

**Coney Is. Auto Holdings Corp. v Parts Auth., LLC**

2026 NY Slip Op 31639(U)

April 10, 2026

Supreme Court, New York County

Docket Number: Index No. 656816/2022

Judge: Melissa A. Crane

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SUPREME COURT OF THE STATE OF NEW YORK
NEW YORK COUNTY

PRESENT: HON. MELISSA A. CRANE PART 60M

Justice

-----X

CONEY ISLAND AUTO HOLDINGS CORP.

Plaintiff,

- v -

PARTS AUTHORITY, LLC,

Defendant.

-----X

INDEX NO. 656816/2022
MOTION DATE 09/12/2025
MOTION SEQ. NO. 004

DECISION + ORDER ON MOTION

The following e-filed documents, listed by NYSCEF document number (Motion 004) 167, 168, 169, 170, 171, 172, 173, 174, 176, 177, 178, 179, 180, 181, 182

were read on this motion to/for ATTORNEY - FEES

This contentious litigation spanned three years, involved significant discovery on both sides, and ultimately resulted in a week-long bench trial. After the trial, the parties submitted substantial post-trial memoranda. As set forth in the court’s decision after trial, plaintiff prevailed at trial on its central contract claim. The court granted judgment in plaintiff’s favor and awarded plaintiff \$3 million.

The court also found that plaintiff is entitled to recover its attorneys’ fees as further “Losses” under APA Section 6.2. Plaintiff filed this motion [MS 04] for its fees and costs, seeking \$1,573,860.05. Plaintiff’s attorneys’ fees cover the work done by both law firms that represented it (K&L Gates handled the case from commencement through the end of discovery; Abrams Fensterman handled the case thereafter). Defendant opposes the motion.

Plaintiff submits the Affirmation of Robert Salame, primary relationship partner overseeing K&L Gates’s work for plaintiff (Doc 168 [Salame Aff., ¶2]); Affirmation of Justin T. Kelton, partner of the law firm of Abrams Fensterman, LLP (Fensterman), attorneys for plaintiff. Fensterman replaced K&L Gates in January 2024 (Doc 170 [Kelton Aff., ¶¶1, 9]). Plaintiff also

submits the Affirmation of Daniel Beyda, founder, president, and CEO of plaintiff (Doc 172 [Beyda Aff., ¶1]).

#### DISCUSSION

An award of reasonable attorneys' fees is within the discretion of the court (*see Diakrousis v Malanga*, 61 AD3d 469 [1st Dept 2009]). The requesting party holds the burden of proof in proving the reasonableness of requested fees (*EVUNP Holdings LLC v Frydman*, 154 AD3d 558, 559 [1st Dept 2015]).

To assess the reasonableness of attorneys' fees, the court considers several factors, "including the time and labor required, the difficulty of the issues involved, and the skill and effectiveness of counsel...reduc[ing] the amount requested to eliminate work that was duplicative or was unnecessarily performed by an attorney, rather than a secretary or paralegal" (*JK Two LLC v Garber*, 171 AD3d 496, 496 [1st Dept 2019]; *S.T.A Parking Corp. v Lancer Ins. Co.*, 128 AD3d 479, 480 [1st Dept 2015]). Further, the court may reduce fees that are excessive (*see Solow Management Corp. v Tanger*, 43 AD3d 691 [1st Dept 2007]). The court may also reduce fees where the amount requested lacks proof (*Josefsson v Keller*, 141 AD2d 700, 701 [2d Dept 1988]). Thus, a reduction in duplicative, excessive fees, and fees that lack proof is within the court's discretion.

Preliminarily, the court agrees with defendant that plaintiff may not recover the amounts that Festerman invoiced for preparing this motion, otherwise plaintiff would improperly receive "fees on fees." Nothing in the agreement allows for fees on fees (*see Batsidis v Wallack Mgmt. Co.*, 126 A.D.3d 551, 553 [1<sup>st</sup> Dep't 2015] ["Because it is not "unmistakably clear" from the parties' agreement that fees on fees were contemplated, such an award is not allowed"]).

Thus, initially, the court will reduce the requested fees by \$20,173 for invoice amounts billed in July 2025, and by \$52,548.5 for invoice amounts billed in August 2025 (*see* Doc 171 [AF invoices]). This \$72,721.50 reduction brings the requested award to \$1,501,138.55.

A fee award may also be reduced where there is block billing - the practice of lumping multiple charges together in a single billing entry (*see Matter of Silverstein v Goodman*, 113 AD3d 539, 540 [1st Dept 2014]; *RMP Capital Corp. v Victory Jet, LLC*, 139 AD3d 836, 840 [2d Dept 2016] [25% reduction of fee award “due to the use of block billing, including vague and nonspecific billing entries, and the nature of th[e] lawsuit”). Specifically, courts may reduce requested fees when the use of block billing makes it “makes it exceedingly difficult for the court to identify whether the amount of time spent on a particular task is reasonable” (*546-552 W. 146th St. LLC v Arfa*, 99 AD3d 117, 123 [1st Dept 2012]).

The time records and entries plaintiff’s counsel submitted indicate numerous instances of block billing. The block billing ultimately prevents the court from determining the reasonableness of the requested attorneys’ fees, as the court cannot differentiate nor specify exactly how much time plaintiff’s counsel spent on each task listed.

For instance, on June 15, 2022, attorney M. E. Waller billed 7.6 hours listing:

“Emails with R. Salame regarding reviewing Asset Purchase Agreement and preparing complaint against Parts Authority; reviewing AMA and draft complaint, reviewing legal elements of various causes of action; preparing additions and revisions to draft complaint, including drafting additional causes of action; working with R. Yammine and K. Haddox to prepare draft complaint; emails with R. Ciulei regarding filings; conferring with R. Salame regarding confidentiality provision”

(Doc 169 [K&L Gates Invoices], p. 6).

Further, on January 8, 2025, attorney M. Geisler billed 9.5 hours listing:

“Meet with D. Beyda to prepare for trial, draft cross-exam for R. Buller, review R. Buller direct testimony and exhibits cited, review additional exhibits, review D. Beyda direct testimony and prior deposition transcripts, emails and calls with J. Kelton and L. Williams”

(Doc 171 [Fensterman Invoices], p. 60).

Plaintiff’s submitted invoices are replete with this style of block billing. In addition, there are instances where various attorneys seemingly charge for similar tasks, potentially billing for duplicated work. Some instances also indicate excessive hours for certain tasks, and some tasks completed by an attorney could have been done by non-attorney staff.

In addition, plaintiff’s submissions do not include attorney and non-attorney CVs and biographies. However, the memoranda include some information about these staff members (i.e., graduation year [where applicable] and title).

Defendant claims that plaintiff seeks to impose the costs related to defendant’s own conduct for which the court awarded sanctions. However, plaintiff claims that it does not seek fees for the spoliation motion, and reduced its fees accordingly (Salame Aff., EDOC 168 at 14-17). Defendant does not refute this showing.


In sum, the court finds that a 25% reduction to the remaining \$1,501,138.55 amount is appropriate. Thus, the court reduces the requested amount [less the fees-on-fees portion, discussed above] by \$375,284.64, for a total award equaling \$1,125,853.91.

The court has considered the parties’ remaining contentions and finds them unavailing.

Accordingly, it is

ORDERED that plaintiff’s motion [MS 04] is granted in part, as set forth in this order; and it is further

ORDERED that the Clerk is directed to enter judgment in favor of plaintiff, CONEY ISLAND AUTO HOLDINGS CORP., and against defendant, PARTS AUTHORITY, LLC, for \$1,125,853.91, together with post-judgment interest at the statutory rate, as calculated by the Clerk.

  
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4/10/2026

DATE

MELISSA A. CRANE, J.S.C.

CHECK ONE:

CASE DISPOSED

NON-FINAL DISPOSITION

GRANTED

DENIED

GRANTED IN PART

OTHER

APPLICATION:

SETTLE ORDER

SUBMIT ORDER

CHECK IF APPROPRIATE:

INCLUDES TRANSFER/REASSIGN

FIDUCIARY APPOINTMENT

REFERENCE