

UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF MASSACHUSETTS  
WESTERN DIVISION

|                          |   |                              |
|--------------------------|---|------------------------------|
| _____                    | ) |                              |
| In re                    | ) | Chapter 11, No. 09-30623-HJB |
|                          | ) | (Substantively Consolidated) |
| ERVING INDUSTRIES, INC., | ) |                              |
|                          | ) |                              |
| Debtor                   | ) |                              |
| _____                    | ) |                              |

**FIFTH INTERIM APPLICATION FOR ALLOWANCE OF FEES AND EXPENSES**  
**BY KEYBRIDGE ASSOCIATES, INC., BUSINESS CONSULTANT**  
**TO THE CHAPTER 11 DEBTOR**

Submitted by:

William Ware  
c/o KeyBridge Associates, Inc.  
P.O. Box 982, Framingham, MA 01701  
617-283-3769  
weemark@aol.com

**TABLE OF CONTENTS**

|   |             |
|---|-------------|
| Summary Sheet (per UST Guidelines) . . . . .                            | ii          |
| Fifth Interim Application . . . . .                                     | 1           |
| Order Authorizing Employment of KeyBridge Associates, Inc.<br>. . . . . | Exhibit "A" |
| Biographies of Personnel Rendering<br>Services . . . . .                | Exhibit "B" |
| Itemized Statement of Services . . . . .                                | Exhibit "C" |



was an Order providing for the employment of your Applicant. A copy of the Order is annexed hereto as Exhibit "A".

4. Pursuant to MLBR 2016-1, your Applicant has attached a brief biography of those individuals who have contributed services to the Debtor. These documents are marked Exhibit "B".

5. During the time period of September 1 through December 31, 2010, William Ware has contributed over 26.0 hours of professional services, billed at an average hourly rate of \$225.00.

6. Your Applicant seeks an allowance of fees for professional services in the amount of \$5,850.00 together with \$345.00 as reimbursement of reasonable and necessary out-of-pocket expenses incurred.

7. Pursuant to a Case Management Order entered on April 22, 2009, your Applicant has submitted monthly invoices detailing the time devoted, the professional devoting services, the billing rate, and a brief description of the services provided. Absent objection, these invoices have been paid subject to a 10% holdback on fees all as more fully set forth by the Case Management Order.

8. Among the services performed by your Applicant during the time period covered by this Application are: business consultation services including setting up of Monthly Operating Reports, attendance at Creditors meetings, short term financial forecasts, short term operating reports for Periods 9 through 12, cash flow forecasts for the use of proceeds, fee petition hearings, negotiations with counsel for the Creditors Committee, speculations about possible financial reorganization, and review of three year forecast of operations of the company.

9. Exhibit "C" attached to this Application contains details of the services provided, the time expended,

identification of the individual providing the services and their applicable billing rates.

10. By Orders of this Court dated December 17, 2009, April 8, 2010, July 15, 2010, and December 2, 2010, your Applicant was previously awarded fees in the amount of \$26,805.00 together with reimbursement of out-of-pocket expenses of \$2,286.60.

11. The fees requested in this Interim Application represent reasonable compensation for actual and necessary services rendered in connection with representing the Debtor's interest in this Chapter 11 case, and will not be shared, pooled or divided with any other person or firm. As evidenced by Exhibit "C", the services rendered by your Applicant have been sufficiently well defined so as to avoid duplication of professional services.

WHEREFORE your Applicant respectfully requests the entry of an Order awarding fees in the amount of \$5,850.00 together with reimbursement of out-of-pocket expenses totaling \$345.00.

Dated: January 2011

By: 

William Ware  
Consultant  
KeyBridge Associates, Inc.  
P.O. Box 982  
Framingham, MA 01701  
617-283-3769  
weemark@aol.com

**SUMMARY SHEET**

(Per UST Guidelines)

|                         |   |  |
|-------------------------|---|--|
| In re                   | ) | Chapter 11, No. 09-30623-HJB<br>(Substantively Consolidated) |
| ERVING INDUSTRIES, INC. | ) |  |
|                         | ) |  |
| Debtor                  | ) |  |

|                           |    |           |                            |
|---------------------------|----|-----------|----------------------------|
| Fees Previously Requested | \$ | 26,805.00 | NAME OF APPLICANT:         |
| Fees Previously Awarded   | \$ | 26,805.00 | KeyBridge Associates, Inc. |

|                               |    |          |                     |
|-------------------------------|----|----------|---------------------|
| Expenses Previously Requested | \$ | 2,869.60 | ROLE IN CASE:       |
| Expenses Previously Requested | \$ | 2,286.60 | Business Consultant |

|          |    |      |                              |
|----------|----|------|------------------------------|
| Retainer | \$ | 0.00 | CURRENT APPLICATION:         |
|          |    |      | Fees Requested: \$5,850.00   |
|          |    |      | Expenses Requested: \$345.00 |

**FEE APPLICATION**

| <u>PARTNER</u> | <u>Hours Billed</u> | <u>Rate</u> | <u>Total for Application</u> |
|----------------|---------------------|-------------|------------------------------|
| William Ware   | 26.0                | \$225.00    | \$5,850.00                   |

TOTAL BLENDED HOURLY RATE: \$225.00  
(excluding paraprofessionals)



UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF MASSACHUSETTS

|                          |   |                              |
|--------------------------|---|------------------------------|
| In re                    | ) | Chapter 11, No. 09-30623-HJB |
| ERVING INDUSTRIES, INC.  | ) |                              |
| Debtor                   | ) |                              |
| In re                    | ) | Chapter 11, No. 09-30624-HJB |
| ERVING PAPER MILLS, INC. | ) |                              |
| Debtor                   | ) |                              |
| In re                    | ) | Chapter 11, No. 09-30625-HJB |
| ERSECO, INC.             | ) |                              |
| Debtor                   | ) |                              |

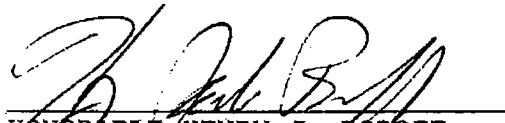
**ORDER AUTHORIZING DEBTOR TO EMPLOY KEYBRIDGE ASSOCIATES, INC.  
AS BUSINESS CONSULTANT**

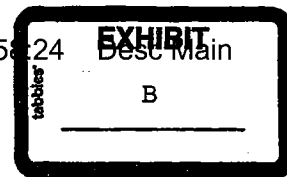
At Worcester, in said District, on this 22nd day of April, 2009.

Upon the Application of ERVING INDUSTRIES, INC. (EII), ERVING PAPER MILLS, INC. (Paper), and ERSECO, INC. (ERSECO), the Debtors and Debtors-in-Possession in the above matter, seeking the entry of an Order authorizing the employment of Keybridge Associates, Inc. as their business consultant pursuant to Section 327 of the Bankruptcy Code, after adequate and sufficient notice and opportunity for hearing, finding that

employment of Keybridge is necessary and in the best interest of the Debtors and their estate. It is hereby

ORDERED that the Debtors are authorized to employ the firm of Keybridge Associates, Inc. as its business consultant on the terms and conditions set forth in the attached application.

  
HONORABLE HENRY J. BOROFF  
Bankruptcy Judge



**William Ware**  
**222 Scraggy Neck Road, Cataumet, MA 02534**  
**Tel: (617) 283 3769; Fax: (508) 563 3174**  
**Email: weemark@aol.com**

**Summary:** 40+ year career providing strategic and financial assistance to small and medium-sized businesses as a consultant and venture capital investor. Consulting practice primarily serves companies ranging from \$2-\$10 million in revenue that are controlled by the founding entrepreneur(s), and are often family-owned. Key services provided:

- Business plan preparation
- Budget preparation
- Marketing plan preparation
- Operations analysis
- Succession planning

**Objective:** To help entrepreneurs and their companies achieve stability and their goals.

**EXPERIENCE:**

**Management Consulting** (1975 to 1988, 1996 to Present) – over 56 assignments

- KeyBridge Associates, Inc. (Framingham, MA), Founder/Principal - 2001 to present
- Argus Management Corporation (S. Natick, MA), Consultant 1979-1984, 1996 to 2001
- Jefferson Currier and Co. (Manchester, NH), Partner in regional investment banking company - 1984-1988
- The Parallel Group, Inc. (New York, NY), Vice President at consulting firm - 1975-1979

**Representative Assignments:**

- Printer Pro, Douglas, MA, Financing consultant 2007 to present: Structured acquisition and secured financing to grow company from \$300K-\$3 million in sales.
- GDS, Pembroke, MA, Acting CFO 2007 to present: Restored profitability from \$250,000 loss to \$750,000 profit, grew sales from \$2.5-\$5.5 million.
- Water Transportation Alternatives, Quincy, MA, Acting CFO 2006 to present: Stabilized and refinanced Boston Harbor ferry and whale watch service company, growing sales from \$5 million to \$10 million.
- Electro Term, Inc., Advisory Board Member 2007 to present: Advised and took through Chapter 11 process this \$5 million distributor and manufacturer of solderless terminals.
- Optim Incorporated, Inc., CFO 1997-1998, Director 1998 to 2004: Managed the successful turnaround of \$8 million medical equipment manufacturer.
- Harborside Corp., President 1982-1983: Interim president of major real estate project in Jersey City, NJ until sale to third party.
- Talleyrand Corp., President and Director 1980-1982: Led PVC manufacturing plant out of Chapter 11, built sales to \$20 million.
- Eustis Enterprises, Ashburnham, MA, Advisory Board Member 1994 to present: Developed succession plan to transfer chair manufacturer from father to son.

**Venture Capital (1988 to 1996)**

- Nature's Backyard, Inc. (New Bedford, MA), Director 1995-1996, CEO 1994-1995: Assisted inventor to establish and develop home composting company.
- HFG Financial Group, Inc. (Cambridge, MA), President 1988-1992, Exec. V.P. 1992-1993: Guided start-up and management of private family-owned venture portfolio.
- HFG Expansion Management, Inc. (Cambridge MA), President 1990-1991, Director 1990-1995: Helped raise and manage \$12 million Boston-based socially responsible venture fund.
- Sucanat North America (Hollis, NH), Director 1990-1995, CEO 1992 to 1993: Grew sales of natural sugar company from \$60,000 to \$2 million and restored profitability.

**Financial Services (1968-1975)**

- St Piran, Ltd. (London, England), Managing Director 1972-1975: Spearheaded acquisition of 5 mining/real estate companies and sale of 3 during 3 year period.
- Development Advisory Services (Geneva, Switzerland), Founder/Managing Partner 1970-1972: Developed and sold 4 hotel chain in Turkey.
- Investors Overseas Services (Geneva, Switzerland), Asst. V.P. 1968-1970: Member of team that grew financial services products division from \$400 million to \$1 billion in 2 years.

**Food Service - Restaurants (1964-1968)**

- Donut Corporation of America (NYC), Division V.P.- Marketing 1966-1968: Initiated successful merger of 29 unit restaurant chain into 60 unit chain.
- PKI Foods, Inc. (Englewood Cliffs, NJ), Executive Director 1964-1966: Part of team that built early stage restaurant chain from 12 to 29 restaurants.

**EDUCATION:**

Harvard Business School, M.B.A. 1964  
U.S. Naval Reserve, Lieutenant 1962  
Harvard College, A.B. 1959

**PERSONAL:**

Wife: Susan (married 1963)  
Children: 4 (college graduates)

Sherborn Duplicate Bridge Club, Director 1978-1981 Bronze Life Master 2005  
Buzzards Yacht Club, Commodore 1982-1985, Steering Committee 1985 to present  
H Class Association, President 1990, 1995, 2000, 2004, Director since 1985  
Sherborn Lions Club, Director 1987-1990

**REFERENCES:**

Available on request

EXHIBIT "C"

KeyBridge Associates, Inc.  
P.O. Box 982  
Framingham Mass. 01701

October 12, 2010

Mr. Morris Housen, President and CEO  
Mr. Denis Emmett  
Erving Industries, Inc.  
97 Main Street, Erving, MA 01344

Dear Morris and Denis,

Attached is our statement for services rendered pursuant to the Order of the Court entered on the 22<sup>nd</sup> of April 2009. We have categorized our services pursuant to the Bankruptcy rules. Each bill from KeyBridge Associates, Inc. from now on will be similarly itemized for your review

Please accept this as our bill for services rendered for Erving Industries, Inc. for the period from September 1, 2010 through September 30, 2010. (See detailed time sheet attached)

|   |                   |
|---|-------------------|
| Hours( W. Ware)                               | 6.3 hours         |
| Rate  | \$225.00 per hour |
| Fees  | \$1,417.50        |
| Out of Pocket Exp                             | \$134.10          |
| Total Due                                     | \$1,551.60        |
| Payment due for above (90% of fees +expenses) | <b>\$1,409.85</b> |

Thank you.

Very truly yours,  
KeyBridge Associates, Inc.

William Ware  
Cc: Henry Geberth, Esq.  
Steve Meunier, Esq  
George Tetler, Esq.

Erving Industries Time Sheet

1/25/2011

| Mileage   | Sep-10                 | Consultant | Hours       |   |
|-----------|------------------------|------------|-------------|---|
| Expenses  | Date                   |            |             |   |
| 260 miles |                        | 1 W. Ware  | 3.5         | Creditors committee meeting Prep and attend |
| \$ 130.00 |                        | 2          |             |   |
| \$ 4.10   |                        | 2          |             |   |
| tolls ERV |                        | 2          |             |   |
|           |                        | 13 W. Ware | 0.3         | fee petition prep                           |
|           |                        | 24 W. Ware | 1.0         | meet with PH, HG re CC                      |
|           |                        | 30 W. Ware | 1.0         | conf call re cred meeting next day          |
|           |                        | 30 W. Ware | 0.5         | fee petition prep                           |
|           | Totals                 |            | <u>6.3</u>  | hours                                       |
|           | rate                   |            | \$ 225.00   |   |
| \$ 134.10 | Fees                   |            | \$ 1,417.50 | \$ 1,417.50                                 |
|           | Totals Fees + Expenses |            | \$ 1,551.60 |   |

KeyBridge Associates, Inc.  
P.O. Box 982  
Framingham Mass. 01701

November 19, 2010

Mr. Morris Housen, President and CEO  
Mr. Denis Emmett  
Erving Industries, Inc.  
97 Main Street, Erving, MA 01344

Dear Morris and Denis,

Attached is our statement for services rendered pursuant to the Order of the Court entered on the 22<sup>nd</sup> of April 2009. We have categorized our services pursuant to the Bankruptcy rules. Each bill from KeyBridge Associates, Inc. from now on will be similarly itemized for your review

Please accept this as our bill for services rendered for Erving Industries, Inc. for the period from October 1, 2010 through October 31, 2010. (See detailed time sheet attached)

|   |                   |
|---|-------------------|
| Hours( W. Ware)                               | 8.7 hours         |
| Rate  | \$225.00 per hour |
| Fees  | \$1,957.50        |
| Out of Pocket Exp                             | none              |
| Total Due                                     | \$1,957.50        |
| Payment due for above (90% of fees +expenses) | <b>\$1,761.75</b> |

Thank you.

Very truly yours,  
KeyBridge Associates, Inc.

William Ware  
Cc: Henry Geberth, Esq.  
Steve Meunier, Esq  
George Tetler, Esq.

Erving Industries, Inc. time sheet

| Date   | Consultant | Hours       | Actions taken                        |
|--------|------------|-------------|--------------------------------------|
|        | 1 W.Ware   | 3.0         | prepare and participate in ConF Call |
|        | 4 W.Ware   | 0.3         | Tel calls with PH, HG                |
|        | 4 W.Ware   | 0.5         | Tel calls with DE                    |
|        | 6 W.Ware   | 0.2         | telephone call PH                    |
|        | 6 W.Ware   | 0.5         | preparation of fee petition          |
|        | 8 W.Ware   | 1.5         | Conf Call all                        |
|        | 11 W.Ware  | 1.5         | fee petition                         |
|        | 20 W.Ware  | 0.9         | tel meeting PH,MH,DE et al           |
|        | 25 W.Ware  | 0.3         | MOR                                  |
| Totals |            | <u>8.7</u>  |                                      |
| rate   |            | 225.0       |                                      |
| Fees   |            | \$ 1,957.50 |                                      |

KeyBridge Associates, Inc.  
P.O. Box 982  
Framingham Mass. 01701

December 20, 2010

Mr. Morris Housen, President and CEO  
Mr. Denis Emmett  
Erving Industries, Inc.  
97 Main Street, Erving, MA 01344

Dear Morris and Denis,

Attached is our statement for services rendered pursuant to the Order of the Court entered on the 22<sup>nd</sup> of April 2009. We have categorized our services pursuant to the Bankruptcy rules. Each bill from KeyBridge Associates, Inc. from now on will be similarly itemized for your review

Please accept this as our bill for services rendered for Erving Industries, Inc. for the period from November 1, 2010 through November 30, 2010. (See detailed time sheet attached)

|   |                   |
|---|-------------------|
| Hours( W. Ware)                               | 5.1 hours         |
| Rate  | \$225.00 per hour |
| Fees  | \$1,147.50        |
| Out of Pocket Exp                             | \$81.80           |
| Total Due                                     | \$1,229.30        |
| Payment due for above (90% of fees +expenses) | <b>\$1,114.55</b> |

Thank you.

Very truly yours,  
KeyBridge Associates, Inc.

William Ware  
Cc: Henry Geberth, Esq.  
Steve Meunier, Esq  
George Tetler, Esq.

Erving Industries, Inc. time sheet

November

2010

| Date      | Consultant | Hours       | Actions taken   |
|-----------|------------|-------------|---|
| 8 W.Ware  |            | 1.0         | Conference call in preparation for meeting with Creditors Committee                   |
| 8 W.Ware  |            | 1.5         | Meeting with George Tetler Creditors Committee Counsel, Argus, Erving, Hendel Collins |
| 10 W.Ware |            | 0.1         | follow up call with PH re status of case  |
| 19 W.Ware |            | 0.5         | Fee petition preparation October  |
| 19 W.Ware |            | 0.5         | Review Accounts Payable and Convenience Class   |
| 20 W.Ware |            | 1.5         | Review draft of Disclosure Statement  |
| Totals    |            | 5.1         |   |
| rate      |            | \$ 225.00   | per hour  |
| Fees      |            | \$ 1,147.50 |   |

KeyBridge Associates, Inc.  
P.O. Box 982  
Framingham Mass. 01701

January 13, 2011

Mr. Morris Housen, President and CEO  
Mr. Denis Emmett  
Erving Industries, Inc.  
97 Main Street, Erving, MA 01344

Dear Morris and Denis,

Attached is our statement for services rendered pursuant to the Order of the Court entered on the 22<sup>nd</sup> of April 2009. We have categorized our services pursuant to the Bankruptcy rules. Each bill from KeyBridge Associates, Inc. from now on will be similarly itemized for your review

Please accept this as our bill for services rendered for Erving Industries, Inc. for the period from December 1, 2010 through December 31, 2010. (See detailed time sheet attached)

|   |                   |
|---|-------------------|
| Hours( W. Ware)                               | 5.9 hours         |
| Rate  | \$225.00 per hour |
| Fees  | \$1,327.50        |
| Out of Pocket Exp                             | \$129.10          |
| Total Due                                     | \$1,456.60        |
| Payment due for above (90% of fees +expenses) | <b>\$1,323.85</b> |

Thank you.

Very truly yours,  
KeyBridge Associates, Inc.

William Ware  
Cc: Henry Geberth, Esq.  
Steve Meunier, Esq  
George Tetler, Esq.

Erving Industries, Inc. time sheet

December 2010

|             |        | Date | Consultant | Hours       | Actions taken                          |
|-------------|--------|------|------------|-------------|--|
| Expenses    |        |      |            | Erving      |  |
| Erving      |        | 1    | W,Ware     | 1.0         | Conference call re creditors committee |
| \$ 125.00   | milage | 2    | W.Ware     | 1.5         | fee petition hearing                   |
| \$ 4.10     | tolls  | 6    | W.Ware     | 0.5         | Conference call re creditors committee |
|             |        | 7    | W.Ware     | 0.5         | fee petition preparation               |
|             |        | 14   | W.Ware     | 0.8         | Conference call re creditors committee |
|             |        | 22   | W.Ware     | 0.6         | Conference call re creditors committee |
|             |        | 23   | W.Ware     | 1.0         | Review MOR 11                          |
|             | Totals |      |            | <u>5.9</u>  | hours                                  |
|             | rate   |      |            | \$ 225.00   |  |
| \$ 129.10   | Fees   |      |            | \$ 1,327.50 |  |
| \$ 1,456.60 |        |      |            |             |  |