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April 4, 2005 \$5

Business Insurance

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AIG UNDER PRESSURE

AIG remains formidable, despite troubles

By JUDY GREENWALD

NEW YORK—American International Group Inc. is likely to weather its current crisis, despite the daunting possibility of a \$1.66 billion hit to its shareholders' equity, say observers.

AIG said last week that restatements to its financial statements stemming from accounting probes could lead to the \$1.66 billion decrease and after-tax charges of \$670 million, among other changes, and that it may not file its 2004 10-K until April 30.

Observers note, though, that the \$1.66 billion represents just 2% of the insurer's \$82.87 billion in shareholders' equity.

Furthermore, analysts point out that although

Inside

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these issues are troubling, AIG's financial problems bear little, if any relationship to its core operating business, which remains formidable.

AIG may have been managing its results but, unlike Enron Corp., "it was not a house of cards," said Cliff Gallant, an analyst with Keefe, Bruyette & Woods in New York. The com-

pany's bottom-line value "was real," he said.

"The life side and the P/C side are unique," Joyce Sharaf, managing senior financial analyst at Oldwick, N.J.-based A.M. Best Co., said of AIG's insurance operations. "They're extremely strong; they have a great underwriting culture that we believe is not going to be compromised from all this publicity," she said.

"That's our opinion, from what we know today."

Lingering questions

What is not known, though, is what addition-

See AIG/page 16

Late News

Former Swett top exec back to lead divestiture

David R. Hartoch, former chief executive officer of Swett & Crawford Group, will return to the nation's largest wholesale broker to oversee its planned divestiture from Aon. Mr. Hartoch, who headed the company from 1997 to 2003, replaces Thomas Comer, who left last month for undisclosed reasons. Aon in February announced it was exploring alternatives to its ownership of Swett & Crawford.

Subpoena asks MBIA about Bermuda reinsurer

Bond insurer MBIA Inc. said last week it has received additional document requests from the office of New York Attorney General Eliot Spitzer and the U.S. Securities and Exchange Commission to supplement subpoenas it received in November. Requested documents span the period from Jan. 1, 2000, to the present and, among other things, relate to Bermuda-based Channel Reinsurance Ltd., a financial guarantee reinsurer that MBIA partly owns. MBIA said it intends to cooperate fully.

Texas House passes comp reform bill

The Texas House passed a bill that would restructure the state's financially ailing workers compensation system and create medical networks to help control medical costs. House Bill 7 would abolish the Texas Workers Compensation Commission and transfer some of the commission's duties to the Texas Insurance Department. Employers and insurers have sought legislation that would allow them to direct injured employees to receive care from networks of medical doctors who would follow nationally recognized treatment guidelines. The bill has been sent to the

See LATE NEWS/page 19

AIG UNDER PRESSURE

Greenberg to retire; lead director Zarb becomes chairman

Probes continuing

By SALLY ROBERTS

NEW YORK—Maurice R. Greenberg no longer will have a hand in molding the future of the company he built into the largest property/casualty insurer in the world.

Two weeks after stepping down as chief executive officer of American International Group Inc., Mr. Greenberg said last week that he would also resign as nonexecutive chairman.

Frank G. Zarb, chairman of the board's executive committee, is assuming Mr. Greenberg's duties as lead director, AIG said in a statement.

News of Mr. Greenberg's intention to resign, which was not entirely unexpected, comes amid an expanding probe into AIG's accounting of certain reinsurance transactions by New York Attorney General Eliot Spitzer, the U.S. Securities & Exchange Commission and the New York Department of Insurance.

Regulatory scrutiny into the accounting treat-

See GREENBERG page 16

PHOTO: NY TIMES



Supreme Court ruled on a monumental employment law case.

Supreme Court's age-bias ruling expected to open door to claims

By MARK A. HOFMANN

WASHINGTON—A Supreme Court decision holding that employees over the age of 40 do not have to prove bias in order to pursue age discrimination claims could mean new headaches for employers, according to employment law experts.

The case, *Azel P. Smith et al. vs. City of Jackson, Miss. et al.*, involved a change in the city's pay plan for police department employees. Under the plan, officers and other employees with less than five years service received proportionately larger

raises than did those with more service, which meant that younger workers tended to receive larger raises than did older workers. A group of employees over the age of 40 sued under the Age Discrimination in Employment Act of 1967, which protects workers aged 40 and older, saying that the plan discriminated against them because of their age. Both a federal district court and an appeals court held, though, that the ADEA didn't permit claims based solely on disparate impact.

But the Supreme Court ruled that the ADEA al-

See ADEA page 18

Special report

RIMS 2005: PHILADELPHIA CONFERENCE PREVIEW

Takeout section inside



NEWSPAPER

Inside

Domestic comp insurers returning to California

Insurers specializing in writing California-only workers compensation business are re-emerging as underwriters take renewed interest in the state. **Page 4**

Managed care companies report strong performances

Moderating medical cost trends and disciplined underwriting led to strong earnings among major managed care companies in 2004. **Page 4**

Lessons to be learned from AIG's improprieties

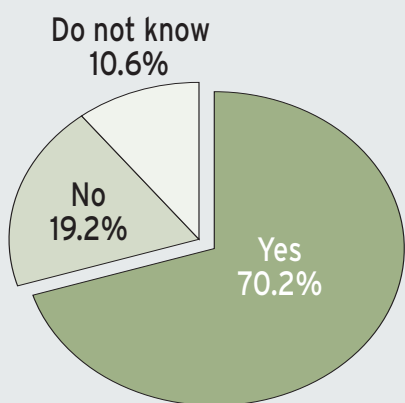
The revelation of accounting transgressions at American International Group teaches us, once again, that the truth always emerges, one of this week's editorials says. **Page 8**

U.K. lowers standard for stress claim cases

A recent Appeal Court ruling lowers the standard for stress claims against U.K. employers and allows companies to be held vicariously liable for the actions of workers' supervisors. **Page 13**

Online poll - [3/24 - 4/1]

Do you think regulators' investigations of American International Group's financial transactions will uncover wrongdoing by AIG?



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REPORTING ON CORPORATE RISK AND EMPLOYEE BENEFIT MANAGEMENT NEWS

Business Insurance (ISSN 0007-6864) Vol. 39, No. 14, is published weekly by Crain Communications Inc., 360 N. Michigan Ave., Chicago, Ill. 60601-3806. Periodicals postage is paid at Chicago and at additional mailing offices. POSTMASTER: Send address changes to Business Insurance Circulation Department, 1155 Gratiot Ave. Detroit, Mich. 48207-2912. \$5 a copy and \$97 a year in the U.S. \$130 in Canada and Mexico (includes GST). All other countries, \$230 a year (includes expedited air delivery). Canadian Post International Publications Mail Product (Canadian Distribution) Sales Agreement No. 40012850, GST No. 136760444, Canadian return address: 4960-2 Walker Road, Windsor, ON N9A6J3. Printed in U.S.A. Copyright © 2005 by Crain Communications Inc.

Court blocks EEOC rule exempting retiree health plans from ADEA

Cuts to benefits for younger retirees the likely result, observers say

By **JERRY GEISEL**

PHILADELPHIA—A federal court decision last week keeps alive a longstanding legal threat to retiree health care plans that employers thought finally was coming to an end.

Judge Anita Brody of the U.S. District Court for the Eastern District of Pennsylvania, responding to a complaint filed by the AARP, permanently blocked the Equal Employment Opportunity Commission from implementing a rule that would allow employers to con-

tinue to provide richer health care benefits to younger retirees than to Medicare-eligible retirees without facing age discrimination charges.

Allowing the EEOC to implement its rule exempting retiree health care plans from the Age Discrimination in Employment Act would permit a practice that a federal appeals court nearly five years ago said violates ADEA, Judge Brody ruled.

The EEOC immediately said it planned to appeal and that it is optimistic it ultimately will prevail.

The 3rd U.S. Circuit Court of Appeals will review Judge Brody's decision. That appeals court triggered what has become a long-running legal battle—with big stakes for employers and retirees—when it ruled in August 2000 that retiree health care plans are subject to ADEA.

By being subject to ADEA rules, retiree health care plans either would have to provide the same level of benefits to younger and Medicare-eligible employees or employers

See **EEOC**/page 19

UAW accepts midcontract benefit cuts

DaimlerChrysler gets OK for in-network deductibles

By **JOANNE WOJCIK**

AUBURN HILLS, Mich.—In what health benefit experts say is a sign of things to come, DaimlerChrysler's union workers last week accepted unprecedented cuts in their health benefits, even though their contract does not expire until 2007.

The change was made possible under a little-known provision in the United Auto Workers contract with the Auburn Hills-based automaker, Letter C14 of the UAW DaimlerChrysler National Agreement.

According to Letter C14—which is also included in UAW contracts with Ford Motor Co. and General Motors Corp.—the parties are required to periodically review the costs of union workers' health plans and take remedial actions when necessary, explained a UAW spokesman.

For example, if the costs of preferred provider organization plans or health maintenance organization plans are substantially higher than those of the union's traditional

What they agreed to:

- Annual in-network deductibles for the union employees, dependents and retirees covered by the PPO will be \$100 for individuals and \$200 for families.
- Annual out-of-network deductibles will range from \$500 for individuals to \$1,000 for families.

fee-for-service plan, the joint union/ company insurance committee can implement premium sharing, increase co-payments and/or deductibles or drop one or more of the other plans. The committee cannot, however, make any changes to the traditional indemnity plan, which is self-insured and administered by a Blue Cross & Blue Shield Assn. affiliate.

Neither the Chrysler nor UAW spokesman would provide the names of the PPO and HMO plans, other than to say there were

"several" of them and they vary by location.

Rather than instituting premium sharing, the committee decided to impose deductibles ranging from \$100 for single, in-network coverage to \$1,000 for out-of-network family coverage. UAW members make no contributions to the premiums for any of the health plans they are offered.

"The trigger that's called for is actually contributory plans," a Chrysler spokesman said. "But no one really wants to begin contributory plans for the hourly workforce. So it was mutually decided that small deductibles could be applied."

Because the change took effect April 1, UAW members will have the option of changing plans by June 1, rather than waiting until annual open enrollment in the fall, a UAW spokesman said.

This is not the first time Letter C14, which has been included in UAW contracts dating back to 1982, has been invoked, according to

See **UAW**/page 18

Tribe establishes captive domicile and risk management company

By **MICHAEL BRADFORD**

MASHANTUCKET, Conn.—A Native American tribe that has established the first captive domicile on Indian land will operate a cell captive there to finance its property/casualty exposures and offer membership in the insurer to other tribes.

The Mashantucket Pequot Tribal Nation in Mashantucket, Conn., is also creating a risk management services company to offer safety, loss control and claims supervision with tribal law expertise and other insurance-related services to Indian tribes.

But while more tribes may explore forming captive domiciles on reservation lands, none of the tribes is expected to attract non-Indian owned captives, at least

for some time.

The Mashantucket Pequot Tribal Nation "established its own captive domicile last year for its own exposures," a spokesman for the tribe noted, "and, since that time, has been developing a segregated cell company for other Native American tribes. The captive initiative is one of several projects that the tribe has pursued to address the financial exposures facing its business operations."

The spokesman said the tribe already operates its own workers compensation system for its 12,000 employees and has "created its own claims administration team for several lines of coverage."

Industry sources say other tribes are considering creating



Among the exposures the Mashantucket Pequot Tribal Nation will be using its cell captive to cover are those of the Foxwoods Casino Resort, located on the tribe's reservation in Mashantucket, Conn.

See **CAPTIVE**/page 6

California sees new interest in domestic comp market

By **ROBERTO CENICEROS**

Insurers that specialize in writing only California workers compensation business nearly disappeared a few years ago, but new entrants are emerging as a variety of underwriters take renewed interest in the state.

sure only California employers.

Domestic insurers wrote about 36% of California workers comp coverage through the mid-1990s, according to the San Francisco-based Workers' Compensation Insurance Rating Bureau of California. The WCIRB defines domestic insurers as those that write 80% of their

rating in 1995, many of the state's domestic underwriters were among the 25 or so workers comp insurers that became insolvent, according to the WCIRB. Their concentration in California's troubled system made them particularly vulnerable when open rating brought price declines despite increasing losses.

SCIF's share of the market, meanwhile, rose to 36% by 2003. Meanwhile, national and regional insurers had tightened their California offerings, but held a combined 62% market share in 2003.

A spokesman for SCIF agrees the insurer is facing greater competition. But the number of policyholders it insures has held steady at about 260,000, or roughly half of the state's total, he said.

Competition growing

More recently, though, national insurers, along with regional insurers based in California, are saying yes more often to underwriting new workers compensation accounts, said Betsy Brewer, a broker at The Rule Group Inc. in Pasadena, Calif.

Ms. Brewer stressed, though, that these insurers are being selective. And other observers note that the premium volume of the new insurers in the state is small.

Still, Ms. Brewer said she is seeing some national and regional insurers take some "good accounts" from SCIF. Some of those underwriters are focusing on high-deductible business, while others are targeting smaller employers, she said.

Meanwhile, a few specialty California workers compensation insur-

business in California; its total premium volume figures are gross of deductible credits.

"That was a phenomenon that you didn't find in many other places in the United States, companies that just wrote work comp and wrote it in just one state," said James E. Little, chairman and CEO of Agoura Hills, Calif.-based Employers Direct Insurance Co.

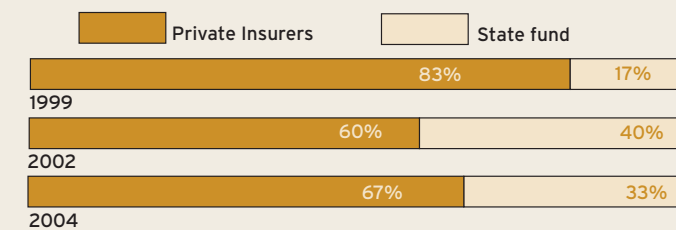
National and regional insurers wrote another 45% of California's workers comp business in the mid-1990s, and Sacramento-based SCIF wrote the remaining 19%. But by 2003, California-based underwriters wrote only 2% of the state's workers comp business, according to the WCIRB.

After California introduced open

See **CALIFORNIA COMP** page 18

California workers comp market shares

The State Fund's market share by premium* is estimated to drop



* Excluding deductible credits

Source: Workers Compensation Insurance Rating Bureau

The resulting competition is giving some buyers alternatives to the State Compensation Insurance Fund, which earlier swelled in size after domestic specialty writers became insolvent and regional and national insurers reduced their writings amid mounting costs.

SCIF is the state's largest single workers comp writer, with a market share that far outstrips the next largest. Getting SCIF's premium share down to about 20% of California's total would be a sure sign that the state is enjoying a vibrant and competitive marketplace, several market observers say.

"We are creeping there," said Bill Mudge, chief executive officer of CompWest Insurance Co., a San Francisco-based company that in-

Mergers, moderating costs drive health insurers' strong profits

By **GLORIA GONZALEZ**

Commercial health care premium increases for 2005 have moderated, with managed care companies pricing their products at or near medical cost trends.

The major managed care companies are reporting expected medical cost increases in the range of 7.5% to 10%, with insurers pricing their health care offerings at or close to these levels. For example, Hartford, Conn.-based Aetna Inc. is projecting a medical cost trend of 8.5% in 2005, with premium increases in line with that projection. Indianapolis-based WellPoint Inc. is projecting medical costs increasing about 9%, with premium increases at least equal to that trend.

"The rate that is put forth to the employer groups is diminishing to a certain extent," said Joseph Marinucci, credit analyst with New York-

based Standard & Poor's Corp. Mr. Marinucci noted, though, that premium rates are not declining but merely increasing at a slower pace than previous years. "The underlying

Managed Care 2004 Results

ing trend is still pretty strong in terms of cost," he said.

Overall, the managed care companies reported strong earnings in 2004 due to moderating medical cost trends and disciplined pricing.

"The insurance companies have managed to stay above the curve and post very good margins," said Stephen Zaharuk, vp and senior analyst for Moody's Investors Service in New York.

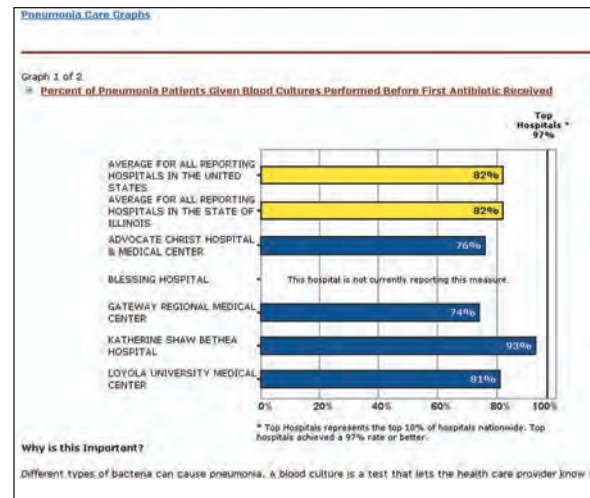
Aetna, Minneapolis-based UnitedHealth Group and Oakland,

Calif.-based Kaiser Permanente led the way, with all three companies reporting strong increases in net income in 2004 (see chart).

Although most of the managed care companies reported solid earnings, Los Angeles-based Health Net Inc. struggled, with net income tumbling from \$234 million in 2003 to \$42.6 million in 2004. A number of factors contributed to the steep decline, including higher-than-expected health care costs, provider settlements, workforce reduction expenses and declining membership.

Health Net officials attributed a sizeable decline in commercial enrollment in its Northeast segment in 2004 to pricing increases designed to eliminate less-profitable accounts and improve profit margins. They projected commercial

See **RESULTS**/page 9



Hospital Compare allows consumers to measure medical facilities based on 17 different criteria.

Hospital comparison site up and running

WASHINGTON—Hospital Compare, a new Web-based tool created by the Centers for Medicare and Medicaid Services, went live on Friday, allowing users to compare about 98% of the hospitals in the United States on 10 evidence-based best practices.

CMS officials said the information, derived from voluntary reporting by more than 4,200 hospitals in the first and second quarters of 2004, should help patients make more informed decisions when selecting a hospital and encourage hospitals to improve the quality of care they provide.

The initiative was launched in November 2002 for nursing homes and expanded in 2003 to the nation's home health care agencies and hospitals.

Though 17 measures are included in Hospital Compare, most hospitals responded only to 10 "starter measures" selected by the CMS, the

hospital industry and other public sector stakeholders such as the Joint Commission on Accreditation of Healthcare Organizations, the National Quality Forum, and the Agency for Healthcare Research & Quality.

All of the measures are related to treatment of three serious medical conditions: heart attack, heart failure and pneumonia. For example, hospitals reported whether they administered aspirin and/or beta-blockers to heart-attack patients, ACE inhibitors to heart-failure patients or antibiotics to patients suffering from pneumonia within four hours of hospital arrival.

The Web site can be accessed at www.hospitalcompare.hhs.gov.

CMS also is exploring pay-for-performance to reward hospitals based on their performance on certain quality measures.

—By Joanne Wojcik

Gray's team predicts active hurricane season

FORT COLLINS, Colo.—This year's Atlantic and Gulf Coast hurricane season "will be an active one," according to a prediction released Friday by Colorado State University meteorologist William Gray and his team.

The Gray team predicts 13 named storms will form during the 2005 hurricane season and that seven of those named storms will grow into hurricanes.

In early December, the team had predicted 11 named storms, six of which would develop into hurricanes.

The team said that "continued Atlantic Ocean warming" and the decreasing likelihood of El Nino conditions led to the revised forecast.

"If the next few months verify this supposition, it is probable that we will be further raising our May 31 and Aug. 5 seasonal forecast numbers. Conditions in the Atlantic are very favorable for an active hurricane season," according to the forecast.

Hurricane season runs from June



PHOTO:ZUMA PRESS

William Gray predicts that 13 named storms will form in the 2005 hurricane season.

1 through Nov. 30.

Eight hurricanes formed during 2004's unusually destructive hurricane season. A series of four hurricanes that made landfall in the United States caused nearly \$19 billion in insured property damage in Florida alone. In all, hurricanes caused more than \$21 billion in insured property damage in the United States last year.

—By Mark A. Hofmann

Captive: Domicile, cell captive established for use by Native American tribes

Continued from page 3

captive domiciles on their reservations, but the Pequots appear to be the first to carry through with such an effort. Aon Captive Services Group will provide management services for the tribal captive.

"It's certainly groundbreaking and unique," said Michael Douglas, senior vp of captive management at Aon Captive Services Group in Paramus Park, N.J.

Among the tribe's exposures is the world's largest resort casino, the Foxwoods Casino Resort, which is located on the reservation.

The Pequots' creation of a captive domicile is not the only captive activity involving Native American tribes.

Amerind Risk Management Corp. is seeking out a tribe to help develop an insurance code that would establish a captive domicile. That's partly because Amerind wants to create a stand-alone single-parent captive in place of an offshore segregated cell it now owns and locate the new captive on a reservation, according to Rod Crawley, chief operating officer of Albuquerque, N.M.-based Amerind.

Amerind, which is owned by Native American tribes, operates a self-insurance pool that covers about \$7 billion of property on Indian reservations. The company uses its cell in a Cayman Islands captive to access reinsurance markets for coverage on its pool exposures.

"The next step in the process is to form our own captive," said Kent Paul, Amerind's chief executive officer, and to locate it, "hope-

fully, in a tribal domicile."

Setting up the captive on the Pequot land "is always a consideration," Mr. Paul noted, particularly "if they are the only game in town. But we are looking to do something with one of our sponsoring tribes. The Pequots don't participate in our organization."

The Pequots' cell captive's "main

"If a tribe wants to create their own insurance code, it has the authority to do so."

Armando G. Roman
AXIOM Financial Resources Inc.

program will be workers compensation," said Mr. Douglas, and the offerings will include other property/casualty coverages. The tribe's law calls for the insurer to be capitalized with at least \$250,000, but the actual amount "will reflect the risk taken by the captive," he said.

While the tribe will allow only Native American participants in its cell captive and doesn't plan to market the domicile to non-Indian parent companies, there has been debate in recent years as to whether a tribe might open its land to nonnative captives. Sources say it's possible but would be difficult.

"Since (tribes) are sovereign nations, they have the ability to create their own corporations, set

their own rules," explained Armando G. Roman, president of AXIOM Financial Resources Inc., a Phoenix-based company that provides financial services to Native American communities. "If a tribe wants to create their own insurance code, it has the authority to do so."

"Theoretically, it is entirely possible" to set up a domicile for non-Indian captives, agreed Richard Rudolph, a principal with risk management consultant Seaver Rudolph & Associates in St. Charles, Ill. But setting up an infrastructure needed to service captives owned by parents outside the reservation domicile could be daunting, he noted.

And, Mr. Rudolph said, attracting captive owners away from such locales as Bermuda, Cayman or established domiciles in the United States would pose a challenge.

Mr. Rudolph, who several years ago did some work on the feasibility of establishing captive domiciles on reservations, said cultural barriers could be among the biggest hurdles to establishing a domicile open to non-Indian participants.

Merging the Indian and non-Indian culture could be rocky, he said, partly because "our history has not been the most sterling" in U.S. dealings with Native Americans.

While domiciles serving non-Indian captives would be a revenue source, tribes probably won't form them solely for that reason, Mr. Rudolph said. "Why go through that to make a small amount of money when you can go through less grief and form a casino?"

Lee Bergen, general counsel for Amerind, said he believes tribes will limit their captive offerings to tribal-owned companies, because there is a provision in federal law that would amount to double taxation on U.S. companies that choose

to establish their insurers on reservations.

"If you are looking at the law as it now stands," Mr. Bergen said, the tax issues mean "there is no incentive for tribes to try and establish a market for captives."

Illinois employer liable for post-work heart attack

SPRINGFIELD, Ill.—Illinois' Supreme Court has ruled that a laborer with coronary artery disease is entitled to workers compensation benefits for a heart attack he suffered after leaving work.

The court's March 24 decision in *Twice Over Clean Inc. vs. The Industrial Commission* overturns an appeals court finding that the laborer was susceptible to a heart attack and failed to prove a sufficient causal connection between his work and his injury, court records show.

On Jan. 2, 1997, the asbestos removal worker helped move 500 to 700 bags, each weighing about 45 pounds, down several flights of stairs. When he returned to his hotel that evening, he suffered chest

pains and other symptoms, so an ambulance transported him to a hospital.

He filed a workers comp claim, and his employer argued before an arbitrator that the injury did not result from his employment. The arbitrator ruled that it did arise from his employment, and the Illinois Industrial Commission agreed. The appeals court overturned the ruling.

Despite disagreements as to when his chest pains actually began, the state Supreme Court on appeal last week found that his work activity aggravated or accelerated his pre-existing condition and was a cause of the heart attack.

—By Roberto Cenicerros

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Editorial

The lessons to be learned from AIG's improprieties

WHY? That is the question we keep asking in the wake of American International Group Inc.'s extraordinary confession last week of a wide range of accounting improprieties.

To use AIG's own words, the transactions it outlined "appear to have been structured for the sole or primary purpose of accomplishing a desired accounting result." Translation: those transactions—and perhaps more that will be revealed in coming days—were done to improve reported financial results.

To be sure, what AIG has admitted to has nothing in common with the huge accounting frauds at Enron Corp. and WorldCom Inc. that hid the real and rapidly deteriorating financial condition of those firms. While the dollar amount of AIG's improper accounting is not small—AIG says the practices could reduce its net worth by \$1.77 billion—in fact it is insignificant compared to AIG's stockholders equity of nearly \$83 billion.

And that gets us back to our question. Clearly, AIG's transactions were not intended to mask a slide to insolvency. AIG is, in fact, one of the nation's most profitable companies—last year alone it earned \$11 billion.

All we can conclude is that a mania at the company must have taken hold. AIG has a spectacular record of earnings growth, and perhaps an obsession to keep that record intact spurred the decisions to fudge the books. It certainly wasn't because AIG was unable to underwrite risks profitably.

Letters to the Editor

Outrage where outrage is due

To the editor: In his March 28 column, *Business Insurance* Editorial Director Paul Winston asked, "Where is the outrage?" Perhaps the lack of insurance industry response is because too many of its practitioners, even the large majority who are free of direct corruption, acknowledge what Eliot Spitzer and the SEC have found: a system riddled with blatant conflicts of interest. How can you be "outraged" when the facts are essentially correct, when numerous executives are pleading guilty, when insurers are restating their financials?

True, we have found only a few individuals who have broken the law, but the entire in-

One might say, what does this all matter? What is the difference if AIG's stockholders equity is closer to \$81 billion than \$83 billion?

In fact, it makes all the difference in the world. Investors and policyholders have the legal right to honest and accurate financial information to enable them to make informed decisions.

Just as important, even the slightest tolerance of accounting fraud creates a climate that inevitably leads to more fraud. Once on that road, it is hard to get off.

Certainly, there are lessons in all this. Lesson No. 1 is that no company, however successful, is exempt from following the rules. Another lesson is that corporate boards have to be independent and zealous about holding top executives accountable.

Still another lesson—this one for state regulators—is the importance of not letting one's guard down. This isn't the first time that AIG has been involved in such issues as whether it controlled certain offshore reinsurers and, as a result, didn't properly account its transactions with those reinsurers.

Prior experience should have made state regulators especially vigilant in examining AIG's financial statements to be sure that there were no other Coral Re-type relationships. That vigilance, at least until recently, seems to have been absent.

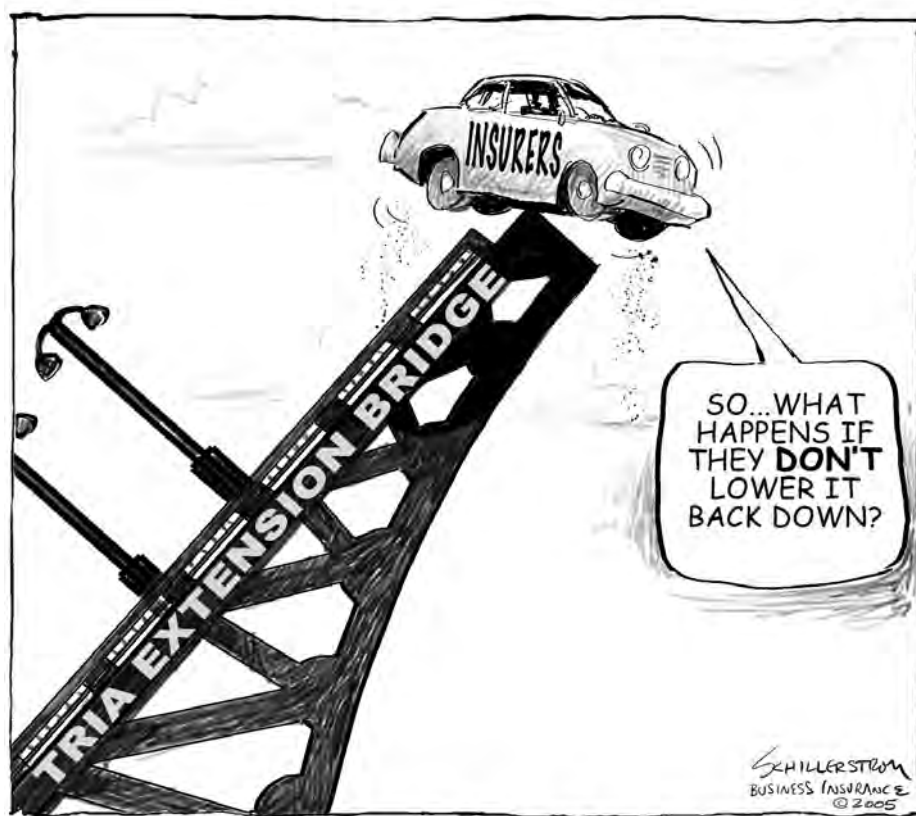
The final lesson applicable not just to insurers, but to all businesses, is that in the end the truth always emerges and those who commit financial transgressions will be exposed and punished.

dustry, including the buyers, have willingly subscribed to a system that is basically unethical, one that has misaligned interests for more than 40 years. Perhaps it's the silence of embarrassment that you hear.

You may have misinterpreted Mr. Spitzer as the "gunslinger" threatening the townsfolk. I suggest that he is really Gary Cooper, the sheriff who tries to protect the townsfolk (the buyers and the honest insurance industry staff) from the corrupt gunslingers and finds the townsfolk unwilling to help him! "High Noon" is here right now. I wonder who will step up and support the sheriff?

Felix Kroman
Risk Management Reports
Lyme, Conn.

Schillerstrom



Editorial

ADEA ruling opens floodgate for disparate-impact litigation

EMLOYERS USUALLY look to the Supreme Court to clarify the finer points of employment law.

Unfortunately, the court's decision in *Azel P. Smith et al. vs. City of Jackson, Miss., et al.*, may have made the legal ramifications of some employment practices more murky.

The question before the justices is whether the Age Discrimination in Employment Act allows older employees to sue if an employment practice—in this case, a pay plan—has a disparate impact on older workers, even if no deliberate bias is involved. Lower courts had held that no such remedy exists.

In a decision bristling with opinions—one of which is, for all practical intent, a dissent even though it wasn't labeled as such—the court held that the ADEA provides a disparate-impact remedy, albeit not as broad as those provided under other anti-discrimination laws. Employers that could show that their practices were "reasonable" and based

on factors other than age could defend themselves against such claims. Unfortunately, reasonable people will no doubt disagree as to what constitutes "reasonable" in this context.

Ironically, all eight participating associate justices agreed that the plaintiffs in this particular case had no disparate-impact case, that all they had done was point to a pay program that was less generous to older workers than it was to younger ones. But employers tempted to chuckle at that ironic twist will find nothing else to smile about in this decision.

What the court has done is clear the way for an onslaught of litigation in an attempt to clarify exactly when an ADEA-based disparate-impact case can proceed. There's good reason to fear that the lower courts will struggle with this issue for years, and we wouldn't be surprised if the high court itself were to be called upon to clarify yet again what it meant this time around.

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ADVERTISING: Boston: 617-292-4856; Chicago: 312-649-5276; Irvine CA: 949-255-5355; New York: 212-210-0133

SUBSCRIPTIONS: Detroit: 888-446-1422

Business Insurance is published by Crain Communications Inc.

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Published weekly at 360 N. Michigan Ave., Chicago, Ill. 60601-3806, Fax: 312-280-3174, biweb@crain.com. Offices: 711 Third Ave., New York, N.Y. 10017-5806, Fax: 212-210-0704; 71121 Minkler St., Abita Springs, La. 70420; Fax: 985-871-4006; Suite 814, National Press Building, Washington, D.C. 20045-1801, Fax: 202-638-3155; 6500 Wilshire Blvd., Suite 2300, Los Angeles, Calif. 90048-4947, Fax: 323-655-8157; 967 Bermuda Court, Sunnyvale, Calif. 94086-6750, Fax: 408-774-1155; 34 Southwark Bridge Road, London SE1 9EU, Fax: +44-(0)20-7457-1440; 8157 N. Torrey Place, Tucson, Ariz. 85743, Fax: 520-579-3476; 1746 Cole Blvd., Suite 150, Golden, Colo. 80401, Fax: 303-733-9941; 11133 W. 108th St., Overland Park, Kan. 66210, Fax: 312 280-3174, 77 Franklin St., Suite 809, Boston, Mass. 02110-1510; Fax: 212-210-0704. 4 Executive Circle, Suite 185, Irvine, CA 92614-6791. \$5 a copy and \$97 a year in the U.S., \$130 in Canada and Mexico (includes GST). All other countries, \$230 a year (includes expedited air delivery). Rudolf Von Bartsch, circulation manager. Four weeks' notice required for change of address. Send subscription correspondence to Circulation Department, *Business Insurance*, 711 Third Avenue, New York, N.Y. 10017-5806. Microfilm copies available: University Microfilms, 300 Zeeb Road, Ann Arbor, Mich. 48103. Microfiche copies: Bell & Howell, Micro Photo Division, Old Mansfield Road, Wooster, Ohio 44691. Portions of the editorial content of this issue are available for reprint or reproduction in other media. For reprints or reprint permission: Karen Brown Tucker, *Business Insurance*, 360 N. Michigan Ave., Chicago, Ill. 60601-3806, 312-649-5319, Fax: 312-280-3174.



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Results: Moderating costs helped produce solid earnings

Continued from page 4

enrollment will decline about another 3% in 2005.

But Mr. Marinucci suggested the worst might be over for Health Net, which has taken a number of steps to correct its problems, including hiring a new chief financial officer. "We feel things have stabilized," he said. "The damage has been done ... but we feel that they've bottomed out a bit. We don't anticipate a repeat of '04 in '05."

The highlight of the year for the managed care sector was the tremendous level of consolidation. Last year, WellPoint completed its merger with Indianapolis-based Anthem Inc.; UnitedHealth Group purchased Trumbull, Conn.-based Oxford Health Plans Inc. and Minneapolis-based Definity Health Corp.; and Bethesda, Md.-based Coventry Health Care Inc. acquired Downers Grove, Ill.-First Health Inc.

Analysts expect the companies to spend most of this year focusing on integrating their acquired properties.

John L. Ward, a Cincinnati-based independent insurance analyst, said, "2004 was quite unique, and I don't think we'll see that level of merger deals going forward. I would not expect anything of that magnitude in 2005 and 2006 that we saw in 2004."

Any future acquisitions will focus on improving specific aspects of health insurers' business or their positions in particular regions, analysts say. "These companies are going to continue to focus on regions where they see growth prospective," said Isabelle Roman-Barrio, senior financial analyst at A.M. Best in Oldwick. "If they do acquisitions, it will probably be to strengthen a regional market."

Most analysts believe the consolidation trend is a positive one for employers because the managed care companies can offer more-competitive options on a national scale.

Mr. Ward noted that consolidation also improves the companies' negotiating clout with providers, which helps temper underlying medical cost inflation.

Despite the enormous level of consolidation in the health care industry, there is still plenty of competition, which results in "discipline in the market regarding pricing," Mr. Marinucci said. In other words, if an employer wants a certain price, the health plans have to be flexible, he said.

The managed care companies have stressed, though, that they have no intention of getting into a price war. "We want to be clear that we are not interested in underpricing our business to increase market share," said David Colby, WellPoint's CFO. "We remain very disciplined in our approach, and we do not chase business that we believe is priced unprofitably."

Instead, the companies have focused on other methods to reduce costs and improve profitability. For example, WellPoint is working

to reduce the volume of outpatient services for unnecessary imaging and radiological examinations, a key driver of cost increases over the last few years.

The companies are also expected to expand their consumer-driven health plan products, specifically turning their attention to health savings accounts. David Cordani, senior vp of CIGNA HealthCare, said the requests for proposals seen so far this year indicate that employers are aggressively seeking to implement CDHPs.

Major managed care organizations: 2004 results

Ranked by net income. Dollar figures in millions.

Company	Net income 2004	% increase (decrease)	Revenues 2004	% increase (decrease)
UnitedHealth Group*	\$2,590.0	41.8%	\$37,220.0	29.1%*
Aetna Inc.	2,200.0	235.6	19,900.0	9.6
Kaiser Permanente	1,611.0	60.0	28,000.0	9.6
CIGNA Corp.	1,400.0	221.5	18,200.0	(3.4)
WellPoint Inc.**	960.1**	24.0	20,500.0**	24.0
Coventry Health Care Inc.	337.1	25.8	5,310.0	17.1
PacificCare Health Systems Inc.	303.1	24.9	12,280.0	11.5
Humana Inc.	280.0	18.0	13,100.0	6.7
WellChoice Inc.	246.2	18.2	5,830.0	7.6
Health Net Inc.	42.6	(549.3)	11,600.0	5.0

* Includes net income and revenues for Oxford Health Plans Inc., which merged with UnitedHealth on July 29, 2004. ** Includes full-year 2004 earnings of former Anthem Inc. and December 2004 earnings from former WellPoint Health Networks Inc. compared to Anthem's 2003 earnings only. Source: Company reports



David has been an expert in major disasters for over 40 years.

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By Robert E. Vagley

Perspectives

TRIA safety net essential to economy

The Terrorism Risk Insurance Act of 2002 is a core component of our nation's critical infrastructure. Inarguably, the program has secured our economy against real, present dangers posed by terrorists determined to destroy the American way of life. TRIA expires Dec. 31. Congress must put another terrorism insurance mecha-

nism in place immediately, because, unfortunately, the threat of terrorism won't expire at year's end.

Terrorists seek to maximize fear among Americans, inflict great economic harm and loss of life and maximize worldwide attention. As a result, their targets have been high-profile American icons. That is why major amusement parks, hotels, resorts and athletic and entertainment venues are considered appealing terrorism targets. Also, recent reports indicate al Qaeda looks for "softer" targets where our icons are

"Congress must put another terrorism insurance mechanism in place immediately, because...the threat of terrorism won't expire at year's end."

well protected. This could put suburban and rural schools, malls and offices at risk.

Immediately following the Sept. 11, 2001, attacks, many hotels and major sports and entertainment venues found it virtually impossible to obtain adequate insurance due to concerns about further attacks. TRIA allows such enterprises and all U.S. businesses to secure coverage for property, liability and workers compensation.

Some academics suggest the "free market" should be responsible for terrorism insurance. Unfortunately, property/casualty insurers do not operate in a free market. Under the

current state-based regulatory regime, complex government price and product controls artificially suppress terrorism insurance rates, force insurers to bear unbearable risks and deny product choices to consumers.

The private sector also lacks the financial capacity to handle catastrophic terrorism losses. Under plausible event scenarios, estimated insured losses from catastrophic terror attacks on U.S. soil could exceed \$250 billion. This would greatly surpass the entire commercial P/C industry's current capacity of about \$168 billion. This capital is not solely dedicated to terrorism; it also backs other commercial risks, such as natural disasters and workplace incidents unrelated to terrorism.

While other commercial risks are spread through traditional reinsurance, global reinsurers have no appetite for terrorism in the United States. The Reinsurance Assn. of America estimates current terrorism reinsurance capacity totals only \$4 billion to \$6 billion, of which very little is available for nuclear, biological, chemical or radiological—or NBCR—risks.

As TRIA's end date looms, insurers face difficult decisions about whether to underwrite terrorism risks without a federal backstop. This "all or nothing" proposition is bad for insurance customers and the economy and could lead to job losses, stalled commercial transactions and delayed construction projects.

Recently, top Bush administration officials reported that terrorists are planning new catastrophic attacks on U.S. soil. At a February Senate hearing, FBI Director Robert Mueller and CIA Director Porter Goss both emphasized concerns about NBCR threats, which Mr. Goss called "only a matter of time." Mr. Mueller added that "the growing body of sensitive reporting... continues to show al Qaeda's clear intention to obtain and ultimately use some form of chemical, biological, radiological, nuclear or high-energy explosives material in attacks against America."

Federal Reserve Chairman Alan Greenspan also recently told a House panel "there are regrettable instances in which markets do not work, cannot work." He added that "you cannot have a voluntary market system and the creation of markets, especially insurance markets, in a society subject to unanticipated violence....While I think you can get some semblance of terrorism insurance (without government involvement), I have not been persuaded that this market works terribly well."

TRIA is a temporary stabilizing mechanism. Now, a long-term shared-responsibility program must be developed and implemented. Such a program must recognize the need for government responsibility for NBCR risks. There also should be a public/private risk-sharing mechanism for terrorist attacks involving

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Perspectives

Musings on an era of client service

By Regis J. Coccia

At a time of so much focus on misconduct, this would seem to be an opportune moment to introduce a happy memoir on insurance brokers.

Ian Macalpine-Leny's chronicling of UNISON is interesting reading for anyone familiar with the now-disbanded global broker network and the firms that composed it. UNISON was formed out of an oral agreement between Johnson & Higgins and Henry Willis & Co. in 1892 to place marine business into the London market.

Over the years, the venture expanded to other lines and by the end of the 1980s had 13,000 employees in 56 countries. The network, which the author touts as "the finest and most professional servicing network that the financial services industry has yet seen," lasted more than a century, until J&H's merger with Marsh & McLennan Cos. Inc. in 1997.

If a casual observer ever needed proof that insurance is a relationship business, this book provides it. Friendships cemented the members of UNISON as it grew, and at its heart was a shared commitment to client service.

For former UNISON members, the book will evoke fond memories. Risk manager clients of UNISON can read an amusing history of a truly impressive organization. And regulators and others investigating current industry practices may well find fascinating the book's insight into brokers' hard work and, frequently, even harder play.

Vagley: TRIA

Continued from page 10
conventional weapons.

Sens. Robert Bennett, R-Utah, and Christopher Dodd, D-Conn.—and co-sponsors—have introduced legislation tying a short-term TRIA extension to a mandatory study of long-term public/private solutions. Legislation also has been introduced in the House.

If there were another attack today on the scale of Sept. 11, because of TRIA, insurers would react as they did three and a half years ago: claims would be paid quickly and fully. Also, as the result of insurer claims dollars flowing to victims, the U.S. economy would recover and move forward.

For workers, businesses, cities, universities, hospitals, and all other American enterprises that could become the next victims of catastrophic terrorism, the vital economic safety net that TRIA provides must not be allowed to unravel at the end of 2005.

Robert E. Vagley is president of the American Insurance Assn. in Washington.

The author, who retired in 1999 after a 27-year career at Willis and who was a member of the Permanent Working Group that led UNISON, makes no suggestion that any of the wrongdoing in the current market occurred at any UNISON members. Indeed, the point of the book is that the network was successful because of the colorful cast of personalities who were committed to client service. As UNISON began to unravel in the mid-1990s, many of the original members were acquired by Marsh & McLennan or

Book Review

"UNISON—The Envy of Its Competitors"

by Ian Macalpine-Leny, with drawings by Javier Barcaiztegui Haggerston Press, 2004

Copies may be ordered for £20, 30 euros or \$30 from: Ian Macalpine-Leny, The Old Rectory, Doddington, LN6 4RU U.K.; or Rudi Portaria, 4612 Muirwood Place, Stow, Ohio 44224

Aon Corp., which have recently paid a high price for failing to put clients' interests before their own.

Despite the author's praise of the client-focused network, the book makes scant mention of clients or their problems, save when a risk manager accompanied UNISON brokers on trips. One gets the sense that more than a few buyers expected to be entertained, which might explain, in part, why today relatively few have criticized broker compensation practices. Mr. Macalpine-Leny notes he "always found read-

ing about insurance immensely boring" and focused instead on the people behind UNISON "and some of their more amusing exploits." The book features caricatures of major cast members by Javier Barcaiztegui, who also was a broker at UNISON member Gil y Carvajal.

UNISON's history and its members make very interesting reading, indeed.

Regis J. Coccia is the editor of *Business Insurance*.

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Equitas settles \$415 million asbestos case

Runoff reinsurer says settlement closes largest remaining liability

By SARAH VEYSEY

LONDON—Equitas Ltd. has settled its largest remaining direct asbestos liability for \$415 million. The deal is the latest in a series of large settlement agreements made by the runoff reinsurer.

London-based Equitas, the runoff reinsurer for the pre-1993 long-tail liabilities of Lloyd's of London syndicates, reached a settlement agreement with Houston-based McDermott International Inc. for the asbestos claims of its subsidiary, The Babcock & Wilcox Co., which is in Chapter 11 reorganization. Babcock & Wilcox, which makes power-generation systems and equipment, filed for Chapter 11 bankruptcy protection in 2000 because of large asbestos claims.

Under the terms of the settlement deal, Equitas has paid \$415 million into a trust account. The deal is subject to a number of conditions, including court approval

and the final confirmation of B&W's reorganization plan. The \$415 million will be held in trust until the contingencies have been satisfied, then it will be transferred to an escrow account for current and future asbestos claimants.

If those conditions are not met, or are waived, the \$415 million payment will be returned to Equitas, Scott Moser, chief executive of Equitas, explained.

The B&W deal was the first time that Equitas has negotiated a policy

buyback settlement directly with claimants' lawyers, noted Mr. Moser.

He said that he hoped that Equitas would be able to reach similar deals with other companies it now insures that are in bankruptcy.

Since 2003, Equitas has paid \$2.2 billion in 11 major asbestos settlements. And Mr. Moser said the runoff reinsurer would continue to seek such deals where it believes a settlement would be fair to both parties.

Mr. Moser pointed out that future agreements will likely be smaller, though, as many of the company's largest asbestos exposures have now been settled.

"I don't expect we'll settle anything for half as much as this one," Mr. Moser said.

Equitas also has settled 47 of its 50-largest pollution liabilities, noted Mr. Moser, and will actively seek settlements for the remaining claims.

Equitas' largest asbestos settlements

As of March 31, 2004, Equitas' reported gross undiscounted asbestos reserves were £4 billion (\$7.4 billion)

■ Halliburton Co.	January 2004	\$575 million
■ Honeywell International Inc.	April 2003	\$472 million
■ The Babcock & Wilcox Co. (McDermott International Inc.)	March 2005	\$415 million
■ Travelers Property Casualty Corp.	March 2004	\$245 million *
■ Dana Corp. and four policyholders (others not named)	January 2005	\$200 million

*This was a commutation of all policies, the amount relating to asbestos bodily injury claims was \$150 million

Source: Equitas

U.K. companies face lower claims standards in stress-related suits

By CAROLYN ALDRED

LONDON—A recent Appeal Court ruling lowers the standard for stress claims against U.K. employers and allows companies to be held vicariously liable for the actions of workers' supervisors.

The Court of Appeal (Civil Division) in London ruled March 16 that an employee could sue his former employer under the Harassment Act of 1997 for alleged harassment by his manager.

"If allowed to stand, (the ruling) will change the nature of future stress claims."

Vanessa Latham,
Berrymans Lace Mawer

The ruling marks the first time the Harassment Act—which is a public-order statute—has been successfully used as grounds for an occupational stress claim, lawyers say. The Court of Appeal overturned the lower court's decision to strike the initial claim.

"The judgment will cause significant concern to defendants and insurers," said Vanessa Latham, a lawyer at London-based Berrymans Lace Mawer, which represents the defendant, Guys & St. Thomas' National Health Service Trust.

"If allowed to stand, (the ruling)

will change the nature of future stress claims," Ms. Latham said, adding that Guys & St. Thomas' is appealing the decision to the House of Lords.

In January, the Appeal Court, ruling on several test cases, established guidelines for stress-related claims brought under breach of contract or negligence laws, in an effort to provide greater clarity about such claims to employees, employers and insurers (*BI*, Jan. 31).

But because this case involved an alleged breach of the Harassment Act—which was designed primarily to address stalking—many of those guidelines do not apply, Ms. Latham said.

According to court papers, by using the Harassment Act rather than breach of employment or negligence legislation, plaintiffs:

- Need not prove foreseeability of harm or personal injury.
- Need show only that they suffered from "anxiety," rather than from a recognizable psychiatric condition.
- Are subject to a six-year limitation period, rather than the three-year period that applies to other types of employment-related stress claims.

In the case, an employee of the London-based NHS Trust claimed that he was bullied, intimidated and harassed by his department manager. The employee maintained that the supervisor was "excessively critical of and strict about

See **RULING**/next page

Proposed pension changes allow greater flexibility

U.K. considers plan-specific rules

By SARAH VEYSEY

LONDON—A proposed change in U.K. pension funding rules will give employers greater flexibility in how they fund their defined benefit pension plans.

The proposals, put forward recently by the Department for Work and Pensions for public comment, would replace a controversial universal funding rule with a plan-specific approach that would take each plan sponsor's circumstances into account.

The new funding rules are slated for introduction in September, when the United Kingdom and other European Union members must adopt a new E.U. directive on pensions—Institutions for Occupational Retirement Provision—designed to ensure that plans are being operated in participants' best interests.

The DWP's proposals would replace the current statutory funding rule—the minimum funding requirement—which some critics contend is not stringent enough to prevent some plan members losing out on benefits when their companies fail.

Under the MFR, a plan's assets are valued at market levels, while liability valuation involves one formula for participants currently receiving benefits and another for those who have not retired.

Benefits currently being paid to retirees are valued using the current yield on gilts—bonds issued by the U.K. Treasury—while liabilities for members not yet retired are calcu-

lated using the rate of return for U.K. equities before retirement and for gilts after retirement. In addition, any funding shortfalls must be made up within a fixed time frame.

Under the new approach, there would be no such set rules for valuing assets and liabilities. Instead, plan trustees would submit to the government's pensions regulator a so-called statement of funding principles, outlining the plan's methodology for calculating its funding status and for addressing deficits. These formulas must then be approved by the regulator.

One shortcoming of the MFR was that it was "one size fits all" and did not take into account the specific circumstances of companies and their pension plans, said Nigel Bodie, a partner at Watson Wyatt Worldwide in London.

In a statement explaining the proposal, the DWP notes: "The MFR has been widely criticized since its introduction, and it is clear that it has not worked as intended.

"It has increased regulation and costs for sponsoring employers, without delivering the level of security which many people expected. It is also considered to have inhibited investment decisions by some schemes, causing them to focus on meeting the conditions of the MFR, rather than on developing an appropriate funding strategy for meeting their specific pension commitments."

Under the proposed plan-specific

See **PENSIONS**/ next page

Updates

Hannover Re reports net income drop

Hannover Re Group posted net income of 309.1 million euros (\$420.1 million) for 2004, down 12.9% from 2003. Hannover Re said the drop in profit was due in large part to net losses of 377.2 million euros (\$512.7 million) from natural catastrophes during the year. Gross written premiums fell 15.7%, to 9.57 billion euros (\$13.00 billion), partly due to the company's cycle management strategy.

Lower profits likely for Lloyd's: Moody's

Moody's Investors Service predicts that Lloyd's of London could record a profit of £1.2 billion (\$2.30 billion) for the 2004 year of account when the market reports its results on Wednesday. Lloyd's posted a marketwide profit of £1.89 billion (\$3.38 billion) for 2003.

Atradius enters deal to offer cover in Japan

Export credit insurer Atradius N.V. has made an agreement with The Tokio Marine & Nichido Fire Insurance Co. to offer coverage for Japanese companies beginning April 1. Amsterdam, Netherlands-based Atradius and Tokyo-based Tokio Marine & Nichido Fire said in a statement that they plan to set up a joint venture service company in Japan by the end of 2005.

ZFS buys life business of ING Argentina

Zurich Financial Services Group has completed the acquisition of the life business portfolio of ING Insurance Argentina. Terms of the deal were not disclosed. In 2004, ING Insurance Argentina had gross written premiums of about \$18 million, ZFS said in a statement.

CMGL to manage syndicate 991 runoff

CMGL Syndicate Management Ltd. has become the managing agent for Lloyd's of London syndicate 991. Syndicate 991 has been in runoff since 2000 and specialized in professional indemnity business from Canada, France, the United Kingdom and the United States.

Briefly noted

Bob Stuchbery has been appointed chairman of the underwriting and claims committee of the **Lloyd's Market Assn.** Mr. Stuchbery is underwriting director at Chaucer Holdings P.L.C. in London. He replaces David Foreman, chief underwriting officer at Wellington Underwriting P.L.C., who will remain on the committee.



Between the Lines

Compiled by Joanne Wojcik

Watching 'Eyes' a prime-time risk



PHOTO: ABC MEDIA

Judd Risk Management operates on the fringes of the law, in "Eyes" on ABC.

It's no wonder the insurance industry gets a bad reputation, with prime-time television shows such as "Eyes" claiming to be about risk management.

The ABC midseason drama depicts a detective agency, called Judd Risk Management, that operates on the fringes of the law, using tactics that would certainly invite the kind of scrutiny that brokers and insurers have been subject to in recent months.

The firm's motto: "If someone steals \$100 from you, call the police. If they steal \$100,000, call the FBI. But if you're the chief executive of a Fortune 500 company, and your chief financial officer embezzles \$100 million on your watch, call Judd Risk Management."

Bike across America for a healthy cause

Self-proclaimed health care evangelist Gary Earl, vp of benefits at Caesars Entertainment Inc. in Las Vegas, is embarking on a mission on wheels this summer to spread the gospel of health and wellness from coast to coast.

Mr. Earl and his team will pedal their bicycles from San Diego to Ocean City, N.J., stopping along the way to give speeches on the benefits of converting to a healthy lifestyle to anyone who will listen.

The Health Awareness Tour 2005 will also be the subject of a documentary filmed by Mr. Earl's co-rider David Cochrane, an award-winning independent filmmaker from California.

"The message is pure and simple," Mr. Earl explains. "The sole purpose of the mission is to bring a message of hope to a people who so desperately are in need of a change in attitude, health condition, interest level and knowledge as it relates to health."

For more information about the tour or to become a sponsor, visit www.healthawarenesstour.com.

Terrorist seeking damages from prison

A terrorist convicted in the first bombing of the World Trade Center is seeking damages for injuries he suffered from exposure to secondhand smoke while in prison.

Ahmad Mohammad Ajaj, who is serving a 115-year sentence for his involvement in the 1993 bombing of the World Trade Center, was diagnosed with lung cancer in the late 1990s, underwent surgery to remove a cancerous lung and received radiation treatments.

At a hearing last week in Denver, U.S. District Judge Marcia Krieger dismissed two other prisoners from the lawsuit, which was filed in 2003.

Mr. Ajaj has been held at Supermax federal prison in rural Colorado since the Sept. 11, 2001, terrorist attacks.

Smoking wasn't banned in federal prisons until 2004.



Mr. Ajaj

PHOTO: AP/WIDE WORLD

Wheelin' and dealin' in Louisiana

The state of Louisiana confirmed it has purchased a \$40,000 Ford F-250 pickup truck for Insurance Commissioner Robert Wooley, his second luxury vehicle in two years.

Last year, the state bought the insurance regulator a 2004 Eddie Bauer designer edition Ford Expedition, also for about \$40,000.

Because the state requires an official to turn in his or her vehicle when receiving a new one, Mr. Wooley is swapping a 2003 Dodge Durango from the Insurance Department's fleet for the Ford truck and keeping the Expedition for his staff to drive.

Tips and feedback from readers are welcome. Please send information to jwojcik@businessinsurance.com.

Ruling: Standard for stress claims lowered

Continued from previous page

his time-keeping and work; isolated him by refusing to talk to him and treated him (unfavorably compared with other staff and) was rude and abusive to him in front of other staff; imposed unrealistic targets for his performance, threatening him with disciplinary action if he didn't achieve them," according to court papers.

The employee chose to bring a claim under the Harassment Act, rather than a negligence claim or breach of contract of his employment, because there was no evidence of foreseeability and because there were difficulties surrounding the limitation period, according to the ruling. He also made no claim directly against his supervisor.

Lord Justices Auld and May ruled that the plaintiff can bring a claim under the 1997 Act and that an em-

ployer may be legally liable for a breach of statutory duty or common law committed by an employee in the course of his or her employment.

"What matters is the closeness of the connection between the offending conduct of the employee with the nature and circumstances of the employment," said Lord Justice Auld. The Court of Appeal determined that the claim could be brought under the Harassment Act but did not rule on the merits of the case.

However, in a dissenting judgment, Lord Justice Scott Baker points out that "an employee already has a considerable bundle of rights against his employer," including those protected by contract and negligence laws and by various employment statutes.

"If there's vicariously liability for breach of an employee of the (Ha-

arrassment Act), this is a considerable extension of the employer's liability in common law," said Lord Justice Scott Baker.

Under the 1997 Act, "any anxiety caused by the harassment qualifies for an award of damages. This is a sharp distinction to stress-at-work claims, where the threshold for an award is identifiable psychiatric injury, which has to be foreseeable injury following from a breach of duty on the part of the employer," he pointed out.

If the 1997 Act can be used to bring vicarious harassment claims against employers, the "courts are likely to be faced with numerous claims," Lord Justice Scott Baker said, pointing out that he "would not have expected Parliament to create such a substantial extension to an employer's liability, as it were, by a side wind."

Pensions: Employers would have greater flexibility

Continued from previous page

funding requirement, plan trustees would take a range of factors into account, explained Mr. Brodie, including the size of the pension plan in relation to the employer's market capitalization and the strength of the employer's covenant—its ability and willingness, in the trustee's opinion, to meet its pension obligations.

The new proposals for plan-specific funding will make it easier for companies to adapt their funding approach to their own circumstances, noted Paul McGlone, a principal and actuary at Aon Consulting in London.

"We welcome the flexibility" contained in the new proposals, said Ken MacIntyre, policy advisor-pensions and benefits, at the London-based National Assn. of Pen-

sion Funds' policy office.

But he said the association would now study the proposals, as well as a code of practice for pension plan trustees published by the new Pensions Regulator, which takes over from the Occupational Pensions Regulatory Authority in April.

That code of practice, which is also now subject to a public consultation period, advises trustees:

- to discuss with sponsoring employees how they will handle queries from plan members after funding statements are issued.
- to ensure that the plan's actuaries are made aware of any relevant developments that may materially affect the funding position of the plan.
- to record, in writing, decisions made following the receipt of actuarial advice and the reasons for

reaching those decisions.

The NAPF will carefully look at this code of practice and will respond to the DWP, Mr. MacIntyre said.

The new pensions regulator will likely have greater "teeth" than its predecessor, OPRA, said Tim Keogh, a European partner at Mercer Human Resource Consulting.

For example, he noted that while OPRA could require only that companies fund plans to the MFR level, the new regulator will be able to impose a schedule of contributions on employers to address funding shortfalls.

The consultation period on the proposed change in funding rules ends May 6.

Interested parties can submit their comments on the proposal at www.thepensionsregulator.gov.uk.

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Mr. Stamp

Aon Corp. has named **Philip Stamp** as chairman and chief executive officer of Aon Re UK. Before his promotion, Mr. Stamp was chief financial officer.

Kirk Lusk, former manager of finance for GE Employers Reinsurance Corp., has joined

Bermuda-based Alea Group Holdings (Bermuda) Ltd. as group chief administrative officer.

Also at Alea, **Gary Prestia** has been named chief executive officer of Alea North America. Previously, he was president of Converium Reinsurance North America.

Insurers:

London-based Markel International Inc. has promoted **David Jones** and **David Armes** to joint divisional managing directors of Markel's professional and financial risk division. Previously,

both were senior underwriters.

Joseph S. Clabby has been appointed executive vp of regional operations for Philadelphia-based ACE USA. Previously, he was senior vp of ACE Financial Solutions.

Agents/Brokers:

San Diego-based Arrowhead General Insurance Agency Inc. has named **Chuck Brady** as president of the professional liability division in Torrance, Calif. Before joining Arrowhead, Mr. Brady was vp of underwriting and marketing at

CalSurance Associates Inc.

Other providers:

GatesMcDonald, a Hilliard, Ohio-based risk management consultant, has named **Bill Evans** as president. Previously, he was vp of finance and strategic business planning.

Los Angeles-based Marshall & Swift/Boeckh, a provider of residential and commercial cost data to the property insurance industry, has named **James Thornton** as chief operating officer. Previously, he was senior

executive officer of LandAmerica Tax & Flood Services.

Business Insurance would like to report on senior-level changes at commercial insurance companies and service providers. Please send news of recently promoted, hired or appointed senior-level executives to: Joe Walker, Business Insurance, 360 N. Michigan Ave., Chicago, Ill. 60601-3806; jwalker@businessinsurance.com.

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AIG UNDER PRESURE

Who's who
on AIG board

As of April 1, 2005, American International Group Inc.'s board comprised the following directors:

M. Bernard Aidinoff

Joined AIG board: 1984
Position: Retired law partner,
Sullivan & Cromwell

Pei-Yuan Chia

Joined AIG board: 1996
Position: Retired vice chairman,
Citicorp and Citibank N.A.

Marshall A. Cohen

Joined AIG board: 1992
Position: Counsel at Cassels Brock
& Blackwell; former president and CEO
of The Molson Cos. Ltd.

William S. Cohen

Joined AIG board: 2004
Position: Chairman and CEO of consulting
company The Cohen Group; former U.S.
secretary of defense and former U.S.
senator

Martin S. Feldstein

Joined AIG board: 1987
Position: Economics professor,
Harvard University

Ellen V. Futter

Joined AIG board: 1999
Position: President of American
Museum of Natural History

Maurice R. Greenberg *

Joined AIG board: 1967
Position: Former chairman and
CEO of AIG

Stephen L. Hammerman

Joined AIG board: 2005
Position: Retired vice chairman of Merrill
Lynch & Co. Inc.; retired deputy police
commissioner, New York City Police
Department

Carla A. Hills

Joined AIG board: 1993
Position: Chairman and CEO of advisory
services firm Hills & Co.; former U.S.
trade representative

Frank J. Hoenemeyer

Joined AIG board: 1985
Position: Financial consultant; retired
vice chairman of Prudential Insurance
Co. of America

Richard C. Holbrooke

Joined AIG board: 2001
Position: vice chairman of Perseus L.L.C.;
former U.S. ambassador to the United
Nations; former vice chairman of Credit
Suisse First Boston

Donald P. Kanak

Joined AIG board: 2004
Position: Executive vice chairman
and chief operating officer of AIG

Howard I. Smith *

Joined AIG board: 1997
Position: Former vice chairman, chief
administrative officer and CFO of AIG

Martin J. Sullivan

Joined AIG board: 2002
Position: President and CEO of AIG

Edmund S.W. Tse

Joined AIG board: 1996
Position: Senior vice chairman—
life insurance at AIG

Frank G. Zarb

Joined AIG board: 2001
Position: Acting chairman of AIG; former
chairman of National Assn. of Securities
Dealers and the Nasdaq Stock Market;
senior adviser to private equity firm
Hellman & Friedman L.L.C.

* Mr. Greenberg was expected to retire as chairman last week, and AIG terminated Mr. Smith's employment late last month (BI, March 28).

AIG: Despite accounting problems, company remains formidable

Continued from page 1

al revelations may emerge between now and April 30, the date by which AIG has said it plans to finally file its 2004 10-K statement with the U.S. Securities and Exchange Commission.

Nor is it known how much in fines or penalties the insurer may eventually have to pay, which will depend in part on what additional information is ultimately revealed. In addition to possible fines against the individuals involved, this could amount to "hundreds of millions of dollars," estimated Michael Missal, an attorney with Kirkpatrick & Lockhart in Washington.

AIG also could face shareholder litigation related to the drop in its share price since its woes emerged. AIG's shares closed Friday at \$50.95, down 28.7% from \$71.49 on Feb. 14, the day the insurer announced it

had received subpoenas from New York Attorney General Eliot Spitzer and the Securities and Exchange Commission relating to, among other things, AIG's accounting for certain reinsurance transactions.

AIG's troubles have already meant the loss of its highly valued AAA rating by two rating agencies. Last week, New York-based Standard & Poor's Corp. lowered the long-term counterparty credit and senior debt ratings on AIG, and the counterparty credit and financial strength ratings on most of its wholly owned subsidiaries, to AA+ from AAA.

In addition, New York-based Moody's Investors Service lowered AIG's long-term senior debt rating, as well as the debt and insurance financial strength ratings of AIG units, including its domestic brokerage group, to Aa1 from Aaa. Both

agencies' ratings are under review.

"We've left our ratings under review, because we don't know where this is going," said Alan Murray, Moody's vp and senior credit officer.

Another question is longtime senior executive Martin J. Sullivan's future as AIG's chief executive officer, which observers say will hinge on any involvement he may have had with AIG's accounting practices.

S&P Director Grace Osborne said she suspects AIG's board of directors "did a fairly good due diligence before they appointed an internal candidate" to confirm he was not personally involved in any of the transactions under investigation.

Meanwhile, a person familiar with the matter said the SEC has subpoenaed New York-based PricewaterhouseCoopers L.L.P., AIG's auditor, seeking documents relating to a \$500

million retrocessional loss portfolio contract assumed by AIG from General Reinsurance Corp. That deal has been at the center of the investigations into the insurer's accounting.

A PwC spokesman said the company does not comment on investigations, but "it is our policy always to cooperate with any investigation that may be taking place." An SEC spokesman had no comment.

Gregory Taxin, CEO of San Francisco-based Glass, Lewis & Co., which advises institutional investors, said PwC will "be in the crosshairs, which isn't to say they've done anything wrong, but they'll certainly be answering some questions."

In its announcement, AIG acknowledged that it had improperly accounted for the transaction, not-

Continued on next page

Greenberg: Frank Zarb takes over as chairman of AIG

Continued from page 1

ment of a finite risk insurance transaction in which Mr. Greenberg had involvement is largely seen as the impetus behind the board's decision to urge him to step down as CEO March 14 (BI, March 21). That deal involved a retrocessional loss portfolio transfer that AIG assumed from Berkshire Hathaway Inc. unit General Reinsurance Corp.

AIG on Wednesday admitted its accounting for that finite risk deal was improper and that it will restate its financial statements to correctly classify the transaction as deposits rather than as consolidated net premiums (see story, page 1).

Meanwhile, Berkshire Hathaway Chairman and CEO Warren Buffett is scheduled to answer questions from investigators on the AIG/Gen Re deal (see story, page 17).

While Mr. Greenberg, known for his autocratic, demanding and short-tempered nature, may no longer be directing AIG's business affairs, he left parting words for the company he oversaw for 35 years.

"Mr. Greenberg has also asked me to convey to the board one concern, one recommendation and one offer," David Boies, his attorney, wrote in a letter announcing Mr. Greenberg's intention to retire upon returning from a trip to Asia and Europe. AIG did not indicate late last week whether Mr. Greenberg had, in fact, retired.

Mr. Greenberg's concern, his attorney's letter states, involves members of AIG's board or their representatives leaking to the press, sometimes accurately and sometimes inaccurately, what has been discussed and proposed at board meetings, which Mr. Greenberg believes is not in the interests of the company or its shareholders.

Mr. Greenberg recommends a search be initiated immediately "to identify a person with the extensive international, financial and insurance experience required to serve as chairman," the letter states.

Mr. Greenberg then offered to assist the company in whatever way, if any, the new chairman and Mar-

tin J. Sullivan, AIG's new CEO, believe is in AIG's interests, "particularly in connection with international operations, where Mr. Greenberg has unique experience and relationships," his attorney's letter states.

Mr. Spitzer signaled his approval of the departure last week. "The board has made difficult decisions, including major personnel changes," he said in a statement. "While there is a long way to go before this investigation is complete, the wise actions of the AIG board will help set this investigation on a path toward resolution."

The AFL-CIO, which represents pension plans holding about 26 million AIG shares, characterized Mr. Greenberg's resignation as an "important step forward."

"We praise the AIG board of directors for asserting its independence and acting to protect shareholder interests," Richard Trumka, AFL-CIO secretary-treasurer, said in a statement.

Shortly after Mr. Greenberg

stepped down as CEO, the Washington-based AFL-CIO sent a letter to the AIG board urging it to replace Mr. Greenberg as chairman.

"AIG needs a strong and independent board to steer the company through this transition period," William B. Patterson, director of the office of investment for the AFL-CIO, wrote in the letter. "We believe this will require an independent chairman who can not only ask tough questions and hold management accountable but also earn the respect of regulatory and legal authorities. In particular, we encourage the board to consider elevating presiding director Mr. Zarb to chairman, especially given his apparent role in urging Mr. Greenberg to step aside."

Whether Mr. Zarb will remain chairman permanently or whether the board will take Mr. Greenberg up on his recommendation to initiate a search for a new chairman remains unknown.

AIG declined to comment on its plans.

AIG's acting chairman a veteran of insurance business

As the new acting chairman of American International Group Inc., Frank G. Zarb is no stranger to the insurance industry or to AIG.

In 1994, after resigning as vice chairman and group chief executive of Travelers Inc., Mr. Zarb took over the helm of then-struggling insurance brokerage Alexander & Alexander Services Inc. At the same time the New York-based brokerage announced Mr. Zarb's appointment, it also announced a capital infusion from AIG.

Under terms of the deal, AIG invested \$200 million in a new issue of convertible preferred stock paying an annual dividend of 8%. The preferred shares were convert-



Mr. Zarb

ible into A&A common shares and on conversion, gave AIG 21% of A&A's nonvoting common stock. Despite the infusion, AIG

did not take a seat on A&A's board.

While the capital infusion was seen as a much-needed boost to the troubled brokerage, which was dealing with financial losses, a falling stock price, numerous restructuring efforts, management changes, looming liabilities from discontinued operations and other issues, it was seen as an especially good investment for AIG.

Mr. Greenberg, who had a reputation as a shrewd investor, was banking on Mr. Zarb to turn the brokerage around. A&A was the world's second-largest broker in 1994, with \$1.34 billion in gross revenues.

Mr. Zarb, who was credited with helping turn around Smith

Barney, Travelers' stockbrokerage and investment banking subsidiary in the early 1990s, indeed worked his magic on A&A. In December 1996, A&A agreed to sell to Chicago-based Aon Corp. in a \$1.23 billion cash deal that not only touched off widespread consolidation within the brokerage industry, but also netted AIG \$317.5 million in cash.

Upon completion of A&A's integration into Aon in 1997, Mr. Zarb left to become chairman and CEO of the National Assn. of Securities Dealers and the Nasdaq stock exchange.

He became a director of AIG in 2001.

—By Sally Roberts

April 4, 2005

AIG UNDER PRESSURE

Continued previous page

ing that the deal should not have been recorded as insurance.

That transaction apparently led to the departure last month of long-time CEO Maurice R. Greenberg, who last week said he would also resign as nonexecutive chairman amid the ongoing investigation (see story, page 1).

AIG said the Gen Re transactions would be accounted for as deposits rather than as consolidated net premiums, which will reduce its reserve for loss and loss expenses by \$250 million and increase other liabilities by \$245 million.

In addition, AIG said it was re-evaluating its accounting treatment of certain arrangements involving several offshore companies.

AIG said the delay in its 10-K filing—the second in as many months—is needed to give its board and the new management time to complete their own extensive review of the company's books.

AIG said it is too early to say whether adjustments identified to date will require a restatement of prior-period results, or of the fourth-quarter 2004 unaudited information already released. "Therefore, AIG is not currently able to determine the potential effects of any proposed adjustment on AIG's results on operations for any particular period," AIG said.

The insurer had reported a 19.1% increase in net income to \$11.05 billion in 2004.

The company said, though, that it now believes the maximum aggregate effect on its consolidated shareholders' equity at Dec. 31, 2004, of known errors and changes in accounting estimates and classifications would be a decrease of about 2%—or \$1.66 billion—from its previously reported unaudited consolidated shareholders' equity of \$82.87 billion.

More disclosures to come?

"What we're seeing here is the look into the sausage factory of how AIG has created its steady and reliable growth in earnings and steadily strengthening balance sheet over the years," said Donald Light, a San

Francisco-based senior analyst with Celent Communications, a business and technology research and consulting firm.

"I think this is the first wave of what may be several waves of disclosures that are going to do more damage to their financial statements but, more importantly, to their reputation as an engine that can deliver very positive, very reliable financial results."

Mr. Light said the question is, "Are there more funny little companies located offshore, and how many transactions have there been with these funny little companies? I think they're saying they don't know yet."

"I think it's probably too early to know" how the situation will develop, said Mr. Taxin. "The world's experience with these things is that they generally get worse before they get better, and I think what has been disclosed so far is a serious and complicated breach of responsibility to shareholders, and I don't think we know yet the extent of the accounting and compensation problems at AIG."

The AIG announcement, though, indicates the company is taking the opportunity to "try to clean up a lot of different areas and put these issues behind them" at a time when Mr. Greenberg "isn't around to defend himself," said John L. Ward, a Cincinnati-based independent insurance analyst.

Mr. Ward added, "I would not be surprised if more bad news items were added to the basket, but I do think there will be a very good chance of achieving closure on most of these areas going forward, because the window for getting everything cleaned up is now, and they seem to be taking advantage of it."

Observers say AIG will continue to be a strong company.

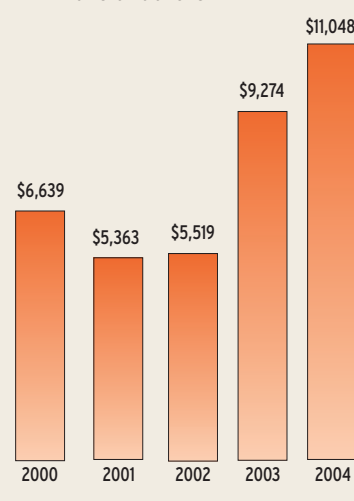
"As bad as it is, I do not think there is any issue that AIG is a going concern," said Mr. Light. In another three to six months, he predicted, AIG will say, "We have looked, we have found things that were wrong, we have cleaned house, we will be a different and more ethical and more transparent organization going for-

ward,' and I think that story will succeed; that will be a successful strategy."

The total impact of unwinding all the transactions revealed so far would amount to less than \$1 per share, estimated Mr. Gallant. "I don't think they're going to lose a lot of their clients," he added. "I

The numbers

AIG net income in millions of dollars



think, for the most part, the franchise is intact, and so the actual day-to-day operations, I think, will continue to be pretty good."

Other accounting changes

In addition to the retrocessional loss portfolio transfer, other accounting changes that will either be made or are being considered include:

- AIG said it now believes that a significant portion of the ownership interests of shareholders of Union Excess Reinsurance Co. Ltd., a Barbados-domiciled reinsurer, are protected under financial arrangements with Star International Co. Inc. The private holding company owns about 12% of AIG's outstanding common stock, and its board of directors consists of current and former members of AIG management. If Union Excess must be treated as a

consolidated entity by AIG—which AIG is still evaluating—it would result in a reduction of up to about \$1.1 billion in AIG's consolidated shareholders' equity as of Dec. 31, 2004, according to the company.

- AIG has determined it should treat Richmond Insurance Co. Ltd., a Bermuda-based reinsurance holding company in which AIG holds a 19.9% ownership interest, as a consolidated entity. This will result in a small increase in consolidated assets and a similar increase in consolidated liabilities and have a minimal impact on the company's shareholders' equity.

- Capco Reinsurance Co. Ltd., a Barbados-domiciled reinsurer, will be treated as an AIG consolidated entity. This will result in recharacterizing \$200 million of previously reported capital losses as underwriting losses relating to auto warranty business for 2000 through 2003.

- Also under review are transactions involving call options on bonds in AIG subsidiaries' portfolios. AIG recognized net investment income of about \$300 million, with a corresponding decrease in realized capital gains from 2001 to 2003, on these bonds, while still retaining them.

- AIG is also assessing whether additional charges are appropriate for certain balances consisting mainly of receivables in the domestic general insurance operations. These could have an aftertax impact of up to \$300 million.

- AIG's review of prior estimates related to deferred acquisition costs and certain other accruals and allowances with respect to its general insurance and financial services subsidiaries could result in an aftertax charge of about \$370 million.

- AIG may reclassify certain items previously reported as net investment income. These misclassifications increased its reported net investment income from 2000 through 2004 by about 4%.

- AIG will change its accounting treatment to expense the deferred compensation granted to certain AIG employees by Starr International, which will be a charge to reported earnings.

NY mandates CEO oaths for finite deals

By MEG FLETCHER

NEW YORK—Amid the expanding probe into American International Group Inc. and other insurers' use of finite reinsurance, New York's Insurance Department last week said that it would now require insurer chief executives to attest under oath that all such contracts used by their companies constitute valid reinsurance.

The directive from Acting Superintendent Howard Mills also requires that an insurer document "the transaction's economic intent and a risk transfer analysis," as well as state that neither written nor oral agreements have been used that "would potentially alter a reinsurance contract's terms."

Previously, CEOs had to attest only to the validity of the insurers' annual statement filings but not to the validity of any specific transactions.

The directive will apply to all future filings by New York-licensed companies, as well as to the results of ongoing examinations, an Insurance Department spokesman said.

Reinsurance accounting rules currently lack clear guidance about what constitutes an appropriate transfer of risk, and New York's insurance regulators are urging the National Assn. of Insurance Commissioners to establish appropriate guidelines. Proposals will be discussed at an NAIC subgroup meeting in New York later this month.

The directive "is a tough, necessary step that will restore confidence to the regulatory process," Mr. Mills said in a statement. "The Insurance Department is confident that the letter's requirements will also prevent insurers from using finite reinsurance contracts as a way of hiding their company's true financial condition," he added.

Failure to comply with the directive could result in fines or the suspension or revocation of an insurer's licenses, the department spokesman said.

Meanwhile, Georgia Insurance Commissioner John Oxendine said last week that he plans to request information from several insurers and reinsurers, including Lloyd's of London, about their use of finite reinsurance contracts.

He plans to issue subpoenas early this week to "numerous" companies as part of his department's inquiry into insurers domiciled in Georgia and doing business there.

The Insurance Department inquiry will focus on what Mr. Oxendine describes as a lack of appropriate examination oversight by states in evaluating finite reinsurance contracts.

Lloyd's insurers make "negligible" use of such contracts, a source said.

A Lloyd's spokeswoman declined to comment.

Officials to probe Buffett's knowledge of Gen Re, AIG deal

With American International Group Inc. admitting last week that it improperly accounted for a finite risk transaction with Berkshire Hathaway Inc. unit General Reinsurance Corp., investigators now what to know how much Warren Buffett may have known about the deal.

The Berkshire Hathaway chairman and chief executive officer is scheduled to answer questions from investigators from the U.S. Securities and Exchange Commission, New York Attorney General Eliot Spitzer's office and other officials in the coming weeks.

The deal in question, a retrocessional loss portfolio transfer AIG assumed from Gen Re in 2000, was initiated by former AIG Chair-

man and CEO Maurice R. Greenberg, who contacted General Re's then-CEO Ronald E. Ferguson, according to individuals familiar with the matter.

That deal is widely thought to have led to Mr. Greenberg's decision to step down from the helm of AIG at the board's urging last month (*BI*, March 21).

AIG admitted last week that its accounting for that deal was improper and that it will restate its financial statements to correctly classify the transaction as deposits rather than as consolidated net premiums.

Whether Mr. Ferguson discussed the finite risk deal with Mr. Buffett, who is famously hands off with his business unit managers,

remains unknown.

Last week, in an uncharacteristic move, Berkshire Hathaway issued a statement in response to press reports about Mr. Buffett's involvement in the Gen Re deal with AIG. Mr. Buffett, the statement notes, "was not briefed on how the transactions were to be structured or any improper use or purpose of the transactions."

But, according to a person close to the probe, there is a "potential exposure to culpability" for Mr. Buffett.

"Berkshire Hathaway and Gen Re have been actively cooperating with the ongoing investigation," Berkshire Hathaway notes in its statement. "In connection therewith, a number of Berkshire/Gen

Re representatives have voluntarily given interviews to the investigating authorities, and Mr. Buffett will shortly do so as well."

The investigation into the finite risk deal with AIG is one of several investigations Gen Re faces.

The Stamford, Conn.-based reinsurer also continues to cooperate with an ongoing investigation by the U.S. attorney in Richmond, Va., relating to its former client Reciprocal of America, a malpractice insurer that was seized by Virginia regulators in 2003 and subsequently put into liquidation. Gen Re also remains a focus of an investigation by the liquidator of defunct Australian insurer HIH Insurance Ltd.

—By Sally Roberts

ADEA: Supreme Court's age-bias ruling expected to open door to more claims

Continued from page 1

lows disparate-impact actions. The grounds for such claims are narrower, though, than those brought under Title VII of the Civil Rights Act of 1991. Employers can defend themselves in ADEA disparate impact by showing that their actions stemmed from "reasonable" factors other than age, Associate Justice John Paul Stevens wrote for the court.

The court also held that, even though the ADEA permits disparate-impact claims, the plaintiffs in this particular case had not put forth a valid disparate-impact claim. All they had done, said the court, was point out that the city had adopted a pay plan that was relatively less generous to older workers than to younger ones.

Three other justices joined in Associate Justice Stevens' decision, and Associate Justice Antonin Scalia filed his own opinion supporting the Stevens opinion. Associate Justice Sandra Day O'Connor, joined by the remaining two justices, filed an opinion that agreed that the claim in question wasn't valid but held that it lacked validity because the ADEA does not permit disparate-impact claims, period. Chief Justice William Rehnquist, who has been undergoing treatment for cancer, did not participate in the decision.

Employment law experts agree that the ruling is not good news for employers.

"This decision is one of the most significant age-discrimination rul-

ings in decades," said Gerald Maatman, a partner in the Chicago law firm of Seyfarth Shaw. "It will have profound implications for a wide range of decision-making such as layoffs, reductions in force and employee benefits plans. I think the plaintiffs bar is rejoicing right now," he said, and he predicted a potential "deluge of litigation."

"This decision is one of the most significant age-discrimination rulings in decades."

**Gerald Maatman
Seyfarth Shaw**

"The *Smith* decision significantly increases the risk of age discrimination liability, even for conduct that isn't intentionally discriminatory," said Philip M. Berkowitz, a partner at Nixon Peabody L.L.P. in New York.

"Many neutral employment practices may affect older workers more severely—for example, requiring that applicants have experience with computer programs," Mr. Berkowitz said. "The Supreme Court now says those practices can be unlawful if they adversely affect older workers, unless the employer can show that the decision was 'reasonable.' I can foresee substantial

litigation challenging employment practices as being 'unreasonable' and, therefore, unlawful and discriminatory."

A lawyer for the AARP, which had filed an amicus brief supporting the police employees, said that the decision didn't go far enough.

"It almost relevels the playing field for age discrimination plaintiffs," said Tom Osborne, a senior attorney with AARP Litigation in Washington. "The court did say that 'yes, the disparate-impact claims are properly brought under ADEA,' but they said there are a couple of differences between ADEA and Title VII. The scope of the disparate impact under the ADEA" is narrower than Title VII.

"It makes it not quite equal," Mr. Osborne said, adding, "we'll have to see" how lower courts treat the limitations. "They may prove to be a greater or lesser stumbling block," he said.

Meanwhile, in another employment rights case, the court ruled that a law designed to promote gender equality in educational programs offers protection to whistleblowers as well as victims of sexual discrimination.

The case, *Roderick Jackson vs. Birmingham Board of Education*, involved Mr. Jackson's right to pursue a lawsuit against the Birmingham, Ala., school board after he'd lost his job as a high school girls' basketball coach. Mr. Jackson said he lost the coaching job after repeatedly complaining that the facilities provided to the girls' team were not as good

as those provided to the boys' team. Mr. Jackson kept his job, though, as a physical education teacher.

The school board said that Title IX of the Education Amendments of 1972—best known for promoting equitable funding for sports for students of both genders—does not allow private lawsuits for retaliation claims. Some other anti-discrimination laws do permit such whistleblower suits.

Lower courts backed the school board, but the high court ruled 5-4 that when an institution covered by Title IX retaliates against a person because he or she complains about sex discrimination, that retaliation constitutes intentional discrimination under Title IX. The opinion noted, though, that Mr. Jackson still must prove that the board retaliated against him because of his complaint; the decision, they said, gives him only the right to present

evidence that supports his claims.

"The *Jackson* ruling is fodder for any plaintiff's argument that civil rights and employment discrimination laws should be interpreted as broadly as possible, irrespective of the limiting language in the enabling statute," said Mr. Maatman. "Employers can expect an increased emphasis by plaintiffs on 'pushing the envelope' of statutory construction to achieve recoveries consistent with the broad remedial philosophies underlying civil rights and employment discrimination legislation."

Azel P. Smith et al. vs. the City of Jackson, Miss., et al., U.S. Supreme Court. No. 03-1160. Decided March 30, 2005. Roderick Jackson vs. Birmingham Board of Education, U.S. Supreme Court. No. 02-1672. Decided March 29, 2005.

UAW: Accepts midcontract cuts in health care benefits coverage

Continued from page 3

the UAW spokesman.

"There were changes five or four years ago at all three of the companies. Co-pays for drugs and office visits were increased. Plans have been dropped. There have been some modifications to them."

However, "it is the first time there are deductibles in a PPO in network," he acknowledged.

Under the change, annual in-network deductibles for employees, dependents and retirees covered by the PPO will be \$100 for individuals and \$200 for families, while out-of-network deductibles will range from \$500 for individuals to \$1,000 for families.

The deductibles apply to office visits, physical exams and all eligible hospital, surgical and medical benefits, but not to prescription drugs or mental health care.

Chrysler also is moving about 7,500 UAW workers in St. Louis from a Blues PPO plan to a new PPO administered by United HealthCare Corp. The same deductibles will apply.

Approximately 35,000 employees, families, retirees and surviving spouses are enrolled in PPOs, another 83,000 are enrolled in the traditional indemnity plan, while 23,000 are enrolled in HMOs, according to a Chrysler spokesman.

A Ford spokesman wouldn't say whether the Dearborn, Mich.-based automaker would seek similar concessions.

However, GM officials in Detroit announced publicly on March 23—a week after the company issued its biggest profit warning in more than a decade—that they want UAW hourly workers to accept the same reduced benefits as those provided to the company's salaried workers.

All of the Big Three automakers have asserted that the rising cost of health benefits, which they say currently amounts to about \$1,400 per vehicle, is hindering their competitiveness in the world market.

Helen Darling, president of the

National Business Group on Health in Washington, said the increased cost sharing was inevitable given the skyrocketing health care costs corporate America is facing.

"I'm not surprised," she said. "What's happening to the automakers, and it's going to happen to all the old, legacy companies—you can see the airlines are going under, if they're not already under—they don't have the pricing flexibility. They can't just pass the cost through as the public sector does to the taxpayer."

"How common it is, I don't know," she said. "But I think it will become very common. We're going to see these things happening in the terrain, I'd say, over the next three years," she predicted.

Chrysler hopes to save "tens of millions of dollars" with the cost shift to employees. That is, though, "not a heck of a lot when your health care bill is \$2 billion," the Chrysler spokesman said.

California comp: Domestic insurer market returning

Continued from page 4

ers have emerged, though the premium volume they are committing to write remains small in comparison to California's overall needs, observers say. They, too, are being selective and carving out niches.

Late last month, for example, San Francisco-based California Insurance Co. announced that the California Department of Insurance approved it to write workers comp coverage. CIC said it will focus on small to medium-sized "blue-collar industries" with annual premiums ranging from \$5,000 to \$500,000.

CIC fits the description of a California workers comp specialty underwriter, said Carl DeBarbrie, senior vp of the San Francisco-based insurer. CIC is a wholly owned subsidiary, though, of San Francisco-based Applied Underwriters, which has underwritten California workers comp policies for more than 10 years through a managing general agency arm.

Applied Underwriters acquired CIC in 2003 from GE Insurance Solutions' Coregis Group.

CompWest announced the receipt of its license in September. The insurer has now established a network of brokers it works with, and its growth is "on track for what we want to do," Mr. Mudge said.

Employers Direct launched early in 2003, making it the first startup workers comp insurer to receive a

California certificate of insurance in 10 years. It is a direct writer focusing on privately owned California-based employers paying between \$100,000 and \$3 million in annual premiums.

CIC, CompWest and Employers Direct each launched with \$50 million in capital, the state's minimum statutory requirement. That capitalization amount allows each insurer to write about \$120 million in premium volume. Observers say the combined premium volume they can write is small in comparison to California's \$20 billion workers compensation system.

Rate relief for some

Still, some employers have experienced significant rate relief because of reforms signed into law in the past two years and new alternatives to SCIF, said Charles Bacchi, a legislative analyst specializing in workers comp for the Sacramento-based California Chamber of Commerce. Other employers, though, tell Mr. Bacchi they remain unable to find an entity other than SCIF to insure them. Their rates have dropped by only a small sum, they tell him.

Nonetheless, Mr. Bacchi is no longer getting several angry telephone calls each day, as happened before California adopted the reforms.

"That being said, there are a lot

of folks who are seeing their rates hold steady or small reductions," he said. "In some cases, in some industries, their rates have actually crept up. It depends on whom you talk to. You get very different stories."

Rates last peaked in California in 2003, when they reached \$6.37 per \$100 of payroll, according to WCIRB data. By the third quarter of 2004, they had fallen to \$5.34, still more than double the low of \$2.35 per \$100 of payroll that they had dipped to in 1998.

More rate relief is on the way, though. The WCIRB last month recommended that insurers drop rates by 10% for policies incepting July 1 because of decreasing claim frequency and a tiny dip in severity. The suggested rate reduction is a sign that reforms are working in California, Mr. Bacchi said.

But insurers and other observers say the state still presents political risks for potential new capital.

Senate Bill 496, for example, seeks to create a panel that would regulate workers comp rates. The bill, introduced by State Sen. Richard Alarcon, D-San Fernando Valley, is scheduled for a committee hearing April 13.

Mr. Bacchi said it would create a "whole new litigation process for attorneys to challenge every single rate filing in a quasi-judicial setting," with policyholders footing the bill.

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EEOC: Court blocks retiree health plan rule

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would have to spend the same amount on health care benefits for the two groups of retirees.

The EEOC initially embraced and enforced what came to be known as the Erie County decision. The EEOC's adoption of the Erie County ruling—named for the Pennsylvania county involved in that litigation—made longstanding and common retiree health care plan designs in which employers provide a lower level of benefits to Medicare-eligible retirees than to younger retirees vulnerable to legal attack.

The EEOC, though, later dropped enforcement of the ruling after business groups warned that its enforcement would result in employers cutting benefits for younger retirees or eliminating retiree health care coverage entirely. At a time of double-digit health care cost increases, no one expected employers to take another ADEA compliance approach: boosting Medicare-eligible retirees' benefits to equal those provided to younger retirees.

"As a practical matter, employers cannot provide more," said Daniel Yager, senior vp and general counsel for the Washington-based HR Policy Assn., which represents HR managers at about 250 large employers.

In 2003, EEOC fashioned a rule to exempt retiree health care plans from ADEA and was just weeks away from publishing and making it final when the AARP, which believes such an exemption would give employers the green light to cut benefits for Medicare-eligible retirees, sued to block its implementation.

Recourse in Congress?

Business groups say if the courts don't side with the EEOC, they are prepared to lobby Congress to get legislators to make it clear either that ADEA does not cover retiree health care plans or that the EEOC has authority to exempt the plans from ADEA.

If necessary, "We would aggres-

sively support a congressional solution," said Susan Relland, health care legal counsel for the American Benefits Council in Washington.

If courts cannot satisfactorily resolve this issue, "we would hope Congress would. We will do what we can to get this problem fixed," Mr. Yager said.

'Wait and see attitude'

Despite the potential threat posed by the Erie County ruling, few, if any employers other than

"In this day and age, given a choice between improving or reducing or eliminating benefits, most employers will go the reduction or elimination route."

Henry Saveth
Mercer Human Resource Consulting

Erie County have amended or folded retiree health care plans in response to the ruling, experts say.

"There has been a wait and see attitude," said Cara Jareb, a consultant with Watson Wyatt Worldwide in Washington.

"Employers have been pretty much waiting for a final outcome," said Mark Ugoretz, president of the ERISA Industry Committee in Washington.

That lack of employer response is grounded on the fact that the EEOC, soon after the Erie County ruling came down, decided not to enforce it.

"Employers had the comfort of knowing that the EEOC would not pursue or litigate" this issue, said Frank McArdle, a consultant with

Hewitt Associates Inc. in Washington.

Benefit cuts likely

But if the Erie County ruling is affirmed, experts say it is almost certain that employers, as a compliance strategy, will cut back benefits for younger retirees to the level provided to Medicare-eligible retirees or eliminate retiree health care coverage altogether.

"Increasing benefits is not a practical approach at a time of rising costs. The only way to comply would be to cut benefits," said Ms. Relland.

"In this day and age, given a choice between improving or reducing or eliminating benefits, most employers will go the reduction or elimination route," said Henry Saveth, an attorney with Mercer Human Resource Consulting in New York.

Judge Brody conceded as much. "The EEOC argues persuasively that, without this exemption, employers will reduce or eliminate health benefits for all retirees, no matter what their age. This is because retiree health care benefits are becoming so expensive that employers cannot afford to give the same level of benefits to all of their retirees," she wrote.

That result, though, is irrelevant, given the appeals court ruling in the Erie County case, Judge Brody wrote.

"Unfortunately for the EEOC, the 3rd Circuit Court of Appeals has already ruled that allowing employers to give retirees 65 or older health benefits that are inferior to the health benefits to retirees who are younger than 65 is illegal under the ADEA," Judge Brody wrote.

But some benefit lobbyists say Judge Brody ruled on the wrong issue. "We think the judge got it all wrong," said Mr. Ugoretz, saying the issue was not the applicability of ADEA to retiree health care plans, but whether the EEOC has authority to issue an ADEA exemption.

Late News

Continued from page 1

Senate, which earlier approved its own version of workers comp reform.

Female consultants allege bias at Smith Barney

Claiming a pattern of bias against female employees, four financial consultants on Thursday filed a lawsuit against New York-based Smith Barney, the retail brokerage arm of Citigroup Inc. The suit, which seeks class action status, says the company affords men more opportunities for business and compensation than it does women and permits retaliation against employees complaining of gender bias. Smith Barney already has paid millions of dollars to settle cases, brought in 1996, charging sexual harassment and discrimination of female employees. In a statement on the latest suit, Smith Barney said, "these claims are entirely without merit."

Minnesota exploring universal health care

All Minnesota residents would be required to purchase a basic health insurance plan, and all health insurers operating in the state would be forced to offer such a plan under legislation introduced this week in the Minnesota Legislature. The legislation—S.F. 1933 and H.F. 2175—would require every health insurer operating in the state to provide a health plan that covers essential benefits, which will be determined by a committee later this year. The bill would prohibit any varying of premium rates for these plans based on factors such as age, health history or status, or the gender of the insured, and premium rates would have to be pre-approved by the commissioner.

Cat bond volume increases in 2004

The overall size of the catastrophe bond market continued to grow in 2004, though the number of publicly reported cat bond issues declined last year, according to research by Guy Carpenter & Co. Inc. and its affiliate, MMC Securities Corp. For transactions disclosed to the public, total outstanding risk capital reached \$4.04 billion at year-end 2004, a 17% increase over the 2003 total. Total reported issuance, though, declined by 34.1% to \$1.14 billion during 2004, though that amount could be skewed by an increase in privately placed transactions, according to the report.

Texas hail damage to hit \$100 million

Insured damage from the recent hail storm in central Texas are expected to reach at least \$100 million. The Southwestern Insurance Information Service said Texas insurers are receiving thousands of automobile, homeowners and commercial claims from the storm that lashed the area near Austin on

March 24 with golf-balled sized hail. "Several auto dealerships were hit," said a spokeswoman for Austin-based SIIA.

Airline asks unions to accept pension freeze

Financially strapped Northwest Airlines Inc. is asking unions representing its employees to accept a freeze of the defined benefit pension plans covering the employees and the replacement of those plans with defined contribution plans. The Eagan, Minn.-based airline said the pension freeze, in which benefit accruals would cease but the company would continue to fund promised benefits, is necessary as part of its goal of cutting labor costs by \$1.1 billion.

Indian tribe, California settle workers comp suit

California's Department of Industrial Relations and Mainstay Business Solutions Inc., a temporary staffing business operated by the Blue Lake Rancheria Indian tribe in Northern California, have settled a lawsuit over Mainstay's workers compensation arrangements. Mainstay has agreed to comply with DIR requirements for self-insuring and drop its argument that sovereign immunity granted to tribes prevents the DIR from regulating its operations.

Montana med mal reforms enacted

Montana Gov. Brian Schweitzer has signed four medical malpractice reform bills into law. H.B. 24 holds that a doctor's expression of sympathy cannot be used against him or her in a malpractice case. H.B. 25 protects health care providers from medical malpractice liability arising from the acts or omissions of others involved in the case who were not agents or employees of the provider. A related measure, H.B. 26, restricts the liability of health care providers for the acts or omissions of "ostensible agents"—individuals who are not employees of the provider but whom a third party believes are. The final bill, H.B. 64, sets criteria for expert witnesses in medical malpractice cases. All of the measures go into effect July 1.

At BusinessInsurance.com

■ **New Opinion Poll:** Do you plan to review your age anti-discrimination policy as a result of the Supreme Court's decision in *Smith vs. City of Jackson, Miss.*, that allows age discrimination suits to proceed even if the plaintiffs have not been victims of deliberate bias?

■ Items in the Late News column originally appeared in *BI's Daily News* feature on www.businessinsurance.com. Visit the *BI* Web site to sign up to receive *BI's Daily News* and custom news alerts by e-mail.

BI Stock Index [3/28 - 4/1]

Up-to-the-minute data for the companies that comprise the BI Stock Index can be found at www.businessinsurance.com

Percentage change of BI Stock Index vs. key indicators

BI Stock Index	
2349.79	-1.20
Dow Jones	
10404.30	-0.37
S&P 500	
1172.92	0.13

Largest gains

Trenwick Group Ltd.	25.00%
Health Net Inc.	5.10%
Zenith National Insurance	4.60%
Humana Inc.	3.56%
United HealthGroup	3.21%

Largest losses

Fairfax Financial Holdings Inc.	-12.84%
American International Group	-8.38%
MBIA Insurance Group	-8.35%
Clark Inc.	-7.77%
Transatlantic Holdings	-3.21%

Weekly change by market segment

Brokers	-0.71%
Insurers/Reinsurers	-0.50%
Managed Care Organizations	1.74%

Outgoing and incoming presidents
discuss RIMS' future / **T4**

Who's in the exhibit hall?
See exhibitors list and map / **T18**

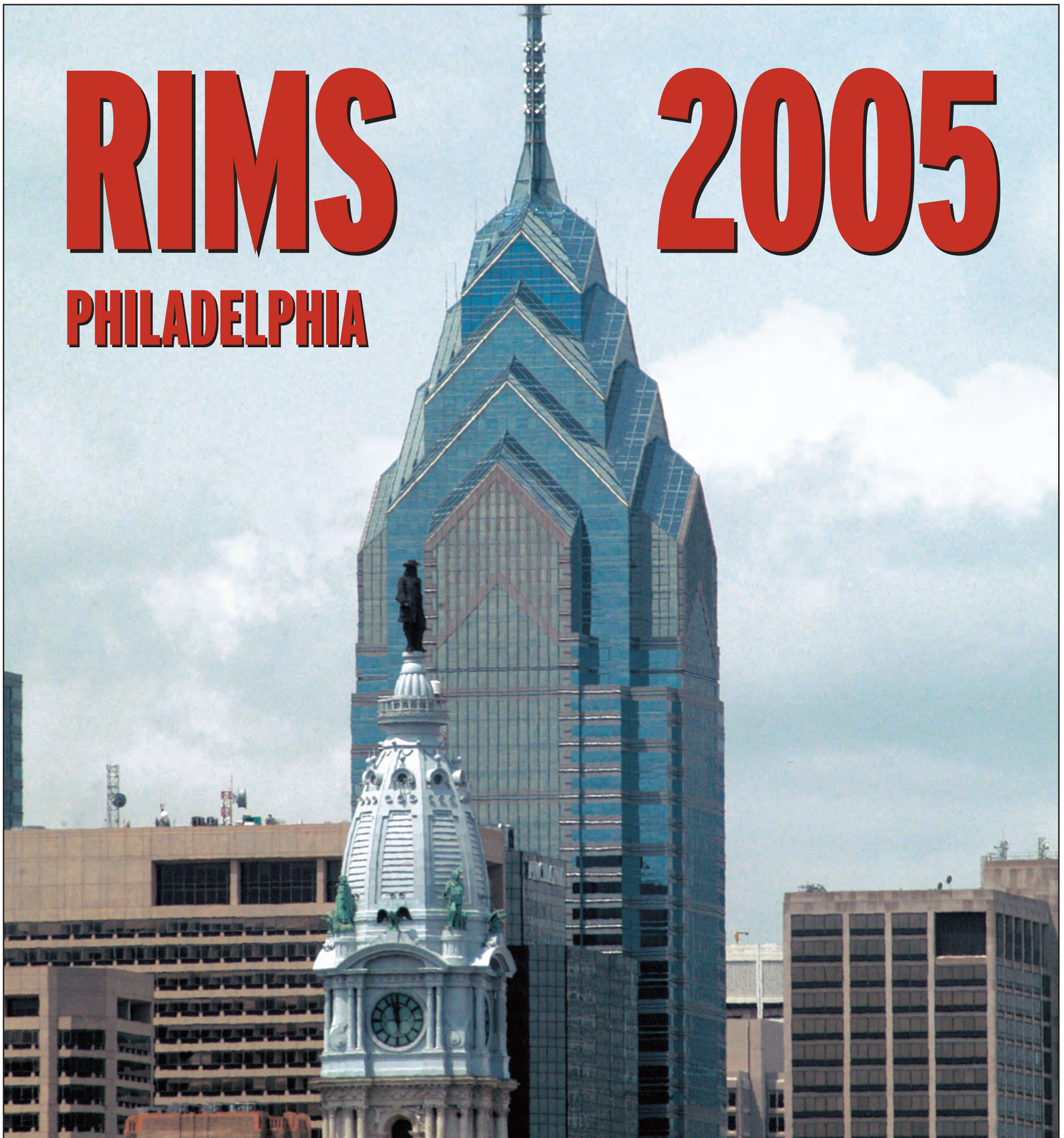
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RIMS' presidents speak

The society's outgoing and incoming presidents review the past year and analyze the challenges ahead.

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Tough but personable

Incoming RIMS President Ellen Vinck brings a reputation as a tough yet effective leader to her new position.

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Perennial favorites return to conference agenda

Some sessions that proved most popular in past years are being offered again.

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Fun and fundraising benefit Spencer Educational Foundation

■ Athletes will compete in a run/walk, a hockey game and golf and tennis tournaments to raise money

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■ The Spencer Educational Foundation has been supporting risk management education for 25 years

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■ Cover photo courtesy of the Philadelphia Convention & Visitors Bureau.

Broker pay, TRIA top conference agenda as risk managers head to Philadelphia

By GLORIA GONZALEZ

Broker compensation arrangements and the Terrorism Risk Insurance Act will feature prominently on the agenda of the Risk & Insurance Management Society Inc.'s 2005 Annual Conference & Exhibition in Philadelphia April 17-21.

When developing its conference program, RIMS typically reserves openings for hot-topic sessions devoted to the major industry events of the past year, said Janet Barnes, RIMS vp-conference and risk manager and security administrator for Snohomish County Public Utility District No. 1 in Washington state. "This year, it was quite easy to fill all three hot-topic slots," Ms. Barnes said.

The first hot-topic discussion will examine whether policyholders affected by the insurance placement practices of Marsh & McLennan Cos. Inc. should participate in Marsh's \$850 million settlement with New York Attorney General Eliot Spitzer. The session will explore the factors policyholders need to consider in making their decisions, whether there are other options for policyholders and whether the settlement resolves all the issues for Marsh. It will take place on Monday, April 18, from 3:30 p.m. to 5:00 p.m.

The second hot-topic session will give a review of the types and amounts of contingency fees involved in placement service agreements and offer insight on how to evaluate broker services. The two-part session will take place on Tuesday, April 19, from 9:00 a.m. to



PHOTO: COY BUTLER/PCVB

With a population of 1.5 million within city limits and another 4 million in the surrounding area, Philadelphia is the fifth-largest city in the United States and the second-largest on the East Coast.

10:15 a.m. and from 10:30 a.m. to 11:45 a.m.

The third hot-topic discussion will address the latest TRIA developments and respond to questions from session attendees. It will take place on Wednesday, April 20, from 9:00 a.m. to 10:15 a.m.

The theme of the 2005 conference is "We the People: Driving Risk Management." The first part of the slogan refers to the U.S. Constitution and Philadelphia's status as the birthplace of American democracy, while the latter half refers to risk managers taking control of their profession.

"It's putting all of us as risk managers in the driver's seat to continue to further enhance development of risk management expertise and drive it in the direction we all want it to go in," Ms. Barnes said.

RIMS is expecting more than 10,000 total participants this year, but a spokeswoman declined to say how many RIMS members would be in attendance. Just prior to last year's conference in San Diego, RIMS had more than 3,300 risk manager registrants

See RIMS/page T8

City of Brotherly Love provides historic, forward-looking setting for proceedings

By RODD ZOLKOS

The urban area William Penn founded between the Delaware and Schuylkill rivers has obviously come a long way since he and his Quaker brethren settled a two-square-mile city there in 1682.

From the site of Penn's "holy experiment" to the birthplace of American democracy to the "Workshop of the World" to a modern American city carving out a 21st-century identity, Philadelphia has at once seen dramatic changes through the years and managed to keep its history intact.

Truth be told, Philadelphia has come a long way in just the last decade or so.

Despite Philadelphia's significance in U.S. history, its role into the mid-20th century as a major center of manufacturing and shipping and its status as a cultural center of the first order with eminent universities, museums and symphony, the City of Brotherly Love found itself increasingly down on its luck in the 1970s and 1980s.

The city was staring at fiscal collapse and showing serious signs of neglect. The downtown was grimy and, aside from the historic sites in the Independence Hall area, offering little to make it a place where anyone would choose to spend much time.

A 1990s revival of Philadelphia's downtown Center City section—an effort that included the development of the convention center—has changed that, though, and the city has become a place with a lot more to offer than pretzels and cheesesteaks, not that ei-

ther are to be missed. New construction and renovation have given the downtown area a thriving restaurant scene (which actually began developing in the 1970s), numerous nightlife options and a buzz as a place to be.

Today the city is rich with public art, it has put a new gloss on its most popular historic

areas, and it has the feel of a city on the rebound. And, it has, of course, the ubiquitous Ben Franklin.

Reasonably compact and laid out originally by Mr. Penn on a grid system, downtown Philadelphia is easy to navigate and is a great place to walk. Broad and Market streets form the center of the grid. Market Street divides the city into north and south, while streets running north and south are numbered beginning with Front Street (1st) at the Delaware River, with numbers increasing as you move west. Broad Street, in that scheme, would be 14th.

Situated smack at the intersection of Market and Broad streets is City Hall, an elaborately designed structure that opened in 1901 after taking 30 years to build. The building's central tower, rising more than 500 feet, is topped by a 37-foot-tall bronze statue of the city's founder.

For years, local tradition held that no building should rise higher than William Penn's hat, though that changed in 1987, as Liberty Place One rose above Mr. Penn and began to reshape the city's skyline.

From City Hall, the Pennsylvania Convention Center is just a couple of blocks east and one block south. Continuing the walk east on Market to about 6th Street brings you to Independence National Historical Park and sites such as the National Constitution Center, the Liberty Bell and Independence Hall in an area that at one time was the seat of the U.S. gov-

See PHILADELPHIA/page T16

Quick stats on Philadelphia

■ Founded and designed in 1682 by William Penn.

■ The city's name means "city of brotherly love" in ancient Greek.



PHOTO: COY BUTLER/PCVB

■ Philadelphia is the fifth-largest U.S. city.

■ As of 2004, the population was 1.6 million.

■ Philadelphia was the center of the independence movement, where both the Declaration of Independence and the U.S. Constitution were signed.

■ The Liberty Bell, above, cracked the first time it was rung.

RIMS leadership continuing core focus

By MICHAEL BRADFORD

This year's change of leadership at the Risk & Insurance Management Society Inc. will see a new president take office with the aim of building on the society's strengths.

Ellen Vinck, vp of risk management at United States Marine Repair Inc. in San Diego, will replace outgoing president Nancy L. Chambers at RIMS' annual conference in Philadelphia. Ms. Vinck said her goal is simply "building RIMS."

"I commend people with Mount Everest goals," Ms. Vinck said. "But one year is not a lot of time to implement a strategic plan for RIMS. My first responsibility is to grow the organization."

The incoming president said she will concentrate on the same four "core competencies" that Ms. Chambers and her predecessor addressed. Those strategic areas are education, technology, membership and the annual conference. "If we focus on those areas, RIMS can do nothing but grow," she said.

Ms. Vinck takes office after another leadership change at RIMS last year. Mary Roth, who joined the society in 1985, was named executive director in October. She replaced John J. Hampton, who resigned in August to pursue consulting work.

"We felt that Mary, with her long-term experience at RIMS, was a very good candidate for the position," said Ms. Chambers. Ms. Roth, who had served as deputy executive director and chief operating officer, handled the executive director's duties from the time Mr. Hampton left until her appointment to the position.

As Ms. Vinck takes office, she has made it clear that risk managers have one issue on their minds above all others. "They are looking to see what will be the new compensation model for brokers," she said.

The investigation by New York Attorney General Eliot Spitzer into contingent commissions paid to brokers by insurers has led to the end of many of those arrangements. Risk managers are watching closely to see how they might be affected, Ms. Vinck said.

"I do believe what I have read—that 80% of risk managers do not expect to change brokers," she said. "One overwhelming thing I have heard from risk managers is, 'I trust my broker.'"

Some risk managers will market their programs, though, and all are wondering how the absence of contingent commissions will affect their premiums.

"I am more than willing to compensate my broker 100% for what I get," Ms. Vinck noted. But as insurers' expenses fall with the absence of contingent commissions, it should be reflected in premiums, she said.

The new RIMS president is quick to point out that all the activities related to contingent commissions were not illegal. "There is a big distinction between contingent commissions, which is a legal practice, vs. bid rigging. Unfortunately, the two are being thrown into the same pot. I am concerned that a lot of the attention given to the matter shows a displaced sense of where the illegal actions arose."

RIMS and many of its members have been outspoken on the issue of contingent commissions for some time, Ms. Vinck said, "and nobody cared" until Mr. Spitzer began his investigation. She said comments made by some that risk managers "didn't care or are not outraged enough" were unfair. "I don't think there is a risk manager who isn't outraged by it," she said of the illegal activities.

Ms. Chambers pointed out that because RIMS is "not a regulatory body," its response to the issue is to "provide information to our



Ellen Vinck, left, will succeed Nancy L. Chambers as RIMS' president at the society's 2005 annual conference in Philadelphia.

PHOTO: MICHAEL MARCOTTE

members so they can make decisions on behalf of their organizations." RIMS is "trying to be very careful in how we respond," so as to best serve members' interests, she said.

RIMS' response to the Spitzer investigations has included testimony by Janice Ochenskowski, vp for external affairs, before the U.S. Senate Subcommittee on Financial Management; meetings with insurance regulators to help in their efforts in responding to inquiries regarding contingency fees; and updates on the issue on the society's Web site.

Recent accomplishments

As Ms. Chambers leaves the presidency, she and Ms. Vinck, who served as first vp on RIMS' executive council during the past year, recalled some of the accomplishments RIMS has claimed since the last annual conference.

"It was a very eventful, very exciting year," said Ms. Chambers, who is risk manager for the Waterloo Regional Municipalities Insurance Pool in Kitchener, Ontario.

Of the four core competencies, technology has had the biggest impact on the society, they agreed. RIMS revamped its Web site, www.rims.org, in January 2004 and has provided a way for the society to be "in touch with the membership instantaneously," said Ms. Vinck. "And members are in touch with each other instantaneously" through electronic discussion groups, which continue to form, and e-mail.

"The biggest change with RIMS has been the launch of the Web site," Ms. Vinck said.

"We have the best risk management Web site there is. That is testament to the fact that people look to RIMS" as a valuable risk management asset, she said.

RIMS saw mixed results with its membership efforts over the past year, attracting new deputy members and associate members while losing a few corporate members.

After a small increase in 2003, the number of corporate members dropped by five in 2004. As of Feb. 28, the society had 3,761 corporate members. Deputy members rose to 7,672 from 7,585 as of Feb. 28, and associate members grew to 1,240 from 1,094.

The individual memberships have increased as the profile of risk managers has risen, Ms. Vinck said. Since the 2001 terrorist attacks, she said, "there has been a tremendous recognition and awareness of risk management as a whole," and the focus on corporate governance required by the Sarbanes-Oxley Act has increased the visibility of risk managers.

As a result of such issues, risk managers are looking to the society as their responsibilities expand, according to Ms. Vinck and Ms. Chambers.

No new RIMS chapters have formed or disbanded.

"RIMS doesn't recruit chapters," Ms. Chambers said, but will discuss the possibility of new formations if asked. There have been inquiries about forming chapters in Bahrain and Barbados during the past year, she said, but no decisions have been made as to whether those formations will come about.

The society's educational offerings have been popular in the past year. Participation in professional development courses is up 22%, and interest in the RIMS Fellow designation has gained some steam.

The designation has not been widely embraced by risk managers, and the society has attempted to narrow the focus of the RIMS Fellow so that it has more appeal to members.

"It's starting to pick up momentum," Ms. Chambers said of the designation. "There are 108 in the pipeline" working to complete the program, she said, and 50 already have earned the RIMS Fellow.

"A lot of the courses are sold out," Ms. Chambers said. "I think we're at the point now where we have a good program up and running."

RIMS held for the first time last year a symposium in London called "Meet the Market," which allowed risk managers, underwriters and brokers to meet and hear speakers discuss industry topics. There were around 40 attendees at the event, which Ms. Chambers called "a resounding success."

A similar event is planned in Bermuda in November, she said.

And there is a growing interest among risk managers for information regarding enterprise risk management, Ms. Chambers said.

"I struck a task force to set a strategic direction for enterprise risk management," she said, adding that she hopes the society will deliver a "strategic plan as to what RIMS can do to help members with enterprise risk management."

On another front, RIMS has worked for several years to help improve the quality of transactions and relationships among risk managers and their business partners.

The society has developed quality guidelines that can be implemented with a template that focuses on insurance buyers' dealings with their brokers and underwriters. In the works is a third such tool that risk managers can use with their adjusters and third-party administrators.

The process "helps everybody, whether they are a brand-new risk manager or quite seasoned," said Ms. Vinck. "For brand-new risk managers, it really gives them the tools they need" to select business partners that provide quality services, she added.

Regarding its finances, RIMS' has seen marked improvement in recent years, thanks partly to an enthusiastic response to the organization's annual conference. As a money-maker, the conference has helped the society erase a deficit that at one point reached \$2 million, Ms. Chambers said.

That deficit "was due to a decline in the stock market" and poor investment returns, Ms. Vinck said.

"We're in really good financial shape due to conference registrations," Ms. Chambers said. "Last year was a big success," she said of the annual conference in San Diego, and registrations are high for this year's event in Philadelphia.

Corporate governance changes are in the works for the society. Beginning May 1, RIMS will no longer operate with an executive council. That body will be merged into its board of directors. Within the 15-member board, five will serve as an executive committee to provide oversight between board meetings. They will hold the positions of president, vp, treasurer, secretary and a final position chosen by the others.

Michael Liebowitz, director-risk management at Bridgeport Hospital & Healthcare System Inc. in Bridgeport, Conn., will serve as vp of the new executive committee. That position is considered the steppingstone to the RIMS presidency.

No-nonsense style makes Vinck a tough, effective leader

By MICHAEL BRADFORD

Ellen Vinck is bringing an edgy but effective management style to the presidency of the Risk & Insurance Management Society Inc.

It is not likely to be a quiet year in the organization with Ms. Vinck at the helm. In fact, she admits that her up-front leadership skills have earned her the nickname "Dragon Lady" among some of her colleagues at United States Marine Repair Inc. in San Diego, where she serves as vp of risk management.

It's a nickname many eventually

find is unearned. But Ms. Vinck understands how she got it.

When it comes to risk management, as long as it's ethical, she admits she has no problem using different techniques to accomplish her goals.

For example, "I actively steal" ideas from successful risk management programs, she confessed. "And I tell people right up front that I'm stealing them. I'm great at can-



Ms. Vinck

nibalizing and building on what everyone else started. We all learn from what everyone else is doing."

"I've also been known to name-drop when it helps me," Ms. Vinck said. "If I'm having a problem contractually, I just drop a name."

She once used the name of a prominent risk manager affiliated with a cruise ship operation that was contracting for services at U.S. Marine Repair

when talks with the company got a little rocky. "The conversation just stopped," Ms. Vinck said, when she told the other party to ask the risk manager whether her "word means anything." The logjam was broken.

There is another side of Ms. Vinck, though, that will serve her just as well during her term at RIMS. That's her commitment to service and helping others. Church and community service take up much of her spare time. The mother of two daughters and two sons "was very active in Girl Scouts," as her daughters were growing up, she said.

Once her colleagues get to know her, the tough persona fades a bit.

Ms. Vinck recalled filling a risk analyst post at U.S. Marine Repair with an employee who held an accounting major and worked in another department at the company. "She didn't know squat about risk management and was afraid to work for me. She heard I was mean. She heard I was the Dragon Lady."

After getting to know her boss and the risk management side of the business, however, "she loves it," Ms. Vinck said. "She had no idea how all-encompassing risk management is."

As she tells it, Ms. Vinck takes a tough stance concerning risk management issues when she has to and that's why some employees at U.S. Marine Repair approach her with some trepidation. She won't back down if it means accomplishing her risk management objectives and making sure her company is protected. Her no-nonsense tack may come across as harsh to some, but combined with her personable nature, it can engender loyalty as well. Her risk analyst, after all, hasn't mutinied.

Ms. Vinck came to the job in the same way many of her colleagues found risk management. She began working at Southwest Marine Inc. in San Diego 25 years ago as an assistant to the chief financial officer. The company was to acquire Norfolk Shipbuilding & Drydock Corp. in 1998 and U.S. Marine Repair was established as the parent corporation.

As Ms. Vinck's boss moved toward retirement, she was given insurance responsibilities.

"In 1982, he established the benefit manager position; we took that from (human resources)," Ms. Vinck recalled. "He retired in 1984," she said, but the CFO "developed a job description for risk management" and she became the company's first risk manager.

She found RIMS on the advice of a broker, who urged her to attend chapter meetings. Like many others who came to the profession in a similar fashion, Ms. Vinck said she asked at the time, "What is RIMS?"

RIMS has turned out to be a blessing, Ms. Vinck said. "I can honestly say that where I am today, not only with the organization" but as a risk management professional, is "because of RIMS."

Ms. Vinck has served in a number of capacities with the society since 1997. At the national level, she has worked with the strategic planning task force, chaired the communications committee, served on the board of directors and held the positions of vp-finance and treasurer, vp-conference and first vp.

At the local level, Ms. Vinck has served on the board of directors of the San Diego chapter for 14 years. She was chapter president in 1996 and was awarded the chapter's first risk manager of the year award that year.

Apart from RIMS and risk management duties, community and church service, Ms. Vinck spends time with her husband, Alex, who was one of the founders of U.S. Marine Repair and is now retired from the company.

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DISCOVER RE

Conference: Hot-topic sessions top agenda as risk managers head to Philadelphia

Continued from page T3

alone, and the 443 exhibits last year set a conference record.

Broker CEOs to speak

Joe Plumeri, chairman and chief executive officer of Willis Group Holdings Ltd., will deliver the general session speech, "Can the Insurance Industry Deliver?" on Monday from 9:30 a.m. to 10:00 a.m.

The keynote panel, "Next Steps in the Client-Broker Relationship," will examine how to rebuild trust between brokers and clients. The panelists scheduled to take part in-

clude Michael G. Cherkasky, president and CEO of New York-based MMC, and Patrick G. Ryan, chairman and CEO of Chicago-based Aon Corp. The session will take place at Tuesday's luncheon from noon to 1:30 p.m.

Stephen Wilder, vp-risk management for The Walt Disney Co., will deliver Wednesday's keynote speech about risk management at his company from noon to 1:30 p.m.

Several conference sessions will focus on RIMS' foreign membership. For example, "Introduction to Japanese Risk Management" will

examine one of the best risk management programs implemented in Japan. The session will be presented in Japanese with English translation on Monday from 1:45 p.m. to 3:15 p.m.

"Challenges of the Latin American Risk Manager" will explore the political, financial and operational risks of new business in the emerging Latin American insurance markets. The two-part session will be presented in Spanish with an English translation on Tuesday from 9:00 a.m. to 10:15 a.m. and from 10:30 a.m. to 11:45 a.m.

"We want to promote the idea

that RIMS is international and encourage attendance from other areas," said Carolyn Snow, vice chair of the conference programming committee and director of insurance and risk management for Louisville, Ky.-based Humana Inc. "We know those probably won't be as well attended as some of the other sessions, but we really wanted to take an opportunity to offer more for our members from those areas."

Buyers on panels

A key difference in this year's conference program is that every

session will be required to have a risk manager panelist, Ms. Barnes said. This practice has always been recommended in the past, but the organization decided to make it a requirement in response to requests from its members who "want to hear from the other risk managers," she said.

Another key change is that RIMS this year will set up tables specifically for members to network with other risk managers to find solutions to risk management problems.

"It's a good way to hopefully develop friendships and networking opportunities to further enhance your knowledge of the risk management profession," Ms. Barnes said.

The networking tables will be particularly important for the more than 700 first-time attendees who may not feel comfortable asking questions during the sessions, Ms. Snow said.

"We think it gives them a real opportunity to talk to their peers and ask questions they might not be able to in a large group," she said.

Another new addition to the program is the RIMS Block Party in the exhibit hall on Wednesday from 3:15 p.m. to 5 p.m. The party will feature games, snacks and refreshments, and awards will be handed out for the best three exhibits.

Attendees will also have a chance to win a prize package that includes free registration, airfare and hotel accommodations for next year's conference in Honolulu.

The idea for the party came from the exhibit advisory committee, which was looking for ways to enhance traffic in the exhibit hall and promote next year's conference, Ms. Barnes said. RIMS hopes to offer a similar party with a Mardi Gras theme at next year's conference to promote the 2007 conference, which will take place in New Orleans.

This year's conference will feature nearly 450 exhibitors. The exhibit hall will be open from 9:00 a.m. to 5:00 p.m., Monday through Wednesday.

As in the past, there will be exclusive exhibit hall hours, during which no sessions are scheduled, on Monday from 10:00 a.m. to 1:30 p.m. and on Wednesday from 3:30 p.m. to 5:00 p.m.

Several entertainment events are planned throughout the conference. The gala opening reception, the theme of which is "The Streets and Sounds of Philadelphia," will take place on Sunday, April 17, from 5:30 p.m. to 7:30 p.m. The reception will feature displays about Philadelphia's neighborhoods, local food delicacies and a musical performance by Harold Melvin's Blue Notes.

A dessert reception will be held Tuesday in the exhibit hall from 1:45 p.m. to 3:15 p.m.

Onsite registration fees for the conference are \$945 for RIMS members and associate members and \$1,245 for nonmembers. A one-day pass is \$435 for RIMS members and associate members and \$485 for nonmembers.



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Attendees gear up for fun and fundraising

Spencer Educational Foundation will benefit from athletic competitions

Every year, RIMS athletes of all stripes gear up to raise money for the Spencer Educational Foundation. As in past years, runners, golfers, and hockey and tennis players will compete in tournaments at the Risk & Insurance Management Society Inc.'s annual conference in Philadelphia.

All of the events are on Sunday, April 17, so depending on your chosen sport, it might be a good idea to lay off the cheesesteaks on Saturday night.



Hockey

Team Canada and Team U.S.A. will once again face off at 10:30 a.m. in the 5th Annual "Spencer Cup" hockey game.

Pamela Conti of event sponsor Napco L.L.C. said there are still openings on both teams. "We are anticipating between 20 and 25 players this year will be joining us," Ms. Conti said.

The event will be held at the Ice Works Skating Complex, 701 W. Duttons Mill Road in Aston, Pa. More information on the venue can be found at www.iceworks.net.

The entry fee for players is \$150, which includes lunch. Admission to watch the game is \$10.

Last year in San Diego, the event raised about \$5,500 for the Spencer Educational Foundation.

Ms. Conti can be reached at 732-549-5222.

Golf

This is the 14th year that Arthur J. Gallagher & Co. has sponsored a golf tournament to benefit the Spencer Educational Foundation.

The tournament will be played at two courses this year, the ACE Club, located northwest of Philadelphia, and Pine Hills Golf Club, in New Jersey. More information on the courses is available on the Web at www.theaceclubonline.com and www.golffinehill.com.

The entrance fee is \$325 per person, which includes greens fees, cart, breakfast, lunch, two mulli-



gans, transportation to and from the event, range balls and two drink tickets for the course. Club rental is available.

There will be several competitions in the tournament: closest to the pin, hole-in-one, longest drive and most accurate drive, and prizes will be awarded.

As usual, the tournament is a four-person scramble, and players can form their own team or be assigned to one.

Last year, the tournament raised \$75,000 for the Spencer Foundation.

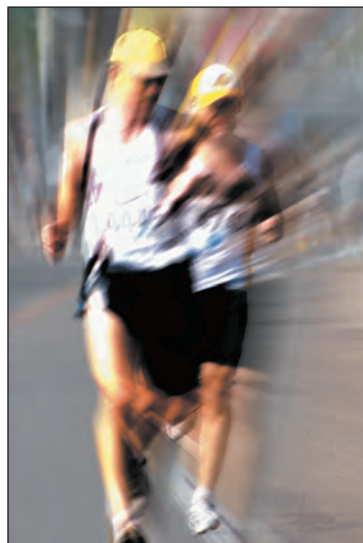
About 30 spots still are open. To sign up, or to get more information, contact Gallagher's Yvette Gomez at 225-292-3515, or by e-mail at yvette_gomez@ajg.com, or visit www.ajg.com/spencergolf on the Web.

Run/Walk

This year's Spencer/Aon Rocky Ramble 5K Run/Walk will start and finish at Lloyd Hall, which is located on Boathouse Row in Philadelphia's Fairmount Park. The course runs along Kelly Drive and the Schuylkill River.

The event is open everyone and the entry fee is \$25, which includes a T-shirt and a continental breakfast. Free transportation for conference attendees will be provided.

Runners can register online in the running section of www.active.com. Those who register online or by mail before April 5 will receive their race number by mail. Mailed entries must be postmarked by April 5. Entrants after April 5 will receive numbers on race day. Registration also will be available at the site beginning at 7 a.m. before the



8:30 a.m. start of the race.

Last year's run in San Diego raised about \$4,000.

For information, call Ken Melvin at 312-381-2678, or e-mail ken_melvin@aon.com.

Tennis

The 11th annual Spencer/Logic Tennis Tournament at RIMS will be held this year at 11 a.m. at the Aquatic and Fitness Center, 601 Righters Ferry Road in Bala Cynwyd, Pa.

The entry fee for the tennis tournament is \$75 per person, which includes lunch and an awards ceremony following the event. Transportation to and from the tennis tournament will be provided, and all players will receive a tennis bag full of prizes.

The tournament is open to singles players in both the A and B skill levels.

According to organizer Bill Perry of Logic Associates, the tournament raised around \$6,000 last year.

For more information, contact Mr. Perry at 212-227-8000, or by e-mail at bperry@logicassociates.com.

—By Joe Walker



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Old favorites return in 2005

Popular sessions offered again at this year's conference

Some sessions never go out of style.

Although the Risk & Insurance Management Society Inc.'s conference programming committee refashions its agenda every year to address the latest industry trends, some old favorites are returning to this year's conference in Philadelphia.

The enormously popular session "Speak Finance like a Native—The 3-Hour MBA," in which the panel presents an overview of finance and accounting as they apply to risk management, will be held Tuesday, April 19, from 9:00 a.m. to 10:15 a.m. and continue from 10:30 a.m. to 11:45 a.m.

"It sells out every year, and that's why we continue to offer it," said Janet Barnes, RIMS vp-conference and the risk manager and security administrator for Snohomish County Public Utility District No. 1 in Washington

state.

Another old favorite is the "Senior Risk Management Forum," which is returning for a fourth year. In this session, risk man-



agers will hear analysts' comments on the status of the industry and meet with senior executives of brokers and insurers to ask questions and get feedback on

a variety of issues. The two-part session will be held Tuesday, April 19, from 9:00 a.m. to 10:15 a.m. and continue from 10:30 a.m. to 11:45 a.m.

Also returning this year is "Finance for Smarties," which will examine finance from the perspective of the chief financial officer and explore topics such as capital budgeting and the essentials of financial risk management. The two-part session will be held Thursday, April 21, from 9:00 a.m. to 10:15 a.m. and continue from 10:30 a.m. to 11:45 a.m. "That was real popular, so we kept that one," Ms. Barnes said.

Other returning sessions include "Enterprise Risk Management Roundtable: Best Practices" Monday, April 18, from 1:45 p.m. to 3:15 p.m. and "Excellence in Risk Management II" Monday from 3:30 p.m. to 5:00 p.m.

—By Gloria Gonzalez

RIMS 2005

Spencer foundation to offer Lockton scholarship Fund in memory of brokerage founder allocated to new risk management endowment

In its 25th year of existence, the Spencer Educational Foundation received a big boost in its future ability to provide financial support to students in risk management with the creation of the John T. "Jack" Lockton III Memorial Scholarship.

Lockton Cos. Inc. gave \$200,000 last summer to the foundation to endow a scholarship fund in memory of Jack Lockton, the founder of the Kansas City, Mo.-based brokerage, who died in March 2004 after a long battle with pancreatic cancer. Colleagues of Mr. Lockton followed with donations of an additional \$300,000.

The Lockton fund will be awarding its first scholarships—to undergraduates in their sophomore or junior year majoring in risk management, insurance or business administration—at the 43rd Annual Conference & Exhibition of the Risk & Insurance Management Society.

In 2004, the Spencer foundation awarded a total of 27 scholarships in its undergraduate, masters, pre-dissertation doctoral and part-time master's in business administration categories, including the first grant of the foundation's Sept. 11 Memorial Scholarship, according to Angela Sabatino, the foundation's administrative manager. Ms. Sabatino estimates that the foundation has awarded \$2 million in scholarships since 1980.

In addition, the foundation allocated a total of \$44,000 in student internship grants and \$38,500 to its risk manager in residence program in 2004. This year, the foundation has already allocated a two-year \$50,000 research grant to West Virginia University to fund the Fred Wright Center's executive in residence program. According to Ms. Sabatino, the foundation has spent approximately \$1 million on its student internship, risk manager in residence and research grant programs to date.

Ms. Sabatino estimated that the foundation collected \$950,000 last year, including \$100,000 raised through a dinner celebrating the organization's 25th anniversary.

The Spencer Educational Foundation, administered by New York-based RIMS, was created by the Atlanta RIMS chapter in 1979 in honor of the late Robert S. Spencer, who was president of RIMS in 1977/78 before his death in 1979. Mr. Spencer, the former vp-insurance at Fuqua Industries Inc. in Atlanta, was an outspoken advocate of the risk management profession.

More information on the Spencer Educational Foundation is available on the RIMS Web site at www.rims.org.

A list of Spencer contributors and pledges as of Dec. 31, 2004, follows:

Striving for Excellence Campaign

Chairman's Circle (pledge of \$30,000 or more over three years)
The ACE Foundation; American

International Group Inc.; Aon Risk Services; Atlanta Chapter of RIMS; Dallas/Ft. Worth Chapter of RIMS; Greater Kansas City Chapter of RIMS; Marsh Inc.; St. Louis Chapter of RIMS.

Patron's Circle (pledge of \$1,000-\$9,999 per year or more over three years)

Tom and Betsy Balderston; *Business Insurance*; The Chubb Corp.; P. Richard and Linda Hackenburg; W. Pat Hopkins Jr.; Brian Kawamoto; Kathryn McIntyre; New Jersey Chapter of RIMS; Old Republic Risk Management; Orange County Chapter of RIMS; Palmer & Cay Inc.; Underwriters Safety & Claims; Washington Chapter of RIMS.

Benefactors (pledge of \$100-\$999 for three years)

Bonnie J. Chambers; Donna and Howard Galer; Alicia Junta; Peter and Beth Heard; Charles L. Ruoff; Anne M. Zug.

General Fund contributions

Sponsors (\$5,000-\$12,000)

CNA; Casualty & Surety Club of New York Inc.; Houston Chapter of RIMS; Upstate New York Chapter of RIMS.

Benefactors (\$2,500-\$4,999)

Chesapeake Chapter of RIMS; Connecticut Valley Chapter of RIMS; Eastern Oklahoma Chapter of RIMS; Oregon Chapter of RIMS; San Diego Chapter of RIMS; South

Texas Chapter of RIMS; Physicians Reciprocal Insurers.

Patrons (\$1,000-\$2,499) Individuals

William S. Mortimer; Jeanne H. Braun.

Organizations

Chicago Chapter of RIMS; Chicago Chapter of RIMS, in honor of Daniel Ballard; Golden Gate Chapter of RIMS; International Risk Management Institute Inc.; Risk & Insurance Management Society Inc., in memory of Randy Thurman.

Contributors (\$500-\$999) Individuals

Timothy J. and Diana Bunt; Michael Eremchuk; Gwendolyn K. Ezell; Karen Miller; Debra L. Rodgers; Pamela G. Rogers; John Sullivan; Stephen M. Wilder.

Organizations

The USAA Foundation; World Captive Forum.

Donors (\$250-\$499) Individuals

Robert W. Esenberg; Lance Ewing, in honor of "The Photos"; Berry Griffin; B. Scott Rich; James W. Smirles; Craig Van der Voort.

Organizations

Insurance Management Co. of Erie, PA.; Western Carolinas Chapter of RIMS, in memory of Joel Parsons.

Friends (\$100-\$249) Individuals

Maryann Amici; Mary Lynn

Bangs, in memory of Randy Thurman; Arthur P. Bostwick; Donald T. Browne; James and Joyce DeDeo; Carol and Don Fox, in memory of Randy Thurman; Lance Ewing; Lance Ewing, in honor of RIMS staff; Rita P. Garcia; Dick and Linda Hackenburg, in memory of Gerald L. Cutter; Dick and Linda Hackenburg, in memory of Randy Thurman; John J. Hampton; James P. Holland; Jim Jones; Felix Kloman; Deborah S. Little; William L. Mather; Susan Meltzer, in memory of Randy Thurman; James C. Newton Jr.; Mark D. O'Brien; Mark D. O'Brien, in memory of Pat Cody; Mark O'Brien, in memory of Tom Celic; Steven Sachs; Judith Tornese; George Trotti.

Organizations

Flowers Foods; Inland Empire, Los Angeles, Orange Empire and San Diego Chapters of RIMS; Southern Alberta Chapter of RIMS, in honor of the victory of the 2004 Stanley Cup Champions, the Tampa Bay Lightning, over the Calgary Flames; YKK Corp. of America.

Supporters (\$25-\$99) Individuals

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Kelly Winans, in memory of Howard Gentles; Ron and Kelly Winans, in memory of Sandra Holsinger; Ron and Kelly Winans, in memory of Caroline Jones; Ron and Kelly Winans, in memory of Kathleen Pollard; Ron and Kelly Winans, in memory of Jim Regan; Ron and Kelly Winans, in memory of Fay Scott; Ron and Kelly Winans, in memory of Becky Sevier; Ron and Kelly Winans, in memory of Gay West.

Organizations

Carolinas Chapter of RIMS; Carolinas Chapter of RIMS, in honor of Peter Gilbertson; Connecticut Chapter of CPCU; Richard Meyers & Associates.

The John T. "Jack" Lockton III Memorial Scholarship Fund

Lockton Cos.; Westrope; NAPCO; The Zurich Foundation; ACE INA Foundation; Brian Kawamoto; Mike Frost; John Lumelleau; Lenny Fodemski; Mark Carlin; Tim Kelly; Endurance; JTL Consulting; Ron and Kelly Lockton; Zurich Financial Services Group; JTL Consulting (Kansas City); David and Laura Brown; Crawford & Co.; Tom and Sharon Van Dyke; Risk Sciences Group Inc.; Ray Samuel; Chris and Linda Koenemann; Tom McCall; Richard Hackenburg; Lori Hoskin; Gordon A. Biddle; Wirthlin Worldwide/James Rubel; Ann Marie Gibbs.

Business Insurance daily editions to continue delivering news at this year's RIMS conference

For the second consecutive year, *Business Insurance* is offering expanded onsite coverage of the Risk & Insurance Management Society Inc. Annual Conference & Exhibition.

BI will again publish a show daily edition for attendees of RIMS 2005 in Philadelphia. In addition to reporting on breaking risk management and industry news, a team of *BI* reporters will also cover educational sessions, the exhibit hall and special events during the conference for the dailies.

The *Business Insurance* show daily edition will be available each morning and throughout the day on Monday, Tuesday and Wednesday, April 18 through 20. Copies will also be available at the *Business Insurance* booth, No. 501.

Stories appearing in the *BI* show dailies also will be available online at www.businessinsurance.com.

The daily coverage will be supplemented by two post-conference magazine issues, April 25 and May 2. These issues will feature in-depth

coverage of the most important news, events and sessions at the RIMS conference.

"We are excited about bringing RIMS attendees the latest conference and industry news again this year in three daily editions," said *Business Insurance* Editor Regis Coccia.

"RIMS is an enormously important event for the industry, and that's why we have a tradition of assigning a large contingent of experi-

enced reporters and editors to cover it. *BI's* daily editions were well received last year at RIMS in San Diego, and we're looking forward to expanding our coverage in Philadelphia," Mr. Coccia said.

For editorial queries about the *BI* show dailies, please contact Senior Editor Sally Roberts by telephone at 303-698-7601 or by e-mail at sroberts@businessinsurance.com or Senior Editor Joanne Wojcik at 303-282-4260 or at [\[businessinsurance.com\]\(http://businessinsurance.com\).](mailto:jwojcik@businessin-</p>
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News tips at the conference also may be delivered by visiting the *BI* booth, No. 501. Coverage of items in the dailies and the weekly magazine is subject to the judgment of *BI's* editors and is not guaranteed.

For information on advertising and marketing opportunities, please contact Advertising Director Ken Luker by telephone at 212-210-0133 or by e-mail at kluker@businessinsurance.com.



RIMS heads to Honolulu in 2006

The 2006 Risk & Insurance Management Society Inc. Annual Conference & Exhibition will be held beneath swaying palm trees near the beautiful Pacific Ocean.

Next year's conference is scheduled for April 23-27 at the Hawaii Convention center in Honolulu.

Dates and locations of future RIMS conferences are:

■ RIMS 2007 in New Orleans, April 29-May 3.

■ RIMS 2008 in San Diego, April 27-May 1.

Web sites offer resources to help plan visit to Philly

By AMY R. KEPKA

Before you pack your bags for Philadelphia, you may want to check out some of the following Web sites to help plan your visit.

The site for the Philadelphia Convention & Visitors Bureau, www.pcvb.org, offers great information on the convention center and an overview of Philadelphia, including information on the free high-speed wireless Internet access



The Philadelphia Convention & Visitors Bureau, www.pcvb.org.



Local news and information are available from the city's main newspapers at www.philly.com.

in all public areas of the center and on the Reading Terminal Market. Checking out the Philadelphia Daily News and Philadelphia Inquirer site, www.philly.com, will give you the news of the region, as well as quick information on local weather.

Also worth a visit is www.independencebrewpub.com, the Web site of a well-known local watering hole.

Open seven days a week and serving "house" beers that are brewed on premises, the Independence Brew Pub is a good spot to rest your feet on a busy day. The pub is located right in the Pennsylvania Convention Center at 12th and Filbert streets (1150 Filbert St.) in the heart of the city's shopping, hotel and cultural districts.

One of the house beers is served for a \$3 "happy-hour price all day."



The Web site of the Greater Philadelphia Tourism Marketing Corp.



CityPass offers visitors savings.

Be sure to ask your server, because, as Benjamin Franklin is famously quoted as saying, "Beer is living proof that God loves us and wants to see us happy."

Brought to you by Greater Philadelphia Tourism Marketing Corp., a nonprofit organization dedicated to promoting the five counties of this region,

The Web site of the Independence Brew pub.

phila.com offers general information on hotels, dining, nightlife, history, shopping, sports and exhibits. If you'd prefer to search for specific events, including music, dance, theater, museums, history, sports



Philadelphia's inside scoop is at www.phillyfunguide.com.



The Philadelphia Phillies host the Atlanta Braves during RIMS week.

and the city's neighborhoods, check out www.phillyfunguide.com.

If it's bang for your buck that you're after, check out the Philadelphia CityPass, www.citypass.com. For just \$39 for adults and \$24 for youth ages 3 to 11, you can get into the Philadelphia Zoo, the Philadelphia Trolley Works, the Franklin Institute Science Museum, the Academy of Natural Sciences, the Independence Seaport Museum and the National Constitution Center.

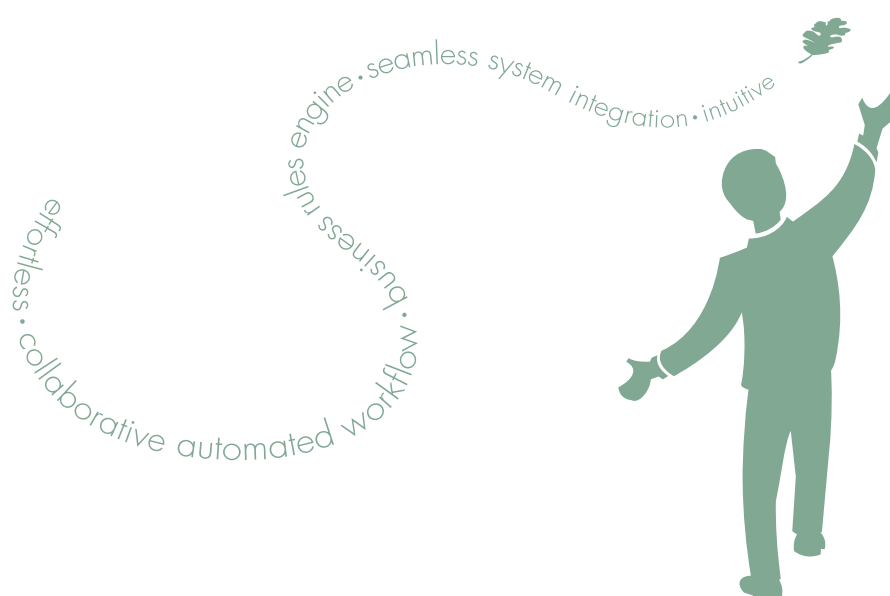
Finally, if it's sports you're craving,



The NBA's Philadelphia 76ers will play at home April 18.

ing, there will be plenty of action the week of RIMS. The Phillies, www.phillies.com, have a long homestand during RIMS week. They host the Atlanta Braves on April 16 and 17, the New York Mets on April 18 and 19, and the Colorado Rockies on April 20 and 21. The Philadelphia Phantoms, www.phantomshockey.com, an American Hockey League team, will be home vs. the Norfolk Admirals on Sunday, April 17. And finally, the Philadelphia 76ers, www.sixers.com, will be hosting the Milwaukee Bucks on Monday, April 18.

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No jacket required in Philadelphia—just advised

Weather-wise, spring is generally considered one of the best times to visit Philadelphia, though the city's typical April weather is such that visitors should come prepared for a range of possibilities.

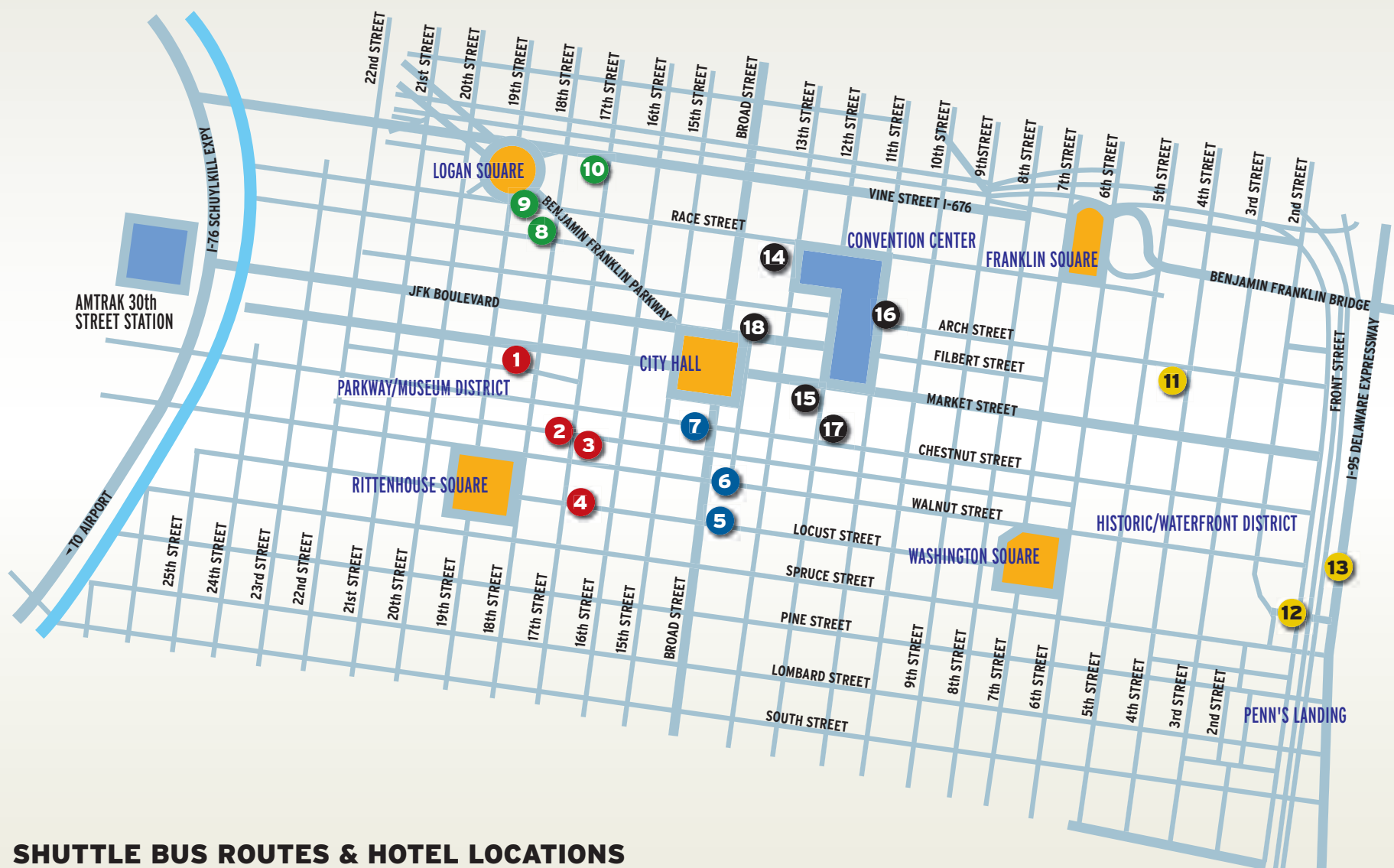
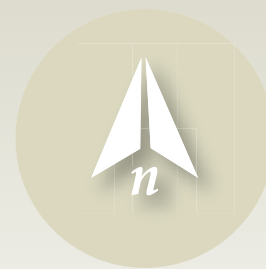
Philadelphia's average high temperature in April is 62 degrees Fahrenheit, while the average low is 43 degrees Fahrenheit. The city averages 3.6 inches of rain in April, with clear skies 25% of the

time, partly cloudy skies 31% of the time and cloudy skies 44% of the time.

All that said, Philadelphia temperatures in March were running significantly below normal, so between the year's prevailing trends and the typical April forecast, RIMS attendees would be well advised to include a jacket or light topcoat and an umbrella while packing for the April 17-21 conference.

RIMS 2005

**DOWNTOWN PHILADELPHIA
HOTELS AND SHUTTLE ROUTES**



SHUTTLE BUS ROUTES & HOTEL LOCATIONS

RED ROUTE ONE	
1	CROWNE PLAZA
2	SOFITEL PHILADELPHIA
3	THE LATHAM
4	RADISSON WARWICK PLAZA

BLUE ROUTE TWO	
5	DOUBLETREE HOTEL
6	PARK HYATT PHILADELPHIA
7	RITZ CARLTON

GREEN ROUTE THREE	
8	EMBASSY SUITES CENTER CITY
9	FOUR SEASONS HOTEL
10	WYNDHAM FRANKLIN PLAZA

YELLOW ROUTE FOUR	
11	HOLIDAY INN
12	SHERATON SOCIETY HILL
13	HYATT REGENCY PENN'S LANDING

WALK TO CENTER	
14	HAMPTON INN
15	PHILADELPHIA MARRIOTT
16	HILTON GARDEN HOTEL
17	LOEWS PHILADELPHIA HOTEL
18	COURTYARD BY MARRIOTT

Source for shuttle information: RIMS

Walkable Philly also offers wide array of transit options

By RUPAL PAREKH

An array of transportation options makes Philadelphia quick and easy to navigate.

Laid out in a rectangular grid that spans about 25 blocks from the Delaware to the Schuylkill rivers, downtown Philly is very walkable, with helpful maps and directional signs posted at nearly every corner.

One of the best ways RIMSGoers can get around when not on foot is to ride the purple PHLASH minibuses. For just \$1 per boarding or \$4 for an all-day pass, the PHLASH runs

every 12 minutes between 10 a.m. and 6 p.m. daily, stopping within blocks of most downtown hotels and looping around Center City between Penn's Landing and the Philadelphia Museum of Art.

Taxis are plentiful in the downtown area, especially along major thoroughfares such as Market, Broad and Walnut streets. Drivers are typically very friendly, and fares start at a base rate of \$1.80 to \$2.30, plus \$1.80 per mile and \$1 for every five minutes of waiting time.

Cabs from Philadelphia International Airport into Center City cost

a flat \$20, plus tip; traffic permitting, the ride takes less than a half-hour. The high-speed Regional Rail R1 Airport Line, operated by the Southeastern Pennsylvania Transportation Authority, also connects the airport to downtown and costs \$5.50 for a ride that takes 20 to 25 minutes.

SEPTA is the city's transit system, operating subways, buses and trolleys extensively throughout downtown Philadelphia 24 hours a day. A one-way fare for each mode of transportation is \$2, payable in exact change. Alternatively, riders can

pay with tokens, which cost \$1.30 each and are sold in packs of two, five and 10 at most SEPTA terminals. Transfers cost 60 cents. A SEPTA DayPass costs \$5.50 and provides one day of unlimited access to all SEPTA vehicles. It even includes a one-way trip on the R1 Airport line.

While in the Historic Area and Old City sections of Philly, visitors may opt to travel in the style of our forefathers, by horse-drawn carriage. Carriages operate daily, driven by guides who give tours that last from 15 minutes to one hour.

Those who wish to combine transport and sightseeing may also want to consider hopping on Philadelphia Trolley Works' Victorian-style trolley or The Big Bus Co.'s open-top, double-decker bus. Both companies offer full 90-minute city tours covering all of Philly's main attractions, as well as on-and-off privileges at all stops for 24 hours.

For bus tour information, call 215-923-5008 or visit www.bigbus-tours.com, and for trolley tour information call 215-925-TOUR or visit www.phillytour.com.

Philadelphia: City provides historic, forward-looking setting for proceedings

Continued from page T4
ernment.

Continuing east on Market will eventually lead to the Waterfront, with the Penn's Landing area just a bit to the south. Go a bit south of the Waterfront and you are in Old

A turn northward off Market onto 2nd, 3rd or 4th Street, meanwhile, will take you into Northern Liberties, a Philadelphia neighborhood in the midst of the classic urban transition from rundown area to haven for artists, musicians and

nut will take you past many of Philadelphia's finest stores, while turning west a block north of Walnut, on Sansom, will take you past a variety of specialty shops.

Taking Walnut west a few blocks will lead to Rittenhouse Square, a lovely park always well populated by locals. The Rittenhouse Square neighborhood is considered one of Philadelphia's poshest addresses, and the residential area south and west of the square itself is a delightful walk past beautiful city houses in an area dotted with small museums.

Walking northwest from City Hall, along the Benjamin Franklin Parkway, leads to the famed Philadelphia Museum of Art with, of course, the steps Sylvester Stallone immortalized on film in his first "Rocky" movie. The parkway was meant to call to mind the Champs-Elysees in Paris, and along the way to the museum are such sites as The Free Library, The Rodin Museum and the Civil War Soldiers & Sailors Memorial.

Beyond the museum is Fairmount Park, said by some to be the world's largest urban park. Straddling the Schuylkill, the park includes a number of 18th- and 19th-century mansions open to visitors and the Philadelphia Zoo, among other attractions.

Behind the Museum of Art, perched above the river, is the historic Fairmount Water Works. Built in 1815, the beautiful Greek Revival structures are a National Historic Engineering Landmark. Though it once pumped 4 million



The Victorian structures of Boathouse Row, along the east bank of the Schuylkill River, are illuminated at night.



The Fairmount Water Works, shown here with the Philadelphia Museum of Art in the background, was built in 1815 and once pumped 4 million gallons of water daily from the Schuylkill River to a reservoir.

City, with historic sites like Christ Church, Elfreth's Alley and the Betsy Ross House. Turning south short of the Waterfront, on 4th or 3rd Street, say, you can walk through the historic Old City area and continue southward toward the Society Hill area and, eventually, toward funky, hip South Street.

assorted hipsters, to real estate investment opportunity for urban pioneers. As is typical of that sort of transition, Northern Liberties is not without its dodgy elements, but it also is home to several trendy restaurants and nightspots.

Starting at City Hall and walking south on Broad then west on Wal-

gallons of water a day to meet the needs of the growing city, pollution in the Schuylkill led to it being shut down in 1909. Recently the subject of an extensive restoration, the water works now is open to visitors and houses a watershed education center.

A bit northwest of the Waterworks, along Kelly Drive, is Philadelphia's famed Boathouse Row. The Victorian structures along the east bank of the Schuylkill are home to the various rowing clubs that together make up what's known as the "Schuylkill Navy."

The boathouses, all built in the

late 19th or early 20th centuries, are well worth a close look during daylight hours, but a view of them from the west side of the Schuylkill after dark, when they're all illuminated, is a particularly charming bit of Philadelphia.

What began as a "holy experiment" in the 17th century has taken turns William Penn could never have anticipated. Yet the founder's spirit lives on in many ways in contemporary Philadelphia, from the orderly grid system of its downtown streets to its diversity, seen in its people and in a city at once capable of embracing both history and change.

Old City area offers chance to take a stroll through U.S. history

By **RODD ZOLKOS**

Philadelphia's Independence National Historical Park and the remainder of the Old City neighborhood can justly be called "Ameri-

ca's most historic square mile." But the Old City area outside the park also is a thriving neighborhood, with numerous galleries, restaurants and nightspots.

For those who haven't seen them before, and even for many who have, the historical sites are a must-see, though, and having so many situated in such a small area makes it easy to take in several even during a short visit.

A good starting point is the Independence Visitor Center at 6th and Market streets. Staff members at the center provide information and tips on goings-on in the historic area and throughout the Philadelphia area. Park rangers have further information about events and sites in the historic area.

Of course, the top attractions of the historical park have to be the Liberty Bell and Independence Hall. Admission to each is free, and tickets can be obtained at the visitor center.



The Liberty Bell Center is located within Independence National Historical Park.

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Visit us at RIMS Booth 2038

The Risk & Insurance Management Society Inc. 2005 Annual Conference & Exhibition takes place in Philadelphia April 17-21, and more than 440 exhibitors are expected to take part.

Access to the exhibits is free with conference registration, but exhibit hall-only passes are available. No one under 21 will be admitted.

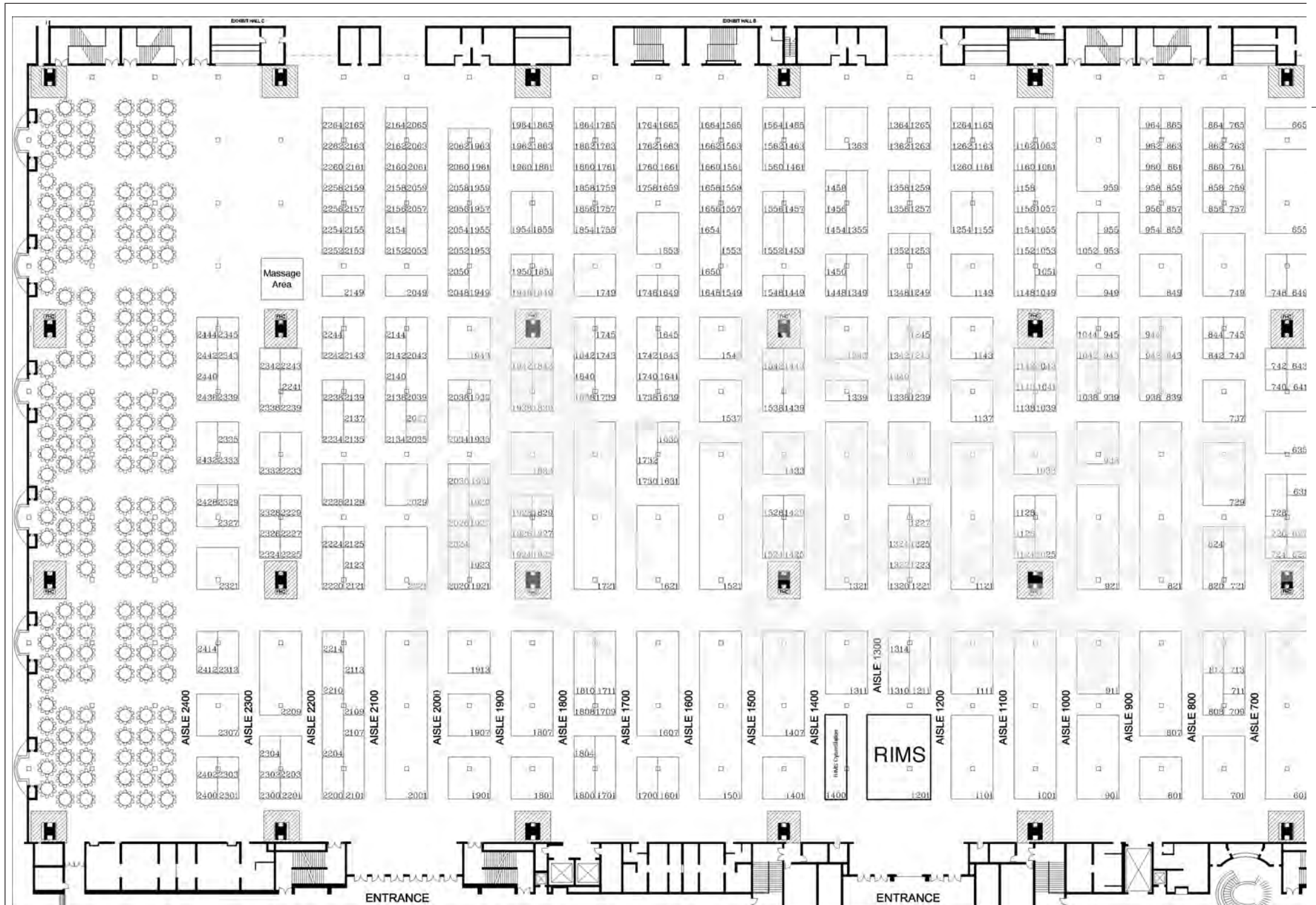
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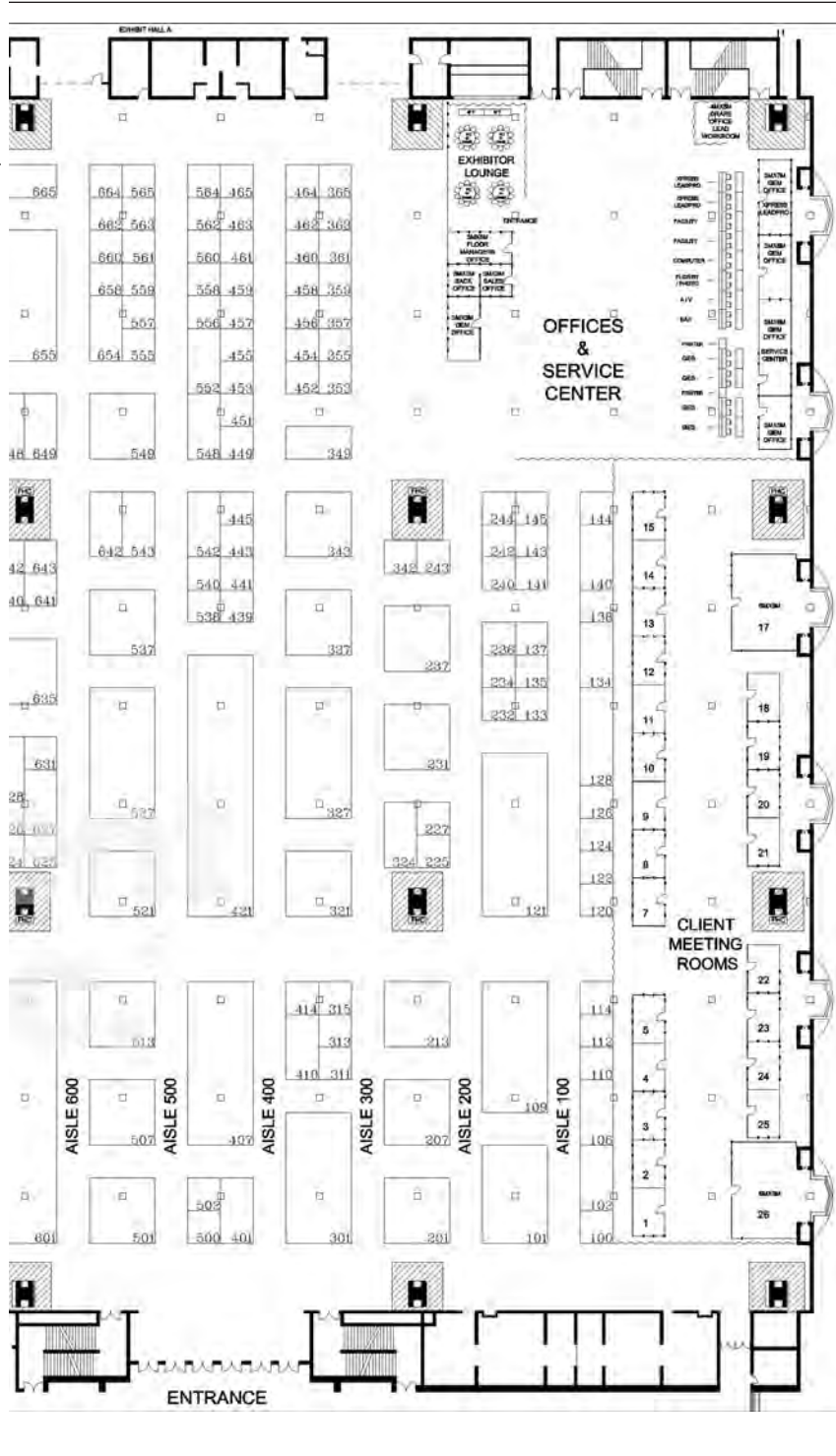
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Pharmacy Services Group	1158
Philadelphia Insurance Cos.	2140
Philips	140
PhysioMetrics Inc.	2210
Pinnacle St. Lucia	313
Practical Risk Management	1314
Premium Assignment Corp.	956
PricewaterhouseCoopers L.L.P.	1711
Prizm Solutions in Medical Management Inc.	353
Professional Claims Managers	1259
Proxix Solutions Inc.	1257
PureSafety	106
Pureshare	2343
Q	
Quanta US Holdings Inc.	1839
Quest Insurance Solutions Ltd.	709
QuestPro Consultants L.P.	1840
R	
R&R Salvage	2256
RCI Appraisal Co.	1948
RSDSA	355
RTW Inc.	1942
Rawle & Henderson L.L.P.	1155
Raytel Imaging Network	451
Reactions Publishing Group	1825
RealLegal	1225
Recognition Research Inc.	1950
Recon Solutions	1356
Recordables Inc.	100
Reed Group	445
Regional Reporting Inc.	1448
Reinsurance Solutions International L.L.C.	1453
Remedy Interactive	955
Return to Work America L.L.C.	1548
Richard Meyers & Associates Inc.	625
Rimkus Consulting Group	1838
Ringler Associates	1739
Rising Medical Solutions Inc.	2203
Risk & Insurance	1537
Risk Enterprise Management Ltd.	1311
Risk Management Solutions	324
Risk Technologies Inc.	1265
Risk & Insurance Management Society Inc.	1201
RIMS CyberStation (sponsored by FM Global)	1400
Road Safety International	858
Royal Bank of Canada	1362
Runzheimer International	2329
S	
S&H Medical Management Services Inc.	1458
SAFECO Surety	542
SAVE A BACK Inc.	1126
SB&T Captive Management Co.	2125
SEA Ltd.	1800
SRQIT L.L.C.	1959

Safer Driver	2414
Safety National Casualty Corp	627
SafetySmart Magazine	134
SC Department of Insurance	2154
Schirmer Engineering Corp.	2113
SeaPass Solutions Inc.	664
Send Word Now Inc.	141
ServiceMaster Clean	729
Servpro Industries Inc.	135
Shared Medical Therapies	2050
Shoes For Crews Inc.	537
Shorman Solutions	414
Smith & Nephew Inc.	2345
Smith System Driver Improvement Institute	1648
soaptronic	1955
Spiramid	1957
St. John's University -School of Risk Management	1730
St. Paul Travelers Property Casualty	921
Standard Publishing Corp.	2242
State of Hawaii	2101
State of Vermont	2021
Sterling Testing Systems	1939
Steton	1827
StrataCare	1343
Structured Financial Associates Inc.	1643
Surety 2000	242
Susquehanna Rehab Services	240
Swidler Berlin L.L.P.	945
T	
TVA Fire & Life Safety Inc.	231
TechHealth Inc.	552
The Corporate Library	855
Towers Perrin	1901
TransPaC Solutions	2332
Tredsafte	548
Triton Risk Management	1960
Tropics Software Technologies	643
Truescreen	1854
Trumbull	2338
Turks & Caicos Islands	1425
U	
Unlimited Restoration	745
U.S. Jaclean Inc.	1457
U.S. Medical Consultants	1352
USA Risk Group	2121
USI Holdings Corp.	749
V	
Valley Oak Systems Inc.	2129
Varian Inc.	2438
VerNova Inc.	538
VeriClaim / vrs UNI-VERSE	1810
Virtual Corp.	2444
Visual Risk Solutions	128
W	
Wall Street Journal	1363
Ward-U.S. Risk L.L.C.	1111
Wayne Fire Protection Services	2243
Weiss Ratings Inc.	441
Welch Allyn Inc.	342
Westfield Services Inc.	1843
Wexford Group	2035
Willis Group Holdings	1121
Woods Restoration Services	1564
Work Loss Data Institute	2201
workcompcentral.com	138
WorkersCompensation.com	1449
WorkingRx Inc.	2229
World Access	2142
Worldwide Broker Network	748
X	
XL Insurance	407
Xtria	2234
Y	
York Insurance Services Group Inc.	1749
Z	
Zurich	1501



Publication of RIMS exhibit floor plan sponsored by:

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Old City: Area offers visitors a chance to take a stroll through U.S. history

Continued from page T16

The Liberty Bell is now housed in a new building that includes exhibits that detail the bell's history and explain its significance as a human rights symbol.

A short distance away is Independence Hall, a structure that could arguably be called the most signifi-

cant site in U.S. history. Originally built between 1732 and 1756 as the seat of Pennsylvania's colonial government, the building's Assembly Room was the site of the approval of the Declaration of Independence, the drafting of the Articles of Confederation and the writing of the U.S. Constitution.

Tours of Independence Hall, which last about half an hour, are run every 15 minutes from 9 a.m. to 5 p.m., starting outside the east end of the hall.

Behind Independence Hall is Independence Square, where the Declaration of Independence was first read to the public on July 8, 1776. It's a fine spot at which to sit and take in the significance of the surroundings.

Just west of Independence Hall, at 6th and Chestnut streets, Congress Hall is where the U.S. Congress met from 1790 to 1800, when Philadelphia was the nation's capital.

The building has been restored, and many rooms within Congress Hall look just as they did when Congress moved to add the Bill of Rights to the Constitution.

Between 3rd and 4th streets on Market, Franklin Court is a tribute to all things Ben. Built on an area where the patriot/inventor/philosopher/etc. lived and worked is a museum, a working post office with period furniture where you can send a postcard postmarked with a stamp bearing Franklin's signature and various other sites honoring the famed Philadelphia statesman. Admission is free.



PHOTO: PCVB

Cobblestones pave Elfreth's Alley, the oldest continuously occupied residential street in the United States, located in Philadelphia's Old City area.

Outside the park in the Old City area are various other historic sites. North of Market Street, the Betsy Ross House at 239 Arch St. and Christ Church at Church and 2nd streets are both worth a visit. A bit north of Christ Church, Elfreth's Alley, between 2nd and Front streets, is said to be the oldest continually occupied residential street in the

United States.

A bit to the west, at 525 Arch St., the new National Constitution Center celebrates our country's foundation document. After walking in the footsteps of the nation's founding fathers, a few moments of reflection on the product of their efforts might be time particularly well spent.



PHOTO: PCVB

The Declaration of Independence was approved, the Articles of Confederation were adopted, and the U.S. Constitution was written within the walls of Independence Hall.

Poe site gives a look at writer's home life

A few blocks northeast of the Pennsylvania Convention Center at North 7th and Spring Garden streets, the Edgar Allan Poe National Historic Site celebrates the only surviving home in which the influential American writer resided during a period in which he published some of his most famous works.

his greatest successes as an editor and critic. His Philadelphia period is said by some to have been not only the oft-tormented writer's most productive time but also his most contented.

Poe rented the small brick house on N. 7th St. between the fall of 1842 and April 1844, living there with his wife, Virginia; mother-in-law, Maria Clemm; and their cat, Catterina.

Research has uncovered many of the architectural features believed to be present in the home at the time Poe lived there, and guides will point out elements that might figure in some of his works. The house today is displayed unfurnished, though, due to a lack of evidence regarding the furnishings present during Poe's time.

The Poe house became a unit of the National Park Service in 1978, and the park includes three buildings, two of which serve as the visitor center with exhibits, an audiovisual program and a small gift shop. The visitor center also serves as the starting point for guided tours of the house.

The park is open Wednesday through Sunday from 9 a.m. to 5 p.m. Admission is free.

—By Rodd Zolkos



PHOTO: RODD ZOLKOS

Some of Edgar Allan Poe's most prolific time as a writer included years he spent in Philadelphia.

Poe lived in Philadelphia from 1838 to 1844, a time during which he published "The Gold Bug," "The Fall of the House of Usher," "The Tell-Tale Heart" and "The Murders in the Rue Morgue," in addition to having

Quirky, colorful South Street provides plenty of diversions

By RUPAL PAREKH

Anyone who has strolled along Philadelphia's South Street—weaving in and out of the multitude of vintage clothing shops, tattoo parlors, record stores and fortune tellers—knows that it is the most vibrant of the city's enclaves, with a spirit all its own.

RIMSgoers will find that South Street is a gold mine when it comes to quirky souvenirs and handcrafted gifts. Brewski fans will want to check out **What's On Tap**, 339 South St., which is packed with beer paraphernalia, including logo-bearing glassware, barware, T-shirts and hats. Proceed with caution through **Tiffany City Lighting**, 343 South St., as the tiny store is covered from floor to ceiling in glass mosaic lamps and mirrors and other stained-glass curios. Another local gem is **Ethnics**, 307 South St., which has a great collection of imported silver jewelry.

But buyers, beware: South Street is not for the faint of heart. In addition to these stores, some of the most risqué novelty shops in the city have made their home on this bustling strip.

Beyond shopping, visitors should take note of the distinctive storefronts and buildings, painted with bold, psychedelic colors and adorned with graffiti. People watching can be equally interesting, as South Street is known for drawing a diverse crowd. The welcome gate to



PHOTO: gptmc

Located eight blocks from the Pennsylvania Convention Center, South Street is filled with shopping, sightseeing, entertainment and dining opportunities.

South Street, which looks out over the Delaware River, makes for a great photo opportunity.

While in the South Street area, maritime enthusiasts won't want to miss the **Independence Seaport Museum**. A few blocks north, at 211 S. Columbus Blvd. at Walnut Street, the museum is part of the Penn's Landing riverfront promenade and is open daily from 10:00 a.m. to 5 p.m. Admission is \$8 to see model ships and nautical objects and tour the battleship Olympia and the submarine Becuna.

After dark, South Street stays ac-

tive, and diversions here include catching live music at the **Theatre of the Living Arts**, 334 South St., taking in a comedy show at the **Laff House**, 221 South St., and enjoying a cocktail at any one of the many local bars.

Although there are a few fine-dining establishments in the area, most of the restaurants on the strip are casual and good for a quick bite. Among the tastiest eateries are **Lorenzo & Son's Pizza**, 305 South St.; **Johnny Rocket's**, 443 South St.; **Ishkabibble's**, 337 South St.; and **South Street Souvlaki**, 509 South St.

Market a piece of living history

Bazaar beneath the Reading Railroad tracks is a vital urban gem

By **RODD ZOLKOS**

Philadelphia's Reading Terminal Market is the kind of authentic urban treasure many cities bend over backward trying to replicate.

The bustling 78,000-square-foot public market is home to 80 merchants, some of whom are the descendants of those who occupied the market's stalls when it opened

for business in 1892 beneath the elevated train tracks of the Reading Railroad's then-state-of-the-art train shed at 12th and Market streets.

Essentially occupying the same ground as two mid-19th-century open air markets, today's Reading Terminal Market is a spectacular bazaar teeming with produce brought directly from the farm, fresh flowers, meats, eggs and

cheeses, a variety of Amish baked goods and other specialties, crafts and a host of other products.

Lunchtime diners wandering through the market can feast on anything from cheesesteaks to Middle Eastern fare, Peking duck to vanilla ice cream, and fresh pretzels to scrapple.

Like many train systems in the Northeast, the Reading fell on hard times in the 1960s and ceased operating as a railroad in 1976. When discussions began in the mid-1980s about developing the old terminal into an entryway to the convention center then under construction, Philadelphians demanded that the Pennsylvania Convention Center Authority promise to protect their beloved market.

Recognizing the value of the civic treasure at the convention center's front door, authority officials agreed, and work to revitalize the market began in the early 1990s.

Today the Reading Terminal Market is a wonderful place to grab a meal or simply to stroll the aisles, gazing at the bounty on display in merchants' stalls or shopping for gifts for those back home. The market is open from 8 a.m. to 6 p.m. Monday through Saturday.



PHOTO: PCVB

More than 80 merchants offer produce, meats, ethnic foods and more at the 100-year-old Reading Terminal Market.

Valley Forge reserve showcases revolutionary perseverance

By **RUPAL PAREKH**

Just outside of Philadelphia is situated one of the most important and symbolic sites associated with America's struggle for independence, Valley Forge National Historical Park.

Now a 3,500-acre protected reserve of rolling hillsides dotted with the remains of military quarters and reconstructed forts, Valley Forge is where General George Washington and his Continental Army encamped during the brutal winter of 1777/78, amid the Revolutionary War.

Today, more than one million tourists visit the park each year.

Approximately a 20-mile trip from the city center, off of the Schuylkill Expressway, tourists begin their visit at the park's Welcome Center, where rangers and volunteers are usually present to answer questions.

At the center, view artifacts used by General Washington and the Continental Army, in an exhibit called "Determined to Persevere," and learn the story behind the soldiers who built and lived in the village of Valley Forge, in "Valley Forge: A Winter Encampment," an orientation film shown every half hour.

From there, grab a map and embark on a self-guided auto tour that takes visitors past the park's key

landmarks, including: the Muhlenberg Brigade, the log huts that were the soldiers' quarters; Artillery Park, where cannons are on display; and the National Memorial Arch, the park's largest monument, dedicated to those who served at Valley Forge.

The trip is complete only after a stop at Washington's Headquarters, where the nation's first president not only lived but also developed strategy for the American military effort during the Revolution. The

two-story building is fully furnished in the Colonial style.

Visitors are welcome to roam the entire park for free, with the exception of Washington's Headquarters, which charges a \$3 entrance fee for adults.

The Valley Forge grounds are open daily from dawn till dusk, while the Welcome Center and Washington's Headquarters are open from 9:00 a.m. to 5:00 p.m. every day. For additional information, call 888-VISIT-VF.



PHOTO: PCVB

Valley Forge National Historical Park features the National Memorial Arch, reconstructed soldiers' huts and Washington's Headquarters.

Philly museums feature diversions from dinos to Dali

By **RUPAL PAREKH**

Whether you're an art connoisseur, a science whiz or a history buff, Philadelphia has a long list of world-class museums that will not disappoint.

To visit one of the city's foremost cultural institutions, pass the iconic LOVE statue in John F. Kennedy Plaza and head down Benjamin Franklin Parkway—often compared to Paris' Champs Elysses—toward the Philadelphia Museum of Art. Located on the Parkway at 26th Street. The 99 steps leading up to the stunning Greek-inspired structure are recognizable as the same steps Sylvester Stallone ascended in the movie "Rocky."



PHOTO: PCVB

Visitors can view Rocky's footprints atop the steps of the Philadelphia Museum of Art.

More impressive, however, is the museum's interior. As part of its permanent collection, it houses works by such renowned artists as Van Gogh, Picasso, Cezanne, Degas and Matisse. The most noteworthy of the museum's special exhibits during the annual RIMS conference is Dali, a comprehensive grouping of paintings celebrating the career of Surrealist artist Salvador Dali.

Admission to the museum, which is open Tuesday, Thursday, Saturday and Sunday from 10 a.m. to 5 p.m. and on Wednesday and Fridays from 10 a.m. to 8:45 p.m., is \$10 every day except Sundays, which are "pay as you wish." The popular Dali exhibit costs an additional \$20 for non-members to attend, and advanced reservations are recommended.

Also on the Parkway, at 20th Street, The Franklin Institute Science Museum provides adults and children with a healthy lesson in science and technology. In addition to an original 1911 Wright Model B Flyer, the museum features hands-on exhibits, such as The Giant Heart, consisting of a gigantic heart complete with walk-through arteries. For an astronomical experience, visit the museum's own Fels Planetarium, or stop by for a thrilling show at the Tuttleman IMAX Theatre.

Hours for the Franklin Institute are daily from 9:30 a.m. to 5:00 p.m., though the IMAX theater and planetarium remain open Friday and Saturday evenings until 9:00 p.m. A Sci-Pass costs \$13.75 and includes admission to museum exhibits, live science demonstrations, and one show in the Fels Planetarium. A Sci-Pass plus IMAX admission ticket costs \$18.75, and an IMAX Only ticket costs \$9.00.

Philadelphia fittingly is home to the nation's only museum devoted to the U.S. Constitution, the National Constitution Center. A host of interactive multimedia exhibits takes visitors, or "delegates", through over 200 years of American history at this relatively new museum, which opened its doors on July 4, 2003.

After viewing the presentation "Freedom Rising," voting for your all-time favorite president, and entering "Signer's Hall" to endorse the Constitution, visitors are sure to leave feeling empowered. The museum, located at 525 Arch Street, Independence Mall, is open from 9:30 a.m. to 5 p.m. Monday through Friday, and from 9:30 to 6 p.m. Saturday and Sunday, charging \$7 for admission.

The city lays claim to dozens of other quality museums, including the University of Pennsylvania Museum of Archaeology and Anthropology, featuring 30 galleries of ancient artifacts at 33rd and Spruce Streets; the Academy of Natural Sciences displaying fossils of dinosaurs and other prehistoric creatures at 19th Street and Benjamin Franklin Parkway; and the Rodin Museum, celebrating its 75th year at 22nd Street and Benjamin Franklin Parkway.

Purchase of a CityPass grants discounted admission at six Philadelphia attractions, including four museums: The Franklin Institute, The Academy of Natural Sciences, The Independence Seaport Museum, and National Constitution Center. The \$39 booklet of tickets is valid for nine days beginning the first day it is used.

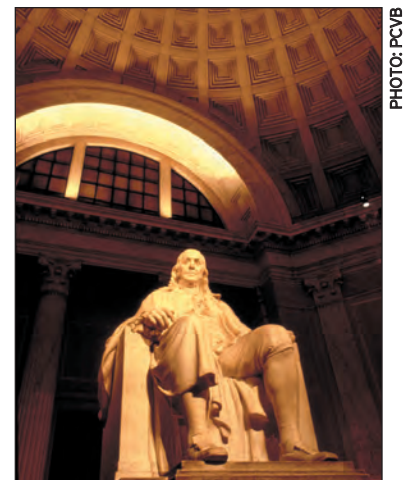


PHOTO: PCVB

A 30-ton statue of Benjamin Franklin sits in the rotunda of the Franklin Institute Science Museum.

Philadelphia has a tavern to suit everyone's taste

Not far from the Rittenhouse Square Area, **The Black Sheep Pub & Restaurant** draws a lot of Penn students and a local young professional crowd.

Located in a refurbished townhouse, the Black Sheep sprawls over several floors, with a large fireplace at the focus of a seating area on the main level. On a crowded weekend night, the downstairs bar might be a bit lower key.

Besides a wide variety of beers, there's a fairly large selection of Scotches and Irish whiskies behind



Fergie's Pub

it's the genuine item, frequented by a crowd of local regulars but welcoming to visitors.

Coming in off the street in the late afternoon, the lights are a bit low and a crowd of regulars has already gathered to rehash the day's events.

There are no TVs at Fergie's, and they're proud of it. It's the kind of environment that encourages conversation, whether it's about a star linebacker signing a new contract with the Eagles or some other, less important news. Guinness is among the variety of selections on tap of course, and they pour a fine pint. Fergie's also serves food, with a fairly extensive menu.

Fergie's is open from 11 a.m. to 2 a.m., Monday through Saturday, and 5 p.m. to 2 a.m. Sunday.

215-928-8118.

The **Nodding Head Brewery** claims to be "Taking over the world seven barrels at a time,"

but until world domination is achieved, this comfortable second-floor brewpub at 1516 Sansom St. will do as refuge from whatever slings and arrows the daily grind might serve up.

One could argue whether the focal point of the room is the incredi-



Nodding Head

ble bobblehead collection on display or the magnificent dark wooden bar brought from an English pub, but there's no doubt that the centerpiece of a visit to Nodding Head is their fine selection of brews. The 3C Extreme—described as a "ridiculously hoppy" double India Pale Ale—is as advertised and delicious.

Nodding Head also has a sizable and interesting food menu, featuring sandwiches, steaks, ribs, seafood and vegan and vegetarian selections.

Nodding Head is open from 11:30 a.m. to 2 a.m., Monday through Saturday, with a jazz brunch at 11 a.m. Sundays.

215-569-9525.

The **Tank Bar** takes its name from the huge fish tank behind the bar. And, coupled with the exotic fish in the aquarium, dark fabric draped from the ceiling, mirrored walls and tiny lights give the entire intimate room a bit of a surreal feel.

Behind the bar are some decent Scotches, Irish whiskies and bourbons; there's Yuengling and Stella



Tank Bar

Artois on tap and, on a recent visit, a Nancy Wilson CD setting the mood.

The feel at this Rittenhouse Square area bar, located upstairs from the Friday, Saturday, Sunday restaurant at 261 S. 21st St., is decidedly mellow and geared toward conversation.

The Tank Bar is open Monday through Thursday, from 5 p.m. to 2 a.m., Saturday from 5:30 p.m. to 2 a.m. and Sunday from 5 p.m. to 1 a.m.

215-546-4232.

Philadelphia's hottest jazz venue,



Zanzibar Blue

Zanzibar Blue, lines up the some of the genre's best-known artists to deliver live performances every night of the week.

Located downstairs in the historic Bellevue building, the sophisticated bar/restaurant is trimmed in dark wood and red hues, and offers a variety of spaces in which to eat, drink, talk and take in the music.

Reservations won't hurt during the week, but are a must on weekends, and can be made in a jiffy online at www.zanzibarblue.com. While the cover for big names on Fridays and Saturdays can range from \$10 to \$75, weeknights are free. Zanzibar Blue also hosts a Sunday jazz brunch between 11 a.m. and 2 p.m.

Performances during RIMS feature Oscar Brown Jr.—who has shared the stage with the likes of Miles Davis and John Coltrane—on April 15 and 16, and sultry saxophonist Marion Meadows on April 22 and 23.

Corner of Broad and Walnut Streets; 215-732-4500.



Black Sheep Pub & Restaurant

the bar. The menu includes various traditional pub items.

Located at 247 S. 17th St., the Black Sheep is open daily from 11:30 a.m. to 2 a.m.

215-545-9473.

Fergie's Pub at 1214 Sansom St. doesn't have the manufactured feel of one of today's all too common "faux bars." Considered by some the top Irish pub in Philadelphia,

Buying clothes in Philadelphia less taxing on the pocketbook

By RUPAL PAREKH

From high-end to bargain basement, Philadelphia presents shoppers with an endless array of choices. The bonus: the city has no sales tax on clothing.

Four blocks long and four stories high, The Gallery at Market East—located at 9th and Market streets—is a mall-lover's paradise. Anchored by Strawbridge's and Burlington Coat Factory, The Gallery is conveniently attached to the Pennsylvania Convention Center, for attendees looking to exercise their spending skills in between RIMS sessions. The mall is open Monday, Tuesday, Thursday and Saturday from 10 a.m. to 7 p.m.; Wednesday and Friday from 10 a.m. to 8 p.m.; and Sunday from 12 p.m. to 5 p.m.

The Shops at Liberty Place also make for an enjoyable shopping and browsing experience, featuring international favorites such as Burberry and Benetton and specialty stores, such as Caviar Asoulone, with its selection of

gourmet caviar, foie gras, truffles and more. They are located at 16th and Chestnut streets and open Monday through Saturday from 9:30 a.m. to 7 p.m. and Sunday 12 p.m. to 6 p.m.



The Rittenhouse Square area of Philadelphia has many places to indulge in some shopping.

Head to the ritzy Shops at The

Bellevue, with its high ornamented ceilings, to drop in at exclusive designer stores, including Tiffany & Co., Nicole Miller and Polo-Ralph Lauren. The Bellevue building, over 100 years old, is located at 200 South Broad St. and also boasts the Park Hyatt Philadelphia and several fine restaurants under its roof.

Along with its charming residences, the Rittenhouse Square area is also home to its share of unique shops, many offering contemporary, cutting-edge wares. Walk from the square east towards Broad Street to discover everything from trendy beauty salons to chic home décor, clothing and accessories stores.

Also worth exploring are: Antiques Row, the cluster of shops selling antiques and collectibles between 9th and 13th streets on Pine Street; Sansom St. between 7th and 8th streets, the district better known as Jewelers Row; and funky South Street, with its eclectic shops extending from Front to 11th streets.

76ers, Phillies play at home during RIMS

Two of Philadelphia's major league professional sports teams, the National Basketball Assn.'s 76ers and Major League Baseball's Philadelphia Phillies, will be playing home games dur-



Citizens Bank Park

ing RIMS week.

Both teams' homes are located in the city's sports facility complex on S. Broad Street in South Philadelphia.

Led by guard Allen Iverson and fighting for a playoff spot as this story was written, the 76ers will be hosting the Milwaukee

Bucks in their Wachovia Center home Monday, April 18, and the Atlanta Hawks Wednesday, April 20.

Tickets can be purchased online through the 76ers' Web site at www.nba.com/sixers.

The National League Phillies also will be playing at home at Citizens Bank Park throughout RIMS.

On Saturday, April 16, and Sunday, April 17, the team will face its National League East rival, the Atlanta Braves, while another division opponent, the New York Mets, come to town Monday, April 18, and Tuesday, April 19.

On Wednesday, April 20, the Phillies start a two-game series with the N.L. West Colorado Rockies that concludes with an afternoon game Thursday, April 21.

Phillies tickets are available online, at the team's Web site: philadelphia.phillies.mlb.com.

The plate is set in Philadelphia for RIMS attendees

From roadside eateries to pricey up-scale restaurants, the Philadelphia dining scene boasts an impressive array of choices that have launched this city onto the country's culinary map. The following represents a sampling of well-known restaurants in the downtown area that are easily accessible from conference hotels and the Philadelphia Convention Center. Information is provided on cuisine, ambiance, location and prices.

Some locals say dining at **Astral Plane** can be a bit hit or miss, but the food on a recent visit was imaginative and delicious. And how often do you get to dine beneath a shrine to the Wizard of Oz?

The cozy, kitschy dining rooms in an old row house has a casual hip atmosphere, with vintage photos of



PHOTO: RODD ZOLKOS

The Astral Plane

assorted entertainment figures lining the walls and, of course, the aforementioned Wizard of Oz corner.

The Astral Plane offers a nice selection of wines by the bottle or glass. Starters (\$8 to \$14) included cashew-crust Brie with apricot compote, a small wheel of the soft cheese served warm and oozing, with the tastes of the cashew and apricot blending perfectly with the Brie. Pumpkin ravioli in a brown butter sauce was slightly sweet and subtly flavored.

Among the entrees (\$19 to \$34), which include plenty of fish and vegetarian choices as well as steaks, the duck breast served in a sauce of honey curry, pineapple, mango, apple and walnut was moist and flavorful. Sadly, the various exotic-flavored fresh gelatos listed on the menu weren't available this visit, and the chocolate truffle—a sort of dense fudgy brownie affair—was just okay.

To start off a day of conference sessions with delight, skip the hotel breakfast buffet and instead indulge in a warm, fresh "gofra."

The gaufre is a traditional Belgian sugar waffle, to this day peddled by vendors on the streets of Brussels. Fortunately for RIMS attendees, these sweet treats are also available in Philly, though by a slightly different name.



PHOTO: RODD ZOLKOS

Bonté

Tucked away below street level in Rittenhouse Square is **Bonté**, a small coffee house frequented by locals who enjoy their gofras while reading the morning paper or taking advantage of the café's complimentary wireless Internet access.

Made-to-order using a special iron wafflemaker, the gofras emerge with a crusty outer shell and a soft, chewy inside.

For just \$2.75, the original variety is divine. But if you're craving a little something more, for just 50 cents extra, they'll blend chocolate, bananas, walnuts, blueberries or strawberries right into the waffle batter—which can make for a quick and tasty dessert as well.

Either way, have one taste of Bonté's Belgian waffle, and you'll leggo that Eggo forever.

For a lesson in history and gastronomy, dine at the **City Tavern**, nestled in Philadelphia's historic district.

Originally established in 1773, the existing structure is a careful reconstruction of a tavern said to have been frequented by John Adams and Thomas Jefferson and believed to be the site of the very first inaugural ball in honor of George Washington. Patrons will appreciate one modern concession, though: the tavern today is outfitted with indoor bathrooms, rather than the outhouses that were provided 200 years ago.



The City Tavern

Donning period costumes—complete with knickers for the men, bonnets for the women—the wait-staff here serves up 18th-century American meals on colonial-patterned china and in pewter goblets

and casserole dishes.

Middy fare includes an assortment of breads, rolls and biscuits that are baked fresh daily and a fiery West Indies pepper pot soup (\$5.50), supposedly a staple of the Continental Army during the Revolutionary War. The Black Forest ham and asparagus cold platter (\$13.95) was excellent, while the Martha Washington-style colonial turkey pot pie (\$13.95), covered in flaky dough and filled with a creamy blend of meat and veggies, is a must-taste.

If you're short on time and cannot eat, don't rule out a visit here; the tavern welcomes guests to walk through its rooms throughout the day.

Those looking for a quiet, relaxed place for dinner during often-hectic RIMS week might consider **Ernesto's 1521 Café**, a small Center City bistro cooking up light Italian fare with a twist.

Appetizers include calamari fritti (\$7), which replaces the typical accompaniment of lemon slices and



PHOTO: RUPAL PAREKH

Ernesto's 1521 Cafe

tomato sauce with a nice chutney made from tart mango and pomegranate molasses. The ravioli di zucca (\$8), pasta squares filled with butternut squash, achieve a pillowy, homemade consistency but are a bit bland.

Among the entrees, the signature osso buco (\$26) is a great choice, as the meat simply flakes away from the slow-braised veal shank, sidled by saffron-flavored risotto. Vegetarians will love the vegetale napoleon (\$15), a tower of fried eggplant, plum tomatoes, grilled zucchini and sautéed spinach, bound together by layers of lentil polenta.

While the menu is well rounded and appetizing, the food at Ernesto's takes second stage to the ambiance. The décor is spare and the space is snug, but there is an easy and comfortable feel, helped by the friendly service.

The highlight of any meal at Ernesto's comes at the end, when the server delivers a complimentary shot of limoncello—a cold lemon drink spiked with grain alcohol—made by the owner's mother.

The Dutch Eating Place in the Reading Terminal Market is a no-frills dining experience to be sure—coffee is served in Styrofoam cups,

orange juice in plastic cups—but it's an experience not to be missed.

The line for one of the counter seats might be long (don't worry, it moves quickly), but a meal at the Dutch Eating Place soon explains the venue's popularity. The check is surprisingly small, given the por-



PHOTO: RODD ZOLKOS

The Dutch Eating Place

tions served.

Breakfast offerings include much-renowned blueberry pancakes with turkey bacon and coffee for \$4.95, or apple French toast with turkey bacon and orange juice for \$6.55. In true Pennsylvania Dutch fashion, both the pancakes and the French toast come with generous servings of fresh butter. Also on the menu are such favorites as egg sandwiches, apple dumplings and, of course, scrapple.

Considered by some the finest restaurant in the country, a meal at **Le Bec-Fin** certainly makes a strong case for that distinction.

Chef and owner Georges Perrier's Philadelphia landmark offers a \$45 prix fixe lunch menu Monday through Friday and a \$135 prix fixe dinner Monday through Saturday. As expected, the wine list is extensive, with some 700 selections ranging from \$40 to \$4,000. Such a



PHOTO: RODD ZOLKOS

Le Bec-Fin

vast selection might seem intimidating, as indeed might the mere experience of dining at such a renowned five-star/five-diamond institution, but the warm, friendly and overwhelmingly helpful wait-staff makes the experience truly pleasurable.

On a lunch visit, the cassalette of snails in a champagne and hazelnut garlic butter sauce was a garlicky treat as an appetizer, while the scallop ceviche, oysters and eggplant compote and saffron foam

was an imaginatively arrayed combination of tastes. Among the main courses, roasted filet of red snapper, rhubarb compote, mustard greens, lemongrass and wasabi sauce provided a wonderful blending of tastes.

The multitiered dessert cart is an experience unto itself. Produced in the pastry kitchen on the third floor of the restaurant's Walnut Street building, it all looked delicious and included selections like chocolate sponge with vanilla cream and caramelized apples, dark chocolate with pistachio crème brûlée, mixed berry tart and the signature triple layers of chocolate. Sampling several is encouraged.

Monk's Café can be crowded, but with a selection of over 200 beers available—including one of America's best selections of draft Belgian beers—there are plenty of ways to pass the wait in this casual local favorite.

Starters (\$3.50 to \$10.95) include Monk's pommes frites, fresh cut from Yukon Gold potatoes and



PHOTO: RODD ZOLKOS

Monk's Café

served with bourbon mayonnaise. A variety of mussels offerings (small \$9.95, large \$18.95) is another good way to go as a starter, particularly matched with a Belgian beer recommended by the server. Entrees (\$11.95 to \$24.95) include a variety of steaks, fish and poultry dishes, as well as such offerings as braised rabbit and vegan dishes.

Monk's also offers a variety of burgers, sandwiches and salads, including a delicious duck salad (\$11.95) that combines baby greens with grilled duck breast, goat cheese, spicy walnuts and dried cranberries.

Of critical consideration to some RIMSgoers, perhaps, is that Monk's is also a great late night dining option, with the full menu available until 1 a.m. nightly.

To work up your appetite for RIMS 2006 in Honolulu, sample the cuisine at **Roy's**, a two-story oasis of a restaurant in the heart of Philadelphia, where an open kitchen churns out the luscious Hawaiian-fusion creations of celebrity chef Roy Yamaguchi.

After the success of the first Roy's,

Continued on next page

RIMS 2005



Roy's

Continued from previous page

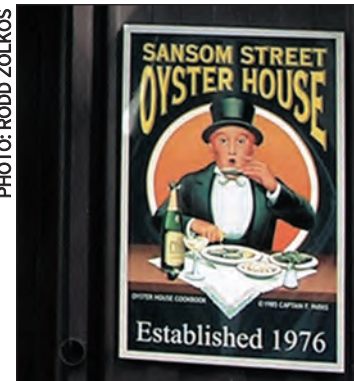
which opened in Honolulu in 1998, the chef has gradually expanded his empire of namesakes to the mainland and, more recently, abroad.

Around the globe, there are now 30 Roy's restaurants in all. And given the tropical surroundings, flawless service and unique Euro-Pacific fare, it's easy to see why the chain is flourishing.

Entrees include hibachi grilled salmon, a gorgeous piece of fish drenched in citrus glaze (\$19); and macadamia nut-crusted mahi-mahi, served in a rich Maine lobster butter sauce (\$26), both excellent. While selections from the sea are undeniably Roy's specialty, don't be surprised to find exotic meats on the menu, such as coffee-crusted ostrich with mashed yams (\$28), or rack of elk in salt rub with fingerling potatoes (\$36).

Considering that entrees fall in the \$20-to-\$40 range, the three-course prix fixe—complete with an appetizer sampler, entrée and dessert—is a steal at \$33. Don't miss the classic melting hot chocolate soufflé with a scoop of vanilla ice cream; it's sinfully delicious.

Serving the freshest of seafood to Philadelphians since 1947, the **Sansom Street Oyster House** is the kind of no-nonsense dining spot whose numbers are dwindling, unless recreated in some sort of "theme" incarnation. Dining room



Sansom Street Oyster House

décor is straightforward, with the walls decorated with various oyster plates.

Of course, it's the seafood that diners come for, and, naturally, the menu includes a wide variety of raw oysters, subject to availability. Diners can select a raw bar sampler or choose the grand cold shellfish platter: lobster, shrimp cocktail, clams,

oysters, smoked mussels and Alaskan crab legs (\$69.95).

Soups and chowders, including a creamy lobster bisque and a wonderfully flavorful snapper soup, are great starter choices. Each day's menu features fish specials based on availability. An order of oysters got lost in the shuffle on a recent busy Saturday evening (\$12.95 for the half dozen), getting to the table late but prior to the arrival of a deliciously velvety cheesecake.

For members of the party who aren't seafood fans, the Sansom Street Oyster House does have some limited nonaquatic choices, such as chicken and steak.

It's all in the name at **Swanky Bubbles**, a hip Old City champagne bar facing the waterfront.

Retro furnishings, exposed brick walls and lush blue drapes

PHOTO: RODD ZOLKOS



Swanky Bubbles

all lend to a relaxed atmosphere in which to lounge after the sun goes down.

Choose from a large selection of champagne and sparkling wines that range by the bottle from around \$30 up to \$450, with several of the wines available by the glass for under \$15. At \$8, the Neibaum Coppola Sofia Blanc de Blanc is a great one to try.

Besides the bubbly, Swanky's also serves up a compelling sushi menu, featuring a variety of freshly made rolls, maki, nigiri and sashimi, brought to the table family style. Late-night patrons will appreciate the kitchen's tardy hours; it's open until 1 a.m. seven nights a week.

Just a short walk from the Pennsylvania Convention Center in Philadelphia's Chinatown area, **Vietnam** offers a varied menu of Vietnamese fare at extremely rea-

PHOTO: RODD ZOLKOS



Vietnam

sonable prices in a relaxed yet elegant setting.

Entrees (\$7.95 to \$10.95) include various rice vermicelli dishes such as grilled squid over vermicelli with cucumbers, crushed peanuts and bean sprouts. The menu also offers a host of pan-fried and crispy noodle dishes, as well as dishes served with rice. In addition to various meat and seafood dishes, there also are choices for the vegetarian diner.

Starter choices include a variety of soups and spring rolls. Various beers available range from Asian choices such as "33" Export from Vietnam to the local product Yuengling. The wine list is limited but, again, reasonably priced, and the menu does offer various "Polynesian cocktails."

After dinner, Vietnamese coffee is available hot or iced and arrives strong and sweet.

With its dark, cavernous setting, and a menu featuring cornmeal-crusted catfish and crispy fried chicken with waffles, **Warmdaddy's** feels more like a blues club on Memphis' Beale Street than one on Philly's Front Street.

That distinct Southern flavor helps to make Warmdaddy's an inviting venue and sets it apart from the more upscale Zanzibar Blue—though both clubs are owned and operated by the same team.

Now celebrating its 10th year, Warmdaddy's during RIMS week will feature performances by singer Renee Austin (April 15 and 16) and 2004 Grammy Award nominee Roomful of Blues (April 23).

Cheesesteaks are a Philly tradition

By RUPAL PAREKH

If there is anything Philadelphians are more fanatical about than their sports teams, it's their views on who dishes up the tastiest cheesesteak.

According to local legend, the cheesesteak was invented in 1930 by Pat Olivieri, founder of Pat's



PHOTO: EDWARD SAVARIA JR./PCVIB

According to local legend, the first cheesesteak was served in 1930.

King of Steaks. After finding himself short on hot dogs at his fast-food stand one afternoon, the story goes, Mr. Olivieri resorted to serving chopped meat on rolls instead and discovered an instant favorite with customers.

The real McCoy features paper-thin slices of grilled rib-eye steak that are dressed in sautéed onions and topped with melted cheese, folded into a long, oven-fresh roll and served steaming hot.

Pat's and Geno's are two traditional picks for the calorific treat. Located on opposite corners of 9th and Passyunk Streets in South Philadelphia, the rival sandwich stands are both open 24 hours a day, seven days a week—but nonetheless seem to always have a line of hungry patrons waiting outside.

A perfect combo of frosty birch beer, crisp cheese fries and a gooey cheesesteak sandwich at Geno's runs about \$10. It's a bit of a hike outside of Center City but promises to be a memorable—if not heart-stopping—experience.

Jim's Steaks on South Street is also another mainstay that cheesesteak lovers flock to. Ask locals where their preferred sandwich is, and they may also mention one of two Center City locations; Rick's Philly Steaks, at 12th and Arch Streets in the Reading Terminal Market, and Tony Luke Jr.'s, at 118 South 18th St.

Whichever eatery it may be, the service is speedy, which makes knowing *how* to order essential: (1) Skip the obvious "I'll have a cheesesteak." They know what's on the menu. (2) State your cheese of choice: Cheez Whiz, American or provolone. (3) Say "with" if you want onions, or "without" if you don't.

Follow these simple rules, and the guys behind the counter will never suspect you're not a local.



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Philadelphia restaurants have something for everyone

Restaurants marked with a ■ are reviewed on pages 26-27.

A

Alma De Cuba

1623 Walnut St., Philadelphia
215-988-1799; Fax: 215-988-0807
www.almadecubarestaurant.com
Atmosphere: Warm Havana setting.
Cuisine: Cuban.
Specialties: Ceviche.
Average dinner for two: Over \$100.
Neighborhood: Rittenhouse Square.
Attire: Business casual.
Credit cards accepted: American Express, Diner's Club, MasterCard, Visa.
Hours: Sunday, 5 p.m.-10 p.m.; Monday-Thursday, 5 p.m.-11 p.m.; Friday-Saturday, 5 p.m.-midnight.
Reservations: Recommended.
Valet parking available.

Angelina

706 Chestnut St., Philadelphia
215-925-6889; Fax: 215-925-9591
www.angelina-restaurant.com
Atmosphere: Modern, romantic and sophisticated setting.
Cuisine: Italian.
Specialties: Homemade pasta.
Average dinner for two: Over \$100.
Neighborhood: Society Hill.
Attire: Business casual.
Credit cards accepted: American Express, Diner's Club, MasterCard, Visa.
Hours: Lunch: Monday-Friday, 11:30 a.m.-2:30 p.m.; dinner: Sunday-Thursday, 5 p.m.-10 p.m., Friday-Saturday 5 p.m.-11 p.m.
Reservations: Recommended.

■ Astral Plane Restaurant

1708 Lombard St., Philadelphia
215-546-6230
www.theastralplane.com
Atmosphere: Charming, cozy and intimate atmosphere with mismatched table appointments and pictures of silent film stars on the wall.
Cuisine: American.
Specialties: Macadamia encrusted sea bass in rum reduction, mozzarella and prosciutto stuffed chicken, stuffed pork chop.

Average dinner for two: \$51 to \$75.
Neighborhood: Rittenhouse Square.
Attire: Casual.
Credit cards accepted: All major credit cards.
Hours: Brunch: Sunday, 11 a.m.-4 p.m.; dinner: Sunday-Thursday, 5 p.m.-10 p.m.; Friday-Saturday, 5 p.m.-12 p.m.
Reservations: Recommended.
Parking available

B

The Bards

2013 Walnut St., Philadelphia
215-569-9585; Fax: 215-569-2702
Atmosphere: Cozy Irish pub.
Cuisine: Irish.
Specialties: Bangers and mash, shepherd's pie.
Average dinner for two: \$26 to \$50.
Neighborhood: Rittenhouse Square.
Attire: Casual.
Credit cards accepted: American Express, MasterCard, Visa.
Hours: Sunday-Thursday, 11:30 a.m.-10 p.m.; Friday-Saturday, 11:30 a.m.-midnight; bar: 11:30 a.m.-1:30 a.m., daily.
Reservations: Recommended.

Bellini Grill

220 S. 16th St., Philadelphia
215-545-1191; Fax: 215-545-1019
www.bellinigrill.com
Cuisine: Italian.
Specialties: Aged steaks, crab ravioli, fresh fish, lobster ravioli, rack of lamb, veal chops.
Average dinner for two: \$51 to \$75.
Neighborhood: Center City.
Attire: Casual.
Credit cards accepted: All major credit cards.
Hours: Sunday, 3 p.m.-9 p.m.; Monday-Thursday, 11 a.m.-10 p.m.; Friday, 11 a.m.-11 p.m.; Saturday, 4 p.m.-11 p.m.
Reservations: Recommended.
Parking available
Valet parking available.

Bistro Romano

120 Lombard St., Philadelphia
215-925-8880; Fax: 215-925-9888
www.bistoromano.com

Atmosphere: Housed in an 18th century historic landmark. The bar in the lounge area was originally a fixture aboard a 1912 luxury liner.
Cuisine: Italian.
Specialties: Angus filet mignon, caesar salad, fresh seafood, homemade pastas, poultry, veal.
Average dinner for two: \$51 to \$75.
Neighborhood: Society Hill.
Attire: Business casual.
Credit cards accepted: All major credit cards.
Hours: Sunday 4 p.m.-10 p.m.; Monday-Thursday, 4:30 p.m.-10 p.m.; Friday-Saturday, 4:30 p.m.-11 p.m.
Reservations: Recommended.

■ Bonté

130 S. 17th St., Philadelphia
215-557-8510
Atmosphere: A quaint, cozy cafe.
Cuisine: Belgian.
Specialties: Belgian sugar waffles.
Average dinner for two: Under \$25.
Neighborhood: Rittenhouse Square.
Attire: Casual.
Credit cards accepted: Diner's Club, Discover, MasterCard, Visa.
Hours: Monday-Friday, 7 a.m.-6 p.m.; Saturday, 8 a.m.-6 p.m.
Reservations: Not accepted.

Brasserie Perrier

1619 Walnut St., Philadelphia
215-568-3000; Fax: 215-568-7885
www.brasserieperrier.com
Atmosphere: Modern and colorful.
Cuisine: French.
Specialties: French cuisine with Italian and Asian influences.
Average dinner for two: \$76 to \$100.
Neighborhood: Rittenhouse Square.
Attire: Dressy.
Credit cards accepted: All major credit cards.
Hours: Lunch: Monday-Saturday, 11:30 a.m.-4 p.m.; dinner: Sunday, 5 p.m.-9 p.m., Monday-Thursday, 5:30 p.m.-10:30 p.m.; Friday-Saturday, 5:30 p.m.-11 p.m.
Reservations: Recommended.
Valet parking available.

Buddakan

325 Chestnut St., Philadelphia
215-574-9440; Fax: 215-574-8994
www.buddakan.com
Atmosphere: Chic decor.
Cuisine: Asian.
Average dinner for two: Over \$100.
Neighborhood: Old City.
Attire: Business casual.
Credit cards accepted: American Express, Diner's Club, MasterCard, Visa.
Hours: Lunch: Monday-Friday, 11:30 a.m.-2:30 p.m.; dinner: Sunday-Thursday, 5 p.m.-11 p.m., Friday-Saturday, 5 p.m.-midnight.
Reservations: Required.

C

The Cafe Restaurant Bar & Lounge

2011 Walnut St., Philadelphia
215-568-5003; Fax: 215-568-2944
www.thecafe2011.com
Atmosphere: Upscale and comfortable with open-air dining and a cozy lounge.
Cuisine: American.
Specialties: Louisiana-style crab cakes, sesame tuna salad.
Average dinner for two: \$51 to \$75.
Neighborhood: Rittenhouse Square.
Attire: Business casual.
Credit cards accepted: All major credit cards.
Hours: Brunch: Sunday, 10 a.m.-2 p.m.; dinner: 5 p.m.-1 a.m., nightly.
Reservations: Recommended.
Parking available

Campo's Deli & Market

214 Market St., Philadelphia
215-923-1000; Fax: 215-923-2000
www.phillyhoagie.com
Cuisine: American.
Specialties: Cheesesteaks, Italian chicken sandwich, Philly hoagie.
Average dinner for two: Under \$25.
Neighborhood: Old City.



Bistro Romano's Lobster Ravioli

Attire: Casual.
Credit cards accepted: Credit cards not accepted.
Hours: Sunday, 11 a.m.-9 p.m.; Monday-Friday, 10 a.m.-9:30 p.m.; Saturday, 10:30 a.m.-10 p.m.

The Capital Grille

1338 Chestnut St., Philadelphia
215-545-9588; Fax: 215-545-9589
www.thecapitalgrille.com
Atmosphere: Relaxed elegance.
Cuisine: Steak.
Specialties: Dry aged sirloin and porterhouse steaks.
Average dinner for two: Over \$100.
Neighborhood: Center City.
Attire: Business casual.
Credit cards accepted: All major credit cards.
Hours: Lunch: Monday-Friday, 11:30 a.m.-3 p.m.; dinner: Sunday, 4 p.m.-10 p.m., Monday-Thursday 5 p.m.-10 p.m.; Friday-Saturday, 5 p.m.-11 p.m.
Reservations: Recommended.
Valet parking available.

Chart House Restaurant

555 S. Columbus Blvd., Philadelphia
215-625-8383; Fax: 215-625-9634
www.chart-house.com
Cuisine: American.
Specialties: Fresh seafood and steaks.
Average dinner for two: \$51 to \$75.
Neighborhood: Delaware Waterfront.
Attire: Casual.
Credit cards accepted: All major credit cards.
Hours: Brunch: Sunday, 11 a.m.-2:30 p.m.; dinner: Sunday, 3:30 p.m.-10 p.m., Monday-Thursday, 5 p.m.-10 p.m., Saturday, 4 p.m.-11 p.m.
Reservations: Recommended.
Valet parking available.

Chickie's & Pete's Cafe

1526 Packer Ave., Philadelphia
215-218-0500; Fax: 215-218-9002
www.chickiesandpetes.com
Cuisine: American.
Specialties: Crabs.
Average dinner for two: \$26 to \$50.
Neighborhood: South Philadelphia.
Attire: Casual.
Credit cards accepted: American Express, MasterCard, Visa.
Hours: Sunday-Saturday, 11 a.m.-2 a.m.
Reservations: Not accepted.

Cibucán Restaurant & Tapas Bar

2025 Sansom St., Philadelphia
215-231-9895; Fax: 215-940-1103
www.cibucan.com
Atmosphere: Soothing surroundings with salsa rhythms.
Cuisine: Latin.
Specialties: Latin American and Caribbean inspired menu.
Average dinner for two: \$51 to \$75.
Neighborhood: Center City.
Attire: Casual.
Credit cards accepted: All major credit cards.
Hours: Sunday-Thursday, 5 p.m.-10 p.m.; Friday-Saturday, 5 p.m.-11 p.m.
Reservations: Recommended.
Parking available

Circles Off the Square

1701 Locust St., Philadelphia
215-735-6000; Fax: 215-790-7766
www.radisson.com/philadelphia
Atmosphere: Casual dining room with hardwood floors and warm red walls overlooking Rittenhouse Square.
Cuisine: American.
Specialties: Breakfast burritos, daily buffet, grilled chicken, homemade soups, quesadillas, salads, sea bass, steak.
Average dinner for two: \$26 to \$50.
Neighborhood: Rittenhouse Square.
Attire: Casual.
Credit cards accepted: All major credit cards.
Hours: Breakfast: 6:30 a.m.-11:30 a.m. daily; all day dining: 11:30 a.m.-10 p.m.; dinner: 5 p.m.-10 p.m., nightly; bar: 11:30 a.m.-1 a.m.
Parking available

■ City Tavern

138 S. Second St., Philadelphia
215-413-1443; Fax: 215-413-3043
www.citytavern.com
Atmosphere: Established in 1773, the restaurant provides the experience of dining in the 18th century with costumed waitstaff and elegant colonial setting.
Cuisine: American.
Specialties: Lobster pie, prime rib, rack of lamb, roasted duckling, West Indies pepper pot soup.
Average dinner for two: \$76 to \$100.
Neighborhood: Old City.
Attire: Casual.
Credit cards accepted: All major credit cards.
Hours: Sunday, 11:30 a.m.-9 p.m.; Monday-Thursday, 11:30 a.m.-10 p.m.; Friday-Saturday, 11:30 a.m.-11 p.m.
Reservations: Recommended.

Continental Restaurant & Martini Bar

138 Market St., Philadelphia
215-923-6069; Fax: 215-923-8818
www.continentalmartinibar.com
Atmosphere: Features imaginative interior.
Cuisine: Global.
Specialties: Tapas.
Average dinner for two: \$26 to \$50.
Neighborhood: Old City.
Attire: Casual.
Credit cards accepted: American Express, Diner's Club, MasterCard, Visa.
Hours: Brunch: Saturday-Sunday, 10:30 a.m.-3 p.m.; lunch: Monday-Friday, 11:30 p.m.-3:30 p.m.; dinner: Sunday-Wednesday, 5 p.m.-11 p.m., Thursday-Saturday, 5 p.m.-midnight.
Reservations: Not accepted.

Cuba Libre Restaurant & Rum Bar

10 S. Second St., Philadelphia
215-627-0666; Fax: 215-922-3200
www.cubalibrerestaurant.com
Atmosphere: Feels like 1950s Havana, Cuba.
Cuisine: Cuban.
Specialties: Classic and contemporary Cuban cuisine.
Average dinner for two: \$51 to \$75.

Continued on next page

Pretzels are more than twisted bread

The soft pretzel is another Philadelphia staple, and, done right, it's so much more than a salty twisted piece of baked dough.

Philadelphia soft pretzels have their roots in the area's German

community that came to be known as Pennsylvania Dutch. Opportunities to sample them are numerous, available as they are from street vendors and various storefront operations and in local convenience stores.

While some would argue that Philadelphia pretzels are best sampled from a street vendor's cart, it's hard to believe one could go wrong with the offerings at Fisher's Soft Pretzels in the Reading Terminal Market. There you can watch as the pretzels are rolled by hand and see them coming fresh from the oven.

Before handing over the warm pretzel, the Amish woman behind the counter will ask whether you want it buttered or not. At this point, forget the cholesterol and go for the butter. Consider the extra calories part of the experience, one you won't soon forget.

—By Rodd Zolkos



Amish women make pretzels in the Reading Terminal Market.

PHOTO: PCVB

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April 4, 2005

Continued from previous page

Neighborhood: Old City.
Attire: Business casual.
Credit cards accepted: All major credit cards.
Hours: 4 p.m.-11 p.m., nightly.
Reservations: Recommended.
Valet parking available.

D

Dante & Luigi's

762 S. 10th St., Philadelphia
215-922-9501; Fax: 215-922-3437
Atmosphere: Charming old world atmosphere in a 150-year-old town house.
Cuisine: Italian.
Specialties: Homemade traditional Italian dishes including lasagna, manicotti, osso buco, stuffed calamari.
Average dinner for two: \$76 to \$100.
Neighborhood: South Philadelphia.
Attire: Business casual.
Credit cards accepted: MasterCard, Visa.
Hours: Sunday, 3 p.m.-9:30 p.m.; Tuesday-Thursday, 11:30 a.m.-9:30 p.m.; Friday, 11:30 p.m.-10:30 p.m.

Davio's Northern Italian Steakhouse

111 S. 17th St., Philadelphia
215-563-4810; Fax: 215-563-3005
www.davios.com
Atmosphere: Upscale dining experience.
Cuisine: Italian.
Specialties: Homemade pastas, prime dry-aged steaks, rib veal chop.
Average dinner for two: \$76 to \$100.
Neighborhood: Center City.
Attire: Business casual.
Credit cards accepted: All major credit cards.
Hours: Breakfast: Monday-Friday, 7 a.m.-11 a.m.; lunch: Monday-Friday, 11:30 a.m.-2:30 p.m.; dinner: Sunday-Saturday, 5 p.m.-11 p.m.
Reservations: Recommended.

DiNardo's Famous Seafood

312 Race St., Philadelphia
215-925-5715; Fax: 215-592-1112
www.dinardos.com
Atmosphere: Casual setting featuring

fishing decor.
Cuisine: Seafood.
Specialties: Chicken, hot and dirty Baltimore-style steamed crabs, pasta, seafood, steaks.
Average dinner for two: \$76 to \$100.
Neighborhood: Old City.
Attire: Casual.
Credit cards accepted: American Express, Diner's Club, MasterCard, Visa.
Hours: Sunday, 3 p.m.-9 p.m.; Monday-Thursday, 11 a.m.-9:30 p.m.; Friday-Saturday, 11 a.m.-10:30 p.m.
Reservations: Recommended.
Parking available

Dolce Restaurant

241 Chestnut St., Philadelphia
215-238-9983; Fax: 215-238-9937
www.dolcerestaurant.com
Atmosphere: Unique glass floor lights the room with a spectrum of colors.
Cuisine: Italian.
Specialties: Fresh seafood, homemade pasta, steaks, veal.
Average dinner for two: \$76 to \$100.
Neighborhood: Old City.
Attire: Business casual.
Credit cards accepted: All major credit cards.
Hours: Lunch: Tuesday-Saturday, 11:30 a.m.-4:30 p.m.; dinner: Tuesday-Saturday, 5 p.m.-11 p.m.
Reservations: Recommended.

Dutch Eating Place

Reading Terminal Market, 12th & Arch St., Philadelphia
215-922-0425; Fax: 215-556-0502
Cuisine: Pennsylvania Dutch.
Average dinner for two: Under \$25.
Neighborhood: Center City.
Attire: Casual.
Credit cards accepted: Credit cards not accepted.
Hours: Wednesday-Saturday, 8 a.m.-5 p.m.
Reservations: Not accepted.

E

El Vez

121 S. 13th St., Philadelphia
215-928-9800; Fax: 215-928-9889
www.elvezrestaurant.com

Atmosphere: Upbeat, casual and fun setting.
Cuisine: Mexican.
Average dinner for two: \$51 to \$75.
Neighborhood: Center City.
Attire: Casual.
Credit cards accepted: American Express, Diner's Club, MasterCard, Visa.
Hours: Sunday, 3 p.m.-10 p.m.; Monday-Thursday, 11:30 a.m.-11 p.m.; Friday-Saturday, 11:30 a.m.-midnight; Bar is open nightly until 2 a.m.
Reservations: Recommended.

Ernesto's 1521 Cafe

1521 Spruce St., Philadelphia
215-546-1521; Fax: 215-985-3128
www.ernestos1521.com
Atmosphere: Small trattoria in historical brick town house.
Cuisine: Italian.
Specialties: Cioppino, crab cakes, fresh pastas, osso buco, tiramisu.
Average dinner for two: \$76 to \$100.
Neighborhood: Center City.
Attire: Business casual.
Credit cards accepted: American Express, Discover, MasterCard, Visa.
Hours: Brunch: Saturday-Sunday, 11 a.m.-3 p.m.; lunch: Tuesday-Friday, 11:30 a.m.-2:30 p.m.; dinner: Tuesday-Saturday, 5 p.m.-11 p.m.
Reservations: Recommended.

F

Farmicia & Beakers Bar

15 S. Third St., Philadelphia
215-627-6274; Fax: 215-627-7385
www.farmiciarestaurant.com
Atmosphere: East meets West to form a casual, comfortable but lively atmosphere.
Cuisine: Contemporary.
Specialties: Contemporary menu crafted from simple, seasonal items produced by local growers.
Average dinner for two: \$51 to \$75.
Neighborhood: Old City.
Attire: Casual.
Credit cards accepted: American Express, MasterCard, Visa.
Hours: Brunch: Saturday-Sunday, 11 a.m.-2:30 p.m.; lunch: Tuesday-Friday, 11:30 a.m.-2:30 p.m.; dinner: Sunday, 5 p.m.-10 p.m., Monday-Thursday, 5:30 p.m.-10 p.m., Friday-Saturday, 5:30

p.m.-11 p.m.; Beakers Bar is open nightly until 2:30 a.m.
Reservations: Recommended.
Parking available
Valet parking available.

Fatou and Fama

4002 Chestnut St., Philadelphia
215-386-0700; Fax: 215-386-1031
www.fatouandfama.com
Atmosphere: Afrocentric decor in a relaxed and inviting setting.
Cuisine: African.
Specialties: Chebujen, including fish and vegetables with rice; Yasa chicken, featuring chicken in an onion sauce on a bed of rice.
Average dinner for two: \$26 to \$50.
Neighborhood: University City.
Attire: Casual.
Credit cards accepted: MasterCard, Visa.
Hours: Tuesday-Thursday, 11 a.m.-10 p.m.; Friday-Saturday, 11 a.m.-11 p.m.
Reservations: Recommended.

Finnigan's Wake

532 N. Third St., Philadelphia
215-574-9240; Fax: 215-574-9281
www.finnigans.com
Atmosphere: Authentic Irish pub.
Cuisine: Bar and grill.
Specialties: Shepherd's pie.
Average dinner for two: Under \$25.
Neighborhood: Delaware Waterfront.
Attire: Casual.
Credit cards accepted: American Express, Discover, MasterCard, Visa.
Hours: 11 a.m.-2 a.m., daily.
Parking available

Fork Restaurant

306 Market St., Philadelphia
215-625-9425; Fax: 215-625-9435
www.forkrestaurant.com
Atmosphere: Bistro with hip, stylish and warm interior.
Cuisine: Contemporary.
Specialties: Seasonal and inventive foods using fresh ingredients of local growers.
Average dinner for two: \$76 to \$100.
Neighborhood: Old City.
Attire: Casual.
Credit cards accepted: All major credit cards.
Hours: Brunch: Sunday, 11 a.m.-2:30 p.m.; lunch: Monday-Friday, 11:30 a.m.-2:30 p.m.; dinner: Sunday, 5 p.m.-10:30

p.m., Monday-Thursday, 5:30 p.m.-10:30 p.m., Friday, 5:30 p.m.-11:30 p.m., Saturday, 5 p.m.-11:30 p.m.
Reservations: Recommended.
Parking available

Frederick's Italian Cuisine

757 S. Front St., Philadelphia
215-271-1684; Fax: 215-271-6888
Atmosphere: Romantic with an old-fashioned bar and piano player.
Cuisine: Italian.
Specialties: Regional Italian cuisine.
Average dinner for two: \$76 to \$100.
Neighborhood: Queen Village.
Attire: Casual.
Credit cards accepted: All major credit cards.
Hours: Tuesday-Sunday, 5 p.m.-11 p.m.
Reservations: Recommended.
Valet parking available.

G

Geno's Steaks

1219 S. Ninth St., Philadelphia
215-389-0659; Fax: 215-389-4166
www.genosteaks.com
Cuisine: American.
Specialties: Philadelphia cheesesteaks.
Average dinner for two: Under \$25.
Neighborhood: South Philadelphia.
Attire: Casual.
Credit cards accepted: Credit cards not accepted.
Hours: 24 hours, 7 days a week.
Reservations: Not accepted.

Glam Restaurant & Lounge

52 S. 2nd St., Philadelphia
267-671-0840; Fax: 267-671-0843
www.glamphilly.com
Atmosphere: Cozy.
Cuisine: American.
Average dinner for two: \$76 to \$100.
Neighborhood: Old City.
Attire: Business casual.
Credit cards accepted: American Express, Discover, MasterCard, Visa.
Hours: Dinner: 5 p.m.-midnight, nightly; lounge: 5 p.m.-2 a.m.
Reservations: Recommended.
Parking available.

Continued on next page

Restaurants by cost

Cost is based on the average price of dinner for two including gratuity and a bottle of wine.

Under \$25

Bonté
Campo's Deli & Market
Dutch Eating Place
Finnigan's Wake
Geno's Steaks
Good Dog
Illuminare Ristorante
Irish Pub
Jim's Steaks
Jones
Melrose Diner
Moriarty's Restaurant & Irish Bar
Ocean Harbor
Panini's Trattoria
Pat's King of Steaks
Rick's Philly Steaks
Sang Kee Peking Duck House
Sansom Street Oyster House
Scannicchio's Restaurant
Serendipity
South East Chinese Restaurant
The Tenth Street Pour House
Yann Patisserie & Cafe

\$26 to \$50

The Bards
Chickie's & Pete's Cafe
Circles Off the Square
Continental Restaurant & Martini Bar
Fatou and Fama
Hard Rock Cafe

Imperial Inn
Kibitz in the City
Loie
Lucy's Hat Shop
Maccabeam Restaurant
Matyson
Mexican Post
Midtown Continental & Martini Bar
Monticelli
Ms. Tootsies SoulFood Cafe
The Museum Restaurant
Noche
The Smoked Joint: A Barbecue Experience
Vietnam
Warmdaddy's

\$51 to \$75

Astral Plane Restaurant
Bellini Grill
Bistro Romano
The Cafe Restaurant Bar & Lounge
Chart House Restaurant
Cibucán Restaurant & Tapas Bar
Cuba Libre Restaurant & Rum Bar
El Vez
Farmicia & Beakers Bar
Independence Brew Pub
Joseph Poon Asian Fusion Restaurant
L2
Lacroix at The Rittenhouse
Marrakesh Restaurant
Mixto Restaurant

Monk's Cafe
Passage to India
Pod Restaurant
Pompeii Restaurant
Positano Coast by Aldo Lamberti
The Prime Rib
Ristorante Panorama
Shiroi Hana Japanese Restaurant
Smith & Wollensky Philadelphia
Spasso Italian Grill
Tir na nOg-Irish Bar & Grill
Washington Square

\$76 to \$100

Brasserie Perrier
City Tavern
Dante & Luigi's
Davio's Northern Italian Steakhouse
DiNardo's Famous Seafood
Dolce Restaurant
Ernesto's 1521 Cafe
Fork Restaurant
Frederick's Italian Cuisine
Glam Restaurant & Lounge
The Grill
Le Castagne
Maggiano's Little Italy
Marmont Steakhouse & Bar
McCormick & Schmick's Fresh Seafood Restaurant
Old Original Bookbinders
Paradigm Restaurant
Philadelphia Fish & Co.



Warmdaddy's

PHOTO: GPTMC

Rembrandt's Restaurant & Bar
Rose Tattoo Cafe
SoleFood
Soto Varalli
Swanky Bubbles Restaurant & Champagne Bar
Tequila's Restaurant
Upstares at Varalli
White Dog Cafe
Zanzibar Blue

Over \$100

Alma De Cuba

Angelina
Buddakan
The Capital Grille
Le Bec-Fin
Morimoto
Moshulu
Pasion
Roy's Restaurant
Shula's Steak House
Striped Bass Restaurant
Susanna Foo
Chinese Cuisine
Tangerine
Twenty21

Continued from previous page

Good Dog

224 S. 15th St., Philadelphia
215-985-9600; Fax: 215-985-1981
www.gooddogbar.com
Atmosphere: Casual bar.
Cuisine: Bar and grill.
Specialties: Duck pot pie, Good Dog burger stuffed with Roquefort cheese and topped with caramelized onions, gourmet macaroni and cheese.
Average dinner for two: Under \$25.
Neighborhood: Center City.
Attire: Casual.
Credit cards accepted: American Express, MasterCard, Visa.
Hours: Monday-Friday, 11:30 a.m.-2 a.m.; Saturday-Sunday, 4 p.m.-2 a.m.
Reservations: Not accepted.

**The Grill****The Grill**

The Ritz Carlton Philadelphia, 10 Ave. of the Arts, Philadelphia
215-523-8221; Fax: 215-523-8277
www.ritzcarlton.com
Atmosphere: Open view kitchen.
Cuisine: American.
Average dinner for two: \$76 to \$100.
Neighborhood: Center City.
Attire: Business casual.
Credit cards accepted: All major credit cards.
Hours: Lunch: Monday - Friday, 11:30 a.m.-2:30 p.m.; dinner: Sunday-Thursday, 5:30 p.m.-10 p.m.; Friday-Saturday, 5:30 p.m.-11 p.m.
Reservations: Recommended.
Valet parking available.

H**Hard Rock Cafe**

1113-31 Market St., Philadelphia
215-238-1000; Fax: 215-574-4921
www.hardrock.com
Atmosphere: Rock 'n' roll memorabilia covers the walls.
Cuisine: American.
Specialties: Barbecue pulled pork sandwich, classic cheeseburger.
Average dinner for two: \$26 to \$50.
Neighborhood: Center City.
Attire: Casual.
Credit cards accepted: All major credit cards.
Hours: Sunday, 11 a.m.-10 p.m.; Monday-Thursday, 11 a.m.-11 p.m.; Friday-Saturday, 11 a.m.-12:30 a.m.
Reservations: Not accepted.

Illuminare Ristorante

2321 Fairmount Ave., Philadelphia
215-765-0202
www.illuminare2321.com
Atmosphere: Cozy.
Cuisine: Italian.
Average dinner for two: Under \$25.
Neighborhood: Parkway/Fairmount Park.
Attire: Casual.
Credit cards accepted: American Express, Discover, MasterCard, Visa.
Hours: Brunch: Sunday, 11:30 a.m.-3 p.m.; lunch: Tuesday-Saturday, 11:30 a.m.-3 p.m.; dinner: Sunday-Monday, 5 p.m.-9 p.m.; Tuesday-Thursday, 5 p.m.-9:30 p.m.; Friday-Saturday, 5 p.m.-10:30 p.m.
Reservations: Recommended.

Imperial Inn

142 N. 10th St., Philadelphia
215-627-2299; Fax: 215-627-0873
Cuisine: Chinese.
Specialties: Authentic Chinese cuisine, including dim sum.
Average dinner for two: \$26 to \$50.
Neighborhood: Chinatown.
Attire: Casual.
Credit cards accepted: American Express, MasterCard, Visa.
Hours: Sunday-Thursday, 11 a.m.-midnight; Friday-Saturday, 11 a.m.-2 a.m.
Reservations: Recommended.

Independence Brew Pub

1150 Filbert St., Philadelphia
215-922-4292; Fax: 215-940-0870
www.independencebrewpub.com
Cuisine: American.
Average dinner for two: \$51 to \$75.
Neighborhood: Center City.
Attire: Casual.
Credit cards accepted: All major credit cards.
Hours: Sunday-Wednesday, 11:30 a.m.-midnight; Thursday-Saturday, 11:30 a.m.-2 a.m.
Reservations: Recommended.

Irish Pub

200 Walnut St., Philadelphia
215-568-5603; Fax: 215-568-2944
www.irishpubphilly.com
Atmosphere: Neighborhood saloon with high ceilings and a hand-carved cherry wood bar.
Cuisine: Irish.
Specialties: Buttermilk ale fish and chips, Jameson Whiskey chicken, shepherd's pie.
Average dinner for two: Under \$25.
Neighborhood: Rittenhouse Square.
Attire: Casual.
Credit cards accepted: All major credit cards.
Hours: Brunch: Sunday, 10 a.m.-2 p.m.; Monday-Saturday, 11 a.m.-2 a.m.
Reservations: Recommended.

J**Jim's Steaks**

400 South St., Philadelphia
215-928-1911; Fax: 215-928-1529
Atmosphere: Cafeteria-style service with first and second floor dining areas.
Cuisine: American.
Specialties: Philadelphia cheesesteaks.
Average dinner for two: Under \$25.
Neighborhood: South Street.
Attire: Casual.
Credit cards accepted: Credit cards not accepted.
Hours: Sunday, 11 a.m.-10 p.m.; Monday-Thursday, 10 a.m.-1 a.m.; Friday-Saturday, 10 a.m.-3 a.m.
Reservations: Not accepted.

Jones

700 Chestnut St., Philadelphia
215-238-9600; Fax: 215-238-7243
www.jones-restaurant.com
Atmosphere: Comfortable and casual.
Cuisine: American.
Specialties: Macaroni and cheese, meatloaf and mashed potatoes, Thanksgiving-style turkey dinner.
Average dinner for two: Under \$25.
Neighborhood: Old City.
Attire: Casual.
Credit cards accepted: American Express, Diner's Club, MasterCard, Visa.
Hours: Brunch: Saturday-Sunday, 10:30 a.m.-3 p.m.; dinner: Sunday, 4 p.m.-11 p.m.; Monday-Thursday, 11:30 a.m.-midnight; Friday, 11:30 a.m.-1 a.m.; Saturday, 5 p.m.-1 a.m.
Reservations: Not accepted.

Joseph Poon Asian Fusion Restaurant

1002 Arch St., Philadelphia
215-928-9333; Fax: 215-928-9368
www.josephpoon.com
Atmosphere: Casual dining with an open kitchen.
Cuisine: Asian.
Specialties: Hong Kong lobster, Peking duck.
Average dinner for two: \$51 to \$75.
Neighborhood: Center City.
Attire: Casual.
Credit cards accepted: All major credit cards.
Hours: Sunday, 2 p.m.-10 p.m.; Monday-Thursday, 11 a.m.-10 p.m.; Friday, 11 a.m.-11 p.m.; Saturday, 2 p.m.-11 p.m.

Reservations: Recommended.

K**Kibitz in the City**

703 Chestnut St., Philadelphia
215-928-1447; Fax: 215-928-1042
Cuisine: Deli.
Specialties: Jewish deli specializing in brisket, corned beef and pastrami.
Average dinner for two: \$26 to \$50.
Neighborhood: Center City.
Attire: Casual.
Credit cards accepted: American Express, Discover, MasterCard, Visa.
Hours: 8 a.m.-7:30 p.m.
Reservations: Not accepted.
Parking available.

L**L2**

2201 South St., Philadelphia
215-732-7878; Fax: 215-732-5278
www.l2restaurant.com
Atmosphere: Charming.
Cuisine: American.
Specialties: Crispy duck, fried tomatoes.
Average dinner for two: \$51 to \$75.
Neighborhood: South Street.
Attire: Business casual.
Credit cards accepted: All major credit cards.
Hours: Sunday, 5 p.m.-9 p.m.; Tuesday-Thursday, 5:30 p.m.-10 p.m.; Friday-Saturday, 5:30 p.m.-11 p.m.
Reservations: Recommended.
Parking available.

Lacroix at The Rittenhouse

The Rittenhouse Hotel, 210 W. Rittenhouse Square, Philadelphia
215-790-2533; Fax: 215-546-9858
www.rittenhousehotel.com
Atmosphere: Modern and elegant setting.
Cuisine: French.
Average dinner for two: \$51 to \$75.
Neighborhood: Rittenhouse Square.
Attire: Dressy.
Credit cards accepted: All major credit cards.
Hours: Breakfast: 7 a.m.-10:30 a.m., daily; brunch: Sunday, 11 a.m.-2:30 p.m.; lunch: Monday-Saturday, 11:30 a.m.-2:30 p.m.; dinner: 5:30 p.m.-10 p.m., nightly.
Reservations: Recommended.

Le Bec-Fin

1523 Walnut St., Philadelphia
215-567-1000; Fax: 215-568-1151
www.lebecfin.com
Atmosphere: Providing a memorable dining experience.
Cuisine: French.
Specialties: Cassolette of snails in a champagne and hazelnut garlic butter sauce.
Average dinner for two: Over \$100.
Neighborhood: Rittenhouse Square.
Attire: Jacket required.
Credit cards accepted: All major credit cards.
Hours: Lunch: two seatings, 11 a.m. and 1 p.m.; dinner: two seatings, 6 p.m. and 9 p.m.
Reservations: Recommended.
Valet parking available.

Le Castagne

1920 Chestnut St., Philadelphia
215-751-9913; Fax: 215-751-9919
www.lecastagne.com
Atmosphere: Sleek, modern and elegant dining experience.
Cuisine: Italian.
Specialties: Fresh pasta dishes.
Average dinner for two: \$76 to \$100.
Neighborhood: Center City.
Attire: Business casual.
Credit cards accepted: American Express, Diner's Club, MasterCard, Visa.
Hours: Lunch: Monday-Friday, noon-2 p.m.; dinner: Monday-Thursday, 5:30 p.m.-9:30 p.m., Friday-Saturday, 5:30 p.m.-10 p.m.
Reservations: Recommended.
Parking available.

Loie

128 S. 19th St., Philadelphia
215-568-0808; Fax: 215-568-2775
www.loie.info

Atmosphere: Relaxed, sophisticated atmosphere with Art Nouveau inspired decor.

Cuisine: French.
Average dinner for two: \$26 to \$50.
Neighborhood: Rittenhouse Square.
Attire: Casual.
Credit cards accepted: American Express, Discover, MasterCard, Visa.
Hours: Lunch: Tuesday-Sunday, 11:30 a.m.-5 p.m.; dinner: 5 p.m.-10 p.m. nightly.
Reservations: Recommended.

Lucy's Hat Shop

247 Market St., Philadelphia
215-413-1433; Fax: 215-568-0582
www.lucys.info
Atmosphere: Relaxed atmosphere.
Cuisine: Continental.
Average dinner for two: \$26 to \$50.
Neighborhood: Old City.
Attire: Casual.
Credit cards accepted: American Express, Discover, MasterCard, Visa.
Hours: Sunday, noon-10 p.m.; Monday-Saturday, 5 p.m.-2 a.m.

M**Maccabeam Restaurant**

128 S. 12th St., Philadelphia
215-922-5922; Fax: 215-922-5973
Atmosphere: Friendly Israeli service.
Cuisine: Middle Eastern.
Specialties: Fresh pita.
Average dinner for two: \$26 to \$50.
Neighborhood: Center City.
Attire: Casual.
Credit cards accepted: All major credit cards.
Hours: Sunday, noon-8 p.m.; Monday-Thursday, 11 a.m.-8 p.m.; Friday, 11 a.m.-3 p.m.
Reservations: Recommended.
Parking available.

Maggiano's Little Italy

1201 Filbert St., Philadelphia
215-567-2020; Fax: 215-567-2002
www.maggianos.com
Atmosphere: Pre-war Little Italy-style restaurant with red and white checked tablecloths and a lively atmosphere.
Cuisine: Italian.
Specialties: Southern Italian cuisine offered a la carte or family style.
Average dinner for two: \$76 to \$100.
Neighborhood: Center City.
Attire: Casual.
Credit cards accepted: All major credit cards.
Hours: Sunday, noon-10 p.m.; Monday-Thursday, 11 a.m.-10 p.m.; Friday-Saturday, 11 a.m.-11 p.m.
Reservations: Recommended.
Parking available.
Valet parking available.

Marmont Steakhouse & Bar

222 Market St., Philadelphia
215-923-1100; Fax: 215-923-2228
www.marmont.net
Atmosphere: Modern twist on a steakhouse.
Cuisine: Steak.
Average dinner for two: \$76 to \$100.
Neighborhood: Old City.
Attire: Business casual.
Credit cards accepted: All major credit cards.
Hours: Dinner: 4 p.m.-11 p.m., nightly; bar: 4 p.m.-2 a.m.
Reservations: Not accepted.

Marrakesh Restaurant

517 S. Leithgow St., Philadelphia
215-925-5929; Fax: 215-627-6107
Atmosphere: Exotic and dimly lit; a replica of a Moroccan home.
Cuisine: Moroccan.
Specialties: Authentic seven-course Moroccan feast.
Average dinner for two: \$51 to \$75.
Neighborhood: South Street.
Attire: Casual.
Credit cards accepted: Credit cards not accepted.
Hours: 5:30 p.m.-11 p.m., nightly.
Reservations: Recommended.

Matyson

37 S. 19th St., Philadelphia
215-564-2925; Fax: 215-564-2926
www.matyson.com
Atmosphere: Casual and sophisticated

atmosphere.

Cuisine: American.
Average dinner for two: \$26 to \$50.
Neighborhood: Rittenhouse Square.
Attire: Casual.
Credit cards accepted: MasterCard, Visa.
Hours: Lunch: Monday-Friday, 11 a.m.-2:30 p.m.; dinner: Monday-Thursday, 5 p.m.-10 p.m.; Friday-Saturday, 5 p.m.-11 p.m.
Reservations: Recommended.

McCormick & Schmick's Fresh Seafood Restaurant

1 S. Broad St., Philadelphia
215-568-6888; Fax: 215-568-2066
Atmosphere: Warm and energetic dining room and bar.
Cuisine: Seafood.
Specialties: Stuffed salmon.
Average dinner for two: \$76 to \$100.
Neighborhood: Center City.
Attire: Business casual.
Credit cards accepted: American Express, Discover, MasterCard, Visa.
Hours: Sunday, 4 p.m.-10 p.m.; Monday-Friday, 11:30 a.m.-11 p.m.; Saturday, noon-midnight.
Reservations: Recommended.

Melrose Diner

1501 Snyder Ave., Philadelphia
215-467-6644; Fax: 215-467-4510
Atmosphere: Casual family-style dining.
Cuisine: American.
Specialties: Hot apple pie with vanilla sauce.
Average dinner for two: Under \$25.
Neighborhood: South Philadelphia.
Attire: Casual.
Credit cards accepted: Credit cards not accepted.
Hours: 24 hours, 7 days a week.
Reservations: Not accepted.
Parking available.

Mexican Post

104 Chestnut St., Philadelphia
215-923-5233; Fax: 215-923-2102
www.mexicanpost.com
Atmosphere: Cozy and casual setting.
Cuisine: Mexican.
Specialties: Authentic Mexican food.
Average dinner for two: \$26 to \$50.
Neighborhood: Old City.
Attire: Casual.
Credit cards accepted: All major credit cards.
Hours: Sunday, noon-11 p.m.; Monday-Tuesday, 11 a.m.-11 p.m.; Wednesday-Thursday, 11 a.m.-11:30 p.m.; Friday, 11 a.m.-1 a.m.; Saturday, noon-2 a.m.
Reservations: Not accepted.
Parking available.

Midtown Continental & Martini Bar

1801 Chestnut St., Philadelphia
215-567-1800; Fax: 215-567-1801
Atmosphere: Colorful multilevel restaurant and lounge featuring swinging basket chairs and a shag carpet ceiling.
Cuisine: Global.
Specialties: Tapas including crispy calamari salad, lobster mashed potatoes, seared tuna with mushroom risotto, Szechwan fried potatoes; over 15 varieties of martinis.
Average dinner for two: \$26 to \$50.
Neighborhood: Center City.
Attire: Casual.
Credit cards accepted: American Express, Diner's Club, MasterCard, Visa.
Hours: Brunch: Saturday-Sunday, 10:30 a.m.-3:30 p.m.; lunch: Monday-Friday, 11:30 a.m.-3:30 p.m.; dinner: Sunday-Wednesday, 5 p.m.-11 p.m., Thursday-Saturday, 5 p.m.-midnight.
Reservations: Not accepted.

Mixto Restaurant

1141 Pine St., Philadelphia
215-592-0363; Fax: 215-592-6417
www.mixtophilly.com
Cuisine: Latin.
Specialties: Latin American and Caribbean cuisine featuring arroz con pollo, ensalada de aguacate y mango and paella valenciana.
Average dinner for two: \$51 to \$75.
Attire: Business casual.
Credit cards accepted: American Express, Discover, MasterCard, Visa.
Hours: Monday-Thursday, 11 a.m.-11 p.m.; Friday, 11 a.m.-midnight; Saturday-Sunday, 8 a.m.-11:30 p.m.

Monk's Cafe

264 S. 16th St., Philadelphia
215-545-7005; Fax: 215-545-7335

Continued on next page

RIMS 2005

April 4, 2005

Continued from previous page

www.monkscafe.com
Atmosphere: Casual cafe.
Cuisine: Belgian.
Specialties: Burgers, mussels, over 200 beer selections including draft Belgian beer.
Average dinner for two: \$51 to \$75.
Neighborhood: Center City.
Attire: Casual.
Credit cards accepted: All major credit cards.
Hours: 11:30 a.m.-1 a.m., nightly.
Reservations: Not accepted.

Monticelli

218 S. 16th St., Philadelphia
 215-985-4844; Fax: 215-545-4550
www.monticellirestaurant.com
Atmosphere: Small intimate dining room on second floor.
Cuisine: Italian.
Specialties: Calamari fritti, cannoli, homemade gnocchi and ravioli, lasagna alla gardinara, osso buco, tiramisu.
Average dinner for two: \$26 to \$50.
Neighborhood: Rittenhouse Square.
Attire: Business casual.
Credit cards accepted: American Express, Discover, MasterCard, Visa.
Hours: Monday-Thursday, 11:30 a.m.-10 p.m.; Friday, 11:30 a.m.-11 p.m.; Saturday, 1 p.m.-11 p.m.
Reservations: Recommended.

Moriarty's Restaurant & Irish Bar

1116 Walnut St., Philadelphia
 215-627-7676; Fax: 215-627-0508
Atmosphere: Warm inviting ambience with dark wood, polished brass, etched green glass and Tiffany pendants.
Cuisine: American.
Specialties: Chicken wings, Irish whiskey wings.
Average dinner for two: Under \$25.
Neighborhood: Center City.
Attire: Casual.
Credit cards accepted: All major credit cards.
Hours: 11 a.m.-2 a.m.
Reservations: Recommended.
Parking available



Moshulu

Morimoto

723 Chestnut St., Philadelphia
 215-413-9070; Fax: 215-413-9075
www.morimotorestaurant.com
Cuisine: Japanese.
Average dinner for two: Over \$100.
Neighborhood: Center City.
Attire: Business casual.
Credit cards accepted: American Express, Diner's Club, MasterCard, Visa.
Hours: Lunch: Monday-Friday, 11:30 a.m.-2 p.m.; dinner: Sunday, 4 p.m.-10 p.m., Monday-Thursday, 5 p.m.-11 p.m., Friday-Saturday, 5 p.m.-midnight.
Reservations: Recommended.

Moshulu

401 S. Columbus Blvd., Philadelphia
 215-923-2500; Fax: 215-829-1604
www.moshulu.com
Atmosphere: Four-masted tall ship transformed into a fine dining venue.
Cuisine: American.
Specialties: Moshulu surf and turf fea-

turing Zinfandel braised short ribs, diver scallops, parsnip cake, leek comfit and a black truffle sauce.
Average dinner for two: Over \$100.
Neighborhood: Delaware Waterfront.
Attire: Business casual.
Credit cards accepted: All major credit cards.
Hours: 11:30 a.m.-2 a.m.
Reservations: Recommended.
Parking available
Valet parking available.

Ms. Tootsies SoulFood Cafe

1314 South St., Philadelphia
 215-731-9045; Fax: 215-387-5378
Atmosphere: Wrought-iron candelabras and green glass votives present an artful elegance.
Cuisine: Southern.
Specialties: Buttery cabbage, collard greens, fried chicken, six cheese macaroni, turkey chops.
Average dinner for two: \$26 to \$50.
Neighborhood: South Street.
Attire: Casual.
Credit cards accepted: American Ex-

press, MasterCard, Visa.
Hours: Sunday, noon-9 p.m.; Wednesday-Thursday, 5 p.m.-10 p.m.; Friday-Saturday, noon-midnight.
Reservations: Not accepted.
Parking available

The Museum Restaurant

Philadelphia Museum of Art, 26th & Benjamin Franklin Parkway, Philadelphia
 215-684-7990; Fax: 215-235-0043
www.philamuseum.org
Atmosphere: Fine dining experience.
Cuisine: American.
Specialties: Specialty menus that complement the museum's major exhibitions. Current menu focuses on Catalan cuisine, inspired by Salvador Dali exhibit.
Average dinner for two: \$26 to \$50.
Neighborhood: Parkway/Fairmount Park.
Attire: Business casual.
Credit cards accepted: All major credit cards.
Hours: Champagne brunch: Saturday-Sunday, 10:30 a.m.-3:30 p.m.; lunch: Tuesday-Friday, 11:30 a.m.-2:30 p.m.; dinner: Friday, 5 p.m.-7:30 p.m.
Reservations: Recommended.
Parking available.

N

Noche

1901 Chestnut St., Philadelphia
 215-568-0551; Fax: 215-568-0582
Atmosphere: Second floor lounge surrounded by windows with Argentinian inspired decor.
Cuisine: Bar and grill.
Specialties: Empanadas, pizza, salads.
Average dinner for two: \$26 to \$50.
Neighborhood: Rittenhouse Square.
Attire: Casual.
Credit cards accepted: American Express, Discover, MasterCard, Visa.
Hours: Dining: 5 p.m.-1 a.m.; bar: 5 p.m.-2 a.m., nightly.

Reservations: Not accepted.

O

Ocean Harbor

1023 Race St., Philadelphia
 215-579-1398
Atmosphere: Bright and contemporary setting.
Cuisine: Chinese.
Specialties: Cantonese dim sum, seafood.
Average dinner for two: Under \$25.
Neighborhood: Chinatown.
Attire: Casual.
Credit cards accepted: American Express, Discover, MasterCard, Visa.
Hours: 10 a.m.-11 p.m., daily.
Reservations: Recommended.

Old Original Bookbinders

125 Walnut St., Philadelphia
 215-925-7027
www.bookbinders.biz
Atmosphere: Historic and recently renovated.
Cuisine: Seafood.
Average dinner for two: \$76 to \$100.
Neighborhood: Old City.
Attire: Dressy.
Credit cards accepted: All major credit cards.
Hours: 5 p.m.-10 p.m.
Reservations: Recommended.

P

Panini's Trattoria

317 Market St., Philadelphia
 215-928-8998; Fax: 215-928-0550
Cuisine: Italian.
Average dinner for two: Under \$25.
Neighborhood: Old City.
Attire: Casual.
Credit cards accepted: American Express, Discover, MasterCard, Visa.
Hours: Monday-Saturday, 10 a.m.-10 p.m.

Continued on next page

Restaurants by locale

Center City

Bellini Grill
 The Capital Grille
 Cibucán Restaurant & Tapas Bar
 Davio's Northern Italian Steakhouse
 Dutch Eating Place
 El Vez
 Ernesto's 1521 Cafe
 Good Dog
 The Grill
 Hard Rock Cafe
 Independence Brew Pub
 Joseph Poon Asian
 Fusion Restaurant
 Kibitz in the City
 Le Castagne
 Maccabeam Restaurant

Maggiano's Little Italy
 McCormick & Schmick's Fresh Seafood Restaurant
 Midtown Continental & Martini Bar
 Monk's Cafe
 Moriarty's Restaurant & Irish Bar
 Morimoto
 Pasion
 Passage to India
 Pod Restaurant
 Pompeii Restaurant
 The Prime Rib
 Rick's Philly Steaks
 Sansom Street Oyster House
 Shiroy Hana Japanese Restaurant
 Shula's Steak House
 Smith & Wollensky Philadelphia

The Smoked Joint: A Barbecue Experience
 SoleFood
 Soto Varalli
 Striped Bass Restaurant
 Susanna Foo Chinese Cuisine
 The Tenth Street Pour House
 Tir na nOg Irish Bar & Grill
 Twenty21
 Upstares at Varalli
 Washington Square
 Zanzibar Blue

Chinatown

Imperial Inn
 Ocean Harbor
 Sang Kee Peking Duck House
 Serendipity
 South East Chinese Restaurant
 Vietnam

Delaware Waterfront

Chart House Restaurant
 Finnigan's Wake
 Moshulu

Old City

Buddakan
 Campo's Deli & Market
 City Tavern
 Continental Restaurant & Martini Bar
 Cuba Libre Restaurant & Rum Bar
 DiNardo's Famous Seafood
 Dolce Restaurant

Farmicia & Beakers Bar
 Fork Restaurant
 Glam Restaurant & Lounge
 Jones
 Lucy's Hat Shop
 Marmont Steakhouse & Bar
 Mexican Post
 Old Original Bookbinders
 Panini's Trattoria
 Paradigm Restaurant
 Philadelphia Fish & Co.
 Ristorante Panorama
 Spasso Italian Grill
 Swanky Bubbles Restaurant & Champagne Bar
 Tangerine
 Warmdaddy's

Parkway/Fairmount Park

Illuminare Ristorante
 The Museum Restaurant
 Rembrandt's Restaurant & Bar
 Rose Tattoo Cafe

Queen Village

Frederick's Italian Cuisine

Rittenhouse Square

Alma De Cuba
 Astral Plane Restaurant
 The Bards
 Bonté
 Brasserie Perrier
 The Cafe Restaurant Bar & Lounge
 Circles Off the Square

Irish Pub
 Lacroix at The Rittenhouse
 Le Bec-Fin
 Loie
 Matyson
 Monticelli
 Noche
 Roy's Restaurant
 Tequila's Restaurant
 Yann Patisserie & Cafe

Society Hill

Angelina
 Bistro Romano
 Positano Coast by Aldo Lamberti

South Philadelphia

Chickie's & Pete's Cafe
 Dante & Luigi's
 Geno's Steaks
 Melrose Diner
 Pat's King of Steaks
 Scannicchio's Restaurant

South Street

Jim's Steaks
 L2
 Marrakesh Restaurant
 Ms. Tootsies SoulFood Cafe

University City

Fatou and Fama
 White Dog Cafe

PHOTO: GPTMC



Philadelphia's Chinatown

RIMS 2005

April 4, 2005

Continued from previous page

Reservations: Not accepted.

Paradigm Restaurant

239 Chestnut St., Philadelphia
215-238-6900; Fax: 215-238-9937
www.paradigmrestaurant.com
Atmosphere: Soho and South Beach setting with casual, yet upscale dining.
Cuisine: Continental.
Specialties: Godiva chocolate soup, grilled ostrich filet.
Average dinner for two: \$76 to \$100.
Neighborhood: Old City.
Attire: Business casual.
Credit cards accepted: All major credit cards.
Hours: Lunch: Tuesday-Friday, 11:30 a.m.-4:30 p.m.; dinner: Tuesday-Thursday, 4:30 p.m.-9:30 p.m., Friday-Saturday, 5 p.m.-11 p.m.
Reservations: Recommended.

Pasion

211 S. 15th St., Philadelphia
215-875-4895; Fax: 215-875-9935
www.pasionrestaurant.com
Cuisine: Latin.
Specialties: Crispy whole fish with fried yuca, mojo criollo, Nicaraguan vigiron salad and black bean sauce; five types of ceviche, smoked ribeye steak.
Average dinner for two: Over \$100.
Neighborhood: Center City.
Attire: Business casual.
Credit cards accepted: All major credit cards.
Hours: Sunday, 5 p.m.-9 p.m.; Monday-Thursday, 5 p.m.-10 p.m.; Friday-Saturday, 5 p.m.-11 p.m.
Reservations: Recommended.

Passage to India

1320 Walnut St., Philadelphia
215-732-7300; Fax: 215-732-7914
www.passage-to-india.com
Atmosphere: elegant and relaxed setting.
Cuisine: Indian.
Specialties: Chicken tikka masala, lamb seekh kabob, samosa, tandoori shrimp.
Average dinner for two: \$51 to \$75.
Neighborhood: Center City.
Attire: Casual.
Credit cards accepted: All major credit cards.
Hours: Sunday, noon-9:30 p.m.; Monday-Thursday, 11:30 a.m.-9:30 p.m.; Friday, 11:30 a.m.-10:30 p.m.; Saturday, noon-10:30 p.m.
Reservations: Recommended.
Parking available.

Pat's King of Steaks

1237 E. Passyunk Ave., Philadelphia
215-468-1546; Fax: 215-271-1892
www.patskingofsteaks.com
Cuisine: American.
Specialties: Philadelphia cheesesteaks.
Average dinner for two: Under \$25.
Neighborhood: South Philadelphia.
Attire: Casual.
Credit cards accepted: Credit cards not accepted.
Hours: 24 hours, 7 days a week.

Philadelphia Fish & Co.

207 Chestnut St., Philadelphia
215-625-8605; Fax: 215-625-9529
www.philadelphiafish.com
Atmosphere: Warm and friendly setting.
Cuisine: Seafood.



Positano Coast by Aldo Lamberti's osso buco

Specialties: Grilled and sautéed seafood, oysters on the half shell, steaks.
Average dinner for two: \$76 to \$100.
Neighborhood: Old City.
Attire: Business casual.
Credit cards accepted: American Express, Diner's Club, MasterCard, Visa.
Hours: Lunch: Monday-Friday, 11:30 a.m.-4 p.m., Saturday, noon-3 p.m.; dinner: Sunday, 4 p.m.-10:30 p.m., Monday-Thursday, 4:30 p.m.-10:30 p.m., Friday, 5 p.m.-midnight, Saturday, 4:30

p.m.-midnight.
Reservations: Recommended.

Pod Restaurant

3636 Sansom St., Philadelphia
215-387-1803; Fax: 215-387-1809
www.podrestaurant.com
Cuisine: Asian.
Specialties: Contemporary Asian cuisine.
Average dinner for two: \$51 to \$75.
Neighborhood: Center City.

Attire: Casual.
Credit cards accepted: American Express, Diner's Club, MasterCard, Visa.
Hours: Sunday, 4 p.m.-10 p.m.; Monday-Thursday, 11:30 a.m.-11 p.m.; Friday, 11:30 a.m.-midnight; Saturday, 4 p.m.-midnight.
Reservations: Recommended.

Pompeii Restaurant

1113 Walnut St., Philadelphia
215-829-4400; Fax: 215-829-4421
www.pompeiirestaurant.com
Atmosphere: Upscale casual, comfortable and quiet.
Cuisine: Italian.
Specialties: Fresh fish, homemade pasta, imported cheese.
Average dinner for two: \$51 to \$75.
Neighborhood: Center City.
Attire: Business casual.
Credit cards accepted: All major credit cards.
Hours: Sunday, 3 p.m.-10 p.m.; Monday-Friday, 11:30 a.m.-11 p.m.; Saturday, 4 p.m.-midnight.
Reservations: Recommended.

Positano Coast by Aldo Lamberti

212 Walnut St., Second Floor, Philadelphia
215-238-0499; Fax: 215-238-0977
www.lambertis.com
Atmosphere: Contemporary dining experience.
Cuisine: Italian.
Specialties: Chilled lobster salad, osso buco, stuffed rigatoni with parsley sauce.

Continued on next page

Restaurants by cuisine

African

Fatou and Fama

American

Astral Plane Restaurant
The Cafe Restaurant Bar & Lounge
Campo's Deli & Market
Chart House Restaurant
Chickie's & Pete's Cafe
Circles Off the Square
City Tavern
Geno's Steaks
Glam Restaurant & Lounge
The Grill
Hard Rock Cafe
Independence Brew Pub
Jim's Steaks
Jones
L2
Matyson
Melrose Diner
Moriarty's Restaurant & Irish Bar
Moshulu
The Museum Restaurant
Pat's King of Steaks
The Prime Rib
Rembrandt's Restaurant & Bar

Rick's Philly Steaks
Rose Tattoo Cafe
The Tenth Street Pour House
Twenty21
Washington Square
White Dog Cafe
Zanzibar Blue

Asian

Buddakan
Joseph Poon Asian Fusion Restaurant
Pod Restaurant
Serendipity
Swanky Bubbles Restaurant & Champagne Bar

Bar and grill

Finnigan's Wake
Good Dog
Noche

Barbecue

The Smoked Joint: A Barbecue Experience

Belgian

Bonté
Monk's Cafe

Chinese

Imperial Inn
Ocean Harbor
Sang Kee Peking Duck House
South East Chinese Restaurant
Susanna Foo Chinese Cuisine

Contemporary

Farmicia & Beakers Bar
Fork Restaurant

Continental

Lucy's Hat Shop
Paradigm Restaurant

Cuban

Alma De Cuba
Cuba Libre Restaurant & Rum Bar

Deli

Kibitz in the City

European

Yann Patisserie & Cafe

French

Brasserie Perrier
Lacroix at The Rittenhouse
Le Bec-Fin
Loie

Global

Continental Restaurant & Martini Bar
Midtown Continental & Martini Bar

Hawaiian Fusion

Roy's Restaurant

Indian

Passage to India

Irish

The Bards
Irish Pub
Tir na nOg-Irish Bar & Grill

Italian

Angelina
Bellini Grill
Bistro Romano
Dante & Luigi's
Davio's Northern Italian Steakhouse
Dolce Restaurant
Ernesto's 1521 Cafe
Frederick's Italian Cuisine
Illuminare Ristorante
Le Castagne
Maggiano's Little Italy
Monticelli
Panini's Trattoria
Pompeii Restaurant
Positano Coast by Aldo Lamberti
Ristorante Panorama
Scannicchio's Restaurant
Spasso Italian Grill
Upstares at Varalli

Japanese

Morimoto
Shiroi Hana Japanese Restaurant

Latin

Cibucán Restaurant & Tapas Bar
Mixto Restaurant
Pasion

Mediterranean

Tangerine

Mexican

El Vez
Mexican Post
Tequila's Restaurant

Middle Eastern

Maccabeam Restaurant

Moroccan

Marrakesh Restaurant

Pennsylvania Dutch

Dutch Eating Place

Seafood

DiNardo's Famous Seafood
McCormick & Schmick's Fresh Seafood
Old Original Bookbinders
Philadelphia Fish & Co.
Sansom Street Oyster House
SoleFood
Soto Varalli
Striped Bass Restaurant

Southern
Ms. Tootsies SoulFood Cafe
Warmdaddy's

Steak

The Capital Grille
Marmont Steakhouse & Bar
Shula's Steak House
Smith & Wollensky Philadelphia

Vietnamese

Vietnam Restaurant



Cuba Libre Restaurant & Rum Bar

PHOTO: GREGORY KATZ / PCVB

Continued from previous page

**Rembrandt's Restaurant & Bar**

Average dinner for two: \$51 to \$75.
Neighborhood: Society Hill.
Attire: Casual.
Credit cards accepted: All major credit cards.
Hours: Sunday, 1 p.m.-9 p.m.; Monday-Thursday, 10 a.m.-10 p.m.; Friday-Saturday, 10 a.m.-11 p.m.

The Prime Rib

1701 Locust St., Philadelphia
 215-772-1701; Fax: 215-790-9979
www.theprimerib.com
Atmosphere: Features elegant 1940s Manhattan supper club decor.
Cuisine: American.
Specialties: Seafood, steak.
Average dinner for two: \$51 to \$75.
Neighborhood: Center City.
Attire: Jacket required.
Credit cards accepted: All major credit

cards.
Hours: 4:30 p.m.-closing, dinner hours vary nightly.
Reservations: Recommended.
 Valet parking available.

R**Rembrandt's Restaurant & Bar**

741 N. 23rd St., Philadelphia
 215-763-2228; Fax: 215-763-7017
www.rembrandts.com
Atmosphere: Romantic dining room and friendly bar.
Cuisine: American.
Specialties: Bouillabaisse, clam chowder, crepes, escargot, gnocchi.

Average dinner for two: \$76 to \$100.
Neighborhood: Parkway/Fairmount Park.
Attire: Casual.
Credit cards accepted: All major credit cards.
Hours: Brunch: Sunday, 11:30 a.m.-2:30 p.m.; lunch: Monday-Saturday, 11:30 a.m.-2:30 p.m.; dinner: Sunday, 5 p.m.-9 p.m., Monday-Thursday, 5:30 p.m.-10 p.m., Friday-Saturday, 5:30 p.m.-11 p.m.
Reservations: Recommended.
Parking available.

Rick's Philly Steaks

Reading Terminal, 12th & Arch St., Philadelphia
 215-925-4320
www.rickssteaks.com
Atmosphere: Casual setting.
Cuisine: American.
Specialties: Philadelphia cheesesteaks.
Average dinner for two: Under \$25.
Neighborhood: Center City.
Attire: Casual.
Credit cards accepted: Credit cards not accepted.
Hours: Monday-Friday, 9 a.m.-4 p.m.; Saturday, 9 a.m.-5 p.m.
Parking available.

Ristorante Panorama

Penn's View Hotel, 14 N. Front St., Philadelphia
 215-922-7800; Fax: 215-922-7642
www.pennsviewhotel.com
Atmosphere: Dramatic setting.
Cuisine: Italian.
Specialties: Authentic and contemporary Italian cuisine.
Average dinner for two: \$51 to \$75.
Neighborhood: Old City.
Attire: Business casual.
Credit cards accepted: American Express, Diner's Club, MasterCard, Visa.
Hours: Sunday, 5 p.m.-9 p.m.; Monday-Thursday, noon-10 p.m.; Friday, noon-11 p.m.; Saturday, 5:30 p.m.-11 p.m.
Reservations: Recommended.
Parking available.

Rose Tattoo Cafe

1847 Callowhill St., Philadelphia
 215-569-8939; Fax: 215-947-9786
www.rosattooocafe.com
Atmosphere: Two-floor restaurant with a garden and greenhouse ambience.
Cuisine: American.
Average dinner for two: \$76 to \$100.
Neighborhood: Parkway/Fairmount Park.
Attire: Casual.
Credit cards accepted: All major credit cards.
Hours: Lunch: Monday, 11:30 a.m.-3 p.m., Tuesday-Friday, 11:30 a.m.-4 p.m.; dinner: Monday-Thursday, 5 p.m.-10 p.m., Friday-Saturday, 5 p.m.-11 p.m.
Reservations: Recommended.

Roy's Restaurant

124 S. 15th St., Philadelphia
 215-988-1814; Fax: 215-988-1867
www.roysrestaurant.com
Atmosphere: A low lit, two-level dining room with a relaxed, hip and elegant tropical feel.
Cuisine: Hawaiian fusion.
Specialties: Blackened ahi tuna, chocolate soufflé, Hawaiian martini.
Average dinner for two: Over \$100.
Neighborhood: Rittenhouse Square.
Attire: Business casual.
Credit cards accepted: All major credit cards.
Hours: Sunday, 5:30 p.m.-9 p.m.; Monday-Thursday, 5:30 p.m.-10 p.m.; Friday-Saturday 5 p.m.-10 p.m.;
Reservations: Recommended.

S**Sang Kee Peking Duck House**

238 N. Ninth St., Philadelphia
 215-925-7532; Fax: 215-627-8544
Cuisine: Chinese.

Specialties: Peking duck.
Average dinner for two: Under \$25.
Neighborhood: Chinatown.
Attire: Casual.
Credit cards accepted: Credit cards not accepted.
Hours: 10 a.m.-11 p.m., daily.
Reservations: Recommended.

Sansom Street Oyster House

1516 Sansom St., Philadelphia
 215-567-7683; Fax: 215-567-0476
www.sansomoysters.com
Atmosphere: Casual.
Cuisine: Seafood.
Specialties: Fresh fish, raw bar.
Average dinner for two: Under \$25.
Neighborhood: Center City.
Attire: Casual.
Credit cards accepted: All major credit cards.
Hours: Sunday, 3 p.m.-9 p.m.; Monday-Saturday, 11 a.m.-10 p.m.
Parking available.

Scannicchio's Restaurant

2500 S. Broad St., Philadelphia
 215-468-3900; Fax: 215-468-3432
Atmosphere: Warm, romantic and friendly.
Cuisine: Italian.
Specialties: Seven fish seafood dish, including calamari, clams, crab, lobster, mussels, scallops and shrimp.
Average dinner for two: Under \$25.
Neighborhood: South Philadelphia.
Attire: Casual.
Credit cards accepted: American Express, MasterCard, Visa.
Hours: Lunch: Monday-Friday, 11:30 a.m.-2:30 p.m.; dinner: Sunday 3p.m.-9p.m., Monday-Thursday, 4:30 p.m.-9:30 p.m.; Friday-Saturday, 4:30 p.m.-10:30 p.m.
Reservations: Recommended.

Serendipity

1009 Arch St., Philadelphia
 215-592-8288; Fax: 215-413-0678
Atmosphere: Contemporary and casual

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setting.
Cuisine: Asian.
Specialties: Sushi bar.
Average dinner for two: Under \$25.
Neighborhood: Chinatown.
Attire: Casual.
Credit cards accepted: American Express, Discover, MasterCard, Visa.
Hours: Tuesday-Sunday, 11:30 a.m.-midnight.
Reservations: Recommended.

Shiroi Hana Japanese Restaurant

222 S. 15th St., Philadelphia
 215-735-4444
www.shiroihana.com
Atmosphere: Contemporary atmosphere.
Cuisine: Japanese.
Specialties: Sushi, tempura, udon sukiyaki.
Average dinner for two: \$51 to \$75.
Neighborhood: Center City.
Attire: Casual.
Credit cards accepted: All major credit cards.
Hours: Lunch: Monday-Friday, noon-2:15 p.m.; dinner: Sunday, 5 p.m.-9 p.m., Monday-Thursday, 5:30 p.m.-10 p.m., Friday, 5:30 p.m.-10:30 p.m., Saturday, 5 p.m.-10:30 p.m.

Shula's Steak House

Wyndham Philadelphia at Franklin Plaza, 17th and Race St.
 215-448-2700; Fax: 215-448-2853
www.donshula.com
Atmosphere: Intimate, upscale, white tablecloth dining with rich, dark wood decor.
Cuisine: Steak.
Specialties: Certified Angus beef, lobster, seafood.
Average dinner for two: Over \$100.
Neighborhood: Center City.
Attire: Business casual.
Credit cards accepted: All major credit cards.
Hours: Sunday-Thursday, 5 p.m.-10 p.m.; Friday-Saturday, 5 p.m.-11 p.m.
Reservations: Recommended.
Valet parking available.

Smith & Wollensky Philadelphia

210 W. Rittenhouse Square, Philadelphia
 215-545-1700; Fax: 215-545-8918
www.smithandwollensky.com
Atmosphere: Inside polished wood floors and brass trim, whimsical American antiques and original artwork.
Cuisine: Steak.
Average dinner for two: \$51 to \$75.
Neighborhood: Center City.
Attire: Business casual.
Credit cards accepted: All major credit cards.
Hours: 11 a.m.-2 a.m., daily.
Reservations: Recommended.

The Smoked Joint: A Barbecue Experience

1420 Locust St., Philadelphia
 215-732-7500; Fax: 215-732-4245
www.smokedjoint.com
Atmosphere: Casual chic and fun dining experience with an open kitchen.
Cuisine: Barbecue.
Specialties: Barbecue brisket, chicken, ribs and pulled pork; grilled pizza, homemade desserts, macaroni and cheese.
Average dinner for two: \$26 to \$50.
Neighborhood: Center City.
Attire: Casual.
Credit cards accepted: American Express, MasterCard, Visa.
Hours: 11:30 a.m.-closing, dinner hours vary nightly.
Reservations: Not accepted.
Parking available.

SoleFood

Loew's Philadelphia Hotel, 1200 Market St.
 215-231-7300; Fax: 215-231-7305
www.solefoodrestaurant.com
Atmosphere: Sleek, upscale dining.
Cuisine: Seafood.
Specialties: Contemporary seafood dishes, steaks.
Average dinner for two: \$76 to \$100.
Neighborhood: Center City.
Attire: Business casual.
Credit cards accepted: All major credit cards.
Hours: Breakfast and lunch: 6 a.m.-2 p.m.; dinner: 5:30 p.m.-10 p.m.
Reservations: Recommended.



Swanky Bubbles Restaurant & Champagne Bar

Soto Varalli

231 S. Broad St., Philadelphia
 215-546-6800; Fax: 215-546-3044
www.varalliusa.com
Atmosphere: Relaxed setting.
Cuisine: Seafood.
Specialties: Seafood coupled with Northern Italian dishes.
Average dinner for two: \$76 to \$100.
Neighborhood: Center City.
Attire: Business casual.
Credit cards accepted: All major credit cards.
Hours: Lunch: Tuesday-Friday, 11:30 a.m.-4:30 p.m.; dinner: Sunday, 4 p.m.-9 p.m., Monday-Saturday, 5 p.m.-closing, dinner hours vary nightly.
Reservations: Recommended.
Parking available.

South East Chinese Restaurant

1000 Arch St., Philadelphia
 215-629-1888; Fax: 215-629-9095
Atmosphere: Friendly and cozy family-style restaurant.
Cuisine: Chinese.
Specialties: Dynasty chicken, roast duck, seafood Szechwan style, vegetarian dishes.
Average dinner for two: Under \$25.
Neighborhood: Chinatown.
Attire: Casual.
Credit cards accepted: American Express, Discover, MasterCard, Visa.
Hours: Sunday, noon-9:30 p.m.; Monday-Thursday, 11:30 a.m.-10:30 p.m.; Friday-Saturday, 11:30 a.m.-11:30 p.m.
Reservations: Recommended.

Spasso Italian Grill

34 S. Front St., Philadelphia
 215-592-7661; Fax: 215-592-7671
www.spassoitaliangrill.com
Atmosphere: Rustic, charming and warm.
Cuisine: Italian.
Average dinner for two: \$51 to \$75.
Neighborhood: Old City.
Attire: Casual.
Credit cards accepted: American Express, Diner's Club, MasterCard, Visa.
Hours: Monday-Friday, 11a.m.-11p.m.; Saturday-Sunday, 4 p.m.-11p.m.
Reservations: Recommended.

Striped Bass Restaurant

1500 Walnut St., Philadelphia
 215-732-4444; Fax: 215-732-4433
www.stripedbassrestaurant.com
Atmosphere: Decor includes marble columns, 28-foot-high ceilings and chocolate brown velvet seats.
Cuisine: Seafood.
Average dinner for two: Over \$100.
Neighborhood: Center City.
Attire: Dressy.
Credit cards accepted: American Express, Diner's Club, MasterCard, Visa.
Hours: Brunch: Sunday, 11:30 a.m.-2:30 p.m.; dinner: Sunday, 5 p.m.-9 p.m., Monday-Thursday, 5 p.m.-10 p.m., Friday-Saturday, 5 p.m.-11 p.m.
Reservations: Recommended.

Susanna Foo Chinese Cuisine

1512 Walnut St., Philadelphia
 215-545-2666; Fax: 215-546-9106
Atmosphere: Elegance in a relaxed atmosphere.
Cuisine: Chinese.
Average dinner for two: Over \$100.
Neighborhood: Center City.
Attire: Business casual.
Credit cards accepted: American Ex-

press, MasterCard, Visa.
Hours: Lunch: Monday-Friday, 11:30 a.m.-2:30 p.m.; dinner Monday-Thursday, 5 p.m.-9:30 p.m., Friday-Saturday, 5 p.m.-10:30 p.m.
Reservations: Recommended.
Valet parking available.

Swanky Bubbles Restaurant & Champagne Bar

10 S. Front St., Philadelphia
 215-928-1200; Fax: 215-928-1308
www.swankybubbles.com
Atmosphere: Sexy candle-lit dining experience with hip and friendly undertones.
Cuisine: Asian.
Specialties: Champagne, sushi.
Average dinner for two: \$76 to \$100.
Neighborhood: Old City.
Attire: Business casual.
Credit cards accepted: All major credit cards.
Hours: Dinner: 5 p.m.-1 a.m., nightly; bar: 5 p.m.-2 a.m.
Reservations: Recommended.
Valet parking available.

T

Tangerine

232 Market St., Philadelphia
 215-627-5116; Fax: 215-627-5117
www.tangerinerestaurant.com
Atmosphere: Drapery and candle-filled dining room create a Moroccan inspired setting.
Cuisine: Mediterranean.
Specialties: Jameson lamb with potato-fennel gratin and roasted pepper tapenade, Moroccan barbecue shrimp with caponata and crispy onions.
Average dinner for two: Over \$100.
Neighborhood: Old City.
Attire: Business casual.
Credit cards accepted: American Express, Diner's Club, MasterCard, Visa.
Hours: Sunday, 5 p.m.-10 p.m.; Monday-Thursday, 5 p.m.-11 p.m.; Friday-Saturday, 5 p.m.-12 p.m.
Reservations: Recommended.

The Tenth Street Pour House

262 S. 10th St., Philadelphia
 215-922-5626; Fax: 215-922-5626
Atmosphere: Cozy and quiet New Orleans-themed restaurant.
Cuisine: American.
Average dinner for two: Under \$25.
Neighborhood: Center City.
Attire: Casual.
Credit cards accepted: Credit cards not accepted.
Hours: Monday-Friday, 7:30 a.m.-3 p.m.; Saturday-Sunday, 8:30 a.m.-3 p.m.
Reservations: Not accepted.
Parking available.

Tequila's Restaurant

1602 Locust St., Philadelphia
 215-546-0181; Fax: 215-546-9953
www.tequilasphilly.com
Atmosphere: Warm and quiet setting.
Cuisine: Mexican.
Specialties: Mole sauce, margaritas, over 75 brands of tequila, seafood.
Average dinner for two: \$76 to \$100.
Neighborhood: Rittenhouse Square.
Attire: Casual.
Credit cards accepted: All major credit cards.
Hours: Lunch: Monday-Friday, 11:30 a.m.-2 p.m.; dinner: Sunday-Thursday, 5 p.m.-10 p.m., Friday-Saturday, 5 p.m.-11 p.m.
Reservations: Not accepted.

Tir na nOg-Irish Bar & Grill

1600 Arch St., Philadelphia
 267-514-1700; Fax: 267-514-1706
www.tirnanoghphilly.com
Atmosphere: Inviting.
Cuisine: Irish.
Specialties: Apple tart, double pork chop, Irish oak smoked salmon.
Average dinner for two: \$51 to \$75.
Neighborhood: Center City.
Attire: Casual.
Credit cards accepted: All major credit cards.
Hours: 11:30 a.m.-2 a.m.
Reservations: Recommended.

Twenty21

2005 Market St., Philadelphia
 215-851-6265; Fax: 215-851-6270
www.twenty21.com
Atmosphere: Elegant and

sophisticated.
Cuisine: American.
Specialties: Rack of lamb with dried cherry espresso burgundy sauce and fig-whipped potatoes.
Average dinner for two: Over \$100.
Neighborhood: Center City.
Attire: Dressy.
Credit cards accepted: American Express, Diner's Club, MasterCard, Visa.
Hours: Lunch: Monday-Friday, 11:30 a.m.-3 p.m.; dinner: Monday-Saturday, 5 p.m.-10 p.m.
Reservations: Recommended.
Parking available.

U

Upstares at Varalli

1345 Locust St., Philadelphia
 215-546-4200; Fax: 215-546-3044
www.varalliusa.com
Atmosphere: Windows surround the main dining room offering views of Center City.
Cuisine: Italian.
Specialties: Northern Italian cuisine featuring fresh pasta, risotto and a selection of seafood.
Average dinner for two: \$76 to \$100.
Neighborhood: Center City.
Attire: Business casual.
Credit cards accepted: All major credit cards.
Hours: Sunday, 4 p.m.-9 p.m.; Monday-Saturday, 5 p.m.-closing, dinner hours vary nightly.
Parking available.

V

Vietnam

221 N. 11th St., Philadelphia
 215-592-1163
www.eatatvietnam.com
Atmosphere: Casually elegant dining room.
Cuisine: Vietnamese.
Specialties: Rice vermicelli dishes, soups, spring rolls.
Average dinner for two: \$26 to \$50.
Neighborhood: Chinatown.
Attire: Casual.
Credit cards accepted: All major credit cards.
Hours: Sunday-Thursday, 11 a.m.-9:30 p.m.; Friday-Saturday, 11 a.m.-10:30 p.m.
Reservations: Not accepted.

W

Warmdaddy's

4-6 S. Front St., Philadelphia
 215-627-8400; Fax: 215-627-7074
www.warmdaddys.com
Atmosphere: Casual, comfortable and homey environment with vibrant art and posters of blues artists on the walls.
Cuisine: Southern.
Specialties: Barbecue ribs, bread pudding, collard greens, fried chicken, fried cornmeal-breaded catfish.
Average dinner for two: \$26 to \$50.
Neighborhood: Old City.
Attire: Casual.

Credit cards accepted: All major credit cards.
Hours: Tuesday-Sunday, 5 p.m.-2 a.m.
Reservations: Recommended.
Parking available.

Washington Square

210 Washington Square, Philadelphia
 215-592-7787; Fax: 215-592-7780
www.starr-restaurant.com
Atmosphere: Sophisticated dining room with outside patio.
Cuisine: American.
Average dinner for two: \$51 to \$75.
Neighborhood: Center City.
Attire: Casual.
Credit cards accepted: American Express, Diner's Club, MasterCard, Visa.
Hours: Lunch: Monday-Friday, 11:30 a.m.-2:30 p.m.; dinner: Sunday-Thursday, 5 p.m.-10 p.m., Friday-Saturday, 5 p.m.-midnight.
Reservations: Recommended.

White Dog Cafe

3420 Sansom St., Philadelphia
 215-386-9224; Fax: 215-386-1185
www.whitedog.com
Atmosphere: Eight, antique filled, adjacent dining rooms and two bars offer country-inn charm with a warm, informal setting.
Cuisine: American.
Specialties: Locally grown and raised ingredients.
Average dinner for two: \$76 to \$100.
Neighborhood: University City.
Attire: Business casual.
Credit cards accepted: All major credit cards.
Hours: Brunch: Sunday, 10:30 a.m.-2:30 p.m.; lunch: Monday-Saturday, 11:30 a.m.-2:30 p.m.; dinner: Sunday, 5 p.m.-10 p.m., Monday-Thursday, 5:30 p.m.-10 p.m., Friday-Saturday, 5:30 p.m.-11 p.m.; grill: Monday-Saturday, 2:30 p.m.-1 a.m.
Reservations: Recommended.

Yann Patisserie & Cafe

122 S. 18th St., Philadelphia
 215-586-5250; Fax: 215-586-5116
Atmosphere: Resembles a French country home.
Cuisine: European.
Specialties: French pastries and cakes.
Average dinner for two: Under \$25.
Neighborhood: Rittenhouse Square.
Attire: Casual.
Credit cards accepted: All major credit cards.
Hours: Brunch: Sunday, 10:30 a.m.-3 p.m.; Tuesday-Saturday, 8:30 a.m.-7 p.m.
Parking available.

Zanzibar Blue

The Bellevue, 200 S. Broad St., Philadelphia
 215-732-4500; Fax: 215-732-4550
www.zanzibarblue.com
Atmosphere: Warm and comfortable room with low lighting and cozy booths.
Cuisine: American.
Average dinner for two: \$76 to \$100.
Neighborhood: Center City.
Attire: Business casual.
Credit cards accepted: All major credit cards.
Hours: Brunch: Sunday, 11 a.m.-2 p.m.; dinner: Sunday-Thursday, 5:30 p.m.-11 p.m., Friday-Saturday, 5:30 p.m.-midnight.
Reservations: Recommended.
Valet parking available.



White Dog Cafe