fredrikson requests allowance of compensation for professional services rendered and reimbursement of expenses. This is a core proceeding under 28 U.S.C. § 157(b)(2). The petition commencing this bankruptcy case was filed under Chapter 11 on October 15, 2003 and a plan of reorganization was confirmed by order entered July 26, 2004. The Court retains jurisdiction to consider fee applications.

5. The Committee applied to retain Fredrikson as local counsel in an application filed with the Court on November 14, 2003. By Order dated November 17, 2003, Fredrikson was authorized to be employed as local counsel to the Committee in connection with these Chapter 11 cases. A copy of that Order is attached as Exhibit A.

6. Fredrikson & Byron made one prior fee application in the case and was allowed legal fees in the amount of \$3,835.00 and expenses in the amount of \$72.60, a total of \$3,907.60 which has been paid in full.

7. Throughout the case and in compliance with Instruction 8(c) of the Court's Instructions for Filing a Chapter 11 Case, Fredrikson & Byron requested periodic payment of 80% of its fees and \$100 of its expenses, with 20% of its fees deferred. The Debtor has made payment of all fees and expenses so requested from January through June, 2004. With the July and fee application preparation fees and expenses for which no payment request has been made, the deferred amount totals **\$3,137.88**. All others fees and expenses requested herein have been paid pursuant to the procedures described above.

8. Fredrikson has no reason to believe that the Debtors are not current in payment of ordinary operating expenses, allowed administrative claims and quarterly fees as required to the United States Trustee.

RELIEF REQUESTED

9. By this Application, Fredrikson requests allowance of legal fees in the amount of **\$8,192.50** and reimbursement of expenses in the amount of **\$266.54**, for a total of **\$8,459.04**. Fredrikson requests that the Court authorize the Debtor to pay the remaining unpaid and allowed January through July, 2004 fees in the amount of **\$3,137.88**.

10. The legal services rendered by Fredrikson between January 1, 2004 and July 31, 2004 are set out in the detailed invoices attached hereto as Exhibit B. Those services include the tasks specifically described below:

STORE ISSUES:

Services include lease analysis and addressing lease and going-out-of-business issues with the Committee, counsel for the Debtor, counsel for the bank and landlords.

<u>Name</u>	<u>Hours</u>	<u>Hourly Rate</u>	<u>Dollars</u>
Faye Knowles	5.1	\$350.00	\$1,785.00

PLAN AND DISCLOSURE STATEMENT:

Services include review and analysis of the Debtor's disclosure statement and the Debtor's plan, discussions with the Creditors Committee and Debtor's counsel regarding the same and negotiation of improved treatment for unsecured creditors; attendance at confirmation hearing and follow up with the Committee.

<u>Name</u>	<u>Hours</u>	<u>Hourly Rate</u>	<u>Dollars</u>
Faye Knowles	11.8	350.00	\$4,132.50

MISCELLANEOUS:

Services include convening Creditor Committee meetings, issues related to legal fees, reviewing miscellaneous documents, telephone conferences with Debtor's counsel and other general administration matters.

<u>Name</u>	<u>Hours</u>	<u>Hourly Rate</u>	<u>Dollars</u>
Faye Knowles	5.5	350.00	\$1,925.00

PREPARATION OF FINAL FEE APPLICATION:

Applicant has spent at least one hour preparing this fee application and seeks payment of \$350.00 for this task required by the Bankruptcy Code.

TOTAL FEES: \$8,192.50

In the course of this representation, Fredrikson has also incurred out-of-pocketed expenses and requests allowance thereof as follows:

Photocopy Costs:	\$168.20
UCC Search	31.25
Facsimile Charge:	30.00
Federal Express	29.28
Postage	5.18
Telephone Long Distance	<u>2.63</u>
Total	\$266.54

11. All services for which compensation is requested by Fredrikson were rendered to the Committee in connection with the administration of these Chapter 11 cases. The amount requested constitutes reasonable compensation for actual, necessary services rendered by Fredrikson, based on the nature, extent, and value of such services, the time spent on such services, and the cost of comparable services other than in a case under Title 11.

WHEREFORE, Fredrikson & Byron, P.A. respectfully requests that this Court enter an order:

1. Allowing Fredrikson's fees in the amount of **\$8,192.50**, and allowing reimbursement of expenses in the amount of **\$266.54**, for a total of **\$8,459.04**.

VERIFICATION

I, Faye Knowles, a Shareholder of Fredrikson & Byron, P.A., counsel for the debtor named in the foregoing motion, declare under penalty of perjury that the facts contained are true and correct according to the best of my knowledge, information and belief.

Date: August 20, 2004

/e/ Faye Knowles

Faye Knowles

#3006520\1

NOV 20 2003

#2893541

UNITED STATES BANKRUPTCY COURT
DISTRICT OF MINNESOTA

In Re: Chapter 11
Odyssey Gifts, Inc., Bky No. 03-37054 (DDO)
Debtors.

ORDER AUTHORIZING COMMITTEE OF UNSECURED
CREDITORS TO EMPLOY ATTORNEY
(FREDRIKSON & BYRON, P.A.)

Upon the Application by the Committee of Unsecured Creditors (the "Committee"), to employ attorneys, it appears that it is necessary for the Committee to employ attorneys, it appears that the attorneys selected by the Committee do not hold or represent an interest adverse to the estate, it appears that the attorneys selected by the Committee are disinterested within the meaning of 11 U.S.C. § 328, and it appears that the United States Trustee has not objected to and recommends the employment,

IT IS HEREBY ORDERED:

1. The Committee is authorized to employ the law firm of Fredrikson & Byron, P.A. as attorney, upon the basis set forth in the application, subject to the provisions of 11 U.S.C. §§ 328 and 330.
2. The employment shall be deemed effective as of the date the application was filed in accordance with Local Rule 2014-1(b), without prejudice to a later application for allowance of fees and reimbursement of expenses for services rendered immediately before the effective date of the employment and in connection with this case.

Odyssey Gifts, Inc. Creditor Committee
c/o Nancy L. Wolfe
Department 56, Inc.
6436 City West Parkway
Eden Prairie, MN 55344

Invoice: 824072

For Professional Services Rendered Through January 31, 2004:

Regarding: Leases and Contracts
Matter#: 049149.0804

01/11/04	Knowles, F.	Draft response to motion to reject Apache lease; draft letter regarding meeting between Committee and debtor.	0.30	105.00
01/13/04	Knowles, F.	Telephone conference with S. Nosek regarding store status and e-mail to client.	0.40	140.00
01/22/04	Knowles, F.	Receipt and review of motions regarding rejection of lease and telephone conference with committee chair regarding same.	0.50	175.00
01/27/04	Knowles, F.	Receipt and review of motion to reject lease and e-mail the committee regarding same; receipt and review of motion for GOB sale and e-mail committee; telephone conference with debtor attorney; receipt and review of preference complaint against landlord and telephone conference with debtor attorney; draft notice of appearance in preference adversary.	1.00	350.00
01/29/04	Knowles, F.	E-file notice of appearance in adversary proceeding; receipt and review of proposed GOB order language from debtor's counsel and draft revision; conference call with committee and follow up call with D. Lawson; letter to debtor's attorneys and draft committee response to GOB sale motion.	0.90	315.00

EXHIBIT B

Invoice: 824072
Page: 2

Regarding: Leases and Contracts
Matter #: 049149.0804

	Total Hours	3.10	
Total For Services			\$ 1,085.00
Total This Invoice			\$ 1,085.00

Odyssey Gifts, Inc. Creditor Committee
c/o Nancy L. Wolfe
Department 56, Inc.
6436 City West Parkway
Eden Prairie, MN 55344

Invoice: 824073

For Professional Services Rendered Through January 31, 2004:

Regarding: Employment and Applications
Matter#: 049149.0805

01/15/04	Knowles, F.	Review of billing memoranda and preparation and drafting of first Fredrikson & Byron fee application, proof and revise.	1.00	350.00
01/16/04	Knowles, F.	Proof, execute and e-file fee application.	0.20	70.00
01/21/04	Knowles, F.	Draft monthly fee letter.	0.20	70.00
01/21/04	Knowles, F.	Receipt and review of debtor attorney fee application and e-mail to committee regarding same.	0.30	105.00
		Total Hours	1.70	
	Total For Services			\$ 595.00
	Total This Invoice			\$ 595.00

Odyssey Gifts, Inc. Creditor Committee
c/o Nancy L. Wolfe
Department 56, Inc.
6436 City West Parkway
Eden Prairie, MN 55344

Invoice: 824074

For Professional Services Rendered Through January 31, 2004:

Regarding: Odyssey Gifts, Inc. Chapter 11
Matter#: 049149.0888

01/13/04	Knowles, F.	Telephone conference with S. Nosek regarding meeting with Committee and e-mail Committee members regarding same; telephone conference with S. Nosek regarding fee application date; e-file motion response.	0.50	175.00
01/16/04	Knowles, F.	Receipt and review of United States Trustee report and send to client representatives.	0.20	70.00
01/23/04	Knowles, F.	Telephone calls with debtor's counsel and committee members regarding proposed going out of business sale.	0.40	140.00
01/30/04	Knowles, F.	E-file response to GOB sale motion.	0.20	70.00
		Total Hours	1.30	
	Total For Services		\$	455.00
	Disbursements, Costs and Other Charges			
	Photocopy Charges			67.40
	Facsimile Charges			2.00
	Total For Disbursements, Costs and Other Charges		\$	69.40

Invoice: 824074
Page: 2

Regarding: Odyssey Gifts, Inc. Chapter 11
Matter #: 049149.0888

Total This Invoice \$ 524.40

Odyssey Gifts, Inc. Creditor Committee
c/o Nancy L. Wolfe
Department 56, Inc.
6436 City West Parkway
Eden Prairie, MN 55344

Invoice: 829616

For Professional Services Rendered Through March 31, 2004:

Regarding: Plan and Disclosure
Matter#: 049149.0806

03/06/04	Knowles, F.	Receipt and review of draft plan; e-mail to committee; e-mail questions to debtor's attorney.	0.70	245.00
03/10/04	Knowles, F.	Telephone conference with Debtor's attorney regarding plan of reorganization and committee questions.	0.20	70.00
03/18/04	Knowles, F.	Telephone conference with N. Wolfe regarding continuing committee concerns on plan of reorganization.	0.30	105.00
		Total Hours	1.20	
	Total For Services		\$	420.00
	Total This Invoice		\$	420.00

Odyssey Gifts, Inc. Creditor Committee
c/o Nancy L. Wolfe
Department 56, Inc.
6436 City West Parkway
Eden Prairie, MN 55344

Invoice: 829617

For Professional Services Rendered Through March 31, 2004:

Regarding: Odyssey Gifts, Inc. Chapter 11
Matter#: 049149.0888

02/05/04	Knowles, F.	Preliminary conference call with committee and call with debtor and debtor's counsel; follow up; order UCC's and letter to debtor attorney regarding next call; review UCC check and e-mail to committee.	1.20	420.00
02/26/04	Knowles, F.	Telephone call from debtor's attorney regarding supply of product and telephone conference with committee chair regarding same.	0.20	70.00
03/29/04	Knowles, F.	Receipt and review of second amended cash collateral stipulation.	0.20	70.00
03/30/04	Knowles, F.	Telephone conference with debtor's attorney regarding pending motions and timing of plan filing.	0.30	105.00
		Total Hours	1.90	
		Total For Services		\$ 665.00
		Disbursements, Costs and Other Charges		
02/11/04	UCC Search			31.25
	Telephone Charges			2.63
	Photocopy Charges			40.00

Invoice: 829617
Page: 2

Regarding: Odyssey Gifts, Inc. Chapter 11
Matter #: 049149.0888

Facsimile Charges		20.00
Total For Disbursements, Costs and Other Charges	\$	93.88
Total This Invoice	\$	758.88

Odyssey Gifts, Inc. Creditor Committee
c/o Nancy L. Wolfe
Department 56, Inc.
6436 City West Parkway
Eden Prairie, MN 55344

Invoice: 833791

For Professional Services Rendered Through April 30, 2004:

Regarding: Odyssey Gifts, Inc. Chapter 11
Matter#: 049149.0888

04/08/04	Knowles, F.	Receipt and review of settlement agreement with landlords, review schedules and adversary proceeding and telephone conference with debtor's attorney regarding merits of settlement.	0.50	175.00
04/10/04	Knowles, F.	Memo to committee members regarding potential settlement with landlord.	0.20	70.00
		Total Hours	0.70	
	Total For Services		\$	245.00
	Disbursements, Costs and Other Charges			
	Total For Disbursements, Costs and Other Charges		\$	0.00
	Total This Invoice		\$	245.00

Odyssey Gifts, Inc. Creditor Committee
c/o Nancy L. Wolfe
Department 56, Inc.
6436 City West Parkway
Eden Prairie, MN 55344

Invoice: 837319

For Professional Services Rendered Through May 31, 2004:

Regarding: Plan and Disclosure
Matter#: 049149.0806

05/04/04	Knowles, F.	Receipt and brief review of US Trustee objection to disclosure statement.	0.20	70.00
05/06/04	Knowles, F.	E-mails from committee members and set meeting for discussion of plan of reorganization.	0.20	70.00
05/10/04	Knowles, F.	Telephone call with committee chair regarding plan provisions.	0.20	70.00
05/11/04	Knowles, F.	Prepare for conference call with committee, conference call with committee to discuss unsecured creditor response to plan of reorganization and correspondence to Debtor counsel regarding same.	1.00	350.00
05/12/04	Knowles, F.	Telephone calls with bank attorney regarding unsecured creditor dissatisfaction with plan and possible resolution.	0.60	210.00
05/19/04	Knowles, F.	Review response to objection letter and begin draft objection to disclosure statement.	1.00	350.00
05/20/04	Knowles, F.	Finish objection to disclosure statement and transmit offer letter to committee; e-file disclosure statement objection.	0.90	315.00
05/21/04	Christensen, J.	Conference regarding the preparation of claim analysis.	0.20	19.00
05/21/04	Knowles, F.	Telephone conference with S. Nosek and E-mails from and to committee members and e-mails	0.70	245.00

Invoice: 837319

Page: 2

Regarding: Plan and Disclosure
Matter #: 049149.0806

05/24/04	Christensen, J.	from and to S. Nosek and S. Strouts. Review and analyze proofs of claim filed and original scheduled amounts.	0.70	66.50
05/24/04	Knowles, F.	E-mails and calls regarding amendments to plan and disclosure statement.	0.80	280.00
05/25/04	Christensen, J.	Review and revise analysis of proofs of claim filed in anticipation of acceptance of plan.	0.60	57.00
05/25/04	Knowles, F.	Receipt and review of amended plan of reorganization and disclosure statement and e-mails to client and to debtor counsel regarding acceptance of same.	1.00	350.00
		Total Hours	8.10	
	Total For Services			\$ 2,452.50
	Total This Invoice			\$ 2,452.50

Odyssey Gifts, Inc. Creditor Committee
c/o Nancy L. Wolfe
Department 56, Inc.
6436 City West Parkway
Eden Prairie, MN 55344

Invoice: 837320

For Professional Services Rendered Through May 31, 2004:

Regarding: Odyssey Gifts, Inc. Chapter 11
Matter#: 049149.0888

Disbursements, Costs and Other Charges

Photocopy Charges		14.00
Facsimile Charges		8.00
Total For Disbursements, Costs and Other Charges	\$	22.00
Total This Invoice	\$	22.00

Odyssey Gifts, Inc. Creditor Committee
c/o Nancy L. Wolfe
Department 56, Inc.
6436 City West Parkway
Eden Prairie, MN 55344

Invoice: 839074

For Professional Services Rendered Through June 30, 2004:

Regarding: Plan and Disclosure
Matter#: 049149.0806

06/01/04	Knowles, F.	Telephone conference with S. Nosek and draft withdraw of objection; proof, revise and e-file.	0.40	140.00
06/07/04	Knowles, F.	Respond to debtor attorney e-mails regarding plan.	0.20	70.00
06/23/04	Knowles, F.	Review plan and disclosure statement and ballot form and e-mails to committee representatives regarding balloting on plan and answer miscellaneous questions.	0.70	245.00
			Total Hours	1.30
Total For Services				\$ 455.00
Disbursements, Costs and Other Charges				
				Postage Charges 5.18
				Photocopy Charges 32.20
Total For Disbursements, Costs and Other Charges				\$ 37.38
Total This Invoice				\$ 492.38

INVOICE**Fredrikson****& BYRON, P.A.**

Odyssey Gifts, Inc. Creditor Committee
 c/o Nancy L. Wolfe
 Department 56, Inc.
 6436 City West Parkway
 Eden Prairie, MN 55344

Invoice: 843911

For Professional Services Rendered Through July 31, 2004:

Regarding: Odyssey Gifts, Inc. Chapter 11
 Matter#: 049149.0888

07/08/04	Knowles, F.	Review information from business office and draft letter to debtor regarding monthly fees and fee application and calculation of administrative expense claim in preparation for confirmation hearing.	1.20	420.00
07/15/04	Knowles, F.	Receipt and review of debtor counsel draft ballot report, review ballots and e-mail regarding same.	0.80	280.00
07/16/04	Knowles, F.	Exchange of e-mails with debtor counsel regarding final ballot report.	0.20	70.00
07/19/04	Knowles, F.	Receipt and review of final draft ballot report; e-mail to debtor's counsel and authorize e-signature and filing.	0.50	175.00
07/26/04	Knowles, F.	Attend confirmation hearing and memo to committee regarding confirmation and plan treatment.	1.50	525.00

Total Hours 4.20

Total For Services \$ 1,470.00

Disbursements, Costs and Other Charges

07/08/04 Federal Express 9.76

main 612.492.7000	Attorneys & Advisors
fax 612.492.7077	SDS-12-1606
www.fredlaw.com	P.O. Box 86
Tax ID No. 41-0971937	Minneapolis, Minnesota
	55486-1606

INVOICE**Fredrikson****& BYRON, P.A.**

Invoice: 843911

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Regarding: Odyssey Gifts, Inc. Chapter 11
Matter #: 049149.0888

07/08/04	Federal Express	9.76
07/08/04	Federal Express	9.76
	Photocopy Charges	14.60
Total For Disbursements, Costs and Other Charges		\$ 43.88
Total This Invoice		\$ 1,513.88

main 612.492.7000
fax 612.492.7077
www.fredlaw.com
Tax ID No. 41-0971937

Attorneys & Advisors
SDS-12-1606
P.O. Box 86
Minneapolis, Minnesota
55486-1606

UNITED STATES BANKRUPTCY COURT
DISTRICT OF MINNESOTA

In Re: Chapter 11
Odyssey Gifts, Inc., Bky No. 03-37054 (DDO)
Debtors.

CERTIFICATE OF SERVICE

Faye Knowles, under penalty of perjury, states that on August 20, 2004, she caused to be served the following:

Notice of Hearing and Final Application for Allowance of Fees and for Reimbursements of Expenses for Attorneys for the Official Committee of Unsecured Creditors January 1, 2004 through July 31, 2004 (Fredrikson & Byron), proposed Order and Certificate of Service

By United States Mail on the parties on the attached list.

/e/ Faye Knowles
Faye Knowles
Fredrikson & Byron, P.A.
4000 Pillsbury Center
200 South Sixth Street
Minneapolis, MN 55402

#2893642/2

Name
Odyssey Gifts, Inc. 340 Pierce Avenue North Mankato, MN 56003
Scott J. Strouts 12 South Sixth Street 1008 Plymouth Bldg. Minneapolis, MN 55402
Steven B. Nosek 701 Fourth Avenue South Suite 300 Minneapolis, MN 55415
United States Trustee 1015 U.S. Courthouse 300 South 4 th Street Minneapolis, MN 5541
IRS District Counsel 380 Jackson Street, Suite 650 St. Paul, MN 55101-4804
Internal Revenue Service Insolvency Unit Stop 5700 316 N Robert St St. Paul MN 55101
MN Dept. of Revenue Collection Enforcement PO Box 64447 St. Paul MN 55164
U.S. Attorney 600 U.S. Courthouse 300 South Fourth Street Minneapolis MN 55415

Securities and Exchange Comm. Bankruptcy Section 175 W Jackson Blvd. Suite 900 Chicago IL 60604
Department 56 Attn: Nancy Wolfe 6436 City West Parkway Eden Prairie, MN 55344
Pacific Rim Attn: Judith Spirack 5930 4 th Avenue South Seattle, WA 98108
Demdaco Attn: Darlene Lawson 7500 W. 160 th Kansas City, MO 66085
<i>Requests for Notice</i>
Jordan Realty Corporation c/o Michael S. Dietz Dunlap & Seeger, P.A. 206 South Broadway Suite 505 PO Box 549 Rochester, MN 55903-0549
Scott A. Fenske US Bank, Senior Corporate Counsel 800 Nicollet Mall, BC-MN-H21R Minneapolis, MN 55402-4302

#2893642\1

UNITED STATES BANKRUPTCY COURT
DISTRICT OF MINNESOTA

In re:

Chapter 11 Bankruptcy

Odyssey Gifts, Inc.

Debtor

Bky 03 37054 (DDO)

**FINAL ORDER ALLOWING FEES FOR ATTORNEYS FOR
THE OFFICIAL COMMITTEE OF UNSECURED CREDITORS**

This matter came on before the undersigned United States Bankruptcy Judge on the Application of Fredrikson & Byron, P.A. for the Allowance of its fees and reimbursement of expenses as attorneys for the Official Committee of Unsecured Creditors. Faye Knowles of Fredrikson & Byron, P.A. appeared on behalf of the Applicant. Other appearances are noted on the record.

Based on the Application and the other documents of record herein, the Court being fully advised in the premises, and the Court's findings of fact and conclusions of law, if any, having been stated on the record; IT IS HEREBY ORDERED:

A. Fredrikson & Byron's legal fees in the amount \$8,192.50 and expenses in the amount of \$266.54 are hereby allowed, for a total of \$8,459.04;

B. The Debtor is hereby authorized to pay the remaining unpaid and allowed fees and expenses in the amount of \$3,137.88.

Date: _____

Dennis D. O'Brien
United States Bankruptcy Judge