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Business Insurance

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\$5

Feds give health savings accounts a boost

New guidance resolves many employer questions

By JERRY GEISEL

WASHINGTON—Treasury Department and Internal Revenue Service guidance issued last week resolves several key concerns employers and others have raised about health savings accounts, with government officials pledging future rapid resolution of other issues.

The latest guidance, coupling both flexibility and speed, will likely facilitate employer adoption of health savings accounts. Some regard HSAs—which are funded through tax-deductible

contributions by employers and employees and are used to pay for uncovered eligible health care expenses—as highly promising instruments to control health care costs.

“This will keep the momentum going. This provides guidance in areas where we needed answers,” said Joe Walshe, a principal with the human resources services unit of PricewaterhouseCoopers L.L.P. in Washington.

One part of the guidance deals with preventive services. HSAs, under law, must be linked to health insurance plans with minimum annual

deductibles of \$1,000 for individual coverage and \$2,000 for family coverage. While the law creating HSAs said preventive services could be provided on a first-dollar or low-deductible basis by otherwise high-deductible plans linked to HSAs, the regulatory agencies had been bombarded with questions as to what constitutes preventive care.

In response, under Notice 2004-23, the IRS and Treasury provide a safe harbor of benefits that it considers to be preventive and, therefore, not subject to the cost-sharing requirements of the high-deductible plan.

Services in the preventive care safe harbor in-

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Late News

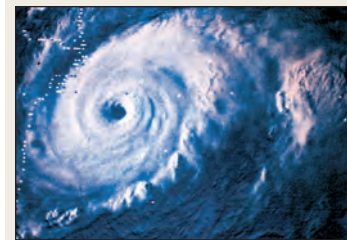


PHOTO: NOAA

Gray team predicts active hurricane season

The Atlantic basin's 2004 hurricane season will see a total of 14 named storms, eight of which will become hurricanes, according to projections by the hurricane forecast team at Colorado State University. The Atlantic hurricane season begins June 1 and ends Nov. 30. An average year sees 5.9 hurricanes and 9.6 named storms, according to the team, headed by Professor of Atmospheric Science William M. Gray. The team's current forecast says at least three “intense” hurricanes—Category 3 or greater—will develop.

Judge faults Allstate on waiver of right to sue

Allstate Insurance Co. did not commit age discrimination when it required its agents to become private contractors, a federal judge ruled. However, the judge



also ruled that Allstate should not have required

the agents to sign releases that waived their right to sue the company. The Equal Employment Opportunity Commission had filed a lawsuit on behalf of the agents on this issue. The litigation stems from the insurer's efforts to convert its 15,000-member agent workforce to independent contractors from regular employees. In ruling on the age bias claim, the judge ruled that employees of all ages had been treated the same.

See LATE NEWS/page 31

Legislation to be drafted Broad support for regulatory reform proposal

By MARK A. HOFMANN

WASHINGTON—A key lawmaker hopes to move quickly on federal legislation intended to improve the quality of state insurance regulation.

The legislation, which has yet to be drafted, would retain state oversight of insurance but rely on a new state-federal partnership to coordinate policy and promote more uniform regulation nationwide.

The proposal enjoys wide support among risk management and insurance trade groups, and even state insurance regulators have expressed support for the plan.

“This could well be our last hearing before the committee” considers legislation that would implement a new regulatory “road map,” said Rep. Richard Baker, R-La., during a hearing on insurance regulatory reform proposals last week.

Rep. Baker, the chairman of the House Financial Services Committee's Subcommittee on Capital Markets, Insurance and Government Sponsored Enterprises, joined with the committee's chairman—Rep. Mike Oxley, R-Ohio—in drafting the proposed road map for reform. Rep. Oxley first un-

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PHOTO: FORD MOTOR CO.

Automakers such as Ford Motor Co. are shifting responsibility for product recall liability to parts suppliers, but a tightening in the insurance market for that coverage is creating challenges for automotive equipment manufacturers.

Exit forces auto parts industry to shift gears Brake applied to recall cover

By CAROLYN ALDRED

As automobile manufacturers increasingly require their component suppliers to bear the risk of recalls due to product defects, many suppliers are carrying this massive exposure without insurance.

Product recall insurance for the automotive component sector has grown scarce in recent months following American International Group Inc.'s decision to withdraw from this line of coverage. Brokers say AIG was the leader in this market for U.S. risks.

Manufacturers are paying more attention to this exposure in the wake of the massive unin-

sured recalls in 2000 and 2001 by the Ford Motor Co. and Bridgestone/Firestone Inc. of defective tires on Ford vehicles.

Auto parts manufacturers and their brokers now are beating a path to the London and Bermuda markets to try to find alternative capacity for product recall insurance. Already some underwriters are starting to step into the void left by AIG's departure, but only on a limited basis.

“During the last five years, vehicle manufacturers increasingly have demanded that suppliers cover the costs of recalls caused by faulty components. Component companies are speaking to us about recall insurance. They feel they are being

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RIMS PREVIEW GUIDE

STAGE IS SET FOR SAN DIEGO

Take-out section inside



RIMS LEADERS FOCUS ON MEMBER NEEDS

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Funding reform compromise passes by wide margin House OKs pension bill

WASHINGTON—The House of Representatives on Friday passed a stop-gap pension funding reform bill, one day after House and Senate conferees adopted the compromise measure.

The Pension Funding Equity Act passed on a bipartisan 336-69 vote, even though Democrats on the conference committee did not support the bill, charging that it would not do enough to help financially ailing multiemployer plans.

The Senate is expected to take up the measure next week, though observers say they don't know whether it has sufficient support to pass.

The bill, like measures passed earlier by the House and Senate, would allow employers in 2004 and 2005 to use the interest rate on a long-

term corporate bond-linked index—instead of the yield on the 30-year Treasury bond—to value plan liabilities.

The Pension Benefit Guaranty Corp. has estimated that such a change, long sought by the business community, would save employers \$80 billion in the next two years, conserving corporate cash.

The measure also grants special funding relief to commercial airlines and steel companies. Employers in those two industries would be partially exempted for 2004 and 2005 from federal rules requiring organizations whose plans are underfunded—generally less than 90% funded—to accelerate contributions to their plans.

In 2004 and 2005, airlines and steel companies would have to

make only 20% of the so-called deficit reduction contribution that would otherwise be required. The bill does not include a provision in the Senate-passed bill extending DRC relief to employers that apply to the Treasury Department.

The bill also allows multiemployer plans that meet certain conditions to defer for two years recognition of most investment losses they incurred in 2002. Democrats on the conference committee had complained that the relief is structured so that only a handful of multiemployer plans would qualify. But Rep. John Boehner, R-Ohio, who chaired the conference committee, said the relief is aimed at those multiemployer plans most in need of help.

—By Jerry Geisel and Gavin Souter

Change in ownership hits treaty Reinsurer seeks to trim American Centennial obligation

By DOUGLAS MCLEOD

NEW YORK—A unit of Gerling Global Re has asked a federal court to affirm an arbitration award cutting its reinsurance obligations to a U.S. insurer in runoff to reflect the impact of the insurer's acquisition by White Mountains Group Ltd.

Gerling Global International Reinsurance Co. (Barbados) Ltd. won the arbitration ruling imposing a 30% cut in certain losses payable under an adverse development reinsurance treaty Gerling wrote for Delaware-domiciled American Centennial Insurance Co. in 1997.

The panel found that a 2001 reorganization—in which ACIC became a subsidiary of a newly recapitalized White Mountains unit—hindered ACIC's ability to commute business with policyholders at favorable discounts. Such discounts would in turn reduce Gerling's reinsurance liabilities to ACIC.

In seeking full reinsurance recov-

eries from Gerling after the restructuring, ACIC breached a treaty provision requiring a reduction of payments in case of any "change in the company's approach" to handling policyholder claims, the arbitration panel found.

Gerling's motion to have the award affirmed by a judge in U.S.



District Court in New York is pending.

ACIC, a large writer of excess property and casualty risks in the 1980s, has been in runoff since 1987. In 1997, ACIC entered into a finite risk adverse development treaty under which Gerling provided a limit of \$30 million excess of a \$10 million ACIC retention on certain blocks of business. Gerling also provided 80% of an additional \$35 million limit excess of \$40 million, court records show.

A dispute between the two sides arose in 2001, after White Mountains had acquired ACIC and contributed its stock to its Folksam America Re subsidiary.

Arguing that the change in ownership structure breached the reinsurance contract, Gerling demanded arbitration and sought to terminate the treaty. ACIC also demanded arbitration and sought a ruling that the ownership change had no effect on Gerling's obligations.

The two sides traded 25,300 pages of documents over months of discovery proceedings, and a three-member arbitration panel heard the dispute over nine days in October 2003. Last December, the panel issued a final award reducing some of Gerling's liabilities under the treaty.

The award hinged on a "claims practices" clause in the treaty providing that if any change in ACIC's claims-handling "approach, method or guidelines...materially

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PHOTO: EPA/SCOTT VARLEY

California Gov. Arnold Schwarzenegger is pushing for changes designed to lower employers' workers compensation costs.

Workers comp reform gaining momentum in several states

By ROBERTO CENICEROS

Reform movements are under way in several states as employers seek to change benefit delivery systems that they blame for high workers compensation costs.

Most of the states where employers are urging such changes have already adopted reform measures within the past decade. But rising insurance costs—and politicians' eagerness to attract jobs to their states—are creating new momentum for additional reforms, employers and workers comp specialists say.

"I've not seen as many state governors pushing for reforms as I have this year since the reform efforts of the early and mid '90s," said Peter Burton, senior division executive for state relations in Wayne, Pa., for the National Council on Compensation Insurance.

"Workers comp reform tends to come in six- to 10-year cycles"

that coincide with rising insurance costs, noted Deborah K. Woolley, president of the Tennessee Chamber of Commerce & Industry in Nashville.

In some cases, employers are confronting issues specific to the jurisdictions in which they operate. In others, they are facing cost drivers with some characteristics common to multiple states. For example, employers in New York, Oklahoma and Tennessee are pushing for changes to permanent partial disability awards.

New York exceeds surrounding states in workers comp expenses, and permanent partial disability benefits are the No. 1 cost driver, said Mark R. Stasko, manager of occupational health services for New Venture Gear Inc., a Syracuse, N.Y.-based auto parts supplier.

New Venture Gear, which self-insures its workers comp exposure, is a member of the New

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Inside Business Insurance

Willis broker testifies at WTC coverage trial

A World Trade Center broker says Lloyd's of London underwriters waived their right to agree to policy wording. **Page 4**

Consumer-driven plans a hard sell to workers

A recent conference looked at the challenges of making employees better consumers of care. **Page 4**

Guidance on HSAs may signal good change

The government's approach toward a new benefit tool is a welcome change from the past, one of this week's editorials says. **Page 8**

Accounting standard demands more disclosure

A new international standard will require insurers to report their gross underwriting liabilities. **Page 25**



U.K. guaranty fund must cover commercial claims

A U.K. ruling will enable commercial policyholders to seek compensation from a guaranty fund that previously paid only personal claims. **Page 25**

Online

• The **Datebook** calendar lists upcoming industry seminars and meetings and allows you to add info on your own event.

• Searchable **directories** of all the listings of industry vendors found in *BI's* Market Sourcebook.

• New **Opinion Poll** for readers: Should the federal government play a direct role in state insurance regulation?

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REPORTING ON CORPORATE RISK AND EMPLOYEE BENEFIT MANAGEMENT NEWS.

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Near North owner Segal preparing defense

Legal team argues that no insurers were harmed by alleged fund deficit

By SALLY ROBERTS

CHICAGO—Near North Insurance Brokerage Inc. and its owner, Michael Segal, had no intent to defraud anybody because no insurer suffered any loss due to Near North's alleged premium fund trust account deficit, Mr. Segal's legal defense team argued in court papers filed earlier this week.

In the federal fraud trial against Mr. Segal and the Chicago-based

brokerage set to begin April 19, the defense plans to introduce evidence that customers' premiums were paid to insurers on a timely basis and that there "was not even a risk of loss to carriers due to the amount of assets held by Near North and available to carriers or creditors in the event of any nonpayment of a premium," court papers say.

Furthermore, the defense will seek to establish that the government's cooperating witnesses in-

clude a contingent of former Near North employees who attempted to extort Mr. Segal into surrendering equity in and control of Near North, which he solely owns.

"The masterminds of the takeover plot, who had access to and control over many of the documents relied on by the government, threatened to destroy defendants by exposing alleged irregularities in the company's accounting records if (Mr.) Segal refused to capitulate to

their unreasonable demands," the defense claims.

Mr. Segal is suing the former employees—Tim Gallagher, Matthew Walsh and Dana Berry—who now work for Aon Corp., in a separate lawsuit.

Mr. Segal was charged with seven counts of insurance fraud, seven counts of mail fraud, one count of wire fraud and one count of racketeering. The government alleges he

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Mr. Segal

Testimony contradicts claim underwriters bound by 'Wilprop'

Lloyd's underwriters waived right to agree to WTC terms: Broker

By DOUGLAS McLEOD

NEW YORK—Lloyd's of London underwriters waived their right to agree to policy wording on the World Trade Center property insurance placement, and their binders are not governed by a Willis Group Holdings Ltd. form that the broker included with its underwriting submission, a Willis official testified last week.



Henry Lawrence, a London-based Willis broker who placed portions of the WTC program at Lloyd's, contradicted the testimony of Lloyd's underwriters that slips binding coverage were tied to the Willis form, known as Wilprop. Courts have ruled that the Wilprop form would treat the WTC's Sept. 11, 2001, destruction as a single event.

"Was it Willis' intention to bind any of the insurance syndi-

cates on any of these four slips to the draft Wilprop form at the time the slips were signed?" asked Marc Wolinsky, a lawyer representing WTC leaseholder Silverstein Properties Inc.

"No, it was not," Mr. Lawrence said.

Instead, Lloyd's underwriters waived their consent to final policy wording and agreed to be bound on a form to be chosen by "co-insurers," Mr. Lawrence said. Because no final form was agreed upon before the terrorist attacks, the syndicates' coverage was governed only by the slips themselves and not by any particular form as of the day of the attacks, he testified.

"So your testimony is, they were bound to no form because it's a stipulated fact that there is no final policy here, correct?" asked Barry Ostrager, a lawyer representing Swiss Reinsurance Co.

"I'm not sure what you mean by...."

"Were they bound to an identifiable form or weren't they?"

"The form is identified 'as per co-insurers,'" Mr. Lawrence replied. "No co-insurers had agreed

See TRIAL/page 6

Harkin seeks employer input on cash balance conversions

By JERRY GEISEL

WASHINGTON—A letter sent to employer and participant groups by a U.S. senator who is influential on cash balance plan issues could be the first step to resolving the legal status of by the plans.

Sen. Tom Harkin, D-Iowa, wrote late last month to six employer and employee benefit groups, stating that employers that already have converted traditional pension plans to cash balance arrangements "need legal certainty."

The failure to adopt sensible policy requirements for plan conversions increases the likelihood that employers will freeze or terminate the plans and offer only defined contribution plans, Sen. Harkin said.

In his letter, Sen. Harkin said that the debate over cash balance plans has reached a "critical point," adding that he wants ideas from a variety of interest groups, "so that we might seize this moment together" and resolve the issue.

An aide to Sen. Harkin said the Iowa Democrat feels a "sense of urgency" on the cash balance plan issue and believes this "is a unique moment in time when a consen-

sus between employee groups and industry groups may actually be achievable."

Sen. Harkin's letter is significant because of the senator's prominence in Congress on cash balance issues and the change in his position the letter represents.

Only last year, the Senate passed an amendment by Sen. Harkin to stop the Treasury Department from implementing cash balance regulations that the agency earlier had proposed and that would have eased, if not ended, the legal uncertainties surrounding the plans.

Those proposed regulations would have made clear that the basic design of cash balance plans—giving plan participants pay-related benefit credits and interest on their account balances—does not violate federal age discrimination law. Congressional conferees later modified the Harkin amendment, keeping the original prohibition—through fiscal 2004—on Treasury implementing the proposed regulations but also directing Treasury to come up with a legislative proposal to provide transition relief for older and longer-service employees when

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Sen. Harkin

Employers Council on Flexible Compensation

Hard sell for new benefit plans

By JOANNE WOJCIK

WASHINGTON—Employers face an uphill battle persuading their employees to accept consumer-driven health care because employees are understandably skeptical due to the failure of managed care, benefit communication experts warn.

Moreover, after nearly two decades of being told what to do, employees have adopted a "learned helplessness" that is the antithesis of active consumerism, these experts point out.

"We really have a marketing problem here," said Suzanne M. Kenney, a consultant at Hewitt Associates Inc. in Lincolnshire, Ill. "It's not effective to tell people they need to be better health care consumers," she said. "They really don't want to."

Employers also have been sending the wrong message through cost-shifting, something to which

95% of employees responding to a recent Hewitt survey are opposed, according to Ms. Kenney.

"We have not successfully conveyed what the benefit to the individual employee is other than their perception of helping to keep the employer's costs down," she said during a session on communicating benefit changes at the Employers Council on Flexible Compensation's 2004 annual conference, held March 25-26 in Washington.

And Ms. Kenney pointed out that even if employees do eventually become convinced that they should be better health care consumers, they do not have the skills necessary to successfully navigate the health care system.

For example, Hewitt researchers have found that employees armed with wallet cards listing questions they should ask their doctors may ask the questions, but they generally do nothing differently even after

obtaining the answers, she said.

By contrast, "when you have a chronic condition, you become a really good consumer of health care. You start asking lots of questions. If you don't agree with the treatment plan, you talk to your doctor; you might find a different doctor," said Karen Frost, also a consultant at Hewitt in Lincolnshire.

"What we're trying to do as we think about consumerism," she explained, "is to get people to that point before they have to go through a chronic condition." Employees should be comfortable asking those kinds of questions ahead of time, Ms. Frost said.

To more effectively convey the message of consumerism, employers should take an integrated approach, combining plan design, implementation and communication strategies, Ms. Kenney advised.

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Errors & omissions

• Due to a production error, an article in the March 29 issue incorrectly reported that Opes Group L.L.C. manages six small physician-owned captives. None of the six captives is physician owned.

• Due to an editing error, an article in the March 29 issue misidentified London-based Miles Smith

Insurance Brokers as Smith Insurance Brokers.

• A March 29 editorial mistakenly stated that A.M. Best Co. provides its full ratings only to entities that have been operating for several years. Last month, the rating agency detailed its new methodology for rating newly formed companies.

Trial: Broker says WTC cover form was not specified

Continued from page 4

to form. So, ultimately, they are bound to no form."

The testimony came in the eighth week of a trial to determine which of two forms—the Wilprop form or another form that Willis was negotiating with Travelers Property Casualty Corp.—governs the participations of Lloyd's underwriters and about a dozen other insurers on the \$3.55 billion WTC property program.

The insurers contend they bound coverage on the Wilprop form and that the WTC's destruction was a single occurrence.

Silverstein argues that the property insurance program was being shifted to the Travelers form in the weeks before Sept. 11 and that insurers either knew that or had waived agreement to policy wording. Silverstein contends that the Travelers form would treat the loss as two occurrences, entitling it to two policy limits.

Mr. Lawrence, an executive director in Willis' North American property division, told jurors last week that he dealt with lead underwriters at Lloyd's on three of the four slips Willis obtained for WTC layers excess of \$500 million, including un-

derwriters with Wellington Underwriting Agencies Ltd. and Faraday Underwriting Ltd.

He contradicted earlier testimony by syndicate officials—including Wellington underwriter Neil Chapman—that coverage under the slips was to be governed by the Wilprop form submitted by Willis until an actual policy was issued.

"There's been testimony from Mr. Chapman that the slip has to be read—and I'm quoting—'hand-in-hand' with the broker's submission. Is that true, sir?" asked Mr. Wolinsky, who is with the firm of Wachtell, Lipton, Rosen & Katz in

New York.

"No, that's not true," Mr. Lawrence said.

Lloyd's underwriters "had stated that they were happy to waive their agreement to the wording," Mr. Lawrence testified. The syndicates never specified the use of a particular policy form other than "as per co-insurers," and never required that a particular definition of "occurrence" be included, he said.

Mr. Lawrence said he was unaware in July 2001 that Willis officials in New York were negotiating with Travelers over the terms of the Travelers form that Silverstein contends should control the program. He also said he was unaware of any form having been chosen to govern the program before the London coverage became effective on July 19, and would not have had any obligation to tell Lloyd's underwriters if he knew a form had been chosen.

"Why not?" Mr. Wolinsky asked.

"Because the underwriters on the layers that I placed...have waived their agreement to the wording. So, ultimately, if they don't want to see it, I wouldn't show it to them. They don't want to know, so I wouldn't tell them," Mr. Lawrence said.

He added that the first time he heard Lloyd's underwriters saying they had bound coverage on the Wilprop form was after the Sept. 11 attacks.

Kenneth W. Erickson, a lawyer with Ropes & Gray in Boston, representing Lloyd's, pointed out that a World Trade Center slip led by Wellington does not identify which of the complex's seven buildings were actually insured under the program.

"Sir, if you had a loss with this slip in place, you would have to look at the underwriting submission"—including the draft Wilprop policy—"to determine whether the building that had been dam-

aged was insured under the placement, wouldn't you?" Mr. Erickson asked.

Mr. Lawrence conceded that "you'd have to look outside the slip," but not necessarily at the underwriting submission.

Mr. Lawrence also resisted describing the program as having been "switched" from the Wilprop form to the Travelers form.

"That presupposes that a wording was in force up until the time that the co-insurer policy was ultimately agreed, which is not the case," Mr. Lawrence testified. "No wording was in force up until the co-insurers' wording was agreed. So we did-

'The underwriters on the layers that I placed... have waived their agreement to the wording. So, ultimately, if they don't want to see it, I wouldn't show it to them. They don't want to know, so I wouldn't tell them.'

Henry Lawrence
Willis Group Holdings Ltd.

n't switch, because we didn't have anything."

Earlier last week, James B. Coyle III, Travelers' underwriter on the WTC placement, testified that he insisted on using a Travelers policy only for Travelers' own participations and not for the program as a whole.

Willis Assistant Vp Timothy Boyd initially had testified that Travelers wanted its form to govern the program, but in the trial's seventh week, he changed his testimony and said that it was Willis' and Silverstein's decision to use Travelers as the controlling form.

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BI adds to sales staff with West Coast hire

Business Insurance has added to its West Coast sales staff.

Laura Booth has joined the magazine as a district manager based in Irvine, Calif.

Ms. Booth will be responsible for advertising sales on the West Coast, the mountain states and Hawaii.

Before joining *Business Insurance*, Ms. Booth was Central States manager at

Workforce Management, a sister publication to *Business Insurance* that is based in Irvine.

Ms. Booth received a bachelor of arts degree in communications, graduating summa cum laude, from California State University at Fullerton.

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Ms. Booth

Paul Winston

Editor Paul Winston's weekly column
will return in the April 12 issue

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Editorial

New rules make HSAs more attractive

WILL HEALTH SAVINGS ACCOUNTS linked to high-deductible insurance plans do a better job of controlling costs than more-traditional designs?

The answer to that question won't be known for several years, but we do know that new guidance from the Treasury Department and the Internal Revenue Service—with more soon to come—provides the information many employers were looking for before they would consider offering the arrangements.

As we report on page 1, government regulators resolved a key issue that could have held up implementation of the plans. Under the law creating HSAs, the arrangements must be linked to plans with at least

a \$1,000 deductible for individual coverage and \$2,000 for family coverage. Employees withdraw funds, which they and/or their employers contribute on a tax-deductible basis, from HSAs to pay for uncovered expenses, such as those falling under the deductible.

The law made clear that the high-deductible plan can provide more generous coverage for preventive care services, but it didn't spell out exactly what constitutes preventive care, an omission regulators have resolved through what seems a very broad list of accepted services.

This was no small issue. Employers want to do whatever they can to encourage employees to utilize preventive services, knowing that the early detection of medical problems

can be extraordinarily cost effective. That is why savvy employers have much lower cost-sharing requirements for preventive services than for other health care services, a design that employers adopting high-deductible HSA-linked plans can continue to offer.

IRS and Treasury Department regulators, in the guidance, also displayed an appreciation for real-world benefit issues that has been rare. Most experts agree, for example, that the law makes clear that prescription drugs, in an HSA-high-deductible plan arrangement—cannot be subject to a separate, lower cost-sharing limit than other medical services.

But in the absence of clear government guidance saying other-

wise, some HSA vendors have offered employers plans with lower, separate limits for drugs. Rather than upset those arrangements, regulators gave them a two-year pass, giving employers enough time to redesign their plans.

Just as important as the common-sense approach in the guidance is the attitude of government officials. The message delivered last week by Treasury Secretary John Snow came across loud and clear: the federal government is committed to making these plans work, through fast, fair guidance, as well as through receptivity to employer input.

We applaud that attitude and hope regulators extend it to other benefit areas.

Keep state reform on course

A PROPOSED "road map" to insurance regulatory reform from members of Congress is a welcome development in the seemingly endless struggle to improve the current system of state regulation.

We praise this effort at improving the regulatory system, even though we can't yet endorse the specifics of the reform plan outlined by House Financial Services Committee Chairman Mike Oxley, R-Ohio. That's because, for now, it exists only as a conceptual rather than legislative document.

We also welcome this effort, even though the proposal falls short of what we've supported for quite a while—a system of optional federal regulation and licensing for insur-

ers, brokers and agents that operate on an interstate basis. Instead, this reform proposal from Rep. Oxley and Rep. Richard Baker, R-La., would strive to achieve greater uniformity and efficiency of the existing state regulatory system. Doing so is simply recognition of today's political reality.

But to succeed, the eventual legislation implementing this road map must set firm deadlines for states to adopt the kind of market and regulatory reforms that Reps. Oxley and Baker are urging. As Rep. Oxley has repeatedly pointed out, state regulators have been promising to push for greater uniformity in insurance regulation for more than 130 years. And while state regulators have made some progress toward the

goal, most of the progress has come in the last few years as Rep. Oxley and other lawmakers have threatened federal intervention—and meant what they said.

Risk managers, insurers, agents and brokers—and some state regulators—have all praised the Oxley-Baker road map. We hope that after federal lawmakers translate the concepts into legislation, the states will follow the route to its desired destination.

If, on the other hand, the states choose to treat it as a map to nowhere, we can only hope that Congress moves swiftly to pursue a different road to real regulatory reform, including consideration of proposals for an optional federal charter.

Schillerstrom



Letters to the Editor

RIMS ready to answer call for TRIA renewal push

To the editor: The Risk & Insurance Management Society Inc. will answer the call to play a key role in determining the Terrorism Risk Insurance Act's fate as charged in "Efforts to Renew TRIA Begin" in your March 22 issue. The leadership that we showed in working to pass TRIA will continue through efforts to extend it.

RIMS will continue our dialogue with the Department of Homeland Security and the Treasury Department to make sure affordable terrorism coverage is available to the business community.

TRIA is an essential coverage for a significant portion of RIMS members and should be reauthorized. Our goal was, and continues to be, stability for policyholders as well as the promotion of a vibrant and healthy insurance and reinsurance industry.

The business community must work with Congress now to ensure that TRIA stays in place for those policyholders that depend on it.

Janice Ochenkowski

Vp-External Affairs

Risk & Insurance Management
Society Inc.
New York

NAIFA's stance puts it out of step with members

To the editor: We've been amused to read about the yelping of some members of the National Assn. of Insurance & Financial Advisors concerning the NAIC Southeastern Zone Resolution asking NAIFA to clarify their new policy supporting, among practically everything else under sun, the ill-fated "dual or federal charter proposal."

In an apparent attempt to hide just how out of touch a minority of NAIFA members are with the over-

See LETTER/page 20

Business Insurance welcomes letters to the editor. The section is intended to be a forum for readers' opinions and comments. We reserve the right to edit letters for clarity or space. We will not publish unsigned letters. Please send your letters to: Letters to the Editor, Business Insurance, 360 N. Michigan Ave., Chicago, Ill. 60601-3806; fax: 312-280-3174; e-mail: pwinston@crain.com

Ask a Casualty Actuary

Reserve statements give best possible forecast

Q: How much confidence should be placed in the insurer loss reserve opinions signed by casualty actuaries?

A: The statement of actuarial opinion, or SAO, provides the public with the assurance that a highly qualified professional views the carried reserves as being reasonable. The SAO does much more than give the



insurer a pass/fail grade on this critical part of the balance sheet. In it, the opining actuary comments on a wide range of potential concerns to investors and policyholders. So, my advice is: Read it carefully. Even a clean opinion may include a host of precautions.

Actuaries take the responsibility of signing an SAO very seriously. No actuary wants to give a clean opinion to understated reserves or to a failing company. Life is too short for that. Actuaries who fail to meet the standards of their profession are subject to the review of a discipline committee that can invoke penalties of appropriate severity.

In the SAO, the actuary briefly comments on the degree of the insurer's exposure to asbestos, environmental and terrorism losses, as well as on the presence of reserve discounting, retroactive or financial reinsurance, underwriting pools and potential reinsurance collectibility problems.

A discussion of material risk factors that might cause reserves to develop adversely is also included. If the insurer's reserves have developed adversely to the extent that it fails any of three key tests, commentary is provided.

In the past decade, the American Academy of Actuaries and the National Assn. of Insurance Commissioners have made great strides in enhancing the value of the SAO. In 2005, another major step will be taken. The opining actuary will have to provide either a point estimate or a range of estimates of the reserves to the regulator in a confidential actuarial summary for comparison with the booked amount.

Understanding the uncertainties inherent to the process of estimating loss reserves is necessary to arrive at an appreciation of the nature of an SAO. Estimating loss reserves is essentially an exercise of forecasting future events based on relevant information from the present and the recent past. Those events are the thousands of decisions that will be made in negotiating the settlement of myriad claims.

As the future unfolds, the legal and claims environment can shift in ways that could not be anticipated based on historical trends and developments.

Furthermore, each claim is unique in its characteristics. As a result, it is virtually certain that total future claim payments will either turn out to be greater or less than projected. And the degree of variation often is quite substantial. In the midst of this uncertainty, the actuary's responsibility is to arrive at an unbiased estimate of needed reserves.

Typically, an actuarial method is based on the assumption that the future will emulate

the past—unless there is some reason to believe otherwise.

In many ways, reserve estimation is analogous to what meteorologists do when they provide weather forecasts, or to what economists do when they attempt to predict inflation rates for the next year or two. The relationship between preceding patterns and subsequent events serves as the basis for a forecast.

The legal and claims environment can shift in ways that could not be anticipated based on historical trends and developments.

There are also parallels to the kinds of analysis performed by stock rating organizations. When an individual stock or group of stocks does not perform in a way that even remotely resembles what these rating organizations indicate, should we question their competence? Of course not. That kind of concern should instead be based on specific evidence of a failure to perform at a level comparable to prevailing practices for such forecasting. As we all know, the stock market and economy behave in a manner that can be only roughly predicted on the basis of past patterns. Almost invariably, there is some significant new development that could not have been foreseen that affects things to a greater extent than trends expected on the basis of a careful analysis of recent patterns.

In recent years, casualty insurers have been hammered with traumatic losses from

asbestos, construction defects, toxic mold, terrorism, unprecedented jury awards and unlikely court decisions—the likes of which had not been seen before. Adverse loss development of casualty insurers has been very substantial.

Actuaries issuing SAOs are doing so with a high level of professionalism. That does not mean, though, that they are able to predict the unpredictable.

Should actuaries build a provision in loss reserves to anticipate the next currently unknowable, catastrophic cause of loss? While I don't believe that a hefty Murphy's Law loading is warranted, perhaps casualty insurers should add 5% to 10% to reserves for this, much as health insurers do. Maybe such a loading would hold up under scrutiny from state regulators or the Internal Revenue Service as it explores the possibility that an insurer had been stuffing money away in reserves to avoid taxes.

Would you like advice from an experienced colleague on a risk management, benefits management or actuarial problem? Three regular features in the Perspectives section of Business Insurance can give you some answers.

Ask A Casualty Actuary answers written questions from readers on risk and benefits management issues and actuarial problems.

This month's column on actuarial issues in the casualty field is written by Richard E. Sherman, president of Richard E. Sherman & Associates Inc. in Ashland, Ore.

Address your questions to ASK, Business Insurance, 360 N. Michigan Ave., Chicago, Ill. 60601. Please give us your name, title and employer; however, Business Insurance will consider unsigned letters.

Computer virus release an 'accident' under policy

An alleged invasion by a hacker into an insured business' computer system and the release of a virus that caused the system to fail was an "accident" for purposes of coverage under a business insurance policy, according to the Court of Appeals of Texas.

Lambrecht & Associates Inc., an employment agency, generates income by matching prospective employers and employees for a fee. All of Lambrecht's employees use computers to communicate with prospective employers and employees. In addition, the computers are used to input various types of information used in the business. In February 2000, the computer system began malfunctioning and performing a number of "illegal functions" and ultimately locked up. None of the stored information could be retrieved, nor could any additional information be loaded. To restore its computer system, Lambrecht had to replace its server and manually re-enter much of its data. The February 2000 monthly income statement showed a decrease in fee income.

Lambrecht was covered under a business insurance policy with Dallas-based State Farm Lloyds covering "accidental direct physical loss to business personal property." Lambrecht filed a claim with the insurer for lost business income and for the expense of restoring the computer system. The insurer

Legal briefs

denied coverage, alleging that the loss occurred when an unauthorized individual gained entry into Lambrecht's systems and released a virus. According to the insurer, this did not constitute an "accident" under the policy. The trial court ruled for the insurer. Lambrecht appealed.

The appellate court said that when viewing the release of the virus into Lambrecht's computer system, there was no evidence in the record to suggest that Lambrecht could have reasonably anticipated the resulting incapacitation of its computer system. Accordingly, the court held that the release of the virus and the resulting damage was an unexpected and unusual occurrence and was, from Lambrecht's viewpoint, accidental. Furthermore, the court said that the policy expressly stated that it would pay for the loss of business income caused by "accidental direct physical loss" to "electronic data and records." The trial court decision was reversed.

Lambrecht & Associates vs. State Farm Lloyds, Court of Appeals of Texas, May 13, 2003, Rehearing Overruled Sept. 4, 2003 (BI/01/My.-\$10)

Computer data, software not 'tangible' property: Court

The 4th U. S. Circuit Court of Appeals ruled that computer data, software and systems were not "tangible" property under a commercial general liability insurance policy that covered liability for property damage.

In October 1999, America Online Inc. released to the public Version 5.0 of its access software. Within a few months, consumers began filing class-action lawsuits against AOL in state and federal courts throughout the country, alleging damage from the installation and operation of Version 5.0 of the software.

These plaintiffs asserted that the software's installation process was defectively designed, causing serious injury to their computer systems and pre-existing software.

AOL was covered under a CGL insurance policy issued by St. Paul Mercury Insurance Co. covering physical damage to tangible property. AOL tendered the defense of these lawsuits to the insurer.

The insurer denied coverage, mainly because the damages claimed were not "property damage" as defined by the policy. AOL brought this suit seeking a declaration from the court that the insurer owed AOL a duty to defend and indemnify it. The trial court ruled for the insurer, and AOL

appealed.

On appeal, the insurer argued that the two types of harm alleged by the consumers—interference with or reconfiguration of non-AOL software and loss of data and information—were injuries not covered by the policy because computer software and data are not "tangible property."

The court said that loss of software or damage to software is damage not to the hardware but to the idea, its logic and its consistency with other ideas and logic. According to the court, regardless of whether the software is rendered unusable, the hardware remains available for instructions and recording.

Thus, the court agreed with the insurer that the plaintiffs sustained software problems that did not amount to physical damage to tangible property.

The trial court decision was affirmed. *America Online Inc. vs. St. Paul Mercury Insurance Co., 4th U.S. Circuit Court of Appeals, Oct. 15, 2003 (BI/03/My. Copies not available due to length)*

These abstracts were prepared by Mayo H. Stiegler. Copies of these decisions are available, at \$10 each, by sending a check payable to Mayo H. Stiegler, to Business Insurance 360 N. Michigan Ave., Chicago, Ill. 60601. Please provide the listed number for each opinion ordered.

April 5, 2004

Perspectives

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Book a valuable resource on U.K. insurance law

"Insurance Disputes"

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By Carolyn Aldred

Do not be put off by the somber appearance of this black, 700-plus-page tome edited by a professor, a queen's counsel and a U.K. appeals court justice. It is a publication that those with an interest in British insurance law will want to have on their shelves as a valuable reference work. And it is also, surprisingly perhaps, a good read.

The book was designed as a reference tool and redone in hardback from a previously published loose-leaf edition. The book's table of contents allows the reader to find a particular area of law with ease. Separately listed are all the legal cases cited and the British and European legislation mentioned in the book. In addition, the book features a complete index.

Notable legal judgments up to May 31, 2003, are included, as are recent changes in legislation and legal practice and procedure. The book's 30 contributors include senior practitioners in insurance law from many of London's leading law firms.

The editors describe the book as a "hands on" working tool, providing comprehensive

Book review

and accessible information for the busy litigator. "The concepts, however subtle and complex, are we hope rendered in a language sufficiently clear as to be capable of ready assimilation to cater for the demands of the contemporary market," the editors note. And they are right. The short and succinct narratives on each area of law, together with summaries of the most important and recent rulings, avoid legalese and can be easily grasped and absorbed even by those with no legal training.

As such, the book would be helpful to insurance brokers, underwriters, claims handlers and risk managers with interests in the United Kingdom and British Commonwealth markets, as well as to lawyers.

For professionals dealing with insurance contracts involving parties and risks in more than one country, the book's third chapter provides a succinct explanation about which system of law governs a contract, along with two easy-to-follow flowcharts to indicate which system should determine a given dispute.

The book also goes beyond the courtroom, looking at how insurance products have changed over the years to meet the changing demands made by and the risks faced by business and society, putting insurance law in a historic and social context. For example, the

introduction to the section on professional liability quotes Victorian authors George Eliot and Elizabeth Gaskell in pointing out how the career category of "professional" has widened considerably from merely the "learned" professions of the church, medicine

and law to now include information technology service providers, the media and tour operators, among numerous others.

Carolyn Aldred is a senior correspondent for Business Insurance in England.

How to submit an article proposal for *Business Insurance's* Perspectives

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American Society of Safety Engineers

Survey leads to quick turnaround of injury trends

By MICHAEL BRADFORD

NEW ORLEANS—When workers and managers blame each other for safety problems, it is important to bridge the gap so that each side can understand the other's concerns, a consultant says.

After two workers were killed in separate accidents at the Rainy River Forest Products mill in Kenora, Ontario, the company brought in a consultant in 1994 to assess the plant's safety culture.

The consultant, J.M. Stewart, president of J.M. Stewart Enterprises

Inc. in Etobicoke, Ontario, said he quickly found that the company's managers and workers largely blamed each other for the safety lapses—and that an unconventional approach would be needed if improvements were to be made.

Mr. Stewart discussed that approach during a presentation at a symposium, held last month in New Orleans, that was sponsored by the American Society of Safety Engineers.

"Most workers blamed management entirely for the problem, and management was equally sure that

the attitude of the workers was the main issue," Mr. Stewart said. Both sides had played a part, he said, but convincing managers of their deficiencies was shaping up as a problem.

While his investigation "pointed quite clearly to management issues and I thought that I could diagnose quite easily what was wrong," management was not interested in hearing from a consultant who was going to blame them for safety problems, Mr. Stewart said.

Taking what he hoped would be a more persuasive approach, Mr.

Stewart decided to conduct a survey using a questionnaire that would help identify the issues management should consider. The survey, which asked eight questions, was completed anonymously by approximately 50 managers, supervisors and workers. "It proved to be an excellent tool to define the problems and convince leaders of them," he said.

Among the questions was one that asked respondents to assess the priority that each gave to safety. "The results were very disturbing," Mr. Stewart said. "Managers were

not giving a high priority to safety. Supervisors were ranking it somewhat higher, but workers gave it very low priority. How could there be good safety if 80% of the workers gave higher priority to costs, quality and volume?" he asked.

In response to another question, the survey found that 64% of managers thought management held safety in high regard yet only 27% of those same respondents thought workers made safety a top priority. The answer by workers was "just the opposite," said Mr. Stewart, and most supervisors thought no one considered safety a high priority.

Those results and others were "very clear and pretty damning," he emphasized. "Workers didn't think management was committed to their safety, let alone driving the agenda with passion. No one put

'Most workers blamed management entirely for the problem, and management was equally sure that the attitude of the workers was the main issue.'

J.M. Stewart,
J.M. Stewart Enterprises Inc.

safety first. Few believed that all injuries could be prevented. Management was seen as inconsistent in setting standards and demanding results," and safety rules were not being followed and enforced, he said.

The company accepted the survey results as a "road map for reform," according to Mr. Stewart. They established a low target rate for workplace injuries and set about to hold down accidents by initiating greater involvement between managers and workers. A thorough review of safety practices was undertaken, and it was determined that, rather than creating new practices, "it was more a matter of getting serious about the ones they already had," he explained.

The paper mill also adopted a consistent enforcement standard.

Results came quickly. Six months after Mr. Stewart began the project, the company completed a quarter without a lost-time injury. From 1995 through 1999, the mill kept that lost-time injury record unblemished.

As for the questionnaire that led to management's enlightenment, Mr. Stewart developed it further, using it in other consulting projects. He called it a "watershed in my consulting and research in safety management."

The survey tool provides a "much better foundation for driving safety performance toward world class than is available with conventional assessment techniques," Mr. Stewart said.

The methods Mr. Stewart developed to measure safety are detailed in a book he wrote, "Managing for World Class Safety," which was published in 2001 by John Wiley & Sons Inc.

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American Society of Safety Engineers

Injury results in major lesson

By MICHAEL BRADFORD

NEW ORLEANS—While it was a minor accident that caused Bechtel Corp. to reassess everything it believed about workplace safety, what the company learned from that incident could provide lessons for other employers that, like Bechtel, are striving to eliminate workplace injuries, according to the construction company's health and safety manager.

Kevin S. Berg, principal vp and manager, corporate environmental safety and health at Frederick, Md.-based Bechtel, acknowledged that, 10 years ago, Bechtel was arrogant when it came to its safety mastery. "We thought that we came into a work location," Mr. Berg said, and left the owner with "a better safety culture" than it had before Bechtel showed up.

Bechtel's swagger was due partly to the worldwide recognition it received because of its low numbers of workplace injuries. "We were seen as being world class a decade ago," Mr. Berg explained during a presentation he made at the American Society of Safety Engineers' safety symposium in New Orleans last month.

And when the goal of "zero accidents" began to take hold in construction and other industries, Bechtel confidently jumped on the bandwagon, Mr. Berg noted. It did so, though, without making changes and "not really even knowing what it meant or having the commitment that is necessary for a true zero-accident culture," he said.

But the turning point for Bechtel came after it signed a \$1.2 billion contract with Shell Oil Co. for a refinery modification that included a commitment "to deliver on what we said we could achieve—zero accidents, in the form of no lost-workday cases," Mr. Berg said.

For the first million work hours, Bechtel had no reportable injuries on the project. Still, the company's understanding of a zero-accident culture was "only in the words," according to Mr. Berg, "not in what really needed to be achieved."

Eventually, an injury occurred that was serious enough to result in lost work time. It was "reasonably minor," Mr. Berg recalled, keeping a carpenter off the job for just a couple of days.

The ramifications of that injury, though, changed what Bechtel thought it knew about world-class safety, Mr. Berg said. The company was "amazed" when it got a written, formal notification from its customer that it had 30 days to rectify an unacceptable safety performance or stand being removed from the project, he said.

"And it shook us to our boots," Mr. Berg said of the notice. It made the giant construction company "look at what we were all about, what we had committed to, where we were going and what zero-accidents was really all about. Everything that we understood to be important with regard to safety and

what we thought we had been doing all this time in delivering these great results" no longer seemed to matter, he noted.

Bechtel began talking to its customers and competitors, and "that word—'arrogance'—came up over and over," he said.

The company came to a series of revelations as it re-evaluated its commitment to safety. Bechtel realized, among other things, that being seen as world class is not good enough unless you had eliminated all workplace injuries, Mr.

Berg said.

Bechtel then took several steps to enhance its safety management and strive to meet its goal of zero injuries, he said.

Discussions with workers taught the company that its employees are its customers, too, he said. Because the workers benefit from excellence in safety, it was important to view them as customers who should be well served, Mr. Berg explained. "That's who we needed to focus on, and we needed to do the right thing

See **BECHTEL**/next page



PHOTO: PHOTOGRAPHER SHOWCASE

Bechtel Corp., a major contractor on the Yucca Mountain nuclear waste storage project in Nevada, won a Star safety award from the U.S. Department of Energy.



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Bechtel: No accident

Continued from previous page for them," he said.

And the company learned that employees need to be equipped by their employer to deal with safety issues, he said.

"Where we came to the point of seeing the light was when an employee said, 'You're telling me I'm responsible for safety, and yet you're not providing me the skills or the knowledge or resources. I don't have the ability to respond,'" Mr. Berg said.

When employees are given the training and resources they need, they are glad to accept the account-

ability that goes with the responsibility, he said.

Mr. Berg said that Bechtel realized its previous effort to promote safety as a "priority" at the company was "the wrong thing to do, because priorities change." Some priorities can be pushed aside for others, he explained.

Mr. Berg said Bechtel had come to realize that safety should instead be a company value, which it considers an uncompromising, unchanging belief.

Mr. Berg warned, though, that a great safety culture should never be used as a competitive tool, as Bech-

tel once considered it to be. Today, the company offers its safety philosophy and methodologies to anyone, in the belief that it has an obligation to share the information with others in the construction industry, he said.

There have been improvements at Bechtel, Mr. Berg noted, but the company has not yet reached its zero-accident target, and, therefore, has a lot of work still to do.

"We are nowhere near where we want to be, because we still have too many near-miss incidents and we are still experiencing injuries and illnesses on our projects. There's still human suffering taking place as a result of our failure to achieve that zero-accident culture that we want to get to."



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American Society of Safety Engineers

U.S. under pressure to enact stronger work safety standards

By MICHAEL BRADFORD

NEW ORLEANS—Safety standards in the United States are lagging behind those set by other countries, and the United States is feeling some pressure to catch up, according to a union safety official.

The United States continues "to fall behind many other parts of the world" in many regards when it comes to safety standards, said James C. Howe, assistant director of the health and safety department at the United Auto Workers in Huntington Woods, Mich.

Mr. Howe noted that, while "we used to have among the best health and safety standards in the world," some of the standard-setting activities these days "are efforts to just sort of catch up or sort of harmonize with the rest of the world, so this gap continues to widen."

Mr. Howe spoke during a session at the American Society of Safety Engineers' Achieving World Class Safety Symposium, held last month in New Orleans.

A "pro-business political environment," "less and less regulation" and a less-influential Occupational Safety and Health Administration have been partly responsible for weakened standards, Mr. Howe said.

Richard A. Pollock, president of Comprehensive Loss Control Management Inc. in Minneapolis, pointed out that OSHA still plays a major role in upholding safety standards.

"OSHA will still be there; they'll still make a presence, and we'll still have to worry about it," Mr. Pollock said.

Many managers still see the agency as a powerful influence, he said. Get a group of managers in a room and ask them the open-ended ques-

tion, "Safety equals?" Mr. Pollock suggested. "I guarantee you, better than 50% will say 'OSHA compliance,' not 'improved productivity,' 'lower business costs' or 'improved profitability.' I've done it; I know."

But as globalization engulfs businesses, safety professionals are seeing more attention directed toward the development of international health and safety standards rather than national standards, Mr. Howe said. "Right now, this global drive to have one set of standards and regulations worldwide is occurring.

It's primarily affecting manufacturing, but it's going to affect every sector; it's just a matter of time," he said.

"One could argue that the days of national standards are limited," Mr. Howe said. "The day is coming when we are going to have only international standards." It is not clear, though, how stringent those standards will be, he said.

Mr. Pollock said that the real question as it relates to the adoption of international standards is, "What kind of a backlash from the business world are we going to see?" Businesses may become dissatisfied with the standards and fight for changes, as has happened in some cases with national standards in the United States, he said.

As international standards develop, risk assessment skills are going to become increasingly valuable, Mr. Howe said.

"Risk assessment is crucial and will become more and more important," he emphasized.

Safety and risk management professionals who are well-versed in risk assessment "are going to be very valuable," according to Mr. Howe. "Safety professionals who don't understand risk assessment are going to have a really hard time doing their jobs."



American Society of Safety Engineers

500 attend conference

NEW ORLEANS—The challenges of achieving world-class safety were on the minds of around 500 people attending a seminar last month sponsored by the American Society of Safety Engineers.

The society held its Achieving World-Class Safety Symposium in New Orleans on March 25-26. The two days of educational sessions featured speakers who advised attendees on how to develop, measure, implement and maintain

successful safety programs. Presenters included representatives of companies that are recognized as having developed superior safety cultures.

The symposium is one of two such meetings on various topics the ASSE holds each year. The next, scheduled for Nov. 11-12 in Scottsdale, Ariz., will cover safety management.

More information on the society is available at www.asse.org.

An Open Invitation To Success

For the first time in its history, the Inland Marine Underwriters Association (IMUA) will welcome nonmembers to its Annual Meeting, Sunday May 16th through Tuesday May 18th, 2004 at the Fairmont Scottsdale Princess, Scottsdale, Arizona.



Here's why you should attend:

- The most knowledgeable commercial inland marine underwriters in the world will be here!
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- You'll learn and acquire information you won't find anywhere else!
- You'll re-energize while you sharpen your skills!
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 - Construction exposure analysis: A case study

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IMUA

INLAND MARINE UNDERWRITERS ASSOCIATION

Letters to the Editor

Continued from page 8

whelming majority of their grassroots members nationwide, NAIFA National has been crying foul, accusing regulators of "meddling" in their affairs. This diversionary tactic is unhelpful and inaccurate.

Southeastern Zone regulators adopted our resolution because we received a number of calls from NAIFA members in our states, and around the country, who believed NAIFA's wishy-washy new policy was ill-advised. They were also concerned the policy was discussed and passed with little prior notice, and under a good deal of persuasive duress from the companies on whom they depend for their livelihood.

The Southeastern Zone Resolution speaks for itself. It was adopted to support the NAIFA members in our states who do not support the new policy as written, and the resolution was passed at their request. NAIFA should, in fact, clarify their new policy to clearly state their support for state regulation, for a federal tools approach if need be, and their continued opposition to a dual or federal charter. As currently written, the NAIFA policy stands for everything, and as a result will lead some NAIFA members to fall for anything.

Contrary to NAIFA's public statements, the new policy demon-

strates NAIFA National is out of touch with their grassroots members; with what is politically doable and practical in the District of Columbia; and tends to hint they are more subservient to some companies than to their members. This is troubling to us, as NAIFA's contrarian new policy will serve to confuse the state legislators whom we are asking to adopt our modernization plan.

We can hear it now: "Mr. State NAIFA president, do I understand your testimony to be you support both state regulation and federal regulation of the insurance business?"

The negative reaction of members of the National Conference of Insurance Legislators and other state legislatures demonstrates how problematic the new NAIFA policy is. Little wonder that many—not just a few—state NAIFA members are concerned that this ambiguous new policy will cause them to lose credibility in the states. Little wonder that they are concerned at having to explain such a position.

We expect to see grassroots NAIFA members from many states seek to amend/clarify this new policy, and we will help in any way we can. This is why we agreed at the NAIC Spring Meeting in New York to pass over having the Southeastern Zone resolution adopted by the entire NAIC. The federal charter is

bad for our fellow consumers, for producers, companies and state governments. In caving to insurer pressure, NAIFA has lost some clout in the states.

Far from "crossing the line," the Southeastern Zone members want to help our local NAIFA friends and we will continue to do so any way we can if they request it. If NAIFA National is indeed a supporter of state regulation, their members will reject the federal charter concept for more practical ideas and support the NAIC's Regulatory Modernization Action Plan in the states. And the yelping is unbecoming. Let's all get moving with our regulatory modernization work in the state capitals.

Jim Long

North Carolina
Insurance Commissioner
Raleigh, N.C.

Mike Pickens

Arkansas Insurance Commissioner
Little Rock, Ark.

Business Insurance welcomes letters to the editor. The section is intended to be a forum for readers' opinions and comments. We reserve the right to edit letters for clarity or space. We will not publish unsigned letters. Please send your letters to: Letters to the Editor, Business Insurance, 360 N. Michigan Ave., Chicago, Ill. 60601-3806; fax: 312-280-3174; e-mail: pwinston@businessinsurance.com

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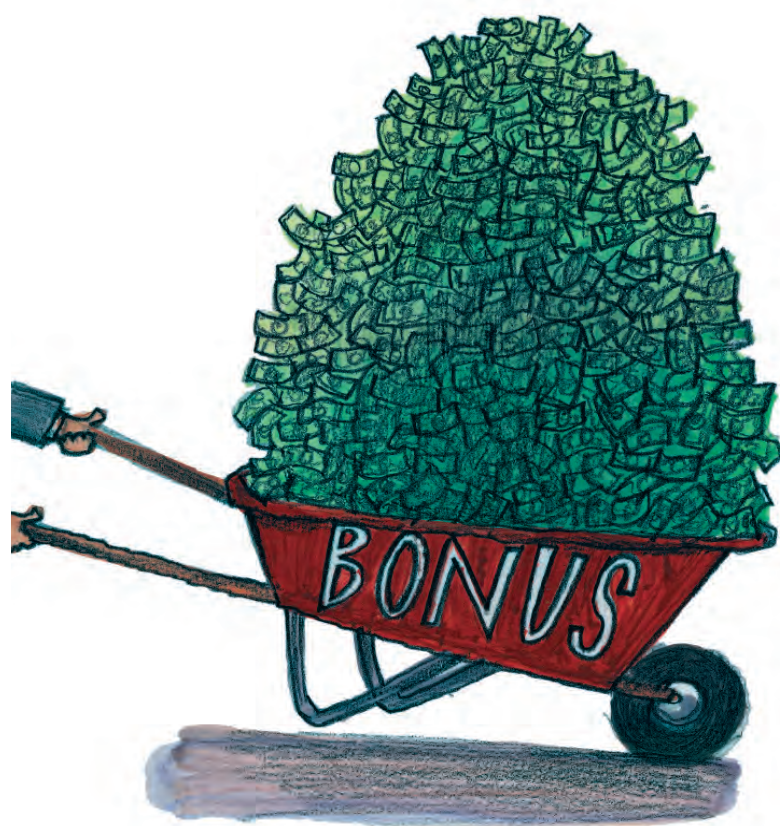
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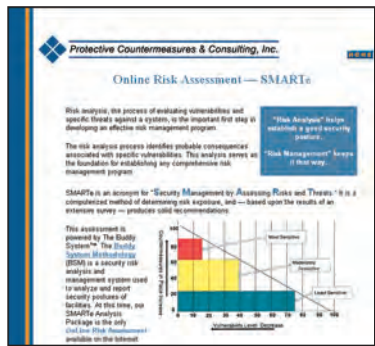
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Products & Services



Online risk tool assesses real estate risks

WHITE PLAINS, N.Y.—Protective Countermeasures & Consulting Inc., a security company specializing in threat and vulnerability assessment services, has launched an online risk evaluation tool for the commercial real-estate industry.

The online program, Security Management by Assessing Risks and Threats, can be used to determine the risks of a particular property. SMART is designed to help risk managers and real-estate professionals assess property vulnerabilities by providing corrective suggestions to avoid a range of exposures such as criminal, terrorist, biological and natural disasters.

To access the online risk management evaluation, the customer is provided with a secure Web site along with a password and user name. The assessment includes about 850 yes-or-no questions and can take up to two hours to complete. Once all the questions have been answered, White Plains, N.Y.-based Protective Countermeasures & Consulting Inc. analyzes the results and provides consultation. The company also provides a detailed

report that outlines the property's critical assets, threats and vulnerabilities, infrastructure and includes corrective suggestions.

More information on SMART can be found by telephoning Alexandra Posadas, director of operations, at 914-697-4777, or by visiting the company's Web site at www.protectivecountermeasures.com.

Program offers savings on obesity surgery

DOWNERS GROVE, Ill.—First Health, a health benefits provider, has created a specialized bariatric surgery network for its clients.

The program intends to help employees obtain affordable and quality service as well as reduce the cost impact of obesity on employers. The Downers Grove, Ill.-based First Health says it will offer its clients savings of up to 50% on this surgical procedure.

The network features surgeons that perform the laparoscopic Roux-en-Y gastric bypass procedure, which reduces the size of the stomach. The program also includes followup care for patients, along with ongoing support activities to help them lead a healthy lifestyle.

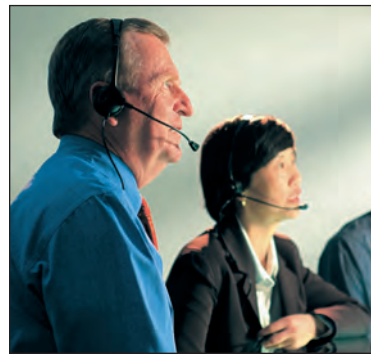
More information can be obtained by visiting the company's Web site at www.firsthealth.com.

Travelers division offers ERISA help line

HARTFORD, Conn.—Travelers Bond, a unit of Travelers Property Casualty Corp., has launched an Employee Retirement Income Security Act help line for its clients.

The ERISA help line is offered

through the Hartford, Conn.-based company's Risk Management PLUS+ program and intends to help employers manage fiduciary liability risks by allowing them to access resource information regarding employee benefits laws.



The help line is staffed by attorneys from the Atlanta-based law firm of Alston & Bird L.L.P. Companies that purchase the Risk Management PLUS+ service can access the help line by calling a toll-free number. A free consultation of up to one hour is then provided by an attorney specializing in ERISA.

For more information, contact Carrie Brodzinski, vp and product manager of fiduciary liability insurance products, at 860-277-2932, or visit the company's Web site at www.travelersbond.com.

AIG company offers new liability products

NEW YORK—American International Group Inc. has separately announced the launch of two liability products offered by National Union Fire Insurance Co. of Pittsburgh, an AIG member

company.

The first product, Risk Capital Protector, provides coverage for venture capital and private equity firms and their managers. Risk Capital Protector insures organizational and managerial liability exposures, including professional service liability, directors and officers liability and investment advisor liability.

The program also provides other related services, such as covering advisory board members and outside executives, as well as providing blanket coverage for existing funds.

The second product, Mutual Fund IDL Premier, was developed to provide D&O coverage for independent board members of mutual funds and the liability exposures they face due to new and pending regulations increasing their responsibilities.

The coverage can be added to an existing D&O policy. It offers primary claims coverage when a mutual fund's standard D&O policy might not protect independent board members. The policy offers nonrescindable coverage for defense costs and settlements as well as a no-retention option when it replaces other D&O policies.

For more information on either of these products, contact the New York office of National Union Fire Insurance Co. by telephoning the company at 877-638-4244 or by sending an e-mail to managementliability@aig.com.

Marsh enhances claims software

NEW YORK—Marsh Inc. is offering additional claims administration features for its STARS version 8.5 Professional Edition, a claims management and risk management information system.

The new features intend to

deliver claims administration support to third-party administrators and insurers that self-administer their claims. The enhancements include medical bill review, workers compensation rules and forms by state, indemnity payment processing and Internet tools for remote access and the ability to bring certain features online.

For more information, contact Aaron Shapiro, vp of Marsh Inc. and national product manager for STARS claims administration, in the company's New York office at 212-345-8438 or at aaron.shapiro@marsh.com.



TVA introduces loss management program

SAN DIEGO—TVA Fire & Safety Inc., a loss control and risk management firm, has developed an online loss control document management product.

The program, TVA Total Vision, provides risk managers and loss control professionals with access to loss control data and documents through the San Diego-based company's Web site. The program has four reporting options, producing a list of all available company site reports and associated files, a list of reports based on select criteria, a recommendations summary report or an executive summary.

For more information, contact Dana Parker, executive vp of business development, at 630-922-6075 or at dparker@tvafiresafety.com.

Benefits directory deadline nears

Business Insurance will publish its online Directory of Employee Benefit Consultants and Benefit Outsourcing Providers in conjunction with the May 31 issue. That issue will include a Benefits Management Take-Out section on benefits consulting and outsourcing and rankings of the top 10 employee benefits consultants and top 10 benefits outsourcing providers.

The directory is published as an editorial service, and there is no charge to be included. Companies must simply submit a completed questionnaire by the extended deadline of April 23.

BI defines benefits consulting as providing advice on benefit issues on a fee-for-service basis. This would not include health care and other claims administration, compensation, and oth-

er general consulting unrelated to benefits or insurance brokerage. This year, we will also be listing and ranking benefits outsourcing providers. To be listed, a company must provide outsourcing services such as the administration of defined contribution plans, defined benefit plans, health and welfare plans or HR/payroll. Revenues must be reported for 2003 and 2002, and at least \$500,000 of total revenues must come from benefits consulting or outsourcing services.

If your company provides these services but has not received a questionnaire, please request one by contacting Directory Editor Kevin P. Edison at 312-649-5279 or kedison@businessinsurance.com, or download the survey from the directory area of www.businessinsurance.com.

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Between the Lines

Compiled by Joanne Wojcik



Climber taking coverage to new heights

As Seattle mountaineer Ed Viesturs makes his sixth assault on the 29,028-foot summit of Mount Everest this week, he won't be using bottled oxygen, but he will be protected by accident and health coverage underwritten by New York-based American International Group Inc.



Mountaineer Ed Viesturs on Mount Everest and Mount Lhotse, inset, in the Himalayas.

The Domestic A&H Division of AIG also is sponsoring Mr. Viesturs' next challenge: Annapurna, the world's only peak higher than 8,000 meters that he has yet to summit.

Mr. Viesturs is attempting to be the first American to reach the summits of the world's 14 highest peaks—all without the use of supplemental oxygen. He is using his climb of Mount Everest, which is being filmed for an IMAX documentary by Mr. Viesturs' longtime friend and fellow climber David Breashears, to acclimate himself for 26,504-foot Annapurna in nearby Nepal.

If successful, Mr. Viesturs will join an elite group of just nine other high-altitude climbers to have accomplished this feat, only seven of whom have done so without the use of bottled oxygen.

Ads stress Canadian drug savings

It may technically be illegal for Americans to purchase drugs from Canada, but that isn't preventing CanadaDrugs.com from advertising how much could be saved by doing so.

"Rx for less. A lot less," touts an advertisement published in the coupon circular stuffed in Sunday's Denver Post, which also claims consumers can save \$100 on a prescription order costing \$250 or more in the United States.

The company, which is featured on the state of Wisconsin's Web site urging residents to buy cross-border prescriptions, is negotiating with at least two other states to obtain their endorsements, said Bill Skubovius, director of business development at the Internet retail pharmacy based in Winnipeg, Manitoba.

CanadaDrugs.com has been advertising in U.S. publications since the spring of 2001; so far, it has filled more than 600,000 online prescriptions, mostly for U.S. citizens, he said.

The U.S. Food and Drug Administration has expressed concerns about the safety of importing drugs from Canada. In response, Mr. Skubovius notes that every order placed with CanadaDrugs.com is checked three times by one of its 20 licensed pharmacists and co-signed by a Canadian physician before being shipped. Furthermore, all of CanadaDrugs.com's products are licensed and approved by the Health Products and Food Branch Inspectorate, the Canadian equivalent of the FDA, the company's Web site states.

Taxing a Treasury official's patience

While talking to employers about the Internal Revenue Service's forthcoming rules governing health savings accounts linked to high-deductible health insurance plans, Kevin Knopf, attorney-adviser in the Office of Tax Policy at the U.S. Treasury Department, shared his frustration.

"The guidance in June is going to address what was my first and most troubling problem, which is how I get my auto-correct in my word processing to quit changing 'HSA' to 'HAS,'" he told the National Business Group on Health Business Health Agenda 2004, held March 17-19 in Washington.

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

Ruling: Arbitration

Continued from page 3

increases (Gerling's) liability under this agreement from what that liability would have been if there had been no such change, the reinsurer shall prepare, and (ACIC) shall accept, an adjustment of the portion of the claims which is reimbursable."

The panel rejected Gerling's claim that White Mountains' December 2000 contribution of ACIC stock to Folksamerica in itself breached the contract, based only on White Mountains' financial strength and Folksamerica's status as an active underwriter.

"Although financial size and being a part of an operating group... may have some impact on an insured's assessment of the likelihood that a runoff insurer will have sufficient assets to meet its liabilities

many years in the future, standing alone they are not dispositive," the panel found.

In June 2001, though, White Mountains acquired OneBeacon Insurance Group, which then assumed ownership of Folksamerica and contributed \$400 million to Folksamerica's surplus.

"ACIC's placement as a subsidiary of actively operating insurers and reinsurers which have a demonstrated record of capital support are factors which in our judgment would significantly affect an insured's analysis of the likelihood of ACIC's ability to pay its claims in the future," the panel found.

The panel noted, for example, that a representative of one ACIC policyholder told the insurer in early 2002 that ACIC "will be around if and when they need them, taking

into consideration the backing of the parent company."

The corporate realignment thus changed ACIC's negotiating position in commutation talks with policyholders, adversely affecting the fortunes of Gerling in breach of the reinsurance treaty, arbitrators ruled.

The panel ordered ACIC to deduct 30% from its reinsurance claims for losses and expenses paid from Jan. 1, 2002, to the Dec. 16, 2003, date of the order on ACIC contracts that were not commuted during that period. Specifically, the panel ruled that Gerling must pay ACIC \$10.6 million, less the 30% reduction on noncommuted contracts, for amounts due through the second quarter of 2003, along with interest. Payments due for the third quarter of 2003 need not include interest if Gerling pays promptly, the order says.

Cologne, Germany-based Gerling Global Re itself entered runoff in October 2002.

Reform: Regulatory plan

Continued from page 1

veiled the proposal during an address to a National Assn. of Insurance Commissioners' meeting in New York last month (BI, March 22).

The legislative road map points to a variety of areas that its sponsors say must undergo reform. These include: more efficient review of insurance products to speed them to market; improved agent licensing procedures; streamlined insurer licensing; more effective and better coordinated market oversight; elimination of price controls; and an improved state-federal partnership.

A six-member "federal-state advisory council," possibly overseen by a federal appointee, would oversee the process even though the federal appointee would have very little direct authority to regulate insurers, according to the Oxley-Baker proposal.

The proposal does not advocate allowing multistate insurers to obtain optional federal charters as an alternative to state regulation.

Janice Ochenkowski, vp-external affairs for the New York-based Risk & Insurance Management Society Inc., testified before Rep. Baker's subcommittee last week that RIMS

still believes "that an optional federal charter will streamline insurance purchasing for consumers, and make the U.S. insurance system significantly more efficient."

But that belief is not shared by all interested parties in the debate over insurance regulation, noted Ms. Ochenkowski, who is also senior vp-risk management for Chicago-based real estate company Jones Lang LaSalle. The Oxley-Baker plan is both "reasonable and attainable," she said. "RIMS fully supports the Oxley-Baker reform proposal, and urges Congress to enact these reforms as soon as possible."

Ms. Ochenkowski said that while the NAIC also has been pushing reforms, the regulatory group's "real strides" have been in the area of personal lines rather than commercial lines.

"You see, the NAIC can only develop model laws; it cannot force state legislatures to adopt them," she said. Even when states adopt model laws, "inevitably changes are made which result in 50 different approaches to regulation of the industry," she said.

Ms. Ochenkowski called for toughening the federal enforcement mechanism called for the Oxley-Baker proposal. A federal coordi-

nator should have "some authority to determine that state laws comply with federal uniform standards," she said.

The proposed road map won praise from almost all witnesses, even those representing organizations that have supported the concept of an optional federal charter.

But J. Robert Hunter, director of insurance for the Consumer Federation of America, called the plan "ill-conceived" and called upon lawmakers to reject it. Mr. Hunter said that if it were translated into law, the road map would violate principles of federalism and could harm the consumers it is meant to help.

But NAIC President Ernst Csizar, who is South Carolina's director of insurance, welcomed the federal proposal. He said that state regulators agree that many areas of regulation need to undergo reform. Some examples of state regulations—such as some states requiring that certain insurance documents be printed on pink paper or banning the use of staples in documents—are "sheer, utter nonsense," Mr. Csizar testified.

"We are with you. We want to be at the table," he told the subcommittee.

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International

25

Guaranty fund must cover claims by commercial policyholders

By SARAH VEYSEY

LONDON—The U.K. policyholder guaranty fund should pay commercial policyholders' claims in addition to its traditional role as a safety net for individual policyholders, the nation's highest court confirmed late last month.

The decision, which let stand a Court of Appeal ruling, will enable commercial policyholders to obtain compensation for claims not met by insurers that fail in the future and those that are currently in schemes of arrangement.

Previously, the London-based Financial Services Compensation Scheme, which was formerly known as the Policyholder Protection Board, only paid out on claims from individual policyholders or

partnerships.

But on March 26, the House of Lords refused the FSCS' petition to appeal a lower court ruling in a test case brought by GeoLogistics Ltd., a Bromley, England-based distribution company.

GeoLogistics bought employers liability insurance from the now-defunct Independent Insurance Co. Ltd.

Independent entered liquidation in June 2001, and GeoLogistics was unable to recover under its policy legal costs incurred in an employee dispute before Independent's collapse.

GeoLogistics argued that compensation under the 1975 act that set up the PPB is not limited to individuals or partnerships, and that

See **RULING**/page 27



PHOTO: NEWSPIX

A ruling by the House of Lords, the highest U.K. court, will let commercial policyholders seek compensation from a guaranty fund.

Standard requires fuller accounting of insurer finances

By SARAH VEYSEY

LONDON—An international accounting standard for insurers and reinsurers is expected to bring greater transparency and comparability to those companies' accounts.

The International Accounting Standards Board last week published a standard aimed at harmonizing accounting practices for insurance companies. Inter-

worthy, a partner at accounting firm Mazars in London.

Isabella Pfaller, head of group accounting and general accounting issues at Munich Reinsurance Co., said the Munich, Germany-based reinsurer welcomes the move to international accounting standards because they "make accounts more transparent and more comparable."

Among the new rules is a provision barring the establishment of reserves for claims under contracts that are not in existence at the reporting date. Many E.U. companies currently hold these so-called "equalization reserves," setting aside a portion of income earned in profitable years to cover future large catastrophes.

Rob Jones, an analyst at Standard & Poor's Corp. in London, said some reinsurers have used such reserves to "smooth out" their results. Indeed, some reinsurers objected to the IASB's move to ban this practice, he noted.

The change will not have an impact on Munich Re, though, said Ms. Pfaller. She explained that the reinsurer does not use equalization reserves, as it prepares its accounts in accordance with U.S. generally accepted accounting principles.

The standard also requires an insurance company to keep insurance liabilities on its balance sheet until they are discharged or canceled or they expire.

While most companies already comply with this requirement, it could affect some that

See **STANDARD**/page 27



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national Financial Reporting Standard 4 (Insurance Contracts) applies to insurance and reinsurance contracts issued by insurance companies and to the reinsurance contracts they purchase, the London-based IASB said in a statement. Under E.U. requirements, all publicly listed insurance companies within the European Union must be in compliance with the standard by 2005.

The new standard will give insurance buyers and other interested parties a clearer view of companies' financial statements and will simplify comparison of companies in different legal jurisdictions, said Andrew Golds-

Company accuses investigators of bias in Australian probe

By ELIZABETH FRY

SYDNEY, Australia—The Commission of Inquiry into the asbestos compensation fund set up by James Hardie Industries N.V. has become steeped in controversy even before the formal hearing begins this week.

James Hardie contends that a pa-

tralia to the Netherlands in 2001, claims it left a sufficient amount in its Medical Research and Compensation Foundation to cover its liabilities, according to actuarial estimates at the time.

But the liabilities have grown, and the foundation now could be inadequate by \$800 million Australian (\$618.4 million), according to New South Wales Premier Bob Carr (*BI*, March 8). James Hardie says it has no duty to meet those liabilities.

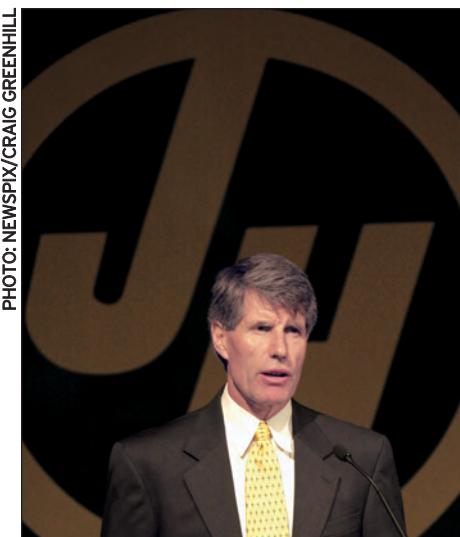
The commission of inquiry was established by the NSW government and is due to begin hearings this week with testimony from the foundation's directors. The findings are expected to be released in June.

Last week, however, the commission head David Jackson, a former federal court judge, circulated an issues paper, which James Hardie's lawyers said implied that the commission had already concluded the company's relocation involved "improper conduct."

"The publication by the commission of conclusory statements...in a nonconfidential document creates the potential for those statements to be reported as findings of the commission. That is manifestly unfair to our clients," said Sydney-based law firm Allens Arthur Robinson, in a statement.

The paper appears to question whether the latest available asbestos

See **INQUIRY**/page 27



James Hardie Industries, headed by CEO Peter Macdonald, has accused investigators of bias toward the company.

per the commission circulated late last month indicates it has already concluded the asbestos manufacturer acted improperly.

The paper and other documents issued by the commission also raise questions about the information that was made available to the fund and its actuaries at the time it was established to meet James Hardie's ongoing asbestos-related liabilities.

James Hardie, a building products company that relocated from Aus-

World Updates

Bahrain eases rule on foreign brokers

The Bahrain Monetary Agency late last month lifted a requirement that foreign brokers and loss adjusters have local partners. In a statement, H.E. Shaikh Ahmed bin Mohammed Al Khalifa, governor of the BMA, said the move was intended to "encourage international firms to use Bahrain as the base for their regional operations."

Hiscox taking on marine, energy risks

Hiscox P.L.C. in London is taking on some marine and energy liability business now written by Berkshire Hathaway Inc.'s Lloyd's of London syndicate 1861. Starting April 1, Hiscox syndicate 33 will offer renewal terms on mostly energy and marine liability risks written by syndicate 1861, managed by Berkshire unit Marlborough Underwriting Agency. Syndicate 1861 will still write marine excess-of-loss and marine hull risks, with quota-share reinsurance from Hiscox.

Bow Mariner salvage efforts completed

Salvage operations for the Bow Mariner tanker, which sank off Virginia in February, are finished. Robert Seward, deputy chairman of Britannia Steamship Insurance Assn. Ltd. in London, said the liability loss may tap the pooling arrangement of the International Group of P&I Clubs—which covers losses of \$5 million to \$50 million—but not exceed that.

Reserve boosts result in SCOR loss

SCOR S.A. had a 314 million euro (\$395.3 million) loss for 2003, vs. a 455 million euro (\$471.4 million) loss in 2002. The 2003 loss stemmed from reserve boosts totaling 307 million euros (\$386.5 million), mainly for pre-2001 U.S. business, the Paris-based reinsurer said. At the end of 2003, reserves were 9.7 billion euros (\$12.21 billion). Gross written premiums fell 26%, to 3.7 billion euros (\$4.66 billion).

Briefly noted

Hannover Re Group's net income rose 32.8%, to 354.8 million euros (\$447.5 million) in 2003. Gross written premiums fell 9.6%, to 11.3 billion euros (\$14.25 billion), which the reinsurer attributed, in part, to a restructuring of its property/casualty portfolio and currency fluctuations....Bermuda-based **Catlin Group Ltd.** has set a price of 350 pence (\$6.35) per share for its initial public offering of \$304 million in stock and listing on the London Stock Exchange.

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LEGAL NOTICE

LEGAL NOTICE

NOTICE OF LIQUIDATION
OF
THE PROTECTIVE NATIONAL INSURANCE
COMPANY OF OMAHA

On February 12, 2004, an Order of Liquidation, Declaration of Insolvency and Injunction was entered in the District Court of Lancaster County, Nebraska ("Liquidation Court"), Case No. C104 502, for The Protective National Insurance Company of Omaha ("Protective National"). L. Tim Wagner, Director of Insurance, State of Nebraska, was appointed Liquidator. Theodore L. Kessner has been appointed Special Deputy Liquidator.

The Order of Liquidation enjoins all persons from instituting or further prosecuting any actions or proceedings against Protective National, the obtaining of judgments or attachments against Protective National, and the levying of execution against Protective National. All persons indebted to or having any property of Protective National are notified to tender an account of the indebtedness or property, and pay the same or deliver the property to the Office of the Liquidator.

The Order of Liquidation requires that all potential claimants file proper Proofs of Claim with the Office of the Liquidator on or before February 12, 2005.

The rights of each claimant shall be considered fixed as of the date of the entry of the Order of Liquidation on February 12, 2004. Only claims for losses actually incurred or reasonably expected to be incurred, based upon facts and circumstances existing and known by the claimant as of the entry of the Order of Liquidation, will be considered in determining the allowable amount of a claim. Valid claims will be submitted for approval by the Liquidation Court.

The completed Proof of Claim must be mailed to:

Office of the Liquidator
The Protective National Insurance Company of Omaha
P.O. Box 45546
Omaha, NE 68145-0546

Do not send the Proof of Claim to the Liquidation Court.

For further information, or to obtain a Proof of Claim form, please direct your written inquiries to the Office of the Liquidator at the address stated above, or access the Nebraska Department of Insurance website: www.nol.org/home/ndoi.

Theodore L. Kessner
Special Deputy Liquidator

PUBLIC NOTICE

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

In re:

Petition of DAVID R. ROSE, as foreign representative of London and Scottish Assurance Corporation Limited, Edinburgh Assurance Company Limited, The Indemnity Marine Assurance Company Limited, The British & European Reinsurance Company Limited, Commercial Union Assurance Company Limited, General Accident Fire and Life Assurance Corporation Limited, General Accident Reinsurance Company Limited, The New Zealand Reinsurance Company (UK) Limited, The Road Transport & General Insurance Company Limited, The Ulster Marine Insurance Company Limited, Scottish Insurance Corporation Limited, The Yorkshire Insurance Company Limited and Ocean Marine Insurance Company Limited,

Project Director in Foreign Reorganization Proceedings, on behalf of the afore-mentioned companies.

Verified Petition Under Section 304

Case No. 04-11829 (PCB)

(Jointly Administered)

NOTICE OF PRELIMINARY INJUNCTION AND PETITION FOR PERMANENT INJUNCTION PURSUANT TO 11 U.S.C. § 304(b)

PLEASE TAKE NOTICE that on March 18, 2004, a petition (the "Petition") in the case under 11 U.S.C. § 304 ancillary to foreign proceedings to effect a Scheme of Transfer (the "Scheme"), pursuant to Part VII of the Financial Services and Markets Act (2000) of the United Kingdom (the "UK"), was filed in respect of London & Scottish Assurance Corporation Limited ("London & Scottish"), Edinburgh Assurance Company Limited ("Edinburgh Assurance"), The Indemnity Marine Assurance Company Limited ("Indemnity Marine"), The British & European Reinsurance Company Limited ("British & European"), Commercial Union Assurance Company Limited ("Commercial Union"), General Accident Fire and Life Assurance Corporation Limited ("General Accident Assurance"), General Accident Reinsurance Company Limited ("General Accident Reinsurance"), The New Zealand Reinsurance Company (UK) Limited ("New Zealand Reinsurance"), The Road Transport & General Insurance Company Limited ("Road Transport"), The Ulster Marine Insurance Company Limited ("Ulster Marine"), Scottish Insurance Corporation Limited ("Scottish Insurance") and The Yorkshire Insurance Company Limited ("Yorkshire") (together, "the Transferees") and The Ocean Marine Insurance Company Limited ("Ocean Marine") (all together, the "Companies") in the United States Bankruptcy Court, Southern District of New York, requesting an order for relief under 11 U.S.C. § 304. A COPY OF THE PETITION, WHICH ATTACHES THE SCHEME, IS AVAILABLE FROM THE UNDERSIGNED UNITED STATES ATTORNEYS FOR THE PETITIONER BY CALLING HERBERT RYDER, ESQ. AT (212) 424-8000 AND AT www.aviva.com/businesstransfer/304; and

PLEASE TAKE FURTHER NOTICE THAT, based upon the Petition and pursuant to 11 U.S.C. § 304(b), the United States Bankruptcy Court for the Southern District of New York has entered a PRELIMINARY INJUNCTION (the relief described in subparagraphs 1 - 3 below being referred to as the "Preliminary Injunction") and ORDER:

1. Enjoining and restraining immediately and until the date on which a final hearing can be held on the merits of the Petition, all persons and entities from commencing any action or proceeding (except in connection with this Petition filed in this Court and the proceeding (the "High Court Proceeding") relating to the Scheme before the High Court of Justice in England (the "High Court")) that collaterally attacks, interferes with the effectiveness of or seeks to render ineffective any part of the High Court Proceeding, and any Orders given by the High Court, provided that the entry of this Preliminary Injunction is without prejudice to the right of any party in interest to seek, upon notice and a hearing, to limit or terminate the Preliminary Injunction prior to the time of a Final Hearing, and further provided that should a party to an action, to which any of the Companies is or becomes a party and which does not collaterally attack or otherwise interfere with the High Court Proceedings, reach a settlement with, or obtain a judgment against any of the Companies or any party that is insured by such of the Companies, such settlement or judgment shall be, prior to the Effective Date, binding on and enforceable against the Company and/or its property to the same extent as would be the case notwithstanding the High Court Proceedings or the Petition, and upon the Effective Date, shall be effective against Ocean Marine;

2. Enjoining any transfer of the Companies' assets which are located in the US to a location outside the US;

3. Approving, pursuant to Federal Rule of Bankruptcy Procedure 7004(b), the form of this Notice and service of this Notice by mail and publication as adequate and sufficient notice for all purposes relating to the Preliminary Injunction and of the dates for a final hearing and for the filing and service of objections, if any, to the relief sought in the Petition;

PLEASE TAKE FURTHER NOTICE THAT, the entry of the Preliminary Injunction is without prejudice to the right of any party in interest to seek, upon notice and a hearing, to limit or terminate the Preliminary Injunction prior to the time of a full hearing on the merits of the Petition and objections, if any, to the relief sought in the Petition; and

PLEASE TAKE FURTHER NOTICE THAT, A COPY OF THE PETITION, WHICH ATTACHES THE SCHEME, IS AVAILABLE FROM THE UNDERSIGNED UNITED STATES ATTORNEYS FOR THE PETITIONER BY CALLING HERBERT RYDER, ESQ. AT (212) 424-8000 AND AT www.aviva.com/businesstransfer/304.

Dated: March 30, 2004
New York, New York

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New York, New York 10019
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Attorneys for Petitioners

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Standard: Full reporting sought

Continued from page 25

use financial mechanisms to shift some liabilities off their balance sheets, Mr. Goldsworthy said.

The standard also says companies must disclose the full amount of their gross underwriting liabilities without offsetting them against any reinsurance the companies may have purchased.

One key aspect of IFRS4 is that some business written by insurers may not be classified as insurance and would not, therefore, be governed by the standard, accountants note.

This change will require insurers to study all of their contracts to ascertain whether they fall under this definition, said Gordon Ireland, a partner in the insurance group at PricewaterhouseCoopers in London.

Some insurance contracts are more like investment contracts, Mr. Ireland explained, and those would therefore fall under other standards currently in development by the IASB.

This classification process will be

a complex and time-consuming undertaking, he added.

The change is not likely, though, to prompt insurers and reinsurers to change the types of business they

The change under the IFRS4 accounting standard is not likely to prompt insurers and reinsurers to change the types of business they write.

Andrew Goldsworthy
Mazars

write, noted Mr. Goldsworthy.

Meanwhile, the 2005 deadline means that companies will have to report their 2005 interim figures in accordance with the standard and be able to present their 2004 figures on an IFRS4 basis for comparability, he said.

The London-based IASB said that publication of IFRS4 marked the

first phase in its work to harmonize international accounting rules for insurance and reinsurance companies.

In phase two, the IASB will issue a standard—expected to take effect in 2007—that will require insurers and reinsurers to account for assets and liabilities on a fair-value basis. Under fair-value accounting, assets and liabilities are recorded at their current market value.

The Paris-based Comité Européen des Assurances, a body representing European insurers and reinsurers, said it generally welcomed a move toward international accounting standards and is helping its members prepare for the next phase of IASB's work.

"The industry's ready to participate in the IASB's next steps on this project," Daniel Schanté, director general of the CEA, said in a statement.

Copies of IFRS4 can be obtained by e-mailing the International Accounting Standards Committee Foundation publications department at publications@iasb.org.

Ruling: U.K. expands guaranty eligibility

Continued from page 25

corporate policyholders should be eligible to recover legal costs from their insurance both before and after an insurer's liquidation.

In a March 2003 hearing in London, a judge ruled that GeoLogistics should receive compensation from the FSCS. The FSCS appealed, and in December 2003 the Court of Appeal upheld the decision.

The case was then referred to the House of Lords, which refused the FSCS' petition to appeal. A spokeswoman for the compensation fund said the organization would not take any further legal action in the matter.

The ruling could leave the FSCS open to about £60 million (\$108.8 million) of commercial insurance claims stemming from Independent, the 2001 failure of Chester Street Insurance Holdings Ltd., and the 1998 collapse of Builders Accident Insurance Co., according to GeoLogistics' lawyer, Gerald O'Ma-

honey, a partner at London-based Davies Arnold Cooper.

Mr. O'Mahoney said that claims from Independent commercial policyholders could alone total £15 million (\$27.2 million).

The FSCS spokeswoman declined to comment on the £60 million estimate but said the FSCS was considering the ruling's implications. "We are going to have to look at what claims now come under the Policyholders Protection Act," she said.

The spokeswoman added that provisions had already been made for costs associated with the GeoLogistics claim.

The FSCS is funded by levies on financial services companies. For 2004, a £130 million (\$236 million) levy has been raised on U.K. property/casualty insurance companies. That levy will not be raised as a result of the House of Lords ruling, the spokeswoman said.

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4. The Bid Documents will be available beginning **April 7, 2004**, at the address below. On receipt of the application, the Bank shall dispatch the bidding documents by courier service. Interested bidders can obtain further information and clarification from the same address

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Corporate General Services and Procurement
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Rue Pierre de Coubertin et Rue Hedi Nourira
BP. 323 - 1002 Tunis Belvédère - TUNISIA

5. The bids should be submitted in sealed envelopes delivered at the address above by **Tuesday, MAY 18, 2004 at 15h 00 Tunis time.**

6. The bids will be opened **ON MAY 18, 2004 at 15H 30 Tunis Time**, in the presence of bidders' representatives, who choose to attend, at the address above.

Inquiry: Bias charged in Australian probe

Continued from page 25

claims data was provided to the foundation's directors and actuarial consultant, Trowbridge Deloitte, when that firm advised James Hardie in February 2001.

James Hardie's lawyers said their client will show that the foundation's directors and their legal advisers were provided with data as of Dec. 31, 2000, which they say was the latest available.

Among other documents the commission released was a March 2003 letter from the foundation's chairman, Sir Llew Edwards, to Peter Macdonald, chief executive officer of James Hardie.

In the letter, Sir Llew stated that many asbestos-related claims would be brought against James Hardie's former Australian holding company, which is now called ABN60 Pty. Ltd. Sir Llew cited a previous offer by James Hardie to transfer assets to the foundation in return for indemnity from future claims, and Sir Llew queried why that would be necessary, when the company had asserted that it was not liable.

A spokeswoman for James Hardie said that the transfer of \$20 million Australian (\$15.5 million) was not ultimately conditional on any indemnity as the company had dropped that request. The Foundation, however, rejected the proposed transfer of assets, and James Hardie instead transferred the assets to an alternative fund called the ABN 60 Foundation.

James Hardie rejects the idea that the proposed transfer to the Foundation was a protective measure. "We sought to pass that money on to the Foundation as we didn't believe it was proper to profit from money set aside for claimants. That

additional money has in fact been provided to the ABN60 Foundation and is therefore still ultimately for the benefit of claimants. It is not a tacit acknowledgement of anything," the spokeswoman said.

In addition to structural issues, the inquiry will hear what caused the massive shortfall in the fund's resources.

In a letter to the Foundation, dated August 29, 2001, Trowbridge Deloitte says that it used claims data to 31 March 2000 for its February 2001 projections, but with the benefit of claims data up to December 31, 2000, it would probably have made material changes to the assumptions initially adopted.

Furthermore, Trowbridge Deloitte says it was never provided with the most recent James Hardie claims data—the nine months to Dec. 31, 2000.

Mr. Macdonald of James Hardie, however, holds that the Foundation had been provided with up-to-date data.

In a letter to Sir Llew, dated October 2003, he wrote: "As a director of ABN 60, you, Sir Llew, received regular updates on the development of Amaca's and Amaba's asbestos related liabilities over an extended period." Amaca and Amaba were the James Hardie operating companies vested to the Foundation. "In addition to the materials provided above, you received a detailed update on the development of asbestos liabilities up to 31 December 2000 in the board papers provided for the February 2001 meeting so that, by the time of the 13 February 2001 meeting, you had all the information on asbestos claims available to ABN 60," according to the letter.

Employers Council on Flexible Compensation

Health care needs innovators

By JOANNE WOJCIK

WASHINGTON—Large-deductible health plans and health savings accounts are just the beginning of the move toward consumer-driven health care, according to an economist researching the nation's health care system.

Eventually, in a truly consumer-driven market, employees will be able to select from a broad range of health plans, from prepaid managed care to large-deductible insurance, said Regina E. Herzlinger, professor of business administration at Harvard Business School and author of several articles and books on the subject. Her 1999 treatise, "Let's Put Consumers in Charge of Health Care," is an Amazon.com E-books bestseller, and she recently published another book, "Consumer-Driven Health Care."

But Ms. Herzlinger explained that, to facilitate such innovation, entrepreneurs must be unleashed onto the health care system now, just as the first entrepreneurs were

unleashed onto the auto industry in the early 1900s. She spoke about entrepreneurship in health care during a keynote address at the Employers Council on Flexible Compensation's 2004 annual conference, held March 25-26 in Washington.

"In the beginning of the 20th century, it cost more to buy a car than to buy a home," Ms. Herzlinger noted. "And this kind of bumpkin came along—he was a farmer—and he said, 'I'm going to make cars that are better and cheaper. In fact, I'm going to make them consumer products that ordinary people can buy, and the cars will be better to boot.' And people said, 'You're an idiot.' Well, his name was Henry Ford."

"Henry Ford is remembered for introducing mass production. He reconceptualized how things were manufactured," and, as a result, "within a decade, automobile ownership went from 10,000 to over 1 million because he did make better, cheaper cars," she said.

"So in a consumer-driven system...you liberate the Henry Fords of the world—who are the people who provide health care services and health care technology—and give them the ability to make better, cheaper products," Ms. Herzlinger said.

Furthermore, she suggested, once an innovation is allowed into the system, it will spawn even more innovation.

Because Henry Ford was regarded as blind to consumer demand for more variety—among the quotes attributed to him is "You can have any color, as long as it's black"—another entrepreneur arrived on the scene, Ms. Herzlinger noted. That entrepreneur, she said, was the businessman Alfred Sloan, who formed General Motors, an amalgam of independent automakers.

"He created distinctive consumer choices, ranging from the Chevrolet all the way up to what was for a long time the best car you could buy—the Cadillac," she said.

"That's a consumer-driven sys-

tem," Ms. Herzlinger asserted. "Cars have become better and cheaper consistently. Ten years ago, it took 30 weeks of income to buy a car. Now it takes 24 weeks of income to buy a car. And cars have become better, more reliable, more stylish, more fuel-efficient."

"That's what happens in a consumer-driven industry by liberating both entrepreneurs who create new products and the kinds of business-people who understand how to appeal to consumers," she said.

"Health insurance is a remarkably undifferentiated product," Ms. Herzlinger noted. By contrast, "there are 240 different models of automobiles. There are 80,000 books published every year. There are 800 magazines. How many types of health insurance policies are there? If you stretch it, maybe two. You pay a little more to get access; you pay less, you don't get access."

"We're going to see a lot more variety in this market," Ms. Herzlinger said. "We're just at the beginning," she said, predicting that U.S. consumers will one day, for example, be able to purchase multiyear policies.

Currently, she noted, health insurance is sold in one-year terms,

and insurers generally have a 20% turnover each year.

"What's wrong with that? Well, it means that you and the insurer are kind of dating. The insurer has no incentive to invest in your long-term health," she said. "One thing that might happen in a consumer-driven system is you'll get five-year insurance policies or 10-year insurance policies. So you're not merely dating; you're in a long-term relationship, which makes sense for you to invest in each other's health."

Health care consumers in Switzerland, a country that already has a consumer-driven health care market, can now purchase multi-year policies, according to Ms. Herzlinger. "And if, at the end of the five years, you are healthier than you would have been at the beginning," she said, "you get 45% of your money back."

In a consumer-driven health care market, medical providers also would be free to price their services to compete for patients, she added.

"It's very important to inject the consumer into the system, but it's also very important to unleash the entrepreneurs in the system so they can make better, cheaper health care," Ms. Herzlinger concluded.

Employers Council on Flexible Compensation

HSAs set new standard of plan

By JOANNE WOJCIK

WASHINGTON—Health savings accounts tied to high-deductible health plans will become the next generation of consumer-driven health plans, one benefit expert predicts.

And because they are portable, they may also provide the transition that permits employers to get out of the health care business, suggests Randall K. Abbott, a senior consultant and national leader for workforce benefit strategies at Watson Wyatt Worldwide in Philadelphia.

And, Mr. Abbott said, the asset accumulation feature of the plans is likely to attract to the business non-traditional providers of health in-

surance—namely, financial institutions. Mr. Abbott spoke during a presentation at the 2004 annual conference of the Employers Council on Flexible Compensation, held March 25-26 in Washington.

"It's tax-advantaged for the employer; it's tax-advantaged for the employee. It can be rolled over. It creates a platform for asset accumulation. It also...serves as a vehicle to accelerate what has been a gradual move to higher and higher deductibles in-network," Mr. Abbott said.

Moreover, "this separates the benefit from the financing. We have an account, which is a financing vehicle. We have a high-deductible health plan, which is a benefit. The employer can really

choose what dials he or she wants to turn. Turn the HSA dial, turn the plan dial or a combination of the two, depending on what you're trying to accomplish. There's an enormous amount of flexibility in defining the allocation of employer-provided dollars between the account and the plan," Mr. Abbott said.

"Also, for those who are interested in migrating to a defined contribution strategy—or potentially getting out of the health care business—these provide us with a platform that will enable us to do that," he said.

Because they are portable, HSAs are essentially "owned" by the individual, not the employer, so "for the employer looking to start distancing from employer-provided

health care, it's a very powerful tool," he added.

Mr. Abbott predicted that the trust account feature of HSAs will likely attract financial institutions into the health plan business to help employees maximize asset accumulation over their lifetimes.

"This entire concept of asset-based plans really changes the whole idea of who's going to be in the health care business," he said. "The next generation of health plan service providers will likely be Fidelity, T. Rowe Price and Citibank and others."

"This movement to create asset accounts brings the entire world of health care to a new level," he said.

"There'll be those who provide the health insurance, the HDHPs, but there'll also be those who are in the account business, and it makes evident sense that it's going to be the financial institutions, the Fidelitys and the Vanguards and the like, partnering with a whole new array of service providers."

"So we'll be moving beyond the traditional Aetna, CIGNA, United, Blue Cross, Principal, whomever," Mr. Abbott predicted. "Those guys may still be out there, but the alliances, the partnerships, the arrangements we will see will be very different. Not necessarily for '05, but over the next couple of years, a very different ballgame."

Consumer driven: Hard sell

Continued from page 4

They also must communicate the change over and over again.

An employer may have a plan design that contains incentives to change, but if the plan is not supported by a delivery model that makes it easy to change, it will fail, she warned.

"This is an ongoing campaign. It is not a single communication that happens at time of enrollment," she stressed.

"Very rarely do we, as employers, have our design people in close arm-in-arm contact with our delivery people, in close arm-in-arm contact with our communicators," Ms. Kenney said. "Typically, we work as a relay race. We figure out the design based on their cost per-

spectives, then we have to figure out a system that's going to allow us to implement that design, get the IT people to change the system and then communicate it at the end. We really want those things to work together."

Communication should also be a two-way street, with employees' responses and concerns taken into consideration when making plan design changes, she said.

"Most employees in U.S. plans right now are in a state of what behaviorists would call 'learned helplessness,'" she explained. "What did we tell them with managed care? 'Don't make any decisions on your own. Get a second opinion. Follow the rules.'"

"We told them...if we follow

these managed care rules, we will solve the health care cost problem," she continued. "We're now coming back 10 or 12 years later, saying, 'That didn't quite work.'"

"Now, employees don't know that we've seen industry consolidation, that we've seen some other forces that have made managed care less effective over time. All they know is they did exactly what we told them to do," she said.

Employees are understandably cynical, Ms. Kenney said.

They're thinking, "'What on Earth would make me trust you that this is going to work, because you told me that last time and it didn't work, and I didn't like that, and now, nothing better has happened?' " Ms. Kenney said.

Employers Council on Flexible Compensation

ECFC event attracts 300

WASHINGTON—Nearly 300 health plan sponsors and administrative service providers attended the 2004 Employers Council on Flexible Compensation Annual Conference, held March 25-26 in Washington.

During this year's conference, new officers were installed for 2004-2006. They are:

- L.H. (Max) Schellman, manager of U.S. benefits at Procter & Gamble Co. in Cincinnati, was elected chairman of the board, succeeding Anthony F. Mazzeo, vp of global benefits at Bristol-Myers Squibb Co. in Princeton, N.J.

- David E. Wilson, president of FlexBen Corp. in Troy, Mich., was elected president, and Kenneth E. Feltman, was elected vp. Mr. Feltman is the immediate past executive director and president of Radnor Inc. in Washington, a certified association management firm.

- Jill K. Youman, vp of global

human resources at Kraft Foods Inc. in Northfield, Ill., was re-elected ECFC's corporate secretary, and Dawn Werle, director of health and welfare plans at PepsiCo Inc. in Purchase, N.Y., was re-elected treasurer.

- Randall Abbott, a senior consultant at Watson Wyatt Worldwide Inc. in Philadelphia, and John Hickman, a partner at law firm Alston & Bird L.L.P. in Atlanta, were elected to the ECFC board for three-year terms.

In addition, Harvey Crosby, chairman of Crosby Benefit Systems in Newton, Mass., Ms. Werle and Jacqueline B. Winston, vp at Colonial Life & Accident Insurance Co. in Columbia, S.C., were re-elected to three-year terms.

The ECFC's 2005 annual conference will be held March 24-25, also in the nation's capital.

For more information on the 2005 meeting or the council, visit www.ecfc.org.

April 5, 2004

Auto: Recall cover

Continued from page 1

squeezed by the manufacturers and cannot afford to buy recall insurance," said Melanie Wiseman, senior legal advisor for the London-based Society of Motor Manufacturers & Traders Ltd., a trade group.

U.S. component manufacturer Delphi Corp. stated in its annual report that product recall is becoming a more significant risk for suppliers because "vehicle manufacturers are increasingly looking to their suppliers for contribution when faced with recalls."

A growing concern

Although most auto component companies and manufacturers would not discuss the issue of product recalls in detail, they agreed the challenge of insuring this risk is causing growing concern in the industry.

The risk manager for a German auto manufacturer, who did not wish to be named, acknowledged that the costs associated with an automotive recalls can be substantial, creating a huge business risk for suppliers that, "given their financial standing, need some protection."

A risk manager for a U.S. auto component supplier, who also did not wish to be named, said that product recall insurance capacity for parts suppliers is "virtually non-existent." His company had a small amount of very limited coverage under a special extended products liability policy, as part of its general liability coverage, but AIG this year refused to provide any umbrella coverage above the policy.

"Insurers do not seem prepared, since Ford/Firestone, to provide coverage at any price," he said, noting that his company is increasing efforts to ensure quality to minimize the risk of defective products. The risk manager said he is considering setting up a captive insurance company to cover its risk.

"There is a need and a desire to secure recall cover, but U.S. insurers are not offering it so auto component companies are looking to Bermuda and London," said the risk manager for another U.S. auto component supplier.

"A recall can cost many times the selling price of the component involved and can feasibly run into many millions of dollars," said another risk manager. "Thankfully, quality practices have risen to meet the challenge so far, but the potential for the 'big one' is always out there with the potential to bring down the whole company," he said, adding that product recall "is the one risk that has the potential to keep me awake at night."

David Lacey, director of risk and insurance for Troy, Mich.-based ArvinMeritor Inc., agreed that a lot of car manufacturers, particularly ones based in Europe, ask suppliers to buy product recall insurance to cover their exposure. However, it is a product that has always been very expensive and often provides only low limits, he said, noting that ArvinMeritor does not buy it.

"It is a business risk we chose to self-insure," he said.

Seeking alternatives

In recent months, brokers have been working hard trying to find markets to replace AIG on product recall programs. AIG was the largest single market for U.S. auto component suppliers, offering up to \$15 million of broad product recall coverage per policyholder through its WorldSource Crisis Management Division, brokers say.

AIG confirmed that "it has reduced its presence in the automotive product recall arena" but would not comment on the reasons for this move. An AIG spokesman noted that its New York-based WorldSource division continues to offer product recall insurance for other industry sectors, including food and beverages, sporting goods and apparel.

The withdrawal of AIG from this line starting last year caught the market by surprise and left brokers and underwriters unprepared to offer alternatives, noted Justin Whitehead, director of Lloyd's of London broker R.K. Harrison Insurance Brokers Ltd.

R.K. Harrison, broker for one of London's leading product recall insurance lineslips for the food and beverage industry, has been trying to find alternative markets for U.S. auto component manufacturers, said Mr. Whitehead.

Although London is one of the leading markets for insuring product recall/product contamination risks, most underwriters typically concentrate on the food and beverage sector and on first-party product recall risks, he noted.

"Most auto suppliers want third-party coverage to cover the costs of a recall by their automaker customers. The London market is being quite slow to come to grips with this broader coverage," explained Mr. Whitehead, noting, however, that there are "very limited pockets of capacity."

Syndicate 2003, managed by Catlin Underwriting Agencies Ltd., and two other Lloyd's syndicates are jointly providing up to \$5 million of capacity for automotive component manufacturers "on a very selective basis," said a Catlin spokesman.

"Underwriters are being very selective and only insuring manufacturers with revenues up to \$500,000," he said, pointing out that the availability was "layer-based" and would probably mean large retentions and possible gaps in some layers for policyholders.

New markets

Several leading product recall/contamination underwriters in London are now considering "opportunities" in the automotive industry.

Jennie Seabrook, underwriting manager-crisis management for QBE International Insurance Ltd., confirmed that the insurer is offering recall coverage to small to mid-size automotive suppliers for non-critical component parts on a worldwide basis, including the United States. Such components in-

clude panels, plastic moldings, stereos and carpets, she said.

"The drivers for this type of coverage are suppliers who are being placed under pressure to produce evidence of a recall policy, in order to fulfill their contractual obligations to supply," said Ms. Seabrook.

QBE's coverage is on a first-party basis only, covering the risk of recall following accidents, tampering or design defects that harm property owned by a third party, Ms. Seabrook explained.

The coverage covers such recall expenses as the cost to destroy and replace recalled products, consultant costs, loss of gross profits for up to 12 months and a expenses, subject to a sublimit, for rehabilitation of the product's image and reputation, she said.

Tina Kirby, product recall underwriter for Lloyd's syndicate 623/2623, managed by Beazley Group P.L.C., also is studying automotive product recall risks.

"There is a huge gap in the market for automotive manufacturing suppliers and it is an area we are looking at, but it is a completely different sector from food and beverages and we need more information," she said.

European outlook

U.S. component companies are struggling more than their European counterparts to find coverage, partly because AIG dominated the U.S. product recall market for the automotive sector, said Ian Harrison, director of Miller Insurance Services Ltd.

Also, European insurers, particularly German insurers that have close and long-term relationships with their industrial policyholders, often provide limited product recall insurance through their general product liability programs, said Mr. Harrison.

"The issue is more acute for small to medium-sized manufacturers who need low retentions" and are not bringing large umbrella product liability programs to the market, he said.

But the increasing costs of automotive recalls also are forcing some German insurers out of the product recall market, said Patrick Nuhn, a specialist automotive product recall underwriter with Hanover, Germany based HDI Industrie Versicherung A.G.

HDI still offers recall insurance contracts for German and other European auto component suppliers as an extension of their public and products liability programs, he said. Under certain circumstances, this may cover U.S. subsidiaries of German or European companies, he added. HDI, however, does not provide cover for U.S. auto component manufacturers without a European parent, Mr. Nuhn said.

The number of auto recalls has increased significantly since 1997 for several reasons, according to Mr. Nuhn. He said these include:

- Shorter development time for new models.
- Complex new technologies in new cars.
- An increase in the quantity of electronic components in cars.
- An increasing number of vehicle models built on the same or similar platforms, using the same or similar components
- More development activities and responsibility being shifted to component suppliers from carmakers.

Rob Best, a partner of London-based broker JLT Risk Solutions Ltd., said that European automotive component manufacturers typically can get third-party product recall coverage through financial or economic loss extensions bought as part of their general product liability programs.

Mr. Best also noted that several Bermuda-based insurers offer third-party recall coverage through excess-layer product liability programs.

However, that type of coverage is only available at a high level and not always suitable for small manufacturers, he added.

Craig D. Simon, managing director of Willis' Casualty Marketing Practice in New York, said that it is the smaller to mid-sized automotive companies that are having most difficulty obtaining coverage for recall risks because "the standard U.S. markets have stopped writing this business."

"There are creative solutions in the marketplace to help the larger manufacturers fund for this risk," he noted.

"There is such a thing as secondary product recall coverage for automobile component manufacturers in the German market, though the insurance industry has grown very wary and restrictive about offering it," said Steven Bechofer, manager in the corporate risk management department of Munich-based Infineon Technologies A.G.

"It is not unusual that this coverage is coupled with high, multi-million euro deductibles, restrictive limits and in-depth, extensive risk assessments," he said.

R.K. Harrison's Mr. Whitehead said that few underwriters are willing to extend product liability policies to cover recall risks, though some Bermuda excess liability insurers and Swiss Reinsurance Co. are more willing to consider it.

Marcus Schulze, vp of corporate risk underwriting for Swiss Re in Zurich, confirmed that Swiss Re will provide product recall insurance for automotive industry manufacturers with revenues in excess of \$1 billion with a minimum attachment of \$25 million.

Harkin: Cash balance plans

Continued from page 4

their employers convert to cash balance plans.

Treasury earlier this year released such a proposal, affirming its earlier position that the basic design of cash balance plans is not age discriminatory. The proposal, though, also would mandate what it calls a "hold harmless" period after each conversion. During this five-year period, benefits earned under the cash balance plan by any participant—regardless of age or length of service—would have to be at least equal to what the participant would have earned under the old plan if the conversion had not occurred.

As an alternative to this requirement, an employer could provide every current plan participant with a one-time opportunity to choose between the two plans.

Sen. Harkin's call for action was triggered, at least in part, by the Treasury Department's latest cash balance proposal. "It would be dangerous to jeopardize that forward momentum to inaction," the aide said.

But an additional catalyst, the aide said, has been the wave of employers threatening—in the uncertain legal climate—to freeze their pension plans.

Both employer and pension participant advocacy groups saluted the letter and its potential for developing fair cash balance plan rules.

"We welcome this letter. You need a pragmatic solution; hopefully, this is a start," said Diann Howland, vp-retirement policy at the American Benefits Council in Washington.

"There is a potential for a common ground," and the letter could be a first step toward that, said Karen Ferguson, director of the Pension Rights Center in Washington.

Others say the letter is a sign of a recent easing of the anti-cash balance plan attitude that has permeated Capitol Hill over the last couple of years. Employers, in recent meetings with elected officials, have been warning they would soon freeze or terminate cash balance plans unless legislators and regula-

tors ended the legal uncertainties, consultants say.

Those businesses are worried about the enormous costs they could face if a July 2003 federal court decision that IBM Corp.'s cash balance plan is age discriminatory is affirmed.

"Corporate executives are becoming increasingly uncomfortable with their potential exposure, and more and more are giving serious consideration to freezing their plans," said Ethan Kra, chief actuary with Mercer Human Resource Consulting in New York.

Legislators may at last be becoming aware that if employers leave the defined benefit plan system, the losers will be millions of plan participants. "One would like to think Sen. Harkin and others are aware of the gravity of the situation," said Steve Mirante, a managing consultant with Watson Wyatt Worldwide in Teaneck, N.J.

"The message seems to be seeping through that something has to be done," said Janice Gregory, vp with the ERISA Industry Committee in Washington.

HSA: Government guidance solves key concerns

Continued from page 1

clude: periodic health evaluations such as annual physicals and routine prenatal and well-child care; child and adult immunizations; tobacco cessation programs; and weight-loss programs. Additionally, a wide array of services screening for cancer and heart and vascular diseases would be considered preventive.

The agencies, though, are asking for public comment on whether other benefits, such as employee assistance programs and mental and wellness plans, should be considered preventive.

The broad definition of preventive services, with more guidance to come, was considered crucial to ensure employer interest in HSAs, experts say.

That is because many employers say it is cost-effective to have few or no cost-sharing requirements for preventive services. Minimal cost-sharing, they say, encourages employee use of the services and leads, in many cases, to early detection of medical conditions that would be much more expensive to treat later on. Subjecting preventive services to the high deductible that would apply to other services, experts say,

would discourage the use of such services.

"You do not want to subject certain preventive services to significant cost-sharing requirements," said Jeff Munn, a consultant in the Falls Church, Va., office of Hewitt Associates Inc.

On another issue, government regulators had previously main-

for prescription drug benefits.

U.S. Secretary of Treasury John Snow said this special relief is being provided because many HSA policies already have been sold in which prescription drug coverage has been carved out from the high-deductible plan. "We do not want to penalize those people who bought products thinking they

to set up HSAs now and have sufficient time to make required design changes.

"You still have flexibility, if only for a limited period of time," said Greg Scandlen, director of the Galen Institute's Center for Consumer Driven Health Care in Alexandria, Va.

Government regulators also pledged guidance within the next few months regarding the interaction of HSAs and flexible spending and health reimbursement accounts. Employers want to know, for example, if the FSA could first be tapped to pay for small routine medical expenses while allowing the HSA to build up in value.

While it is not certain how regulators will resolve the issue of interaction between the three types of accounts, experts welcome their promises of fast action.

"I'm very impressed with the speed at which regulators are working," said Joe Martingale, a consultant with Watson Wyatt Worldwide in New York.

Advocates of HSAs, which were created as part of Medicare prescription drug legislation Congress passed last December, say the arrangements will slow down health

care cost increases by giving employees financial incentives to use health care services more carefully. They say that employees, through the high-deductible plan, will be more directly exposed to health care costs compared to more traditional plans. Furthermore, they note that if employees make prudent use of their HSAs, they could build up sizeable account balances, which they could eventually use, for example, to pay for retiree health care expenses.

Even though the law creating HSAs has been on the books only a few months, some insurers report high and accelerating interest in the arrangements, though they cite most response as coming from individuals and small employers.

Individuals aren't the only ones purchasing HSA plans, though. Carolina Paper and Builders Materials Inc., a 19-employee company in Charlotte, N.C., opted for such a plan—offered by Assurant Health in Milwaukee—in January.

The new plan reduced premiums by about half compared to the prior plan, while giving employees the ability, on a tax-favored basis, to use funds in the HSA for health care services they want, said President Sandy Calohan.

Still, larger employers, though expressing interest, say they want to comb through the law carefully before making any decisions.

"The law is so new, we are still digging into it and how it would work," said Dennis Nirtaut, vp of compensation and benefits at Aon Corp. in Chicago.



PHOTO: AFP

'We do not want to penalize those people who bought products thinking they could contribute to an HSA.'

*John Snow
U.S. Secretary of Treasury*

tained that prescription drug costs would similarly have to be subject to the cost-sharing requirements of the high-deductible plan. But according to the just-released guidance—for 2004 and 2005 only, under special transition relief—employers can offer HSAs linked to high-deductible plans along with separate plans with their own limits

could contribute to an HSA," Secretary Snow said.

Additionally, government regulators are examining whether certain drugs should be considered preventive and, therefore, eligible for the more generous coverage by the otherwise high-deductible plan.

Experts applaud the transition relief, saying it will allow employers

Workers comp: Benefit delivery system

Continued from page 3

York Compensation Action Network. The employer coalition recently launched a public relations campaign to push for reforms, emphasizing that New York's workers comp claims costs exceed the national average by more than 20%.

And permanent partial disability benefits are particularly costly, the group says. According to NYCAN, such injuries represent only 14% of all claims filed in the state yet account for 76% of aggregate costs.

The organization praised a reform plan announced March 23 by New York Gov. George Pataki. As part of that plan, Gov. Pataki wants to expand a permanent partial disability benefits schedule to include more injury types. New York—unlike 41 other states—does not place limits on the number of weeks that benefits are paid for nonscheduled injuries, NYCAN says, and adding more injury types to the schedule would limit payments for those injuries.

Gov. Pataki currently is developing legislation to implement his plan, according to his staff. That plan, which also calls for increasing maximum weekly indemnity benefits to \$500 from \$400, aims to reduce employers' workers comp costs by 15%.

In Tennessee, Gov. Phil Bredesen is supporting a call by the Tennessee Chamber of Commerce & Industry to reform the state's workers comp system, Ms. Woolley said. The governor recently challenged legislators to produce a reform bill he can sign this year, though he has not made any specific proposals.

Overhauling the current method for determining permanent partial

disability awards tops the Tennessee Chamber's wish list, Ms. Woolley said.

Under Tennessee's court-based workers comp system, judges determine permanent partial disability benefit entitlements by rating an injured worker's disability and then applying a multiplier of up to 2.5 times the base amount.

And with 119 courts across Tennessee subjectively applying the multiplier, it is impossible to accurately predict workers comp losses, Ms. Woolley said.

The Tennessee Chamber wants legislators to limit effectively eliminate the multiplier by setting it at 1.0, Ms. Woolley said. It cannot be eliminated entirely, as case law in the state requires that there be a multiplier for benefits to be capped, she explained.

With Gov. Bredesen "repeatedly and emphatically" saying he wants legislation that would make Tennessee a more competitive job market, employers expect that favorable permanent partial disability changes will emerge this year, Ms. Woolley added.

Ultimately, employers would like to replace Tennessee's court-based system with an administrative-type process. Alabama and Tennessee are the only states in the nation with court-based systems, Ms. Woolley said. Tennessee claimants go directly to court when they dispute a claim.

Meanwhile, in Oklahoma, Senate President Pro Tempore Cal Hobson, D-Lexington, last week handed employers a setback by refusing to schedule hearings on a reform bill that had won approval by the House of Representatives. The bill would have reduced permanent partial dis-

ability costs by requiring claimants to provide objective evidence in many soft-tissue injury cases, said Mike Seney, senior vp-operations for The State Chamber in Oklahoma City.

Oklahoma employers hope to revive that effort, possibly by adding similar language to other bills currently wending their way through the Legislature, Mr. Seney said.

Reform efforts also are under way in Texas, even though the state's Legislature convenes only in odd-numbered years, said Lucinda Dean Saxon, a lobbyist for the Austin-based Texas Assn. of Business.

Legislative committees currently are preparing for 2005, when workers comp is expected to emerge as one of the top political issues in Texas, Ms. Saxon said.

Employers chiefly want legislators to grant them authority to direct injured workers into physician networks, Ms. Saxon added. Texas employers currently cannot direct employees to seek medical care from specific providers.

A 2001 study conducted by a state agency found that, for state employees in Texas, workers comp medical expenses were six times greater than for similar injuries treated under group health plans.

Negotiations over legislation that would have allowed employers to direct employee medical care failed to produce a bill in 2003, said a spokeswoman in Austin for the American Insurance Assn. However, a legislative committee is tackling the issue of workers compensation provider networks in preparation for the 2005 session, she noted.

Another factor driving reform efforts in Texas is a requirement that

all state agencies undergo a sunset review process every 12 years. Ms. Saxon noted. The Texas Workers' Compensation Commission—the state's regulatory body—is undergoing such a review.

Sunset reviews involve stringent audits that evaluate an agency's performance and establish new objectives. Employers hope the review pushes the commission to sanction doctors that overutilize treatments, which would lead to lower costs, Ms. Saxon said.

As in many other states, the pressure to rein in workers comp costs in Texas has become an economic development priority linked to job growth, Ms. Saxon said.

And nowhere has that link received more publicity than in California, where Gov. Arnold Schwarzenegger's popularity has helped amplify his call for a major workers comp overhaul to keep employers from leaving the state.

Gov. Schwarzenegger, through his political action committee, has contributed \$1 million to an effort to collect nearly 600,000 signatures needed to put the issue on the ballot. Should ongoing negotiations with lawmakers fail to produce a measure the governor likes, he has vowed to campaign for passage of the ballot measure.

The measure would include requiring employees to prove by a preponderance of evidence that an injury occurred at work; replacing court judgments with medical examiner decisions in treatment disputes; requiring that employers and employees mutually agree on treating physicians; and increasing permanent disability benefits for the most seriously injured employees.

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Late News

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ACE plans \$980 million IPO of guarantee unit

ACE Ltd. plans to raise up to \$980 million in an initial public offering of its financial guarantee business. A Securities and Exchange Commission filing shows ACE intends to sell 49 million shares of Assured Guaranty Ltd. at \$18 to \$20 a share. After the sale, ACE will retain 35% of Assured's outstanding common shares, though its holding would be reduced to 25% if the IPO underwriters fully exercise their option to buy additional shares. The filing also noted that Joseph W. Swain III, who had been chief executive officer of ACE's financial guaranty business and then president-reinsurance of Assured Guaranty US Holdings Inc., resigned last week. He cited differences over the company's new business strategy and "our ability to execute this strategy as a result of his concerns about the relevant experience of certain members of management, staffing levels and corporate culture," ACE's filing stated. "Management believes these concerns are unfounded," ACE said.

St. Paul, Travelers complete merger

St. Paul Cos. and Travelers Property Casualty Corp. have completed their previously announced merger. The merged entity will be known as St. Paul Travelers Cos. The St. Paul,



Minn.-based insurer's stock will be traded on the New York Stock Exchange under the symbol STA. The merger, announced last December, creates the second-largest commercial lines insurer in the United States, behind New York-based American International Group Inc.

California municipalities expecting comp cost hikes

Average workers compensation costs for California municipalities are expected to rise 33% this year, after a 66% increase over the past four years, according to a survey by the California State Assn. of Counties and the League of California Cities.

The two organizations said in a statement that they support Gov. Arnold Schwarzenegger's efforts to push lawmakers to adopt reform legislation this year.



PHOTO: EPA/DWIGHT C. ANDREWS

British Petroleum Co. said fire damage at its Texas City, Texas, refinery was 'not significant in BP terms.'

BP self-insured for Texas refinery fire

British Petroleum Co. P.L.C. is self-insured for losses arising from a fire at one of its U.S. refineries. The March 30 fire involved a gasoline-producing operation at BP's Texas City, Texas, refinery. The plant is still operating, though at a reduced level, said a spokesman for London-based BP. The spokesman said that BP self-insures its property and business interruption exposures, buying only public liability coverage. Although it is too early to determine the extent of the loss, "it is not significant in BP terms and not material to the group," the spokesman said.

HUD accepting comment on coverage rule

The U.S. Department of Housing and Urban Development is listening to concerns from risk retention groups and is considering whether to change a controversial rule that requires some long-term care facilities to buy professional liability coverage from highly rated insurers. HUD met with risk retention group representatives and others last week to discuss the ramifications of the notice published in January. HUD's notice required long-term care facilities that seek financing under Section 232 of the Housing Act to purchase professional liability insurance only from insurers with a rating from A.M. Best Co. in the A category.

Heath Lambert U.S. unit completes buyout

Heath Insurance Brokers says it is no

longer a unit of London-based Heath Lambert Group. The wholesale and specialty lines broker finalized a management buyout arrangement last week, a spokesman for Heath Insurance Brokers said. Heath Insurance Brokers will not make any management, staff or location changes as a result of its split from Heath Lambert Group, the company announced. It will operate from corporate headquarters in Dallas. Heath Insurance Brokers operates 14 offices nationwide and last year placed nearly \$1 billion in gross premium, the company said.

Harassment law applies retroactively, court rules

A California law that requires an employer to protect employees from sexual harassment by its clients or customers is a clarification of existing law—not a substantive change—and thus should be applied retroactively, a state appellate court ruled. In *Raquel Salazar vs. Diversified Paratransit Inc.*, the court ruled in favor of a bus driver for a private company who was sexually harassed by a passenger. The court ruled that a law passed after the alleged harassment that holds employers liable for sexual harassment by clients was retroactive.

Georgia bill would end state's second-injury fund

The Georgia Senate sent legislation last week to Gov. Sonny Perdue that would eliminate the state's workers compensation Subsequent Injury Trust Fund. Georgia's fund is similar to second-injury funds in other states that assess self-insured employers and insurers to cover claims costs stemming from employees' aggravation of prior work-related injuries. Under the bill, H.B. 1579, subsequent injuries occurring before June 30, 2008, would still be eligible for reimbursement. Insurers and self-insurers would continue to be required to pay assessments to the SITF to fund those claims until that date.



Gov. Perdue

aggravation of prior work-related injuries. Under the bill, H.B. 1579, subsequent injuries occurring before June 30, 2008, would still be eligible for reimbursement. Insurers and self-insurers would continue to be required to pay assessments to the SITF to fund those claims until that date.

High court to review bias case involving pay plan

The U.S. Supreme Court will

determine whether a performance pay plan that gave proportionately larger raises to employees with five or fewer years of service constitutes illegal age discrimination. The case, *Azel P. Smith et al. vs. the City of Jackson, Miss.*, involves a pay plan instituted by Jackson, Miss., for police officers and dispatchers in the late 1990s.

Game developer settles discrimination lawsuit

The U.S. Equal Employment Opportunity Commission last week settled for \$600,000 an employment discrimination suit against Sega of America Inc. and Spherion Corp. The EEOC lawsuit charged that Sega, a computer game developer, directed Spherion, a temporary staffing firm, to terminate Filipino temporary employees placed at Sega's testing department. The EEOC alleged that 13 Filipino game testers were fired and that five other employees were fired in retaliation for their friendship to another employee who had alleged that the Filipino employees received preferential treatment.

charged that Sega, a computer game developer, directed Spherion, a temporary staffing firm, to terminate Filipino temporary employees placed at Sega's testing department. The EEOC alleged that 13 Filipino game testers were fired and that five other employees were fired in retaliation for their friendship to another employee who had alleged that the Filipino employees received preferential treatment.

Briefly noted

American International Group Inc. has been added to the list of 30 companies whose stock makes up the Dow Jones Industrial Average stock index, effective April 8....**OneBeacon Insurance Co.** has completed its purchase of Atlantic Mutual Insurance Co. subsidiary **Atlantic Specialty Insurance Co.** and the renewal rights to much of Atlantic Mutual's commercial insurance business....**Briarcliff Manor, N.Y.-based USI Holdings Corp.** has acquired New York-based broker Bertholon-Rowland Corp. BR, which will be merged into USI's existing affinity group practice, is expected to contribute about \$25 million in revenues to USI. Terms were not disclosed.

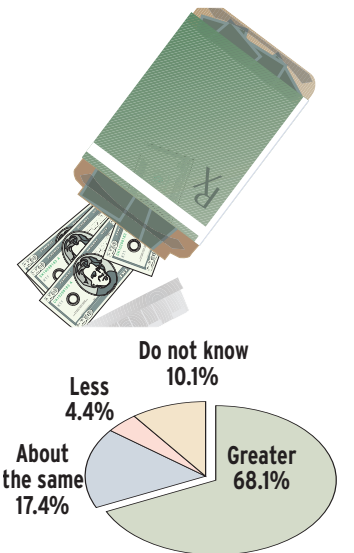
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Items in the Late News column originally appeared in *BI's Daily News* feature on www.businessinsurance.com. Visit the *BI* Web site to sign up to receive *BI's Daily News* by e-mail.

Online Poll

[3/29-4/2]

What are your prescription drug cost increases this year compared to 2003:



BI Stock Index

[3/29 - 4/2]

Up-to-the-minute data for all 87 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	
2366.01	4.21
Dow Jones	
10470.60	2.52
S&P 500	
1141.81	3.05

Largest gains

Health Net Inc.	14.94%
American Safety Insurance	14.12%
Vesta Insurance Co.	13.88%
CNA Surety	11.21%
SCOR	9.36%

Largest losses

Gainsco Inc.	-4.49%
Meadowbrook Insurance	-2.86%
Marsh & McLennan	-2.65%
Humana Inc.	-2.22%
Aspen Insurance Holdings	-1.32%

Weekly change by market segment

Brokers	1.59%
Insurers/Reinsurers	3.40%
Managed Care Organizations	5.51%

Source: FinancialContent Inc. (<http://financialcontent.com>)

Segal: Preparing defense

Continued from page 4

caused more than \$20 million in insurance premiums being held in a Near North trust account to be diverted to his own and his companies' use.

He has pleaded not guilty to all charges.

Near North Insurance Brokerage and Mr. Segal's longtime bookkeeper, Daniel E. Watkins, were added as

defendants to the case last June. Late last month, in a plea agreement with prosecutors, Mr. Watkins pleaded guilty to embezzling between \$70,000 and \$120,000 in cash from Near North (*BI*, March 29).

The latest round of pretrial motions in the U.S. District Court for the Northern District of Illinois were filed by Mr. Segal's lawyers in

response to prosecutors' attempts to exclude certain evidence by the defense in motions filed late last month.

As part of its defense, Mr. Segal's lawyers asked to be allowed to introduce evidence regarding the financial devastation suffered by Near North after Mr. Segal's arrest in 2002 and to exclude evidence the government seeks to introduce

regarding Mr. Segal's alleged use of an escort service.

The government charges that Mr. Segal spent "hundreds of thousands of dollars" on escort services over a 15-year period using money from Near North's premium trust account.

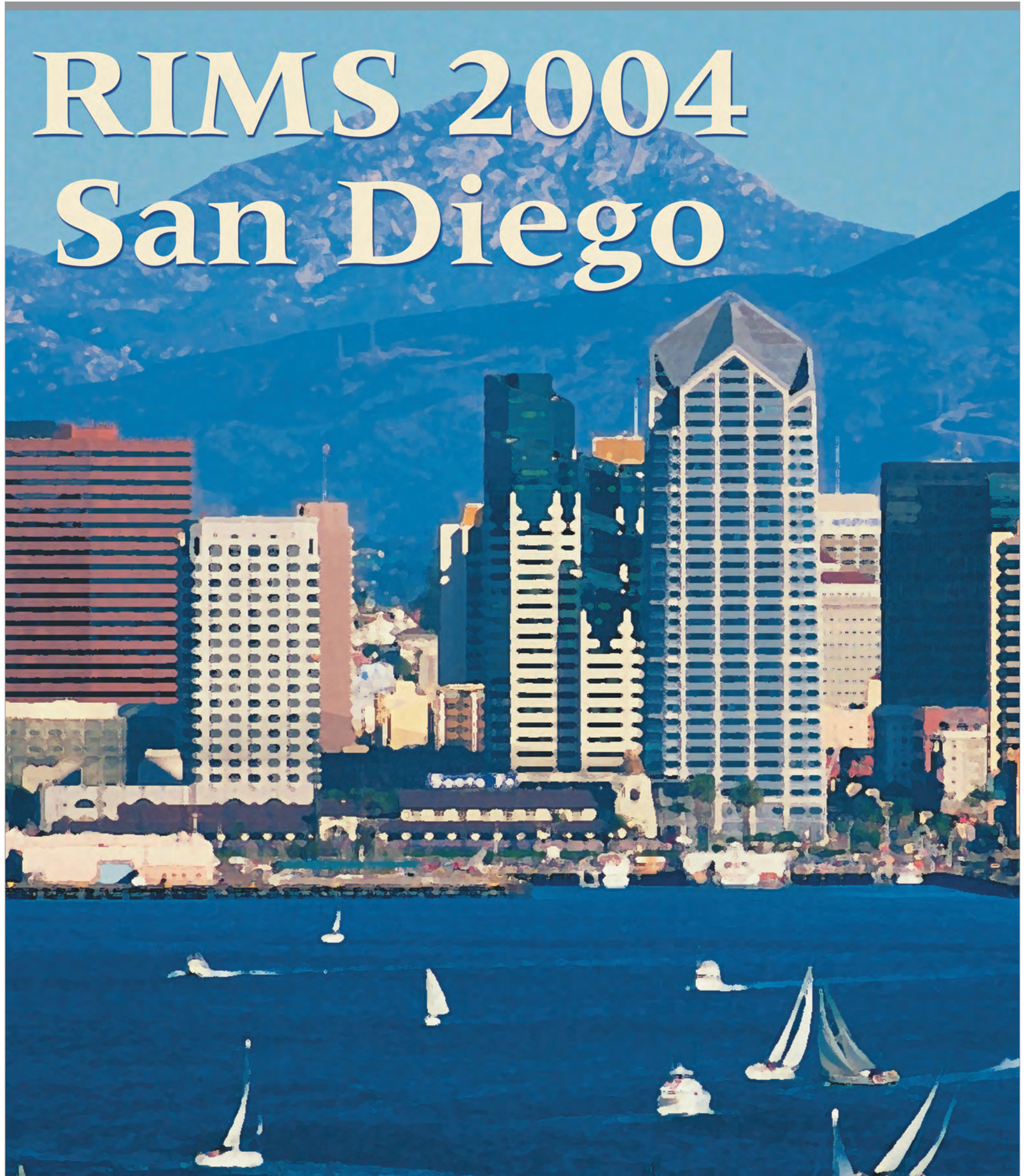
The defense contends such evidence is prejudicial and that the government cannot prove that the money allegedly paid to an escort service came from any Near North accounts.

Business Insurance®

April 5, 2004

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\$5



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New construction adds to downtown's vibrancy while retaining link with the past

San Diego development adds to allure since city last hosted RIMS conference

By ROBERTO CENICEROS

San Diego has undergone some changes since hosting the Risk & Insurance Management Society Inc.'s annual conference six years ago.

Yet California's second-largest city still maintains its beauty, charm and allure. Lots of sunshine, a dazzling port area bursting with outdoor recreation and plenty of other entertainment options continue to make San Diego among the nation's most desirable tourist destinations and conference locations.

The city's skyline is being redefined by a building boom in the downtown and port areas adjacent to the San Diego Convention Center. High-rise ocean-view condominiums and office spaces are springing up to satisfy a live-work-and-play-downtown movement and a population eschewing the suburbs for a hospitable urban environment.

As a result, those who attended RIMS' annual conference in 1998 might notice several new buildings around the convention center. Everyone is sure to spot construction cranes erecting even more of them.

There is also a brand-new stadium downtown, located almost across the street from the waterfront convention center. The San Diego Padre's Petco Park is the centerpiece of a 25-block redevelopment project and is scheduled to host its first game April 8—just 10 days before RIMS kicks off its annual conference on April 18.

To connect San Diego's future

with its past and to accommodate preservationist concerns, the stadium's developers incorporated seven historic buildings into the new ballpark's design. They restructured a four-story brick building constructed in 1909 to make it part of the stadium's seating bowl. It houses a rooftop bar and party suites and incorporates the left-field foul pole. Yet the building still looks much as it did before. Developers placed another old building on wheels to move it nearly 300 feet to make way for a grassy area.

As a result, downtown's growth has added to its vibrancy, locals say. Those who enjoyed the Gaslamp Quarter the last time San Diego played host to a RIMS conference will find its restaurants, taverns, nightclubs and shopping areas are more alive with activity than they were five years ago, according to San Diego residents.

The Gaslamp Quarter is a 16.5-block area in the heart of downtown. The dining, nightlife and entertainment destination with its historic buildings is just north of the convention center, making it an easy walk from many conference hotels.

Don't overlook the rest of downtown and other areawide communities that also offer varied dining and entertainment opportunities. Coronado, Hillcrest, Little Italy, La Jolla and Old Town are just a few of the communities offering potential fun.

San Diego also boasts about 70 miles of beaches that seem to im-

See **SAN DIEGO**/page T23



PHOTO: SDCVB/JOHN BAHU

A dazzling port area is one feature that continues to keep San Diego one of the nation's most desirable tourist destinations and conference locations.

RIMS expecting increased attendance at its annual conference and exhibition

By GLORIA GONZALEZ

Sun, fun and hot topics such as California workers compensation are all on the agenda for the Risk & Insurance Management Society Inc.'s 2004 Annual Conference & Exhibition in San Diego April 18-22.

RIMS is expecting its highest turnout in three years, partly due to the conference's location and an expected increase in conferees from the Pacific Rim region, said Gary Nesbit, chair of RIMS' conference programming committee and senior director, risk management and benefits, at Buffets Inc. in Eagan, Minn.

Registration as of March 23 totaled 3,300 attendees, not including exhibitors, speakers and other participants, according to Ellen Vinck, RIMS' senior vp of conference and vp of risk management for San Diego-based United States Marine Repair Inc. The society hopes final registration will total

4,000 to 5,000 attendees, said Ms. Vinck, who is based in San Diego.

The theme of this year's conference is "Navigating Risk Today, Securing Business Tomorrow." "I think it reflects the role of risk management in today's world, where there are a lot of current issues that need to be addressed and managed on a proactive basis," Mr. Nesbit said.

James Schiro, chief executive officer of Switzerland-based Zurich Financial Services Group, is scheduled to deliver the general session speech, "Breaking Out of the Insurance Cycle," on Monday, April 19. Max Taylor, deputy chairman of London-based Aon Ltd. and a former chairman of Lloyd's of London, will be the keynote speaker during Tuesday's luncheon.

This year's hot discussion topic will focus on the California workers compensation market, giving a brief history of legislative changes, a refresher on the state's current situ-

ation and an interactive discussion on legislative proposals that will affect all employers there. In addition, the session will discuss what

employers can do to combat rising workers comp costs.

"All the companies operating in

See **CONFERENCE**/page 11



PHOTO: SAN DIEGO CONVENTION CENTER

The San Diego Convention Center is the site of the Risk & Insurance Management Society Inc.'s 2004 Annual Conference & Exhibition.



RIMS focused on meeting members' needs

By MICHAEL BRADFORD

Leaders of the Risk & Insurance Management Society Inc. asked themselves some tough questions over the past year to sharpen the society's focus on providing meaningful services to its members.

Lance J. Ewing, RIMS' outgoing president, said that the most important of those questions was: "What value are we bringing to our members? What we've found is, we do a pretty good job, actually."

As Mr. Ewing ends his term as RIMS' president at this year's annual conference in San Diego, he leaves as head of an organization that he says is financially strong and adept at providing value to risk managers and their business partners who belong to the society.

In many ways, the society is in better shape now than it's ever been in, said Mr. Ewing, who is vp-risk management at Caesars Entertainment Inc. in Las Vegas.

"We're in the best fiscal shape we've been in in a very long period of time, both from a balanced-budget standpoint and our investment program," Mr. Ewing said. "RIMS is financially solvent, which is always a good thing to let our members know."

A growing membership bears out the notion that risk management and insurance professionals consider RIMS a valuable professional asset, Mr. Ewing noted.

RIMS had 3,850 corporate members as of Feb. 28, a 2.2% increase from the same date in 2003. Deputy members rose 3.7% to 7,585 over that period.

The number of associate members has risen in recent years, and that trend continued. There were 1,094 associate members as of Feb. 28, up 22%. Associate members are brokers, insurers, consultants and others that supply services to risk managers. They enjoy many membership benefits but are not allowed to vote or hold office.

RIMS is also expanding with the addition of a new chapter outside the United States, Mr. Ewing said, noting that the location will be revealed at the conference in San Diego. Currently, there are RIMS chapters in Canada and Japan.

Building on successes

For an organization that changes presidents every 12 months, continuity is vital, Mr. Ewing said.

Incoming President Nancy L. Chambers said she intends to continue Mr. Ewing's emphasis on strengthening RIMS' core competencies—education, technology, membership and the annual conference—while paying particular attention to communicating with members to understand their needs (see story, page T6). Ms. Chambers is risk manager for the Waterloo Region Municipalities Insurance Pool in Kitchener, Ontario.

During his term, Mr. Ewing focused on enhancing RIMS' educational and professional development opportunities; improving the

society's Web site and other technological capabilities; and building membership by reaching out to professionals not historically targeted by the society, such as lawyers, doctors and consultants. In addition, he emphasized firmly establishing the annual conference as the premier educational and professional draw for risk managers and their business partners.

"My vision is to follow up and continue to build on that foundation," Ms. Chambers explained.

"We've done a really great job, I think, with the leadership that we've had and the board members

Ms. Chambers said part of the purpose of examining RIMS' structure is to determine whether it is nimble enough to respond to both challenges and opportunities.

RIMS appears to be moving away from forming committees to embracing a more task force-oriented approach, Mr. Ewing said. Task forces, he said, can be assigned a mission, given a deadline and told when they will be disbanded.

"That gives our members the opportunity to be involved, but over a shorter duration of time" than would be needed for committee membership, he added.

emphasized. "But we've just struggled so much with the RIMS Fellow situation, and we just haven't gotten that all the way to where we need it to be, where we want it to be."

Interest in the professional designation has been slow to catch on despite RIMS' "solid commitment" to the program, Mr. Ewing noted. Marketing the RIMS Fellow program is a challenge with which the society continues to wrestle, he said.

The society began with a broad focus as to what the designation should entail, Mr. Ewing said.

RIMS has developed quality guidelines that can be implemented through the use of a template that focuses on various segments of the marketplace. The tool for risk managers to use with brokers was unveiled at last year's conference. This year, the portion of the template dealing with underwriters will be made available.

"The brokerage tool," Mr. Ewing said, "is not slow getting out of the gate, but it hasn't had the momentum that we would have hoped for."

Using the tool gives risk managers the "opportunity to sit down



PHOTO: MICHAEL MARCOTTE

Lance J. Ewing will turn over the presidency of RIMS to Nancy L. Chambers at the 2004 conference in San Diego.

and executive council," of improving the society's finances and Web site capabilities, as well as other areas.

"But I think we've also done an awesome job with other resources—the personal resources, the membership involvement," Ms. Chambers said. "We have a lot of great people as volunteers providing support" on the executive council, various committees and chapter-level task forces, she said.

Ms. Chambers said she plans to emphasize "knowledge-based governance" during her term. That approach involves communicating with the group's members about their needs and how best to meet them, she explained.

In another effort to make sure RIMS is meeting members' needs, a proposal will be taken up by the society's House of Delegates at the conference to determine the proper governance structure for the group.

"We looked at the staff and their focus, then turned the mirror back on" the volunteers, Mr. Ewing said of himself and other RIMS leaders. "Are we value-added? And what are we bringing as the leadership?"

More work to do

Mr. Ewing, like other presidents in RIMS' past, said he wasn't able to accomplish all of his goals during his one-year term.

"We met a number of our goals that we set last year," but as priorities emerged during the year, there wasn't time to accomplish everything, he acknowledged.

Technology is one area that was "near and dear to my heart," Mr. Ewing said, noting that RIMS "revamped our Web page, which many folks have found to be much more helpful."

The site, www.rims.org, while greatly improved, could still be a little more exciting, he said. "I wanted a little more 'wow' factor, a little more pizzazz....That's something we're still working on."

While he said he is pleased overall with technological improvements made during his tenure, Mr. Ewing said there are areas where he would have liked to have seen greater gains. The RIMS Fellow program is one such area, he said.

"I think we've made huge progress, don't get me wrong," he

"What we're doing now is narrowing that focus specifically on the true needs of our members."

"We spend a lot of money on education. However, we spend that money because we feel it's the right thing to do. We're not necessarily reaching the audience that I think we need to," Mr. Ewing explained, noting that RIMS is working to change that.

Other educational opportunities, such as workshops and risk management presentations in corporations, have gone "exceptionally well," Mr. Ewing pointed out.

RIMS' courses on enterprise risk management, financial risk management and workers compensation continue to be among the most popular, he said.

Focus on quality

The long-running commitment to quality continues at RIMS, and at the conference the society will take the next step in its effort to develop tools for risk managers, their insurers, brokers and other business partners to improve the quality of their performance.

with their brokers and underwriters and talk about and market their risks," Ms. Chambers said. Some buyers and underwriters, depending on the size of the policyholder and its needs, may never have had such meetings, she said.

As the society heads to San Diego for the 2004 conference after last year's chilly gathering in Chicago, there are indications that this year's locale may draw a large crowd.

"We may exceed our numbers for San Francisco, which was our premier one," Mr. Ewing said. "It will be one of our best ever."

"We're drawing a lot more people from the nontraditional" areas of risk management, Mr. Ewing pointed out. Lawyers, doctors and other professionals who want to take a holistic approach to managing their risks, rather than simply buying insurance, are looking to RIMS and the conference for help, he explained.

Ellen Vinck, vp of risk management at United States Marine Repair Inc. in San Diego, has been nominated as first vp to RIMS' Executive Council. The position traditionally leads to the presidency.



Incoming president giving something back to RIMS

Chambers' history with the society began with a tip from her broker

By MICHAEL BRADFORD

Nancy L. Chambers' path to the presidency of the Risk & Insurance Management Society Inc. began as an unmarked trail.

Knowing little about the organization, she "fell into it" by taking the advice of a broker who in 1989 suggested that she attend a local RIMS chapter meeting. Ms. Chambers recalled. At the time, she was working in the finance department at the University of Guelph in On-

tario, helping develop the school's risk management program and putting together a reciprocal insurer for Canadian universities.

Ms. Chambers' broker felt going to the RIMS meeting would be a good move professionally.

And it has been, not only improving her risk management skills but also serving to launch Ms. Chambers toward her term as the society's president, which begins at the 2004 conference in San Diego.

Ms. Chambers, 48, now works as

risk manager for the Waterloo Region Municipalities Insurance Pool in Kitchener, Ontario. During an interview last month in Las Vegas, she discussed her career and those early days working with the Ontario RIMS chapter. "It was such a dynamic, interesting area, where everybody was so willing to help each other and debate issues and come up with solutions," she said.

At the time of her RIMS induction, Ms. Chambers had been working at the university for three years,

helping to set up and run the Canadian Universities Reciprocal Insurance Exchange, an alternative risk financing facility. Development of the insurer prompted the school to put together a risk management program, and Ms. Chambers served as the university's first risk manager until 1996.

She increased her involvement with RIMS by taking courses offered by the society and by holding various positions in the local chapter and nationally. Before her nomina-

tion last year as RIMS' first vp, which traditionally leads to the presidency, Ms. Chambers served as vp-conferences on the society's Executive Council. Prior to that, she was vp-treasurer for two terms.

Her involvement in risk management included efforts to help set up Canada's first student risk management program at the University of Guelph. That work to help the 11 college governments on the campus identify and control risks was rewarding and eye-opening in many ways, she said. One enlightening moment came when a student questioned the program's value by asking, "Gee, Nancy, isn't insurance what you do when you can't get a



Ms. Chambers

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real job?" she said.

Ms. Chambers said risk management attracted her in part because "it's interesting and something different every day. It's not like you're focusing on one department."

Risk management at the university, for example, "was fascinating," she said. "When the phone rang, you never knew what was going to be on the other end," she said, noting that the job ranged from dealing with the risks associated with student trips abroad, to dealing with insurers wanting to take a look at a laboratory procedure. "And working with the students" provided a lot of satisfaction, she added.

Ms. Chambers left the university in 1996 to begin working for the City of Kitchener as the municipality's first risk manager.

It was while working on the city's insurance renewals that Ms. Chambers began to realize that an alternative to the commercial market might be a solution to the high cost of coverage the municipality was paying. Working with the risk manager for the Regional Municipality of Waterloo and a consultant, she helped develop the Waterloo Region Municipalities Insurance Pool.

The pool began insuring its members' risks in 1998, the year Ms. Chambers signed on as risk manager for the facility.

The pool, which provides the eight municipalities it insures with property/casualty coverages, claims management and risk management services, realized a \$3.2 million surplus during its first three years of operation. It has returned \$1 million to its municipality policyholders.

See **CHAMBERS**/page T8



Chambers: Giving back to RIMS

Continued from page T6

The facility provides coverage to \$500,000 above a \$250,000 retention. Coverage above \$500,000 is written by two insurers that provided the municipalities with coverage before the pool was formed.

As for her upcoming term as RIMS' president, Ms. Chambers said she plans to work hard to make sure the society's membership is properly served. That means building on the four competencies—education, technology, membership and the annual conference—that outgoing

President Lance J. Ewing stressed during his tenure.

She plans to emphasize a "knowledge-based governance," which will entail communicating with RIMS' membership and responding to the needs they identify, she said.

Ms. Chambers will likely find spare time scarce given her work as a risk manager and president of the society. She said that when she has time away from her duties, she enjoys spending much of it with her daughters. Melanie is a 26-year-old veterinary technician at the University of Guelph's Ontario Veterinary

College. Jessica, 22, is a media assistant at M2Universal Communications Management in Toronto. Ms. Chambers' husband died in 2001.

Golf, gardening, interior design and travel are among her hobbies.

"I like music," she added, which prompted Mr. Ewing to observe that "she is an expert pianist. Elton John is going to play a double next to her," he quipped, referring to the singer signed to perform at Caesars Palace, a property owned by Las Vegas-based Caesars Entertainment Inc., for which Mr. Ewing serves as vp-risk management.

Fun a focus of RIMS' San Diego chapter Structure, spirit key to chapter's success

By ROBERTO CENICEROS

Ask members what makes the San Diego chapter of the Risk & Insurance Management Society Inc. a success, and two factors emerge.

One is the chapter's reliance on about a dozen committees. The committees handle many ongoing tasks, from taking turns planning

monthly chapter meetings to organizing an annual golf tournament that raises thousands of dollars for local philanthropic efforts.

A "committee of the year" award with a stringent selection process helps keep the groups motivated and focused. That focus, in turn, fuels individual member participation, according to members of the chapter.

The other driving force behind the San Diego chapter's success is its notoriety for having fun, members say.

"The having-fun part instills strong bonds between chapter members," said Dave Dolnick, the chapter's director-at-large. "Those bonds really come into play when you are facing professional challenges. That is when you can pick up the phone and call friends."

When in need of help, calling friends is a lot easier than calling strangers, Mr. Dolnick added.

Calling "some very dear friends" from the San Diego RIMS chapter is exactly what he did before purchasing a contingent professional liability policy for The Brady Cos. Mr. Dolnick is risk manager for the San Diego-based holding company, which owns several construction entities.

The contingent professional liability policy protects The Brady Cos. from potential claims stemming from the work of architects, engineers and other construction design professionals with whom the company contracts, Mr. Dolnick explained.

Until last year, the veteran risk manager had never purchased such coverage. But the advice from his colleagues in the RIMS chapter helped him obtain a favorable policy price and structure, Mr. Dolnick said.

The San Diego chapter—which is hosting this year's annual RIMS conference and exhibition—generates fun through several social activities. Annually, for example, the organization hosts an associate appreciation day at the Del Mar Thoroughbred Club, a racetrack in north San Diego County.

Members of the chapter's insurance committee study the horses beforehand and then hand out cards with favored picks. The picks "do really well," said Ellen Vinck, vp of risk management for United States Marine Repair Inc. in San Diego.

Ms. Vinck, who serves on both RIMS' Executive Council and the San Diego chapter's board, is also conference vp this year.

The chapter's annual golf tournament provides another opportunity for fun while raising funds. The purpose of the chapter's golf committee?

"To foster camaraderie and fellowship among RIMS members via making a ton of money for the

See CHAPTER/page T10



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PHOTO: ROBERTO CENICEROS



Leaders of the San Diego RIMS chapter, from left, include: Kim Pinkerton, Cheryl Berman, Teri Sowul, Dave Dolnick, Ellen Vinck, Kathy Murphy, Elizabeth Zepeda, Ed Miller.

Chapter: Focus on fun

Continued from page T8

chapter," according to materials on the chapter's Web site.

One goal for participant behavior during tournaments is to "try not to injure other RIMS members when throwing clubs after hitting a ball in the rough," according to the materials.

Kidding aside, the popular golf tournament helps the chapter spread goodwill. Such fund-raising allows the chapter to allocate 15% to 20% of its annual operating budget to community service projects.

"We fill up a golf course and then some," said Cheryl Berman, chapter president and the risk manager for Dixieline Lumber & Home Centers in San Diego. About 40 four-somes generally participate in the tournament, with others turned away each year because of limited space.

Thousands of dollars from the tournament have helped local police departments pay for child safety seats for people who cannot afford them. Likewise, the chapter has paid for hundreds of bicycle helmets for low-income children.

The community contributions typically fund programs that further risk management and safety, chapter members say. Or, they help with concerns employers face in the workplace, such as the use of illegal drugs.

The chapter has helped pay for drug-education programs for school children and has contributed to the purchase of a drug-sniffing dog for law enforcement.

Golf tournament proceeds also help foster member participation in the chapter. For example, each member of the committee of the year receives a \$75 gift certificate for dining and a \$25 pass for a movie theater, Ms. Vinck said.

The application process for committee of the year is very competitive, members say. To qualify, committees must meet several criteria. The criteria include holding three committee meetings per year, organizing one chapter monthly meeting and writing an article for "RIMSail," the chapter's newsletter.

Each member of any committee meeting the criteria receives a \$25 dining certificate and a \$25 movie certificate. Chapter committees focus on several topics such as workers compensation, legislation, education, community service and membership.

"Our committees are very active, and maybe more active than in most chapters," Ms. Berman said. Such participation spreads the work necessary to making sure that the chapter is a vital resource for members.

Meeting members' needs is the essential payback that keeps the chapter relevant, chapter leaders say. And the group excels at that, members add.

Take the example of Kathy Murphy, safety and risk supervisor for LEGOLAND California in San Diego. Before joining LEGOLAND in 1998, Ms. Murphy worked for a retailer for 13 years, where she focused on safety and workers compensation, she said.

Ms. Murphy is now responsible for all aspects of risk management, including analyzing several lines of insurance available for purchase. Networking with chapter members helped her gain the knowledge needed to meet the expanded responsibilities at LEGOLAND, she said.

Chapter meetings also helped. "I feel every time I came to a meeting, they were on a topic I was dealing with," Ms. Murphy said.

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Business Insurance / T11



Conference: Expecting highest turnout in three years

Continued from page T3

California are very concerned about the costs of workers comp in California," said Terry Fleming, director of risk management for Montgomery County, Md., and also a member of the RIMS Board of Directors.

The programming committee selected the topics for this year's individual sessions with several goals in mind: to augment risk managers' knowledge and technical skills, increase their understanding of marketplace trends and issues, provide the opportunity to network with their peers and expand their familiarity with service providers, Mr. Nesbit said. The individual sessions provide a variety of educational opportunities, some of which focus on new risk managers because 25% of attendees will have about a year of experience or less in risk management, he said.

"It's a fantastic opportunity for people to get connected and grow, from a professional development standpoint," Mr. Nesbit said.

The majority of the 153 individual sessions are new this year because the programming committee changes the entire program every year to address the latest issues and trends, said Carolyn Snow, vice chair of the programming committee. Ms. Snow also is director of insurance and risk management for Louisville, Ky.-based Humana Inc.

One new session is called "Outwit Outplay Outlast: Game Theory and the Risk Manager," which aims to teach risk managers tools and concepts that can help them cultivate a broader perspective on the risks facing their organizations and improve their decision-making skills. This session is sched-

uled for Monday, April 19, at 3:30 p.m.

Another new session, "Catastrophe Bonds—Their Credit Quality is Not Just for Reinsurers Anymore," explores the ability of companies to provide solutions for managing the catastrophic property and "soft cost" risks that are not being adequately addressed in the traditional insurance marketplace, including earthquake, terrorism and coastal windstorm. The session, set for Wednesday, April 21, at 9 a.m., will also focus on companies' ability to acquire significant limits for business interruption as a result of catastrophe.

Business interruption insurance is always a popular topic for conference attendees, Ms. Snow said. "That's one of the topics that no matter what people know about it, they seem to want to know a little more," she said.

Other sessions will tackle key topics such as corporate governance and directors and officers liability, committee members say.

Generally, the most popular sessions provide practical guidance and are presented by risk managers who can provide real-life experience, committee members say. Risk managers "like to hear the real-world experiences of other risk managers," Ms. Snow said.

So far, the most popular sessions—with at least 270 attendees already registered—are: "Speak Finance like a Native—The 3-hour MBA," "Creating an Effective Risk Management Annual Report," "Enterprise Risk Management Roundtable," "Property Loss Recovery—Top 10 Mistakes Insureds Can Make," "Insurance Market Update: Perspectives from Senior Manage-

ment" and "Thinking Inside the Sar-Box: The Challenges of Sarbanes-Oxley," referring to the corporate governance reform law.

"These are the ones that enhance a risk manager's knowledge base," Mr. Nesbit said.

It's not all work at the conference this year, though, conference organizers say. The gala opening reception, sponsored by Aon Corp., will take place Sunday, April 18, at 6 p.m. The event will feature music and a full-sized baseball diamond, with batting cages, mascot races and ballpark treats, all inside the convention center's Sails Pavilion.

On Tuesday, April 20, a dessert reception will be held in the exhibit hall at 1:45 p.m.

Local comedian Glenn Erath will entertain at the Thursday luncheon, which begins at noon.

"We expect it's going to be a great show," Mr. Fleming said.

This year's conference will feature a record 443 exhibitors scheduled to attend. The exhibit hall will have 1,022 booths and 143 new exhibits, a RIMS spokeswoman said. The largest categories of exhibitors are: computer software, with 91 exhibits; claims services, with 76; and risk/loss control/safety services, with 73. The exhibit hall will be open from 9 a.m. to 4 p.m. on Monday and Tuesday and from 9 to 5 on Wednesday, April 21. As in the past, each day will have exhibit hall hours where nothing else is on the conference agenda.

"We do provide the best opportunity where risk managers can learn

about vendors and products that support risk management functions," Mr. Nesbit said.

Onsite registration fees for the conference are \$935 for RIMS mem-

bers and associate members and \$1,235 for nonmembers. A one-day pass is \$425 for RIMS members and associate members and \$475 for nonmembers.



PHOTO: SDCVB/BIL ROBINSON

The trolley system is one way to get around San Diego. Fares for the trolley are based on the distance traveled, and range from \$1.25 to \$3.

Popular sessions return to meeting

Some sessions never get old.

Although the Risk & Insurance Management Society Inc.'s conference programming committee updates the agenda every year to address the latest issues and trends, some old favorites are returning.

The enormously popular "Speak Finance like a Native—the 3 hour MBA" session, in which the panel presents an overview of finance and accounting as they apply to risk management, will take place on Monday, April 19 at 1:45 p.m.

"It's an extremely popular session," said Terry Fleming, a member of the RIMS Board of Directors who sits on the programming committee. "A lot of risk managers want to get more education in the finance area," said Mr. Fleming, director of risk management for Montgomery County, Maryland.

Another old favorite is the "Senior Risk Management Fo-

rum," which is returning for a third year. This session will provide an opportunity for chief executive officers of major brokers and insurers to meet with senior risk managers and discuss current issues of the day. The session will be conducted on Tuesday, April 20 at 9:00 a.m.

Sessions exploring the use of captives will again be a key part of the conference program, committee members say. "A Captive Insurance Primer" describes the mechanics of captive operations and compares the strengths and weaknesses of domiciles, and educates risk managers on the advantages and disadvantages of captives. The session will take place on Monday, April 19 at 3:30 p.m. "Captives 101," an interactive session set up to review captive case studies and to answer the audience's questions regarding captives, will take place on April 20 at 9:00 a.m.

—By Gloria Gonzalez

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Much has changed since last San Diego conference

By REGIS COCCIA

A great deal has changed for risk managers in the six years since the Risk & Insurance Management Society Inc.'s Annual Conference & Exhibition was last held in San Diego.

Take, for example, the insurance market. Six years ago, the word "soft" was commonly used to characterize the market. At January 1998 property/casualty renewals, readers of *Business Insurance* saw headlines that might make some risk managers nostalgic:

- "Buyers find more capacity,

lower prices"

- "Insurers see rates continue in free fall"

- "Demand grows for multiline, multiyear policies"

Similarly, health care cost increases were flat in 1997 and projected to rise by the mid-single digits in 1998, with managed care plan options still representing the low end of those increases. Workers compensation claim costs in California, a bellwether state for workers comp, were reported to be falling in 1998.

Some casualty lines resisted rate

cuts, but risk managers and brokers agreed at the time that insurance rates were likely to continue falling absent a cataclysmic event or stock market collapse.

The costliest insured loss on record at the time was Hurricane Andrew, which had devastated south Florida six years earlier. Because insurers had not faced any catastrophes of Andrew's scale and investment income was plentiful, most insurers in 1998 reported substantial increases in net income.

Among risk managers' fears then was readiness for the expected Year

2000 computer problem, known as Y2K or the millennium bug. Computer consultants and others forecast crippling shutdowns of computers whose two-digit internal clocks would consider the dawning of the 21st century to be 1900. Insurers and reinsurers scrambled to address what they thought would be an avalanche of claims.

Y2K, of course, proved to be a dud. What has crashed, though, are many of the dotcom ventures that in 1998 seemed so full of promise.

Also in 1998, the Risk & Insurance Management Society Inc. un-

veiled a "Quality Score Card" with the Quality Insurance Congress. Released at the RIMS conference in San Diego, the results ruffled feathers in the insurance industry: Risk managers were widely dissatisfied with the service they got from their brokers, insurers and consultants.

But disagreement by its members over how to improve quality in the industry led the QIC to disband in late 1999. RIMS, however, vowed to continue the work it started, which the society is now doing through its Quality Improvement Process initiative.

In 2004, insurance buyers are beginning to see a softening of the market on property risks, but casualty lines remain firm. Capacity is still tight for many kinds of risks, multiyear policies are rare, and retentions generally are high.

Health care costs are continuing to increase at a double-digit clip, and workers compensation medical cost inflation is leading many states to explore changes to their workers comp systems.

The terrorist attacks of Sept. 11, 2001, not only caused the largest-ever insured loss but also changed our understanding of risk. Risk managers and legislators now are talking about renewing the federal backstop for terrorism losses that is scheduled to expire after 2005.

On Jan. 1, 1998, California became the first state to ban smoking in many public places, including bars and restaurants. The moratorium was intended to reduce the health risks of secondhand smoke and make workplaces safer for workers. More places have since followed suit.

What will risk managers, looking back, remember about 2004?

Overcoming today's healthcare obstacles requires teamwork.



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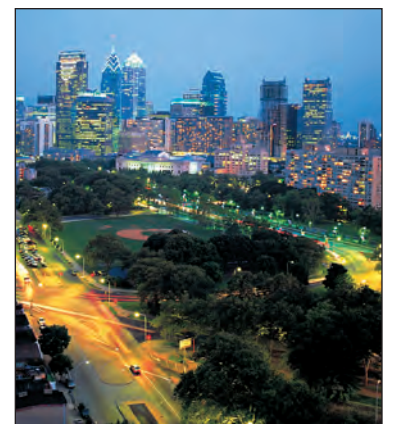
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RIMS heads to Philly for 2005 event

In 2005, the Risk & Insurance Management Society Inc. Annual Conference & Exhibition will head east. Next year's conference is scheduled to be held April 17-21 in Philadelphia.

Future RIMS conferences are:

- RIMS 2006 in Honolulu, April 23-27.
- RIMS 2007 in New Orleans, April 29-May 3.

San Diego RIMS 2004



Golfers to tee up in San Diego to help Spencer Foundation

After a cold outing last year in Chicago, the Annual Spencer/Gallagher Golf Tournament should get a warmer welcome in San Diego.

Still, despite the improved climate, tournament spots have not been disappearing as fast as organizers had hoped.

"We have three prime courses in Southern California," said organizer Dean Shrable of Arthur J. Gallagher & Co. "We thought they would all be booked by now. We've filled two of the three courses, but we still have not met the requirement for one."

Of the 370 slots open for the tournament, 334 had been filled as of March 31.

"We'll get a fair portion of those, but we may not fill all the slots," Mr. Shrable said. "We've been a little shy of both players and sponsors." He said the poor economy and consolidation in the insurance industry are to blame for the drop in sponsors.

But even though it is not yet a sellout, the tournament is still doing better than last year's event in Chicago. "We only had about 118 sign up last year at this time," Mr. Shrable said. "And only 70 to 80 brave souls actually came to the tournament. They deserve a medal for that."

In 2003, the tournament raised about \$54,000 for the Spencer Edu-

cational Foundation.

Three courses have been reserved for the tournament: Torrey Pines, site of the PGA Tour's Buick Invitational and the 2008 U.S. Open; Meadows Del Mar, a Tom Fazio-designed course; and La Costa Resort and Spa, site of the Accenture Match Play Championship.

As in the past, the tournament will be a four-person team scramble. The \$325 per person entry fee covers greens fees, cart, breakfast,

lunch, transportation, range balls, drinks on the course and two mulligans. Buses will leave downtown San Diego hotels at 5:45 a.m. on April 18 for all three golf courses.

For more information about the tournament or to sign up, call Dean Shrable at 504-888-1100, or Butler Bourgeois or Yvette Gomez at 225-292-3515. Golfers can sign up online at www.ajg.com/spencergolf.

—By Joe Walker



PHOTO: SDCVB/JIM BLANK

Part of the Spencer/Gallagher golf tournament is scheduled to be held at Torrey Pines Golf Course, site of the 2008 U.S. Open.

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Raising funds main goal of hockey game

For conference goers who prefer pucks to putts, the annual Spencer Cup hockey game will be played April 18 at the San Diego Ice Arena, located at 11048 Ice Skate Place.

Once again, Team Canada and Team U.S.A. will face off for annual bragging rights. The 2003 matchup, won by Team U.S.A., raised more than \$4,000 for the Spencer Educational Foundation.

The entry fee for players is \$150, and admission for spectators is \$10.

At least 15 people have signed up for the game, according to Pamela Conti of NAPCO L.L.C., the sponsor of the event. "We still have plenty of room," she said. "We're flexible and keep it open."

The rink is reserved from 9 a.m. to 1 p.m., and the opening face-off will be around 10 a.m., according to Ms. Conti.

To sign up, contact Ms. Conti or David Pagoumian at 732-549-5222.

—By Joe Walker



April 5, 2004

Business Insurance / T15

San Diego RIMS 2004



The Spencer/Aon Bayfront Boogie not only will give participants a workout but also will help support risk management education.

Walk-run has overarching goal: support for Spencer Foundation

According to the organizers of this year's Spencer/Aon Bayfront Boogie 5K Walk-Run, participants in the annual charity event could find themselves in some unusual company along the racecourse in San Diego.

If you're very lucky at about 8 a.m. on April 18, you could find yourself drafting Steve Scott, the American holder of the speed record for the one-mile run. If you're only a little less lucky, you

could spend the duration of the race perfecting your aerobics form under the intense tutelage of two guys who prefer to be known as "the friends of the Blues Brothers."

Either way, though, participants likely will be proud of simultaneously getting a serious workout and helping students who seek careers in the insurance industry. All of the proceeds from entry fees—which are \$25 per person—will go to

the Spencer Educational Foundation.

As always, this, the fifth running of the Aon Corp.-sponsored event, will be open to attendees of the conference of the Risk & Insurance Management Society Inc. and Aon employees, friends, families and guests.

As a reward for their generosity, each entrant will get an Aon T-shirt, a continental breakfast and bottle of water, and free bus transportation from RIMS' hotels to the race site at Embarcadero Park North, behind Seaport Village.

To register online for the Bayfront Boogie, go to www.aon.com, www.rims.org or www.active.com.

Group awards will be given to the top three women and men finishing in each of six age groups, and a trophy will each be given to the fastest male and female overall.

Complete race results will be posted on the Aon Web site, www.aon.com.

—By Mary B. Nick

With fire now the most common cause of loss at warehouses and factories, you better have the most advanced sprinkler system possible. Fact is, between 1998 and 2003, loss costs at facilities fully covered by the right sprinkler system were 80% less than those that weren't. Maybe that's why the world's leading companies turn to FM Global and its engineering expertise to minimize their risk. When a single incident can cost millions of dollars in lost revenue, jobs and shareholder value, the question becomes—is it worth being insured by anyone else? Visit fmglobal.com to learn more.



The 10th Spencer/Logic Tennis Tournament is set for San Diego.

Tennis event aims to serve Spencer right

Tennis players will once again be able to show support for risk management education through their participation in the Spencer/Logic Tennis Tournament in San Diego.

The 10th annual tournament will begin at the Marriott Marina at 9 a.m. on Sunday, April 18. The Marriott Marina is at 333 W. Harbor Drive.

Men and women may enter the round-robin singles tournament at either the A or B level. Prizes will also be awarded for the fastest and most accurate serves.

The \$75 entry fee covers the cost of the tournament and the luncheon and awards ceremony that follows. To register, contact Bill Perry of Logic Associates Inc. at 212-227-8000.

—By Mary B. Nick



Spencer Educational Foundation 2003 donors

Now in its 25th year, the Spencer Educational Foundation is providing more financial support than ever to students in risk management.

The foundation issued scholarships and grants totaling \$500,000 in 2003 to both undergraduate and graduate students. In 2002, the foundation awarded \$104,655 in scholarships as well as \$40,000 each to its student internship and risk-manager-in-residence programs.

Since 1980, the Spencer Educational Foundation has awarded 278 scholarships totaling more than \$1.7 million, said Angela Sabatino, the foundation's administrative manager.

Among the Spencer foundation's programs are student internships, the risk manager in residence and research grants.

Internships are intended to offer students the experience of working at member companies of the Risk & Insurance Management Society Inc. The foundation offers grants of up to \$4,000 per student for internships. Since 1998, more than \$126,000 has been awarded in grants, Ms. Sabatino said.

The risk-manager-in-residence program, now in its sixth year, awards grants to colleges and uni-

versities that host professional risk managers to make presentations and give lectures on risk management. More than \$170,000 has been disbursed in grants under this program, said Ms. Sabatino.

The Spencer Educational Foundation, administered by the New York-based Risk & Insurance Management Society, 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 at the RIMS Web site at www.rims.org.

A list of Spencer contributors and pledges as of Dec. 31, 2003, follows:

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/Fort 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)

Business Insurance; Chubb Corp.; P. Richard and Linda Hackenburg; Kathryn McIntyre; Brian Kawamoto; Palmer & Cay Inc.

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

Bonnie J. Chambers; Donna and Howard Galer; Anne M. Zug

In addition, numerous individuals and organizations made contributions to the foundation's general fund:

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

Chesapeake Chapter of RIMS; Delaware Valley Chapter of RIMS; Houston Chapter of RIMS; Los Angeles Chapter of RIMS; Zurich North America

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

ABD Insurance & Financial Services; Central Pennsylvania Chapter of RIMS; Connecticut Valley Chapter of RIMS; Cleveland-Akron Chapter of RIMS; Eastern Oklahoma Chapter of RIMS; Fairfield Westchester Chapter of RIMS; San Diego Chapter of RIMS; Upstate New York Chapter of RIMS; Washington Chapter of RIMS

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

Individuals: Tom and Betsy Balderston; William S. Mortimer

Organizations: Chicago Chapter of RIMS; The Hartford Financial Services Group Inc.; International Risk Management Institute; Long Island Chapter of RIMS; Ozarks Area Chapter of RIMS; Physicians' Reciprocal Insurers; South Texas Chapter of RIMS; Wisconsin Chapter of RIMS

Contributors (\$500 - \$999)

Individuals:

Mike Eremchuk; Gwendolyn K. Ezell; Jeanne H. Pores; Joyce and James De Deo; Mark D. O'Brien

Organizations:

The USAA Foundation; World Captive Forum Golf Tournament

Donors (\$250 - \$499)

Individuals:

J. Ruffin Branham Jr.; Fred and Mary Lynn "Mel" Bangs; Timothy and Diana Bunt; Bonnie J. Chambers; Robert W. Esenberg; Peter A. Heard; Dr. Robert Hoyt; William J. Kelly; Christopher A. Maleno; Scott Rich; Debra L. Rodgers; Martin J. Ross III; James W. Smirles; Morris N. Spencer, in memory of my brother, Robert S. Spencer; John B. Sullivan; Stephen M. Wilder

Organizations:

Insurance Management Co. of Erie, Pa.

Friends (\$100 - \$249)

Individuals:

David and Eve Adler; Maryann E. Amici; Donald T. Browne; Bonnie J. Chambers, in memory of Michele

See **SPENCER**/next page

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April 5, 2004

Business Insurance / T17

San Diego RIMS 2004



Risk of inclement weather low in San Diego in April

Beautiful, mild, near-idyllic, paradisiacal... San Diego is well known for its wonderful weather. And that should hold true for the time the city plays host to the Risk & Insurance Management Society Inc.'s Annual Conference & Exhibition, which takes place April 18-22.

For the month of April, San Diego averages a high temperature



of 69 degrees Fahrenheit and a low temperature of 56. The record high, set in 1989, was 98 degrees, and the record low, set in 1945, was 41.

Conference-goers shouldn't need to pack umbrellas, either, with the area typically recording just three-fourths of an inch of precipitation for April.

A light jacket is probably a good idea, but leave those sweaters from

last year's conference at home. If you want to be on the safe side, check out the Weather Channel's Web site, www.weather.com, before you pack for the trip.

But beware if you venture too far east, though. As you get further from the moderating ocean side, temperatures will tend toward warmer during the day and cooler at night.

—By Amy Kepka



PHOTO: SAN DIEGO CONVENTION & VISITORS BUREAU

RIMS attendees should enjoy pleasant weather in San Diego, a city renowned for its mild climate.

Spencer: Donors, pledges

Continued from previous page

Andrews; Andrea Dudek; Lance J. Ewing, in gratitude to the former RIMS presidents; Carol Fox; Rita P. Garcia; Dick and Linda Hackenburg, in memory of Michele Andrews; Dick and Linda Hackenburg, in memory of Joseph Colette; Dick and Linda Hackenburg, in memory of Isabel Medina; Dick and Linda Hackenburg, in memory of Don Stuart; John J. Hampton; James P. Holland; Alicia Junta; Deborah S. Little; William L. Mather; Gary Meggs; James C. Newton Jr.; Mark D. O'Brien, in memory of Tom Celtic; Mark D. O'Brien, in memory of Patricia Cody; Steven W. Sachs; David G. Schwartz; Judith Tornese; West A. Woodbridge

Supporters (\$25 - \$99)

Individuals:

Martha Agostini; Berry and Beverly Griffin, in memory of Michele Andrews; Donna Lynn Pilato, in memory of Louise Miller; Angela Sabatino; Richard L. Richman; George Trotti; Ron and Kelly Winans, in memory of Donna Rose Allen; Ron and Kelly Winans, in memory of Michele Andrews; Ron and Kelly Winans, in memory of Ruby Ysursa Basabe; Ron and Kelly Winans, in memory of Hugh Brady; Ron and Kelly Winans, in honor of the ordination of Dillon Crager to the Order of Deacons, St. Paul Episcopal Church, Fond Du Lac, Wis.; Ron and Kelly Winans, in memory of Gladys M. Dahm; Ron and Kelly Winans, in memory of Bill Friend; Ron and Kelly Winans, in memory of Dr. Keith L. Gilbert; Ron and Kelly Winans, in memory of Gretchen Woodcock Strawn; Anne M. Zug, in memory of Michele Andrews

Organizations:

Alliance Pipeline Limited Partnership; RIMS Carolinas Chapter, in honor of Daniel J. Pliszka



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Official RIMS conference hotels and the San Diego Trolley route



MAP: SAN DIEGO CONVENTION AND TOURISM BUREAU

BI daily to cover RIMS conference

Business Insurance is expanding its coverage of the annual Risk & Insurance Management Society Inc. conference.

BI will publish a new show daily edition for attendees of RIMS' 2004 Annual Conference and Exhibition in San Diego next month. 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 show dailies.

BI's Show Daily will be available to RIMS conference attendees each morning and throughout the day on Monday April 19, Tuesday April 20, and Wednesday April 21. Copies will be available at *BI's* booth, #1929, and at the conference publication table.

Stories appearing in the *BI* Show Daily will also be available at www.businessinsurance.com.

The daily coverage will be supplemented by *Business Insurance's* two post-conference issues, April 26 and May 3, which are devoted to recapping the most important news, events and sessions of the RIMS conference.

This year, for the first time since 1995, *Business Insurance's* RIMS TV will not be produced at the

conference.

"Having covered the annual RIMS conference in our weekly news publication and *BI's* RIMS TV for many years, it was only natural that we began also providing attendees with daily news coverage at this important meeting," said Editor Paul Winston. "*BI* has been providing risk managers with the industry's leading daily news coverage for several

years now, so creating a show daily is long overdue for us and our readers."

For editorial queries about *BI's* Show Daily, 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 by telephone at 303-282-4260 or by e-mail at jwojcik@businessinsurance.com.

At the conference, news tips can also be delivered to *Business Insurance* by visiting booth #1929, though coverage of any item in the dailies or the weekly newsmagazine is subject to the news judgment of *BI's* editors.

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



Check out the Web before heading to San Diego

Before planning your trip to San Diego and the Risk & Insurance Management Society Inc.'s 42nd annual conference, you may want to check out these handy Web sites.

The San Diego Convention and Visitors Bureau, www.sandiego.org, offers a terrific overview of San

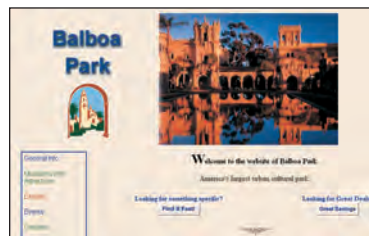
bune, www.signonsandiego.com, also offers a comprehensive visitors guide and the added benefit of daily news, sports, shopping and entertainment coverage for the area.

RIMS goers may also want to check out what the Gaslamp Quarter Assn., www.gaslampquarter.org,



historic Hotel Del Coronado, built in 1888, the island offers travelers every contemporary convenience in an enchanting Victorian atmosphere.

The site for Balboa Park, www.balboapark.org, is perhaps one of the most expansive Web sites, providing information on the park's



1,200 acres and attractions. As home to the San Diego Zoo, www.sandiegozoo.org; a host of gardens, including an award-winning rose garden and a butterfly garden; and the San Diego Museum of Art,



www.sdmart.org, with collections of Italian Renaissance, Dutch and Spanish Old Masters; the park's



Web site definitely will ensure that you're in-the-know about what to do there.

If the art scene in San Diego is more your style, check out San Diego Art & Sol, www.sandiegoartandsol.com. This guide to the visual and performing arts has an extensive events search capability. And

for a unique theater experience, check out Triple Espresso, www.tripleespresso.com. "A highly caffeinated comedy," this three-man review is a high-energy production featuring original songs, parody sendups and vaudeville-



style ensemble comedy in a coffee-house setting at the Horton Grand Theater.

And if you must catch some sports action while in town, check out the San Diego Padres, www.sandiegopadres.com, early in the week. The Padres have a three-game series with the Arizona Diamondbacks ending on April 18. The team will be out of town the rest of the RIMS conference.

—By Amy Kepka



Diego, with basic guides on where to stay, what to do and how to get around. The San Diego Union-Tri-



has to offer. This site lists information on shopping, dining and events in the quarter, located just across the way from the convention center.

For those wanting to venture farther afield while in San Diego, the Coronado Visitor's Center, www.coronadovisitors.com, offers up information on the island located directly across the bay from downtown San Diego. Recognized for its expansive white beaches and the

The Risk & Insurance Management Society Inc. 2004 Annual Conference & Exhibition takes place in San Diego April 18-22, and more than 450 exhibitors are expected to take part. Exhibitors will include insurance and reinsurance companies, brokers, consultants and many other service providers. Access to the exhibits is free with conference registration, but exhibit hall-only passes are available. No one under 21 will be admitted.

Exhibit Hall hours:

Monday, April 19, and Tuesday, April 20

9 a.m. to 4 p.m.

Wednesday, April 21

9 a.m. to 5 p.m.

@Global	1705
A.M. Best Co.	1600
ABD Insurance & Financial Services	2049
ABS Consulting	1121
ACE INA	2801
ACN Group	340
ADREM Profiles Inc.	608
AEGIS Insurance Services Inc.	1549
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ATC Associates Inc.	3003
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AdminSource/Remettra	3106
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Advanced Restoration Specialists Inc.	3039
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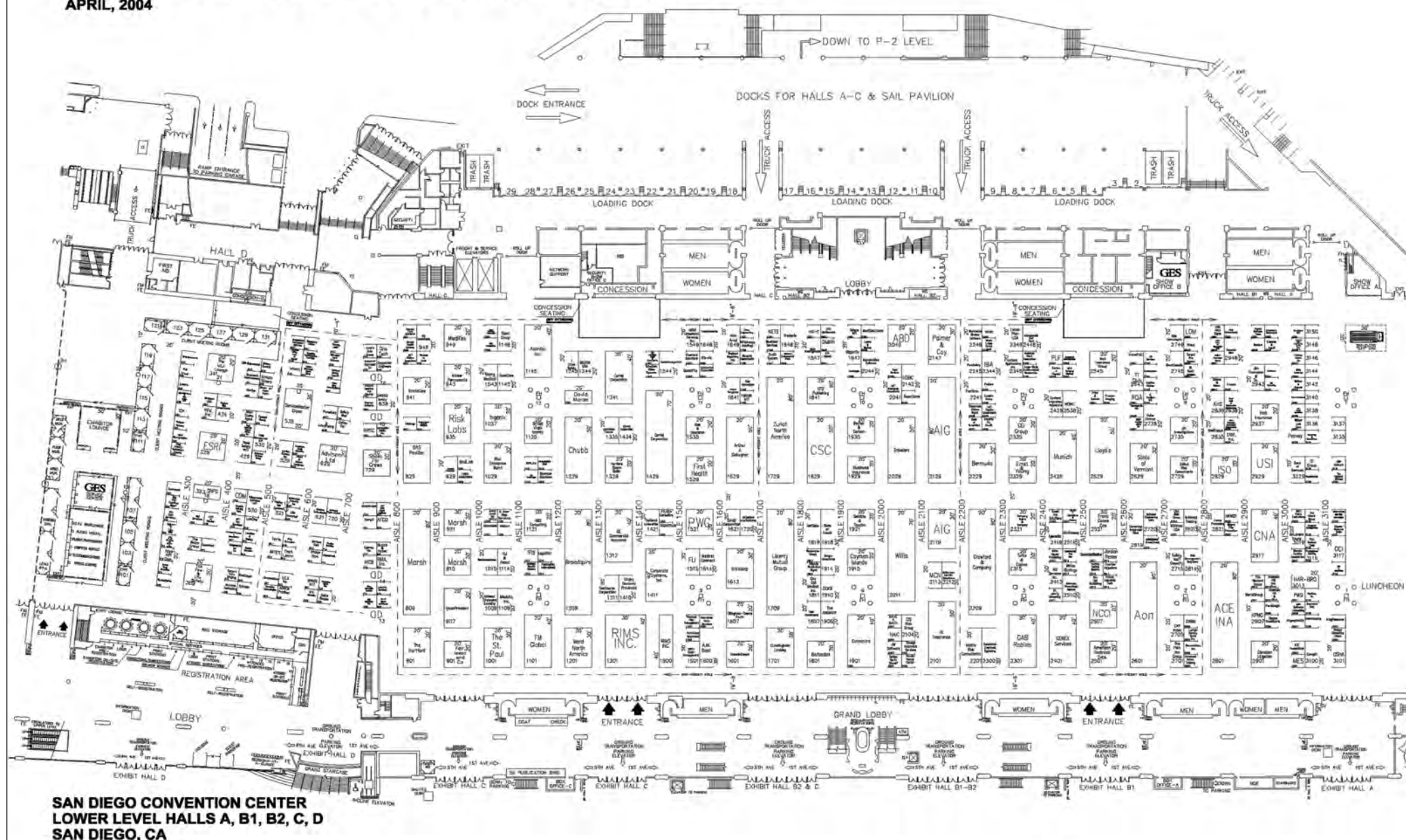
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Bank of New York	538
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Belize	315
Bermuda	2229
Big Sky Captive Management	320
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Earthquake & Structural Engineering Consultants	3138
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RIMS 2004 ANNUAL CONFERENCE & EXHIBITION

APRIL, 2004



Exhibitor list and floor plan as of 3/8/2004

April 5, 2004

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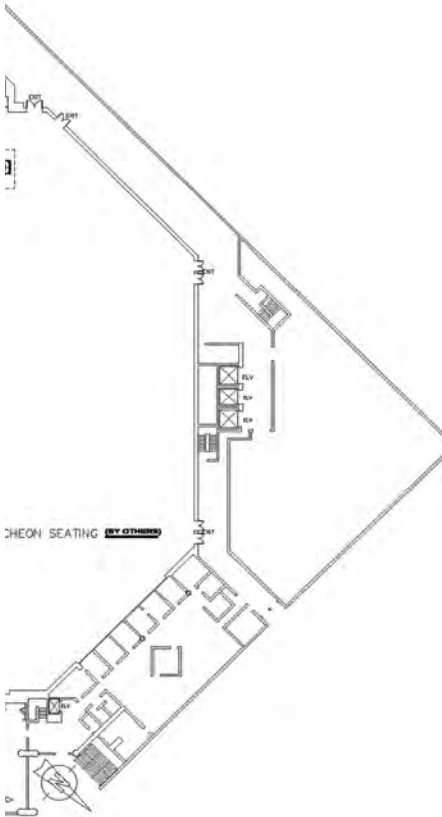
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San Diego RIMS 2004



There's plenty to see in San Diego's communities

By ROBERTO CENICEROS

The San Diego Convention Center's proximity to the Gaslamp Quarter helps make the city a great conference destination.

San Diego's historic Gaslamp district is a thriving, 16-block area of renovated Victorian-era buildings housing abundant options for dining, entertainment and shopping.

During the late 1880s, about 120 bordellos inhabited the area, and, as late as the 1970s, it was home to pornographic theaters and similar businesses. Since then, it has been converted into one of the city's top legitimate entertainment districts.

Today about 90 eateries—from casual cafes to high-end gourmet restaurants—lie within the boundaries of the Gaslamp Quarter. Patrons can select from a wide variety of cuisines and dining environments for breakfast, lunch, dinner or weekend brunch—from Spanish restaurants with flamenco performances to sidewalk cafes with live jazz music.

Because the Gaslamp district abuts the convention center, which sits just outside the quarter's southern boundary, it's a convenient walk for a meal or happy-hour cocktail after completing the day's conference agenda. Just head north from the convention center. Fourth, Fifth and Sixth avenues are the Gaslamp's main streets.

At night, those streets often host a big party. Crowds pack into the sidewalk table areas set outside of small pubs. Others join the lines waiting to enter the nightclubs that throb with music from DJs and bands. Pedicabs scurry about, carrying guests from nearby conference-area hotels. Other visitors stroll around while people-watching or puffing on stogies from the area's cigar stores.

For shopping, the Gaslamp area offers many possibilities, from pawnshops to hat stores and galleries to gift shops. Horton Plaza, an outdoor mall with several major department stores, is at the Quarter's northern end.

Beware, though, that some clubs pack in a mostly just-turned-21 crowd while some "ethnic" restaurants, meanwhile, try to broaden their appeal by serving less-than-authentic dishes. So if you crave the tapas you enjoyed in Spain, you might be exasperated to find a Spanish restaurant serving up spring rolls instead.

But overall, the area offers a rich and varied nightlife with restaurants that are conveniently abundant.

Old Town

Explore California's colorful heritage, shop for artisan wares or enjoy plates of Mexican fare washed down with frosty margaritas by spending an afternoon in San Diego's Old Town State Historic Park.

Today, Old Town is a popular San Diego tourist destination. It's also where the city first sprang to life and represents the efforts to com-

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PHOTO: DIANE KELLY

A produce cart in San Diego's Old Town area, which is a popular tourist destination.

San Diego: Growth has added vibrancy

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prove in quality the farther north one travels. For example, Ocean Beach and Pacific Beach both have an abundance of rough characters; they're probably good places to get a tattoo. La Jolla, farther to the north, meanwhile, offers genteel shopping and dining and a famed beach cove where surfers, divers and kayakers hone their skills in aqua-blue waters.



PHOTO: SDCVB/BOB YARBROUGH

San Diego is a short trolley ride from the Mexican border.

The surrounding area is also home to some renowned golf courses that host two PGA Tour events: the Buick Invitational at Torrey Pines and the Accenture Match Play Championship at the La Costa Resort and Spa. In all, the San Diego region has about 90 golf courses.

With an average daily temperature of 70.5 degrees Fahrenheit, it's easy to see why outdoor activities reign supreme in San Diego. Temperatures can vary widely, though, due to topographical considerations—something to keep in mind

if visiting nearby mountains, deserts and coastal areas.

The 1,200-acre Balboa Park, near downtown, is another lovely place to visit. It is acclaimed for its gardens and is home to 15 museums, many housed in stunning Spanish Colonial-style buildings, as well as the San Diego Zoo. Other major attractions in the region include SeaWorld San Diego and LEGOLAND California.

San Diego is also a short drive or trolley ride from the Mexican border. Tijuana and neighboring coastal communities offer colorful shops, bazaars and nightlife, including eateries that commonly appear on the restaurant review pages of San Diego newspapers. Traveling into Mexico by car, though, requires the purchase of Mexican insurance, which can be obtained at border agencies.

Or just stay in San Diego and enjoy Mexico's influence north of the border.

Old Town is a tourist favorite, with several Mexican restaurants, art galleries and shops selling Mexican wares and trinkets. It is on the site of the first European settlement on the West Coast, with its shops and restaurants housed in "pueblo period" style buildings.

Mexico's influence is also found in off-the-beaten-path restaurants in working-class urban neighborhoods such as Barrio Logan and City Heights. And the food in those restaurants is often cheap, authentic and flavorful.

So whether you're an urban explorer, prefer the tony streets of La Jolla or choose to surf, golf or just lounge in the sun, the San Diego region offers something for your every taste. Enjoy.

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Sights: Much to see in San Diego's communities

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bine Mexican and early American influences in an era that stretched from 1821 to 1872.

Several restored adobe buildings from the period sit among

PHOTO: DIANE KELLY



Old Town's Casa de Bandini

lovely gardens and fountains. Artifacts and museums representing the lifestyle of that era add to the charm.

Art galleries and shops offer a chance to purchase brightly colored textiles from Guatemala, Mexican handicrafts, ceramics and a wide variety of gifts.

Old Town is also home to several Mexican restaurants with specialties that include homemade tortillas, the marinated steak dish known as carne asada and pork carnitas.

PHOTO: DIANE KELLY



The Old Town Mexican Café and Cantina

One such restaurant is the lovely Casa de Bandini, which was first built in 1829 as a grand home. It eventually served as the center of early San Diego social life, as a stage stop and a hotel. Now, its lush garden patio offers a fine place to enjoy San Diego's temperate climate while sipping those margaritas.

The Old Town Mexican Café and Cantina is another well-known restaurant, with a drink menu that includes nearly 100 tequilas. One local risk manager swears the establishment serves the best carnitas in San Diego.

Old Town is also near the Junipero Serra Museum, a 1929 replica of a mission and presidio originally erected in 1769.

Hillcrest

Hillcrest is perhaps the hippest neighborhood in San Diego. Located uptown, it is within an easy cab ride from downtown and convention center hotels.

The urban village features an eclectic mix of restaurants, bookstores, coffeehouses, record shops, trendy clothing boutiques and antique stores. It's also home to a concentration of gay- and lesbian-owned businesses, as well as a gentrified resi-

dential neighborhood of families that prize its community feel.

University and Fifth avenues mark its center. A "Hillcrest" sign with large lettering stretches across University Avenue. At night, the retro neon sign proudly announces the destination.

Visitors will find Hillcrest restaurants specializing in a wide variety of cuisine.

Celadon, for example, offers

Thai dishes in an elegant atmosphere, while La Vache specializes in French casual bistro fare.

Another restaurant, Bombay, promises the "exotic cuisine of India," while Khyber Pass serves up dishes from Afghanistan and Arrivederci has a sidewalk patio where patrons can enjoy Italian food while seated under a yellow-and-white-striped canopy.



Places like Winn's American Hair Co., a retro barbershop on University Avenue, contribute to the hipness of San Diego's Hillcrest neighborhood.

PHOTO: DIANE KELLY



Some of the artistic creations at Extraordinary Desserts

PHOTO: DIANE KELLY

For drinks, Crush boasts of serving more than 50 wines by the glass along with surf, turf and vegetarian dinners. It also features a DJ on Thursday nights. Or, for one of the best treats in San Diego, Extraordinary Desserts serves extremely beautiful and tasty tortes, cakes and other temptations. But be prepared to stand in line, because the locals know a good thing when they taste it.

La Jolla

Gorgeous sea cliffs and aqua-blue waters meet upscale shopping and fine dining in La Jolla, one of Southern California's affluent coastline communities.

It's also a tourist-pleasing destination with numerous art



La Jolla Cove

PHOTO: SDCVB/ JIM BLANK

galleries and bountiful outdoor recreational opportunities that make it well worth the 14-mile drive from downtown San Diego.

Many high-end retailers, boutiques and restaurants with ocean views are centrally located around Girard Avenue and Prospect Street—the heart of La Jolla Village.

But not all La Jolla landmarks sit within the Village. The Marine Room Restaurant, for example, is an elegant ocean-view establishment serving lunch, dinner and Sunday brunch. It is located in a residential beach area just outside La Jolla Village and offers live jazz on weekend evenings.

The Stephen Birch Aquarium-Museum is about two miles from the Village and boasts about 60 impressive aquarium tanks with numerous colorful, strange and interesting ocean



Girard Gourmet, a European bakery and deli in La Jolla

PHOTO: DIANE KELLY

creatures. It is educational as well as mesmerizing.

Within the Village, visitors can take in some culture by visiting the Museum of Contemporary Art San Diego, with its permanent collection of more than 3,000 pieces created after 1950.

Runners and other exercise enthusiasts might be tempted to join all the fitness buffs that seem to thrive on La Jolla's ocean air and sunshine. Then, for healthy yet high-end regional cuisine, try Nine-Ten restaurant in La Jolla's tony Grande Colonial Hotel. The restaurant is known for its use of fresh, locally grown produce.

Or, just kick back while watching the waves roll into La Jolla Cove as surfers, swimmers and divers do their thing. Join them if you like. Shops in the area offer guided kayak tours and rent or sell snorkeling and surf equipment.

Even if you'd prefer to stay dry, you can still enjoy colorful ocean life. Just check out the front window of Girard Gourmet, a European bakery and deli specializing in designer cookies, including some resembling ocean creatures.

San Diego's beach communities

San Diego's Pacific Beach, with its collection of funky beach bars and its highly trafficked boardwalk lined with T-shirt shops, cottages and restaurants, provides an opportunity to check out California beach culture.



The Giant Dipper roller coaster in Mission Beach

PHOTO: DIANE KELLY

Sit in beachfront restaurants such as TD Hays and The Green Flash to enjoy an ocean sunset or wash down fish tacos with cold beers while watching bronzed bodies rollerblade, bike and skateboard along the cement boardwalk.

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Known locally as "P.B.," the beach offers bicycle and surfboard rentals as well as biker bars and tattoo parlors, alongside more conventional shops and restaurants.

Mission Beach, known as "M.B.," is home to Belmont Park, a down-on-its-heels amusement park at the intersection of Mission Boulevard and West Mission Bay Drive. Visitors can ride the historic Giant Dipper roller coaster, originally constructed in 1925 and since designated a national landmark. Or they can rent rollerblades or cruiser bikes and

roll among the free-spirited beach types.

Some families shy away from some sections of San Diego's beaches, though, because they do have a seedy edge.

Coronado

For another, more family-friendly take on San Diego beach culture, there's the city of Coronado, located just across the bay from downtown.

The place seems designed for strolling, whether along the gorgeous, well-maintained

beaches, through the colorful, boutique-lined shopping areas or in the tony residential stretches of California's "crown city."

And the jewel of this crown is the grand, elegant Hotel Del Coronado. Built in 1888, the Del, as it is known, has a storied past filled with tales of royalty, celebrity and romance. One of the hotel's claims to fame is that the movie "Some Like it Hot" was shot there in 1958, and the Del continues to evoke a spirit of old-world glamour.

Perhaps the best way to bask in that spirit is to park yourself for a while at the hotel's Babcock & Story Bar and watch people come and go. Named after the two men who built the Del—Elisha Babcock and H.L. Story—the patio of the bar provides the ideal setting for losing yourself for a while in idle musings and idyllic surroundings. Stay long enough, and you'll be treated to a spectacular display—

Coronado at sunset.

To get to Coronado from downtown, take the 2-mile San Diego-Coronado bridge across the bay. The bridge, with its 90-degree turn and vertical clearance of 200 feet, is something of a marvel unto itself.

Matt Scroggins contributed to this report.

PHOTO: MATT SCROGGINS



The historic Hotel Del Coronado evokes a spirit old-world glamour.



PHOTOS: SDCVB/JIM BLANK

The San Diego-Coronado Bridge connects the city with Coronado, whose beaches offer a perfect place to watch the sun set over the ocean.



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Balboa Park features colorful gardens and striking architecture.

PHOTO: SDCVB/BRETT SHOAF

Vast array of appealing options awaits visitors in Balboa Park

By MATT SCROGGINS

In San Diego, a walk in the park can become a journey through time, an art history lesson or even a safari.

Balboa Park, which occupies roughly 1,200 acres in the heart of San Diego, is a lush expanse that certainly is well suited to leisurely strolls, quiet contemplation and the singular pleasure of enjoying a good book in a grassy, shady spot. But it's also a vibrant cultural center that is home to 15 museums, several performing arts groups, gardens, restaurants, gorgeous Spanish colonial revival architecture and, of course, the world-famous San Diego Zoo (see related story).

Some of the park's most beautiful buildings surround the Plaza de Panama. Many of these striking structures, built in the ornate Spanish colonial style, were constructed for the 1915-16 Panama-California Exposition.

Housed in a few of these buildings are some of the park's many museums, including the Museum of Man, an anthropological museum whose collection includes artifacts from the native people of California and other ancient cultures. A new permanent exhibit offers a detailed, hands-on exploration of evolution and human development. The Museum of Man is open daily from 10 a.m. to 4:30 p.m., and admission is \$6 for adults and \$3 for children.

Also along the Plaza de Panama is

the San Diego Museum of Art, which houses a large collection representing American, Asian and European artists. With works ranging from sculptures by Alexander Calder to paintings by Diego Rivera and René Magritte, the museum's holdings offer something for virtually every aesthetic sensibility. Museum hours are 10 a.m. to 6 p.m. Tuesday through Sunday and 10 a.m. to 9 p.m. on Thursday; the museum is closed on Mondays. Admission is \$8 for adults, \$3 for children.

Another of the park's educational highlights is the San Diego Aerospace Museum, which is located off the Pan American Plaza.

Museum exhibits chronicle the history of flight from the Wright brothers' first attempts to break the bonds of Earth to the development of commercial aviation to the space program.

On display are scores of aircraft, both replica and original, including such famous World War II warplanes as the Spitfire—once the mainstay of the United Kingdom's Royal Air Force—and the Japanese Zero, as well as contemporary military aircraft. In addition, the museum offers a look at a few aerospace curiosities, such as the Wee Bee, a one-person craft that required the pilot to lie flat on his or her stom-

ach.

Museum hours are 10 a.m. to 4:30 p.m.; admission is \$9 for adults and \$4 for children.

In the vicinity of the San Diego Aerospace Museum are the San Diego Automotive Museum and San Diego Hall of Champions, a museum dedicated to professional



The San Diego Aerospace Museum

PHOTO: MATT SCROGGINS

athletes from or associated with San Diego, the city's professional sports teams and the sports that form an essential part of the area's culture, such as surfing. The Hall of Champions is open daily from 10 a.m. to 4:30 p.m., and admission is \$6 for adults and \$3 for children. The Automotive Museum, which will be featuring a temporary exhibit on the history of Porsche vehicles during RIMS week, is open from 10 a.m. to 5 p.m.; admission is \$7 for adults and \$3 for children.

The park's other cultural attractions include the Centro Cultural de la Raza, a facility dedicated to the promotion and preservation of Mexican, Chicano and Native American culture. The Centro Cultural's art gallery is open from noon to 5 p.m. Thursday through Sunday; admission is by donation.

The park also features a host of performance spaces, including the Old Globe Theater, the San Diego Junior Theatre, the Spreckels Organ Pavilion, the Starlight Bowl and the WorldBeat Center. Check www.balboapark.org for information on performance schedules and admission prices.



PHOTO: SDCVB/SAN DIEGO ZOO

Seeing all the sights the San Diego Zoo has to offer can be a challenge, but visitors have several options for navigating exhibits.

A few keys to seeing animal attractions

In addition to featuring a host of museums and other cultural attractions, San Diego's Balboa Park is home to the city's most famous residents.

Their digs? The San Diego Zoo's Giant Panda Research Station, where zoo visitors arrive in droves each day to catch a glimpse of the zoo's four giant pandas as they lean and loaf about their leafy quarters.

Although the chance see to these rare creatures in person may be reason enough to visit the world-famous San Diego Zoo, visitors will find that it has much more to offer—so much, in fact, that it may be difficult to see everything in one afternoon.

While a quick visit to the pandas can be done in under an hour—depending on the crowds—checking out all of the zoo's exhibits and attractions could take up the better part of a day. From imperturbable, submerged hippos to frolicsome chimps, animals from all over the world are on display in exhibits that attempt to closely approximate their natural habitats.

One way to see many of the high-

lights quickly—and to lessen the toll on your feet—is to take the bus tour, which covers about three-quarters of the zoo in 40 minutes. Tickets for the guided tour, which departs periodically throughout the day, are available near the main-entry plaza. In addition, those taking the bus tour can make use of the zoo's express buses, which stop approximately every 20 minutes at five locations across the grounds. Admission for the bus tour is \$10 for adults and \$5.50 for children age 3-11.

And for a bird's-eye view of, among other things, birds, there's the Skyfari Ariel Tram. The tram's four-person gondolas dangle sightseers above a few of the zoo's key attractions, including the Scripps Aviary, Gorilla Tropics, Panda Canyon and on up to the Polar Bear Plunge. Tickets are \$3 each way, and children under 8 must be accompanied by an adult.

The San Diego Zoo is open from 9 a.m. to 4 p.m. daily. Admission is \$21 for adults and \$14 for children age 3-11.

—By Matt Scroggins



PHOTO: MATT SCROGGINS

Panda Canyon is one the most popular attractions at the acclaimed San Diego Zoo.



Balboa Park

PHOTO: SDCVB/BOB YARBROUGH

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Birch Aquarium at Scripps

Take a look under the sea at the aquarium

By **ROBERTO CENICEROS**

If you found yourself dazzled by the ocean world in "Finding Nemo," then the Birch Aquarium at Scripps is certain to mesmerize you with real marine life whose color rivals the animated screen version.

More than 60 tanks—including a 70,000-gallon kelp forest behind a glass wall the size of a large movie screen—form a gallery of bat rays, octopus, eels, jellyfish, living coral and myriad other ocean creatures.

Just the view from the aquarium is worth the visit. The facility sits atop a bluff providing a wide vista of La Jolla shores, cliffs and the Pacific Ocean. It is located at 2300 Expedition Way in La Jolla, about 15 miles from downtown San Diego, and is the public education center for the Scripps Institution of Oceanography.

The aquarium's Hall of Fishes is



PHOTO: DIANE KELLY



A sculpture of whales leaping from the water greet visitors to the Birch Aquarium at Scripps. Starfish (inset) are among the many animals on display inside.

somewhat like a movie theater. The visitor areas are a bit dark, which allows the vivid marine creatures to stand out like animated film stars in their brightly lit tanks.

In one such tank, jellyfish—with their translucent, parachute-shaped bodies—float about like dancers in a musical. Leopard sharks prowl the kelp forest like leading actors, while in another tank, sea anemones form a supporting cast for crabs crawling about and fish swimming past.

About a dozen aquarium tanks feature plants and animals from Southern California's waters. Others are home to life that thrives in colder waters to the north.

Still other tanks house tropical fish found off Mexico and in the Caribbean Ocean. Anyone who has ever snorkeled off warm-water beaches will swear they recognize the multicolored fish in the tanks housing Caribbean life. Their hues match the intensity of black-light psychedelic posters from the 1960s.

Among the species found in the aquarium are clown fish, those bright orange, white-striped fish of "Nemo" fame.

The 70,000-gallon kelp forest, with its floor-to-ceiling glass wall, can be enjoyed from a raised viewing gallery. A wave-making machine and natural sunlight from the tank's open top provide just the right environment for the forest's ocean community to survive. The exhibit's inhabitants include giant sea bass that can reach up to 500 pounds.

Outside, a demonstration tide-pool area permits visitors to encounter ocean life as one would stroke animals in a petting zoo. Here, too, is a wave machine, creating the water motion necessary to ensure the survival of sea urchins, sea stars and other tide-pool creatures.

The facility also has a 13,000-gallon reef exhibit displaying several shark species and a Hall of Oceanography with educational displays. The aquarium is open seven days a week from 9 a.m. to 5 p.m. For more information, call 858-534-3474.



PHOTO: DIANE KELLY

A display in the floor-to-ceiling windows reminds visitors of the seahorse exhibit on display at the aquarium.

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San Diego offers diners eclectic menu of restaurants



By **MATT SCROGGINS**
and **ROBERTO CENICEROS**

Hungry visitors to San Diego should be able to find something to suit just about every taste. With hundreds of restaurants featuring cuisines from around the world—and several emphasizing the region's own melange of culinary traditions—the city offers a broad array of dining possibilities.

A guide to San Diego's restaurants appears on page T31, providing information—including address, cuisine and price—on many establishments around the city. Here are reviews of several well-known restaurants in San Diego and its neighboring areas.

Bertrand at Mister A's

Bertrand at Mr. A's is a favored spot for San Diego residents celebrating special occasions and willing to spend to do so.

The restaurant is on the 12th floor of a midtown San Diego office building and is known for its sweeping views of the city, including its beautiful bay, Balboa Park, the coastline and downtown.

The fare is modern American with French and Mediterranean influences.

During the day, it's fun to dine while picking out surrounding landmarks such as the tiled dome on the Museum of Man in nearby Balboa Park, or Point Loma, a San Diego Bay peninsula.

At night, the floor-to-ceiling windows at Bertrand at Mr. A's are great for enjoying twinkling city lights or airplanes descending closely as they fly into nearby Lindbergh Field, San Diego's main airport.

It's an elegant restaurant that only a few years ago gave up a suit-and-tie requirement. Jeans are now allowed, judging by the appearance of a few patrons during a recent visit. But jeans seem a bit tacky for the sophisticated environment; business casual is more appropriate.

Restaurant reviews have praised Bertrand at Mr. A's food and service. But on our visit, some of the dishes lacked flavor, and servers could have been better trained. A marinated duck breast and leg confit for \$26, however, proved excellent. It was served with orange-scented pappardelle pasta, roasted turnips and a cabernet reduction.

A Maine lobster strudel appetizer made of steamed fresh lobster and seasonal mushrooms wrapped in phyllo dough for \$20 wasn't very tasty. A \$10 dessert of almond hazelnut meringue layered with praline and brandy creams, glazed in bittersweet chocolate with dulce de leche ice cream also didn't hit a home run.

But the view is stunning.

Café 222

La Jolla may be "the jewel" of San Diego, but this breakfast/lunch spot near the convention center is another of the city's treasures.

Since 1991, Café 222 has been serving up founder Terry

Gavre's eclectic take on the most important meal of the day. Offerings range from classic breakfast plates such as the All American—eggs, potatoes, toast and choice of meat—for \$8.50, to more exotic fare. For a truly delicious example of the latter, try the tamales and eggs—for \$9.25—which features two savory pork tamales topped with a spicy Mexican gravy, eggs, toast and potatoes.

Other specialties include eggs Italia (\$8.25) which is a scramble with pesto, tomatoes and goat cheese, and a variety of waffles in the \$6 to \$8 range, including one made from a cornmeal batter. Additional variations on the waffle theme include a five-grain version with granola, as well as a pumpkin variety.

For those less inclined to fill up first thing in the morning, there are lighter offerings such as muffins, bagels, fresh fruit and oatmeal. And you're unlikely to find a better cup of coffee in San Diego.

Lunch-goers can choose from several sandwiches—such as an albacore tuna salad sandwich (\$6.75) and a lime- and ginger-soaked chicken sandwich (\$7.50)—as well as soups, salads and homemade pizzas. The café is not open for dinner.

Café 222 can accommodate 75, whether in the welcoming, brightly colored dining room or outside on the patio. So if you're looking for the fuel to get you through those morning sessions, skip the \$12 hotel continental breakfast and walk the couple of blocks to this downtown gem.

George's at the Cove

One sure way to impress clients is to treat them to fine dining at George's at the Cove, a La Jolla restaurant known for delivering sumptuous meals and impeccable service.

The ocean view from the heart of La Jolla will also dazzle, especially if you visit at sunset. But George's offers much more than just a spectacular waterfront location, especially in the establishment's main dining room.

Food critics and dining magazines regularly praise executive



George's at the Cove in La Jolla.

chef/partner Trey Foshee for creating some of the best meals in the San Diego area. His regional coastal cuisine style is known to be simple, yet creative.

The food is also very fresh and varies with the season. Chef Foshee is known for selecting his produce from a respected local organic farm.

Appetizers on a recent visit to George's included a truffled white bean soup poured over slices of duck placed atop a small mound of black kale. The dish cost \$10 and was delicious.

A salad of beets over thinly sliced tangerine and topped with watercress cost \$12. The evening's entrée special, first-of-the-season halibut, cost \$30. It came served with chunks of lobster sprinkled around it. The flavorful halibut was moist, buttery and cooked to perfection.

George's also strives to perfect its service and succeeds beyond most restaurants. The wait staff was very attentive and knowledgeable about wine and food preparation.

George's main dining room is very elegant with tasteful artwork and lighting. But the establishment also offers options among three floors of dining space. For more casual meals, there is an upstairs bar that is a more social scene. There is also

an ocean terrace, great for lunch while basking in the La Jolla sunshine.

For reservations, George's requires a credit card number and will charge \$25 per person for reservations that are not kept.

Greystone, the Steakhouse

Build a convention center, and they will come—steakhouse fans, that is. And San Diego, which is very much a convention city these days (just ask the locals), offers several options for the two-knives crowd.

One such option is the Gaslamp Quarter's Greystone. Nestled in along a bustling stretch of Fifth Avenue, Greystone serves well-prepared, traditional steakhouse fare in a setting that is a welcome departure from the oppressive, mahogany-wild atmosphere that is often found in such establishments. In fact, one of the charms of the place is that despite its capacity—there is seating for 145—it manages to retain the casual, comfortable elegance of a bistro.

Greystone features an impressive, if somewhat pricey, wine list with over 700 labels, as well as a full bar. Appetizers include Maryland crab cakes (\$15), a baked portobello mushroom with gulf shrimp (\$14) and oysters on the half shell (\$15). Several salads are available, including the steakhouse classic: beefsteak tomatoes and onions with a dressing of blue cheese crumbles (\$9).

There are a few poultry and pasta dishes on the menu, as well as such seafood offerings as live main lobster and jumbo prawns (\$32).

Greystone's steaks include a 32-ounce ribeye (\$38), a 16-ounce New York strip (\$38) and a filet mignon that is topped with a truffle-infused veal reduction and haystack potatoes (\$36). In addition, there are various lamb and game cuts, which all fall in the mid-\$30 range. On one visit, the New York strip, served with a six-peppercorn sauce—one of several choices—was succulent and tender, though perhaps ever so slightly overdone for a medium-rare order (no real harm done, though).

Sides include several kinds of potatoes—including lobster mashed potatoes—and vegetables, and dessert options (all \$7) include cheesecake and brandy custard.

Hash House A Go Go

The Hash House A Go Go will not be confused with a fine dining establishment.

But it is a pleasant, trendy spot offering huge portions of American cuisine in an updated version of a 1930s hash house with a farm-machinery motif. Although it's frequented by San Diego's hip crowd, plenty of families seeking good food and value also find their way to the Hillcrest neighborhood eatery.



Hash House A Go Go in Hillcrest.

It's a favored breakfast spot with hash and egg dishes brought to your table in a black cast-iron skillet or on massive plates. The menu includes a hangover cure called O'hare of the Dog composed of a 24-ounce Budweiser with a side of bacon.

A meatless hash of mushrooms, artichoke hearts, sun-dried tomatoes and fresh spinach proved to be a delight for only \$9.95. The large chunks of hash arrived with potatoes; a sizable, homemade biscuit; and a bowl of delicious berry jam made on the premises.

The jam flavor changes daily and "just kind of depends on who came in in the morning and what they felt like making for the day," according to a waiter, who could have been more attentive.

See **RESTAURANTS**/page T30



Restaurants: San Diego offers diners a wide variety

Continued from page T28

The hash dishes include one made of meatloaf, roasted red peppers, spinach and smoked mozzarella. Other offerings include basic egg dishes, flapjacks and waffles. But be warned, the flapjacks could be the largest you will ever see.

The food comes in such massive portions that the restaurant charges a fee for splitting dishes. But customers can get around that by requesting side orders.

The lunch menu includes a burger, actually two thin patties, stuffed with smoked bacon, avocado and cheese for \$9.95. A roast beef sloppy joe with horseradish sour cream costs \$6.95.

The dinner menu includes grilled swordfish with sun-dried tomato mashed potatoes for \$22.95, and meatloaf stuffed with spinach, red peppers, smoked mozzarella served with mashed potatoes for \$16.95.

A full bar is available and reservations are recommended. No reservations are accepted for Sunday brunch, and the crowds line up outside.

Indigo Grill

Call it her blue period. Indigo Grill is the latest showcase for the celebrated talents of San Diego chef Deborah Scott, who made her name at Kemo Sabe, a favorite spot in the Hillcrest area.



PHOTO: MATT SCROGGINS

Indigo Grill in Little Italy.

Indigo Grill, located a couple of miles north of the convention center in San Diego's resurgent Little Italy neighborhood, offers creative and delicious fusion cuisine that blends the flavors and culinary traditions of Mexico, the Southwest and the Pacific Northwest into new creations.

The restaurant's décor reinforces this harmony of old and new, combining rustic and modern elements to create a casually hip atmosphere. At the center of the airy, comfortable dining room is Indigo Grill's open kitchen, where diners can watch Chef Scott and her team in action. Plentiful banquet-style seating makes the room well suited for pairs and small groups alike. And if San Diego's notoriously uneven weather permits, outdoor dining is available on the patio.

Starters, which range from \$6.50 to \$13, include a roasted butternut squash soup and a warm, pumpkin- and sesame-crusted brie with mole negro and honey-roasted garlic, served with warm flatbread. The latter was very good on one visit, but perhaps even better was the Vera Cruz maize tamale, which was topped with prawns, garlic butter and guajillo chiles.

Entrees are priced from \$9 to \$28 and include salmon with a cucumber-dill moleto on horseradish flatbread, squid ink pasta and smoked Oaxacan cheese; and a nicely prepared blueberry lacquered rack of lamb served with roasted fennel potatoes and leafy vegetables with a cilantro dressing. Specials one evening included a subtly spicy chile-rubbed steak served with fresh pico and black beans.

In addition to its American wine list, Indigo Grill features a host of cocktails drawing upon some of the same cultural traditions as its cuisine. One such drink is the mojito, a refreshing concoction of rum, club soda, sugar and mint. Deserts include a Native American bread pudding and the fire and ice—a spicy cake with fresh mint ice cream and meringue.

The Prado

A perfect setting for whiling away an afternoon hour or two, this Balboa Park spot offers flavorful, artfully presented Italian/Latin fusion cuisine and an ample serving of San Diego sunshine.



PHOTO: MATT SCROGGINS

The Prado in Balboa Park.

Although The Prado does have indoor seating, the patio clearly is the place to be, at least for lunch. Begin your basking with something from the cocktail list, such as a glass of sangria (\$6) or a caipirinha, a traditional Brazilian drink made with cachaca, fresh lime and sugar (\$5.75). Along with your drinks, you'll receive The Prado's spin on an old standard: its "bread and butter" is a great, kicky chipotle hummus served with two kinds of flatbread (cheese and cracked wheat with fennel).

For a light lunch, try a bowl of tortilla soup (\$5.95), which was fresh-tasting and savory, perfectly seasoned with the crisp, cool overtones of cilantro. Other starters include spicy chicken empanadas (\$7.95), which were nicely complemented by an avocado-serrano chile salsa and a chipotle cream sauce. In addition, all of the dishes were colorful and beautifully presented.

Salads include an organic baby arugula with shaved asiago cheese, strawberries, candied walnuts and figs, dressed in a sherry shallot vinaigrette (\$9.50). A grilled portobello napoleon (\$9.95) is for olive lovers only, as its black olive tapenade was applied liberally and overwhelmed the other elements, which included a tomato and roasted garlic relish, and herbed goat cheese.

Main dishes include grilled skirt steak tacos with a cabbage slaw, chimichurri sauce and rice and beans for \$13.95 and a garlic-and-rosemary pan-roasted half chicken with field greens and garlic mashed potatoes for \$16.95. Pastas and panini also are available, including a grilled chicken pesto for \$10.95.

Rubio's Fresh Mexican Grill

Just as Chicago has its hot dogs and New Orleans its poor boys, San Diego has its own signature fast food favorite—the fish taco.

While you'll find the Baja regional treat on the menu at many of the city's restaurants, a quick, low-key—and tasty—introduction to the fish taco is available at Rubio's Fresh Mexican Grill, a chain with locations throughout San Diego.



The \$1.99 no-frills model is a warm corn tortilla wrapped around pieces of beer-battered Alaskan pollock, shredded cabbage, a mild salsa and Rubio's special sauce. The "especial" version adds guacamole, cheese, cilantro and onion for an additional 40 cents. For those given to making further additions, there's a salsa bar featuring several varieties as well as pickled jalapeño peppers, both sliced and whole.

In addition to other types of tacos, Rubio's serves burritos—both surf- and turf-based—which range from \$2.99 for the cheesy bean variety (pintos, cheddar cheese and salsa) to \$6.29 for the lobster burrito. Salads, quesadillas, nachos and combo plates also are available. And if you overdo it at the salsa bar, several types of Mexican beers are on hand to help extinguish the fire.

There are several Rubio's locations in the San Diego area, but for RIMS-goers, the closest is at 330 W. Broadway, in the Hall of Justice.

Taka

In a town known for its seafood, you'd be hard pressed to find a fish experience more pure than this. Taka serves fresh sushi and sashimi, rolls and other Japanese cuisine in a

Gaslamp location just a few blocks away from the convention center.

The spartan dining room, with its wood and metal accents, is in perfect harmony with Taka's beautifully vivid, often-simple rolls and pieces of sushi, such as the eel (\$4.75) and salmon (\$4.50). Menu prices for sushi reflect the cost of two pieces. Absolutely wonderful on one visit was the tuna belly (\$8), whose delicate sweetness and delightful texture would likely make a sushi fan of even the most skeptical newcomer. Among the rolls available were a very nice California roll (\$6.75 for eight pieces) and an even more delicious spicy tuna (\$7.75), both served with sliced ginger and wasabi paste.

Appetizers include cold shabu-shabu, which is thinly sliced filet mignon served with a sesame sauce (\$10.50), and shrimp tempura (\$8). For the sushi-shy in the group, there are several entrée possibilities, including chicken teriyaki (\$12) and sever-

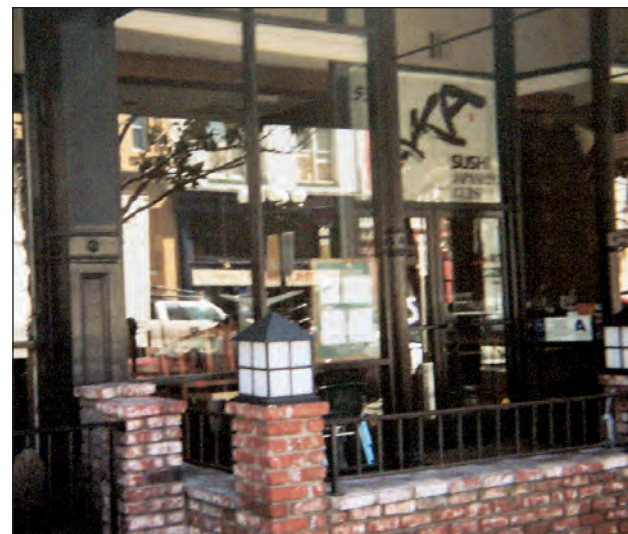


PHOTO: MATT SCROGGINS

Taka in the Gaslamp Quarter.

al kinds of fried rice (\$6-\$7 for a half order). Taka also serves a variety of Japanese beers, warm and cold sake, and cocktails, any of which may prove helpful overcoming the aforementioned shyness.

A word about the service: It was, in a word, tremendous. A last-minute request to change seats and a plea for help with some of the more esoteric aspects of the menu both were met with charming alacrity, and both the host and server were most friendly and accommodating.

Top of the Market

Ask San Diego locals where to dine for consistently great seafood, and Top of the Market is a frequent response.

The waterfront restaurant with a lovely harbor view and extensive menu is sure to satisfy the appetite of anyone who has arrived in Southern California looking for a restaurant that focuses on the freshest seafood.

The menu also features filet mignon, chicken, rack of lamb, pastas, clam chowder and salads. But Top of the Market is part of a regional chain that also owns several Fish Market restaurants and a San Francisco fishery. So the downtown restaurant—located very close to the San Diego Convention Center—is a sure bet for satisfying a craving for fine seafood.

The attentive service, full bar and huge plate glass windows with the bay view make it a great place for a lunch or dinner with business associates.

The large dining room with white tablecloths allows for casual, yet somewhat dressy, attire, and patio dining is available. Shirts with collars are recommended.

For a more casual experience, try the Fish Market restaurant downstairs, which has some similar items on its menu. The Fish Market also has a sushi bar and an oyster bar where you can watch your food being prepared.

The upper floor of Top of the Market, however, is best for enjoying a dinner with several courses. Among the dinner menu's "specialty appetizers" is a plate of Mexican-style prawns sautéed with peppers, onion, jalapeños, cilantro and garlic for \$19.25. The peppers add flavor without overpowering the fresh prawns.

The shellfish appetizer category includes fresh oysters Rockefeller with spinach, bacon and Locatelli romano cheese for \$11.95. One word, "yummy," describes the dish.

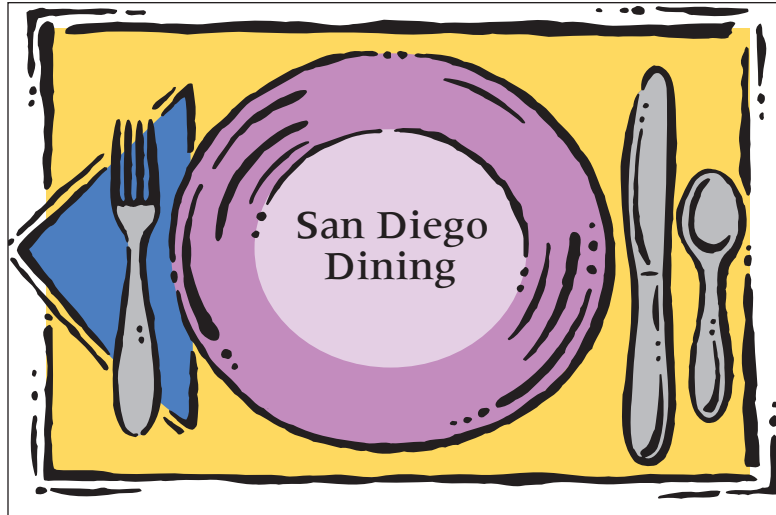
Entrees include Australian lobster tail for \$44, Alaskan king crab legs for \$34.99 and Pacific swordfish served with cilantro and pesto sauce. Specialties include rosemary cappellini with Maine lobster in champagne cream sauce and scallops served with mushroom sauce.

April 5, 2004

Business Insurance / T31



San Diego offers varied choices for dining



Business Insurance's guide to selected restaurants in the San Diego area was compiled by Carrie Brittain.

A

Alambres

756 Fifth Ave., San Diego
619-233-2838; Fax: 619-234-2326
Atmosphere: Casual dining experience.
Cuisine: Mexican.
Specialties: Alambres, burritos, carne asada, tacos.
Average dinner for two: \$26 to \$50.
Neighborhood: Gaslamp Quarter.
Attire: Casual.
Credit cards accepted: All major credit cards.
Hours: 9 a.m.-3 a.m.
Reservations: Recommended.

Alfiere Restaurant

Sheraton San Diego Hotel & Marina,
1590 Harbor Island Drive, San Diego
619-692-2778; Fax: 619-692-2339
www.alfiereonline.com
Atmosphere: Casual fine dining.
Cuisine: Italian.
Specialties: Lobster ravioli, mushroom risotto.
Average dinner for two: \$26 to \$50.
Neighborhood: Harbor Island.
Attire: Casual.
Credit cards accepted: All major credit cards.
Hours: 6:30 a.m.-10 p.m.

Alfonso's of La Jolla

1251 Prospect Place, La Jolla
858-454-2232; Fax: 858-472-5125
www.alfonsolajolla.signonsandiego.com
Atmosphere: Indoor and patio seating are available for a fun and casual dining experience.
Cuisine: Mexican.
Specialties: Carne asada, garlic shrimp, puerto-nuevo style lobster.
Average dinner for two: \$51 to \$75.
Neighborhood: La Jolla.
Attire: Casual.
Credit cards accepted: American Express, Diner's Club, MasterCard, Visa.
Hours: Sunday-Thursday, 11 a.m.-10 p.m.; Friday-Saturday, 11 a.m.-11 p.m.
Reservations: Recommended.

Anthony's Fish Grotto

1360 N. Harbor Drive, San Diego
619-232-5103; Fax: 619-232-1877
www.gofishanthonyys.com
Atmosphere: Casual setting overlooking San Diego Bay.
Cuisine: Seafood.
Specialties: Clam chowder, grilled shrimp with honey mustard sauce, mesquite broiled swordfish, supreme salad with shrimp, crab and lobster.
Average dinner for two: \$26 to \$50.
Neighborhood: Downtown.
Attire: Casual.
Credit cards accepted: All major credit cards.

Hours: 11 a.m.-10 p.m.
Reservations: Recommended.
Parking available

Aqua Blu

734 Fifth Ave., San Diego
619-544-6456; Fax: 619-544-6462
www.aquabluseafood.com
Cuisine: Pacific Rim.
Specialties: Miso herb-crusted halibut, sake-steamed black mussels, star anise dusted pork tenderloin.
Average dinner for two: \$51 to \$75.
Neighborhood: Gaslamp Quarter.
Attire: Business casual.
Credit cards accepted: All major credit cards.
Hours: Lunch: 11:30 a.m.-3:30 p.m.; dinner: 3:30 p.m.-midnight.
Reservations: Recommended.

Aubergine

500 Fourth Ave., San Diego
619-232-8100; Fax: 619-232-8109
www.aubergineon4th.com
Atmosphere: Contemporary Casablanca mood.
Cuisine: International fusion.
Specialties: Calamari salad, filet mignon and pistachio halibut.
Average dinner for two: \$51 to \$75.
Neighborhood: Gaslamp Quarter.
Attire: Casual.
Credit cards accepted: All major credit cards.
Hours: Tuesday-Sunday, 5 p.m.-10 p.m.
Reservations: Recommended.
Parking available

Azul La Jolla

1250 Prospect St., La Jolla
858-454-9616; Fax: 858-454-9616
www.azullajolla.signonsandiego.com
Atmosphere: The restaurant has floor to ceiling windows overlooking the Pacific coastline.
Cuisine: Californian.
Specialties: Muscovy duckling with caramelized onions, mushrooms, fingerling potatoes and wilted mustard green ragout.
Average dinner for two: Over \$100.
Neighborhood: La Jolla.
Attire: Business casual.
Credit cards accepted: All major credit cards.
Hours: Champagne brunch: Sunday, 10 a.m.-2:30 p.m.; lunch: Tuesday-Saturday, 11:30 a.m.-2:30 p.m.; dinner: 5:30 p.m. closing, dinner hours vary nightly.
Reservations: Recommended.
Parking available

B

Bahia Cafe

Bahia Hotel,
998 W. Mission Bay Drive, San Diego
858-539-7635; Fax: 858-539-7880

Atmosphere: Offers a casual Mediterranean atmosphere with a Southwestern flair.
Cuisine: Mediterranean.
Average dinner for two: Under \$25.
Neighborhood: Point Loma.
Attire: Casual.
Credit cards accepted: American Express, MasterCard, Visa.
Hours: 6:30 a.m.-10:30 p.m.
Reservations: Recommended.

Bar 10

Sheraton San Diego Hotel & Marina,
1380 Harbor Island Drive, San Diego
619-692-2255; Fax: 619-692-2339
Atmosphere: Elegant upscale setting.
Cuisine: Spanish.
Specialties: Tapas, martini bar.
Average dinner for two: \$26 to \$50.
Neighborhood: Harbor Island.
Attire: Casual.
Credit cards accepted: All major credit cards.
Hours: 4 p.m.-10:30 p.m.
Reservations: Recommended.
Parking available

Barolo

8935 Towne Center Drive, Suite 113,
San Diego
858-622-1202; Fax: 858-622-1245
www.barolos.com
Atmosphere: Cozy and warm.
Cuisine: Italian.
Specialties: Pear ravioli, seafood, veal.
Average dinner for two: \$76 to \$100.
Neighborhood: Golden Triangle.
Attire: Casual.
Credit cards accepted: All major credit cards.
Hours: Lunch: Monday-Friday, 10:30 a.m.-2:30 p.m.; dinner: Sunday, 5 p.m.-9:30 p.m., Monday-Saturday, 5 p.m.-10 p.m.
Reservations: Recommended.
Parking available

Bella Luna

748 Fifth Ave., San Diego
619-289-3222; Fax: 619-239-2112
www.bellalunasandiego.com
Cuisine: Italian.
Specialties: Regional Italian dishes including fusilli pasta with chicken sausage, mushrooms and bell peppers and veal scaloppini filled with portobello mushroom and smoked mozzarella.
Average dinner for two: \$26 to \$50.
Neighborhood: Gaslamp Quarter.
Attire: Business casual.
Credit cards accepted: All major credit cards.
Hours: Lunch: 11 a.m.-3:30 p.m.; dinner: 3:30 p.m.-midnight.
Reservations: Recommended.

Bertrand at Mister A's

2550 Fifth Ave., San Diego
619-239-1377; Fax: 619-239-1379
www.bertrandatmisteras.com
Cuisine: Continental.
Specialties: Lobster bisque, pan-roasted pork chop, roasted king salmon.
Average dinner for two: \$76 to \$100.
Neighborhood: Downtown.
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: 5:30 p.m.-closing, dinner hours vary nightly.
Reservations: Recommended.
Parking available

Blue Point Coastal Cuisine

565 Fifth Ave., San Diego
619-233-6623; Fax: 619-233-1931
www.bluepoint.signonsandiego.com
Atmosphere: Experience a 1940s-style San Francisco supper club.
Cuisine: Seafood.
Average dinner for two: \$51 to \$75.
Neighborhood: Gaslamp Quarter.
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.

Blue Wave Bar & Grill

Island Palms Hotel & Marina,
2051 Shelter Island Drive, San Diego
619-223-2572; Fax: 619-222-9760
www.islandpalms.com
Atmosphere: Casual to fine dining with a harborside marine view.
Cuisine: Californian.
Specialties: Cajun rib eye, cilantro pesto-crusted sea bass, crab-stuffed won tons, macadamia nut-crusted halibut, stuffed pork prime rib.
Average dinner for two: \$51 to \$75.
Neighborhood: Point Loma.
Attire: Casual.
Credit cards accepted: All major credit cards.
Hours: Breakfast, Monday-Friday, 6:30 a.m.-11 a.m., Saturday-Sunday, 6:30 a.m.-noon; lunch: Monday-Friday, 11 a.m.-2 p.m., Saturday-Sunday, noon-2 p.m.; dinner: Sunday-Thursday, 5 p.m.-9 p.m., Friday-Saturday, 5 p.m.-10 p.m.
Reservations: Recommended.

The Brigantine

1333 Orange Ave., Coronado
619-435-4166; Fax: 619-435-2499
www.brigantine.signonsandiego.com
Atmosphere: The Brigantine decor has a nautical motif throughout the restaurant and offers a fine dining experience.
Cuisine: American.
Specialties: Blackened Ahi tuna with wasabi soy sauce and seaweed salad, char-broiled filet mignon wrapped in bacon with whiskey-peppercorn sauce and garlic mashed potatoes.
Average dinner for two: Over \$100.
Neighborhood: Coronado.
Attire: Business casual.
Credit cards accepted: All major credit cards.
Hours: Lunch: Monday-Friday, 11:30 a.m.-

2:30 p.m.; dinner: Sunday, 4:30 p.m.-9:30 p.m., Monday-Thursday, 5 p.m.-10 p.m., Friday-Saturday, 5 p.m.-10:30 p.m.

Reservations: Recommended.

Parking available

Other locations: 3263 Camino Del Mar in Del Mar; 2725 Shelter Island Drive in Point Loma.

Broken Yolk Cafe

1851 Garnet Ave., San Diego
858-270-9655; Fax: 858-270-4745
Atmosphere: Casual and comfortable dining for breakfast and lunch.
Cuisine: American.
Average dinner for two: Under \$25.
Neighborhood: Pacific Beach.
Attire: Casual.
Credit cards accepted: All major credit cards.
Hours: 6 a.m.-3 p.m.
Parking available

Buca di Beppo

705 Sixth St., San Diego
619-233-7272; Fax: 619-233-3707
www.bucadibepo.com
Atmosphere: Southern Italian family-style dining experience.
Cuisine: Italian.
Specialties: Baked lasagna, pizza, pork osso buco.
Average dinner for two: \$51 to \$75.
Neighborhood: Gaslamp Quarter.
Attire: Casual.
Credit cards accepted: All major credit cards.
Hours: Sunday-Thursday, noon-10 p.m.; Friday-Saturday, noon-11 p.m.
Reservations: Recommended.

Buster's Beach House

807 N. Harbor Drive, San Diego
619-233-4300; Fax: 619-233-4102
www.bustersbeachhouse.com
Atmosphere: Casual atmosphere with a

Continued on next page



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VISIT US AT RIMS BOOTH #2345

Continued from previous page

waterfront view.
Cuisine: Eclectic.
Specialties: American food with a Hawaiian influence featuring banana fritters, kahuna chicken salad, macadamia nut-crusted chicken, pork luau.
Average dinner for two: \$51 to \$75.
Neighborhood: Downtown.
Attire: Casual.
Credit cards accepted: All major credit cards.
Hours: Sunday, 7 a.m.-9 p.m.; Monday-Thursday, 8 a.m.-9 p.m.; Friday, 8 a.m.-10 p.m.; Saturday, 7 a.m.-9 p.m.
Reservations: Recommended.
Parking available

Cafe 222

222 Island Ave., San Diego
619-236-9902; Fax: 619-236-8191
www.cafe222.com
Atmosphere: Hip and casual atmosphere with quirky cuisine.
Cuisine: American.
Specialties: Orange pecan pancakes, peanut butter and banana stuffed French toast, pumpkin waffle.
Average dinner for two: Under \$25.
Neighborhood: Downtown.
Attire: Casual.
Credit cards accepted: MasterCard, Visa.
Hours: Breakfast and lunch: 7 a.m.-1:45 p.m.
Reservations: Not accepted.

Cafe 828

828 Sixth Ave., San Diego
619-231-8282; Fax: 619-233-8067
www.cafe828.com
Atmosphere: Small, intimate restaurant featuring a 60-year-old bar.
Cuisine: Bar and grill.
Specialties: Gourmet pizza, pasta, seafood, steak.
Average dinner for two: \$51 to \$75.
Neighborhood: Gaslamp Quarter.
Attire: Casual.
Credit cards accepted: All major credit cards.
Hours: Wednesday-Sunday, 5 p.m.-closing, dinner hours vary nightly.
Reservations: Recommended.

Cafe Pacifica

2414 San Diego Ave., San Diego
619-291-6666; Fax: 619-291-0122
www.cafepacifica.com
Atmosphere: A small, cozy restaurant with a romantic ambience.
Cuisine: Seafood.
Specialties: Lamb chops, salmon, sea bass, swordfish, yellowfin tuna.
Average dinner for two: \$51 to \$75.
Neighborhood: Old Town.
Attire: Business casual.
Credit cards accepted: All major credit cards.
Hours: Sunday, 5 p.m.-9:30 p.m.; Monday-Saturday, 5 p.m.-10 p.m.
Reservations: Recommended.
Parking available

Cafe Westgate

The Westgate Hotel,
1055 Second Ave., San Diego
619-557-3650; Fax: 619-557-3727
www.westgatehotel.com
Atmosphere: Casual, but elegant setting.
Cuisine: Continental.
Specialties: Monte cristo sandwich, tortilla soup.
Average dinner for two: \$51 to \$75.
Neighborhood: Downtown.
Attire: Casual.
Credit cards accepted: All major credit cards.
Hours: Sunday-Saturday, 6 a.m.-10 p.m.
Reservations: Recommended.
Parking available

California Bistro

Four Seasons Resort Aviara,
7100 Four Seasons Point, Carlsbad
760-603-6868; Fax: 760-603-6822
Atmosphere: Casual bistro setting with sun-

set views.
Cuisine: Californian.
Specialties: Pasta, seafood, steak.
Average dinner for two: Over \$100.
Neighborhood: Carlsbad.
Attire: Casual.
Credit cards accepted: All major credit cards.
Hours: Breakfast: 6:30 a.m.-11 a.m.; lunch: 11 a.m.-5 p.m.; dinner: 5 p.m.-10 p.m.
Reservations: Recommended.

Canes Bar & Grill

3105 Ocean Front Walk, San Diego
858-488-1780; Fax: 858-488-8882
www.canesbarandgrill.com
Atmosphere: Fun, casual beach-front restaurant.
Cuisine: Mexican.
Specialties: Chipotle tortilla wraps, mahi flautas, tequila fajitas.
Average dinner for two: Under \$25.
Neighborhood: Mission Beach.
Attire: Casual.
Credit cards accepted: All major credit cards.
Hours: 9 a.m.-2 a.m.
Reservations: Not accepted.
Parking available

Casa de Bandini

2660 Calhoun St., San Diego
619-297-8211; Fax: 619-297-2557
www.casadebandini.com
Atmosphere: Elegant dining in a restored authentic adobe hacienda from 1829.
Cuisine: Mexican.
Specialties: Mexican cuisine and seafood.
Average dinner for two: \$26 to \$50.
Neighborhood: Old Town.
Attire: Casual.
Credit cards accepted: All major credit cards.
Hours: 11 a.m.-9 p.m.
Reservations: Not accepted.
Parking available

Casa de Pico

2754 Calhoun St., San Diego
619-296-3267; Fax: 619-296-3113
www.casadepico.com
Atmosphere: Courtyard dining with a garden ambience including splashing fountains and festive Latin decor.
Cuisine: Mexican.
Specialties: Mexican cuisine including giant margaritas.
Average dinner for two: \$26 to \$50.
Neighborhood: Old Town.
Attire: Casual.
Credit cards accepted: All major credit cards.
Hours: 10 a.m.-9 p.m.
Reservations: Not accepted.

Casa Guadalajara

4105 Taylor St., San Diego
619-295-5111; Fax: 619-295-5152
www.casaguadalajara.com
Atmosphere: Festive, colorful atmosphere with indoor or garden patio dining.
Cuisine: Mexican.
Specialties: Authentic regional Mexican cuisine with seafood specialties.
Average dinner for two: \$26 to \$50.
Neighborhood: Old Town.
Attire: Business casual.
Credit cards accepted: American Express, MasterCard, Visa.
Hours: Sunday-Thursday, 11 a.m.-10 p.m.; Friday-Saturday, 11 a.m.-11 p.m.
Reservations: Recommended.
Parking available

P.F. Chang's China Bistro

4540 La Jolla Village Drive, La Jolla
858-458-9007; Fax: 858-458-0908
www.pfchangs.com
Atmosphere: Chinese cuisine served in a stylish bistro setting.
Cuisine: Chinese.
Specialties: Chang's chicken in lettuce cups, Mongolian beef, Oolong marinated sea bass, orange peel shrimp.
Average dinner for two: \$26 to \$50.
Neighborhood: La Jolla.
Attire: Business casual.
Credit cards accepted: All major credit cards.
Hours: Sunday-Thursday, 11 a.m.-11 p.m.; Friday-Saturday, 11 a.m.-midnight.
Reservations: Recommended.



Parking available
Other location: 7077 Friars Road in Mission Valley.

Cheese Shop Restaurant & Delicatessen

627 Fourth Ave., San Diego
619-232-2303; Fax: 619-232-0302
Atmosphere: Casual dining in a historical setting.
Cuisine: American.
Specialties: Homemade corned beef hash, homemade soups, salads, sandwiches.
Average dinner for two: Under \$25.
Neighborhood: Gaslamp Quarter.
Attire: Casual.
Credit cards accepted: American Express, Discover, MasterCard.
Hours: Sunday, 8 a.m.-2 p.m.; Monday-Friday, 7 a.m.-4 p.m.; Saturday, 8 a.m.-4 p.m.
Reservations: Not accepted.

Ciro's Pizzeria

534 Market St., San Diego
619-696-0405; Fax: 619-696-0430
Atmosphere: New York-style pizzeria.
Cuisine: Pizza.
Specialties: Calzones, pizza, salads, sandwiches.
Average dinner for two: Under \$25.
Neighborhood: Gaslamp Quarter.
Attire: Casual.
Credit cards accepted: American Express, Discover, MasterCard, Visa.
Hours: 10 a.m.-3 a.m.
Reservations: Not accepted.

Cody's La Jolla

8030 Girard Ave., La Jolla
858-459-0040;
www.codyslajolla.com
Atmosphere: Terrace dining in a rustic seaside cottage overlooking La Jolla Cove.
Cuisine: Californian.
Specialties: Bouillabaisse, breakfast, fish and chips, salads.
Average dinner for two: \$26 to \$50.
Neighborhood: La Jolla.
Attire: Casual.
Credit cards accepted: All major credit cards.
Hours: 8 a.m.-4 p.m.

Coronado Boathouse 1887 Restaurant

1701 Strand Way, Coronado
619-435-0155; Fax: 619-435-9419
www.coronadoboathouse.com
Atmosphere: Waterfront restaurant featuring ambience rich in history and elegance.
Cuisine: Steak.
Specialties: Macadamia nut-crusted halibut, prime beef, teriyaki sirloin.
Average dinner for two: \$51 to \$75.
Neighborhood: Coronado.
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

Corvette Diner

3946 Fifth Ave., San Diego
619-542-1476; Fax: 619-542-1001
www.cohnrestaurants.com
Cuisine: American.
Specialties: Burgers, pasta, roast turkey platters, salads.
Average dinner for two: Under \$25.
Neighborhood: Hillcrest.
Attire: Casual.
Credit cards accepted: All major credit cards.
Hours: Sunday-Thursday, 11 a.m.-10 p.m.; Friday-Saturday, 11 a.m.-midnight.
Reservations: Not accepted.
Parking available

The Cottage

7702 Fay Ave., La Jolla
858-454-8409; Fax: 858-454-0284
www.cottagelajolla.com
Atmosphere: Located in a cozy, 100-year-old cottage.
Cuisine: Californian.
Specialties: Breakfast, salads, sandwiches.
Average dinner for two: Under \$25.
Neighborhood: La Jolla.
Attire: Casual.
Credit cards accepted: American Express,

Discover, MasterCard, Visa.
Hours: 7:30 a.m.-3 p.m.
Reservations: Not accepted.

Crest Cafe

425 Robinson Ave., San Diego
619-295-2510; Fax: 619-295-2653
www.crestcafe.net
Atmosphere: Cozy neighborhood cafe.
Cuisine: American.
Specialties: Burgers, homemade deserts, salads.
Average dinner for two: Under \$25.
Neighborhood: Hillcrest.
Attire: Casual.
Credit cards accepted: American Express, Discover, MasterCard, Visa.
Hours: 7 a.m.-midnight.
Reservations: Not accepted.

Crush

530 University Ave., San Diego
619-291-1717; Fax: 619-374-7495
www.crushsd.com
Atmosphere: Casual and hip setting featuring a glowing blue bar.
Cuisine: American.
Specialties: Tapas-style menu.
Average dinner for two: \$76 to \$100.
Neighborhood: Hillcrest.
Attire: Casual.
Credit cards accepted: American Express, Discover, MasterCard, Visa.
Hours: Sunday-Wednesday, 4 p.m.-11 p.m.; Thursday-Saturday, 4 p.m.-midnight.
Reservations: Recommended.

DW's Pub

San Diego Marriott Hotel & Marina,
333 W. Harbor Drive, San Diego
619-234-1500, ext. 6789; Fax: 619-230-8371
Cuisine: Bar and grill.
Specialties: Irish pub fare.
Average dinner for two: Under \$25.
Neighborhood: Downtown.
Attire: Casual.
Credit cards accepted: All major credit cards.
Hours: 11 a.m.-11 p.m.
Reservations: Not accepted.
Parking available

Daphne's Greek Cafe

La Jolla Village Square
8657 Villa La Jolla Drive, Suite 105, La Jolla
858-623-6940
www.daphnesgreekcafe.com
Atmosphere: Warm, energetic atmosphere in a casual environment.

Cuisine: Greek.
Specialties: Fire feta zestas, shrimp and gyros plate.
Average dinner for two: Under \$25.
Neighborhood: La Jolla.
Attire: Casual.
Credit cards accepted: American Express, Discover, MasterCard, Visa.
Hours: Sunday-Thursday, 11 a.m.-9 p.m.; Friday-Saturday, 11 a.m.-10 p.m.
Reservations: Not accepted.
Parking available
Other location: 12955 El Camino Real in Del Mar.

de'Medici

815 Fifth Ave., San Diego
619-702-7228; Fax: 619-702-7236
www.demedici.signonsandiego.com
Atmosphere: A warm ambience with a touch of the Old World elegance and charm.
Cuisine: Italian.
Specialties: Banana flambe, filet of sole stuffed with lobster, crab and shrimp, steak Diane, tiramisu.
Average dinner for two: Over \$100.
Neighborhood: Gaslamp Quarter.
Attire: Business casual.
Credit cards accepted: All major credit cards.
Hours: Sunday-Thursday, 5 p.m.-11 p.m.; Friday-Saturday, 5 p.m.-midnight.
Reservations: Recommended.
Parking available

Dick's Last Resort

345 Fourth Ave., San Diego
619-231-9100; Fax: 619-231-6859

www.dickslastresort.com
Atmosphere: Warehouse setting with wood tables and service with attitude.
Cuisine: American.
Specialties: Barbecue ribs, chicken, fish.
Average dinner for two: \$26 to \$50.
Neighborhood: Gaslamp Quarter.
Attire: Casual.
Credit cards accepted: All major credit cards.
Hours: 11 a.m.-1:30 a.m.

Donovan's Steak & Chop House

4340 La Jolla Village Drive, La Jolla
858-450-6666; Fax: 858-450-6664
www.donovanssteakhouse.com
Atmosphere: Offering the traditional elegance of a personal dining club that is warm and inviting.
Cuisine: Steak.
Specialties: Prime cuts of steak.
Average dinner for two: \$51 to \$75.
Neighborhood: Golden Triangle.
Attire: Dressy.
Credit cards accepted: American Express, Diner's Club, MasterCard, Visa.
Hours: Monday-Thursday, 5 p.m.-10 p.m.; Friday-Saturday, 5 p.m.-11 p.m.
Reservations: Recommended.

Downtown Johnny Brown's

1220 Third Ave., San Diego
619-232-8414; Fax: 619-232-6530
www.downtownjohnnybrownssignonsandiego.com
Atmosphere: Casual sports bar setting.
Cuisine: Bar and grill.
Specialties: Burgers, homemade soups, salads.
Average dinner for two: Under \$25.
Neighborhood: Downtown.
Attire: Casual.
Credit cards accepted: American Express, Discover, MasterCard, Visa.
Hours: 11 a.m.-9 p.m.
Reservations: Not accepted.
Parking available

Dublin Square Irish Pub & Grill

554 Fourth Ave., San Diego
619-289-2499; Fax: 619-289-5828
www.dublinsquareirishpub.com
Atmosphere: An authentic Irish pub exuding warm hospitality and fun.
Cuisine: Bar and grill.
Specialties: Irish cuisine offering Gaelic steak, Guinness braised beef and shepherd's pie.
Average dinner for two: Under \$25.
Neighborhood: Gaslamp Quarter.
Attire: Casual.
Credit cards accepted: All major credit cards.
Hours: Noon-2 a.m.
Reservations: Recommended.

Extraordinary Desserts

2929 Fifth Ave., Hillcrest
619-294-7001; Fax: 619-294-7032
www.extraordinarydesserts.com
Cuisine: Dessert.
Specialties: Changing daily menu featuring homemade tortes, creme brulee, fruit tarts, mousses and more.
Average dinner for two: \$26 to \$50.
Neighborhood: Hillcrest.
Attire: Casual.
Credit cards accepted: MasterCard, Visa.
Hours: Sunday, 11 a.m.-11 p.m.; Monday-Thursday, 8:30 p.m.-11 p.m.; Friday, 8:30 a.m.-midnight; Saturday, 11 a.m.-midnight.

The Field Irish Pub & Restaurant

544 Fifth Ave., San Diego
619-232-9840; Fax: 619-232-9842
www.thefield.com
Atmosphere: Cozy, authentic Irish pub.
Cuisine: Bar and grill.
Specialties: Traditional Irish cuisine, including boxty dishes, lamb stew and potato leek soup.
Average dinner for two: \$26 to \$50.

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April 5, 2004

Continued from previous page

Neighborhood: Gaslamp Quarter.
Attire: Casual.
Credit cards accepted: All major cards.
Hours: Monday-Friday, 11 a.m.-2 a.m.; Saturday-Sunday, 9 a.m.-2 a.m.
Reservations: Recommended.

The Fish Market

750 N. Harbor Drive, San Diego
619-232-3474; Fax: 619-232-8646
www.thefishmarket.com
Atmosphere: Casual setting.
Cuisine: Seafood.
Average dinner for two: \$51 to \$75.
Neighborhood: Downtown.
Attire: Casual.
Credit cards accepted: All major cards.
Hours: Lunch and dinner: 11 a.m.-10 p.m.
Reservations: Recommended.
Parking available

Fred's Mexican Cafe

1165 Garnet Ave., San Diego
858-483-8226; Fax: 858-274-2329
Atmosphere: Casual and fun setting.
Cuisine: Mexican.
Specialties: Carne asada, lobster fajitas, margaritas.
Average dinner for two: Under \$25.
Neighborhood: Pacific Beach.
Attire: Casual.
Credit cards accepted: All major credit cards.
Hours: 11:30 a.m.-1:45 a.m.

Fresh Seafood Restaurant & Bar

1044 Wall St., La Jolla
858-551-7575; Fax: 858-551-7016
www.freshseafoodrestaurant.com
Atmosphere: The heated and covered patio is a fashionable and inviting place to dine.
Cuisine: Seafood.
Specialties: Coriander-crusted mahi mahi with shrimp risotto, fire-roasted lobster soup, Maine lobster Napoleon, raw bar, shellfish-stuffed rainbow trout with lemon-thyme emulsion.
Average dinner for two: \$76 to \$100.
Neighborhood: La Jolla.
Attire: Business casual.
Credit cards accepted: All major credit cards.
Hours: Sunday-Thursday, 11:30 a.m.-9:30 p.m.; Friday-Saturday, 11:30 a.m.-10:30 p.m.
Reservations: Recommended.

G5-George's on Fifth

835 Fifth Ave., San Diego
619-702-0444; Fax: 619-702-0442
www.georgesonfifth.com
Cuisine: Steak.
Specialties: Hand-selected, wet-aged, center-cut prime certified Angus beef, seafood.
Average dinner for two: Over \$100.
Neighborhood: Gaslamp Quarter.
Attire: Business casual.
Credit cards accepted: All major credit cards.
Hours: 5 p.m.-closing, dinner hours vary nightly.
Reservations: Recommended.

Galileo 101 Ristorante Italiano & Bar

100 Harbor Drive, Suite 101, San Diego
619-702-7101; Fax: 619-702-6101
www.g101.com
Atmosphere: Located across from the Convention Center within a two-story glass atrium serving progressive Italian cuisine in the spirit of the 17th century.
Cuisine: Italian.
Specialties: Progressive Italian cuisine.
Average dinner for two: \$26 to \$50.
Neighborhood: Gaslamp Quarter.
Attire: Business casual.
Credit cards accepted: All major credit cards.
Hours: 5 p.m.-11 p.m.
Reservations: Recommended.

George's At The Cove

1250 Prospect St., La Jolla
858-454-4244; Fax: 858-454-5458

www.georgesatthecove.com
Atmosphere: Offers a contemporary informal dining experience on an ocean terrace and for fine dining, visit the elegant downstairs dining room with an ocean view.
Cuisine: Contemporary.
Specialties: Butter-poached Maine lobster, red wine braised short rib and grilled hanger steak, Thai-inspired fish stew.
Average dinner for two: \$76 to \$100.
Neighborhood: La Jolla.
Attire: Business casual.
Credit cards accepted: All major credit cards.
Hours: Ocean terrace lunch: 11 a.m.-4 p.m., dinner: 4:30 p.m.-10 p.m.; fine dining room lunch: 11:30 a.m.-2:30 p.m., dinner: Sunday-Thursday, 5:30 p.m.-10 p.m., Friday-Saturday, 5 p.m.-10:30 p.m.
Reservations: Recommended.

The Green Flash Restaurant

701 Thomas Ave., San Diego
858-270-7715; Fax: 858-270-7793
www.greenflashrestaurant.com
Atmosphere: Casual and cozy ocean front restaurant with coastal sunset views.
Cuisine: Seafood.
Specialties: Fresh seafood, prime rib, steak.
Average dinner for two: \$51 to \$75.
Neighborhood: Pacific Beach.
Attire: Casual.
Credit cards accepted: All major credit cards.
Hours: 8 a.m.-10 p.m.
Reservations: Not accepted.

Greystone The Steakhouse

658 Fifth Ave., San Diego
619-232-0225; Fax: 619-233-3606
www.greystonesteakhouse.com
Atmosphere: Casually elegant cosmopolitan dining.
Cuisine: Steak.
Specialties: Pasta, seafood, steak.
Average dinner for two: \$76 to \$100.
Neighborhood: Gaslamp Quarter.
Attire: Business casual.
Credit cards accepted: All major credit cards.
Hours: 5 p.m.-10 p.m.
Reservations: Recommended.

The Grill

The Lodge at Torrey Pines,
11480 N. Torrey Pines Road, La Jolla
858-453-4420; Fax: 858-550-3907
www.lodgetorreypires.com
Atmosphere: A casual and convenient dining experience located adjacent to the Torrey Pines Golf Course.
Cuisine: Bar and grill.
Specialties: Seasonal cuisine.
Average dinner for two: \$26 to \$50.
Neighborhood: La Jolla.
Attire: Casual.
Credit cards accepted: All major credit cards.
Hours: Breakfast: 6 a.m.-11 p.m.; lunch: 11 a.m.-5 p.m.; dinner: 5 p.m.-10 p.m.
Reservations: Recommended.
Parking available

Gringos Cocina y Cantina

4474 Mission Blvd., San Diego
858-490-2877; Fax: 858-490-2876
www.gringoscantina.com
Atmosphere: Elegant and warm atmosphere.
Cuisine: Mexican.
Specialties: Crab enchiladas, margaritas, Mexican bread pudding, snapper Vera Cruz.
Average dinner for two: \$26 to \$50.
Neighborhood: Pacific Beach.
Attire: Casual.
Credit cards accepted: American Express, MasterCard, Visa.
Hours: Brunch: Sunday, 11 a.m.-3 p.m.; Sunday-Thursday, 11 a.m.-10 p.m.; Friday-Saturday, 11 a.m.-11 p.m.
Reservations: Recommended.
Parking available

Harbor's Edge

Sheraton San Diego Hotel & Marina,
1380 Harbor Island Drive, San Diego
619-692-2255; Fax: 619-692-2339
Atmosphere: Casual setting with friendly



service overlooking the harbor.
Cuisine: American.
Specialties: Seafood, steak.
Average dinner for two: \$26 to \$50.
Neighborhood: Harbor Island.
Attire: Casual.
Credit cards accepted: All major credit cards.
Hours: Breakfast: 6:30 a.m.-11 a.m.; lunch: 11 a.m.-2 p.m.; dinner: 5 p.m.-10 p.m.
Reservations: Recommended.
Parking available

Hash House A Go Go

3628 Fifth Ave., San Diego
619-298-4646; Fax: 619-298-4638
www.hashhouseagogo.com
Cuisine: American.
Average dinner for two: \$26 to \$50.
Neighborhood: Hillcrest.
Attire: Casual.
Credit cards accepted: American Express, Diner's Club, MasterCard, Visa.
Hours: Breakfast and lunch: Sunday, 7:30 a.m.-3 p.m., Monday-Saturday, 7:30 a.m.-2 p.m.; dinner: Sunday-Thursday, 5:30 p.m.-9 p.m., Friday-Saturday, 5:30 p.m.-10 p.m.
Reservations: Recommended.

Hazelwoods on the Bay

1355 N. Harbor Drive, San Diego
619-231-9866; Fax: 619-231-8008
Atmosphere: Fun and friendly ocean front cafe.
Cuisine: American.
Specialties: Breakfast, pasta, sandwiches, salads, soups.
Average dinner for two: Under \$25.
Neighborhood: Downtown.
Attire: Casual.
Credit cards accepted: American Express, Discover, MasterCard, Visa.
Hours: 6 a.m.-7 p.m.
Reservations: Not accepted.
Parking available

Henry's Pub

618 Fifth Ave., San Diego
619-238-2389; Fax: 619-557-0538
www.henryspub.com
Atmosphere: Casual neighborhood pub.
Cuisine: Bar and grill.
Specialties: Peppered flatiron steak, salmon fish and chips.
Average dinner for two: \$51 to \$75.
Neighborhood: Gaslamp Quarter.
Attire: Casual.
Credit cards accepted: American Express, Discover, MasterCard, Visa.
Hours: Monday-Friday, 4 p.m.-1:30 a.m.; Saturday-Sunday, noon-1:30 a.m.
Reservations: Not accepted.

Indigo Grill

1536 India St., San Diego
619-234-6802; Fax: 619-234-6868
www.cohnrestaurants.com
Atmosphere: Upbeat and casual environment with a unique personality and dining experience.
Cuisine: Southwestern.
Specialties: Alderwood plank salmon, mojo bone-in ribeye, pumpkin and sesame seed crusted brie.
Average dinner for two: \$51 to \$75
Neighborhood: Little Italy.
Attire: Casual.
Credit cards accepted: All major credit cards.
Hours: Lunch: Monday-Friday, 11:30 a.m.-2 p.m.; dinner: 5 p.m.-closing, dinner hours vary nightly.
Reservations: Recommended.

Islandia Coastal Grill

Hyatt Regency Islandia,
1441 Quivira Road, San Diego
619-221-4810; Fax: 619-224-0348
www.islandiarestaurant.com
Atmosphere: Elegant experience with an ocean view.
Cuisine: Seafood.
Specialties: Ceviche sampler, clam bake for two, tequila shrimp parpadelle pasta.
Average dinner for two: \$76 to \$100.
Neighborhood: Mission Beach.
Attire: Business casual.

Credit cards accepted: American Express, Discover, MasterCard, Visa.
Hours: Brunch: Sunday, 10 a.m.-2 p.m.; Wednesday-Saturday, 5:30 p.m.-10 p.m.
Reservations: Recommended.

Jimmy Love's

672 Fifth Ave., San Diego
619-595-0123; Fax: 619-233-7056
www.jimmyloves.com
Atmosphere: Fun, upscale atmosphere.
Cuisine: American.
Average dinner for two: \$26 to \$50.
Neighborhood: Gaslamp Quarter.
Attire: Casual.
Credit cards accepted: All major credit cards.
Hours: 5 p.m.-2 a.m.
Reservations: Recommended.

Joe's Crab Shack

7610 Hazard Center Drive, San Diego
619-260-1111; Fax: 619-260-1121
Atmosphere: Casual, fun and upbeat setting.
Cuisine: Seafood.
Specialties: Dungeness, king and snow crab.
Average dinner for two: \$51 to \$75.
Neighborhood: Mission Valley.
Attire: Casual.
Credit cards accepted: All major credit cards.
Hours: Sunday-Monday, 11 a.m.-9 p.m.; Tuesday-Thursday, 11 a.m.-10 p.m.; Friday-Saturday, 11 a.m.-11 p.m.
Reservations: Recommended.

Kaiserhof Restaurant & Biergarten

2263 Sunset Cliffs Blvd., San Diego
619-224-0606; Fax: 619-224-3567
www.kaiserhofrestaurant.com
Atmosphere: Quaint dining experience.
Cuisine: German.
Specialties: Beef, lamb, steak, seafood, veal.
Average dinner for two: \$51 to \$75.
Neighborhood: Point Loma.
Attire: Casual.
Credit cards accepted: American Express, MasterCard, Visa.
Hours: Lunch: Friday-Sunday, 11:30 a.m.-3 p.m.; dinner: Tuesday-Sunday, 5 p.m.-10 p.m.
Reservations: Recommended.
Parking available

Kemo Sabe

3958 Fifth Ave., San Diego
619-220-6802; Fax: 619-220-6801
www.cohnrestaurants.com
Atmosphere: The eclectic setting features tribal decor and hand-crafted iron sculptures with terra cotta and plum colored walls and ceiling.
Cuisine: Asian fusion.
Specialties: Charbroiled skirt steak served with charred onions and peppers and a mandarin-serrano relish.
Average dinner for two: \$76 to \$100.
Neighborhood: Hillcrest.
Attire: Business casual.
Credit cards accepted: All major credit cards.
Hours: 5 p.m.-closing, dinner hours vary nightly.
Reservations: Recommended.
Parking available

L'Escale

Coronado Island Marriott Resort,
2000 Second St., Coronado
619-522-3150; Fax: 619-522-3035
www.lescale.signonsandiego.com
Atmosphere: Romantic, candlelit dining experience located on the San Diego Bay with views of the Coronado Bridge and downtown San Diego.

Cuisine: Mediterranean.
Specialties: Mediterranean cuisine with a California flair including a bone-in filet mignon with black pepper zinfandel sauce and grilled Ahi tuna with pancetta potato salad.
Average dinner for two: \$76 to \$100.
Neighborhood: Coronado.
Attire: Casual.
Credit cards accepted: All major credit cards.
Hours: Breakfast: 6 a.m.-11:30 a.m.; lunch: 11:30 a.m.-5 p.m.; dinner: 5 p.m.-10 p.m.
Reservations: Recommended.
Parking available

La Pinata Mexican Restaurant

2836 Juan St., San Diego
619-297-1631; Fax: 619-297-8341
www.lapinataoldtown.com
Atmosphere: Experience festive dining in the oldest restaurant in Old Town.
Cuisine: Mexican.
Specialties: Carne asada, carnitas, fajitas.
Average dinner for two: \$26 to \$50.
Neighborhood: Old Town.
Attire: Casual.
Credit cards accepted: American Express, MasterCard, Visa.
Hours: Sunday-Thursday, 11 a.m.-9 p.m.; Friday-Saturday, 11 a.m.-9:30 p.m.
Reservations: Recommended.

Las Cascadas

San Diego Marriott Hotel & Marina,
333 W. Harbor Drive, San Diego
619-234-1500, ext. 6085; Fax: 619-230-8371
Cuisine: American.
Specialties: Featuring a breakfast buffet and regional a la carte specialties.
Average dinner for two: Under \$25.
Neighborhood: Downtown.
Attire: Casual.
Credit cards accepted: All major credit cards.
Hours: 6 a.m.-11 a.m.
Reservations: Not accepted.
Parking available

Laurel Restaurant & Bar

505 Laurel St., San Diego
619-239-2222; Fax: 619-239-6822
www.laurelrestaurant.com
Atmosphere: Simply elegant atmosphere with a big city feel.
Cuisine: French.
Specialties: French-Mediterranean cuisine offering seasonal dishes, as well as duck confit, roasted salmon and risottos.
Average dinner for two: Over \$100.
Neighborhood: Downtown.
Attire: Business casual.
Credit cards accepted: All major credit cards.
Hours: Sunday-Saturday, 5 p.m.-closing, dinner hours vary nightly.
Reservations: Recommended.
Parking available

Le Fontainebleau

The Westgate Hotel,
1055 Second Ave., San Diego
619-557-3655; Fax: 619-557-3605
www.westgatehotel.com
Atmosphere: International influences create an inviting and elegant ambience.
Cuisine: Continental.
Specialties: Chateaubriand, seafood soiree.
Average dinner for two: Over \$100.
Neighborhood: Downtown.
Attire: Business casual.
Credit cards accepted: All major credit cards.
Hours: Champagne brunch: Sunday, 10 a.m.-2 p.m.; lunch: Monday-Friday, 11:30 a.m.-2 p.m.; dinner: Monday-Saturday, 6 p.m.-10 p.m.
Reservations: Recommended.
Parking available

Lino's Italian Restaurant

2754 Calhoun St., San Diego
619-299-7124; Fax: 619-296-3113
www.linositalian.com
Atmosphere: Intimate dining experience located in a garden hideaway.
Cuisine: Italian.
Specialties: Lasagna, portobello mushroom ravioli, veal scaloppini marsala.

Continued on next page



Continued from previous page

Average dinner for two: \$51 to \$75.
Neighborhood: Old Town.
Attire: Business casual.
Credit cards accepted: All major credit cards.
Hours: 11 a.m.-9 p.m.
Reservations: Recommended.

M

Miguel's Cocina

2912 Shelter Island Drive, San Diego
619-224-2401; Fax: 619-224-2032
www.miguelcocina.signonsandiego.com
Atmosphere: Authentic Mexican decor with indoor or alfresco dining.
Cuisine: Mexican.
Specialties: Jumbo shrimp burrito, Mexican-style shrimp cocktail, Miguel's ultimate margarita.
Average dinner for two: \$26 to \$50.
Neighborhood: Point Loma.
Attire: Casual.
Credit cards accepted: All major credit cards.
Hours: Champagne brunch: Sunday, 10 a.m.-3 p.m.; dinner: Sunday, 3 p.m.-10 p.m., Monday-Saturday, 11 a.m.-10 p.m.
Parking available
Other location: 1351 Orange Ave. in Coronado.

Molly's Restaurant & Bar

San Diego Marriott Hotel & Marina,
333 W. Harbor Drive, San Diego
619-230-8909; Fax: 619-230-8371
www.mollysfinedining.com
Atmosphere: Casual elegance in a warm and pleasant atmosphere.
Cuisine: Californian.
Specialties: Bananas foster, black chanterelle-crusted sea bass, Caesar salad made tableside, house-cured salmon pastrami.

Average dinner for two: \$51 to \$75.
Neighborhood: Downtown.
Attire: Business casual.
Credit cards accepted: All major credit cards.
Hours: 6 p.m.-10 p.m.
Reservations: Recommended.
Parking available

Moose McGillycuddy's

535 Fifth Ave., San Diego
619-702-5595; Fax: 619-702-5602
Cuisine: Bar and grill.
Specialties: Burgers, pasta, seafood, steak.
Average dinner for two: \$26 to \$50.
Neighborhood: Gaslamp Quarter.
Attire: Casual.
Credit cards accepted: All major credit cards.
Hours: Monday-Friday, 4 p.m.-1:30 a.m.; Saturday-Sunday, 11 a.m.-1:30 a.m.

Morton's The Steakhouse

285 J St., San Diego
619-696-3369; Fax: 619-232-8459
www.mortons.com
Atmosphere: Rich mahogany wood paneling and etched glass set the tone with white tablecloths and cozy brickwork.
Cuisine: Steak.
Specialties: Maine lobster, prime steaks.
Average dinner for two: Over \$100.
Neighborhood: Gaslamp Quarter.
Attire: Business casual.
Credit cards accepted: American Express, Diner's Club, MasterCard, Visa.
Hours: Monday-Sunday, 5 p.m.-11 p.m.
Reservations: Recommended.

Mystery Cafe Dinner Theatre

505 Kalmia St., San Diego
619-544-1600; Fax: 619-544-9226
www.mysterycafe.net
Cuisine: Continental.
Specialties: Four course dinner served by actors in character.
Average dinner for two: Over \$100.
Neighborhood: Hillcrest.

Attire: Casual.
Credit cards accepted: American Express, Discover, MasterCard, Visa.
Hours: Show starts at 8 p.m.; Box office: Monday-Friday, 9 a.m.-4 p.m., Saturday, 10 a.m.-5 p.m.
Reservations: Required.
Parking available

N

Nectar

The Prava Hotel,
911 Fifth Ave., San Diego
619-615-3146; Fax: 619-235-0514
www.nectarcc.com
Atmosphere: Upscale, yet comfortable setting.
Cuisine: Californian.
Specialties: Organic and free-range menu consisting of contemporary, seasonal dishes.
Average dinner for two: Over \$100.
Neighborhood: Gaslamp Quarter.
Attire: Business casual.
Credit cards accepted: American Express, Discover, MasterCard, Visa.
Hours: Breakfast, 6:30 a.m.-10:30 a.m.; lunch: 11:30 a.m.-2:30 p.m.; dinner: 5:30 p.m.-closing, dinner hours vary nightly.
Reservations: Recommended.

Neimans

300 Carlsbad Village Drive, Carlsbad
760-729-4131; Fax: 760-729-6131
www.neimans.com
Atmosphere: Fine dining in a renovated Victorian mansion.
Cuisine: Contemporary.
Specialties: Seafood, steak.
Average dinner for two: \$26 to \$50.
Neighborhood: Carlsbad.
Attire: Casual.
Credit cards accepted: All major credit cards.
Hours: 11 a.m.-2 a.m.

Reservations: Recommended.
Parking available

Nine-Ten

The Grande Colonial Hotel,
910 Prospect St., La Jolla
858-964-5400; Fax: 858-454-5679
www.ninetenfood.com
Atmosphere: Casual elegance situated in a historic hotel.
Cuisine: Continental.
Specialties: Seasonal menu featuring local ingredients and market fresh products.
Average dinner for two: \$76 to \$100.
Neighborhood: La Jolla.
Attire: Business casual.
Credit cards accepted: American Express, MasterCard, Visa.
Hours: Breakfast: 6:30 a.m.-11:30 p.m.; lunch: 11:30 a.m.-2:30 p.m.; dinner: 6 p.m.-10 p.m.
Reservations: Recommended.

94th Aero Squadron

8885 Balboa Ave., San Diego
858-560-6771; Fax: 858-560-6953
www.94thaerosquadron.signonsandiego.com
Atmosphere: Located inside a replica of a French World War II farmhouse decorated with antique military memorabilia including a cozy dining room with a fireplace.
Cuisine: Steak.
Specialties: Australian lobster tail, fresh fish, prime top sirloin, slow-roasted Angus prime rib.
Average dinner for two: \$51 to \$75.
Neighborhood: Kearny Mesa.
Attire: Casual.
Credit cards accepted: All major credit cards.
Hours: Champagne brunch: Sunday, 9 a.m.-2:30 p.m.; lunch: Monday-Friday, 11a.m.-4 p.m.; dinner: 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.
Parking available

O

Old Town Mexican Cafe

2489 San Diego Ave., San Diego
619-297-4330; Fax: 619-297-8002
www.oldtownmexcafe.com
Atmosphere: Casual and fun setting.
Cuisine: Mexican.
Specialties: Carnitas, hand-made tortillas, margaritas, oak-fired rotisserie chicken.
Average dinner for two: \$26 to \$50.
Neighborhood: Old Town.
Attire: Casual.
Credit cards accepted: All major credit cards.
Hours: 7 a.m.-11 p.m.
Reservations: Not accepted.
Parking available

Ole Madrid

751 Fifth Ave., San Diego
619-557-0146; Fax: 619-557-0511
www.olemadrid.com
Cuisine: Spanish.
Specialties: Lobster, paella, prime rib, seafood, steak.
Average dinner for two: \$51 to \$75.
Neighborhood: Gaslamp Quarter.
Attire: Casual.
Credit cards accepted: American Express, Discover, MasterCard, Visa.
Hours: Sunday-Thursday, 5 p.m.-10 p.m.; Friday-Saturday, 5 p.m.-11 p.m.
Reservations: Recommended.

Osteria Panevino

722 Fifth Ave., San Diego
619-595-7959; Fax: 619-233-3606
www.osteriapanevino.com
Cuisine: Italian.
Specialties: Authentic Tuscan cuisine.
Average dinner for two: \$26 to \$50.
Neighborhood: Gaslamp Quarter.
Attire: Casual.
Credit cards accepted: All major credit

Continued on page 36

Restaurants by locale

Balboa Park

The Prado Restaurant

Carlsbad

California Bistro
Neimans

Coronado

The Brigantine
Coronado Boathouse 1887 Restaurant
L'Escale
Peohe's
The Prince of Wales
Rhinoceros Cafe & Grill
Sheerwater Restaurant

Del Mar

Prime 10 Steakhouse
Rubio's Fresh Mexican Grill
Sbicca An American Bistro
Sydney's Grille
J. Taylor's Del Mar

Downtown

Anthony's Fish Grotto
Bertrand at Mister A's
Buster's Beach House
Cafe 222
Cafe Westgate
DW's Pub
Downtown Johnny Brown's
The Fish Market
Hazelwoods on the Bay
Las Cascadas
Laurel Restaurant & Bar
Le Fontainebleau
Molly's Restaurant & Bar

Panda Inn Restaurant
Pat & Oscar's
Rainwater's on Kettner
Rudi's Bakeshop
Sally's
Sixth Avenue Bistro
Star of the Sea
Todai Restaurant
Top of the Market
Yacht Club Restaurant & Bar
Zen Cafe

Gaslamp Quarter

Alambres
Aqua Blu
Aubergine
Bella Luna
Blue Point Coastal Cuisine
Buca di Beppo
Cafe 828
Cheese Shop Restaurant & Delicatessen
Ciro's Pizzeria
de'Medici
Dick's Last Resort
Dublin Square Irish Pub & Grill
The Field Irish Pub & Restaurant
G5-George's on Fifth
Galileo 101 Ristorante Italiano & Bar
Greystone The Steakhouse
Henry's Pub
Jimmy Love's
Moose McGillycuddy's
Morton's The Steakhouse
Nectar
Ole Madrid
Osteria Panevino

Rei Do Gado
Rockin' Baja Lobster
Sammy's Woodfired Pizza
Seven 17
The Shout House
Side Bar
Sushi Bar Nippon
Taka Restaurant
The Tin Fish
Trattoria La Strada

Golden Triangle

Barolo
Donovan's Steak & Chop House
Via Italia

Harbor Island

Alfiere Restaurant
Bar 10
Harbor's Edge
Quinn's

Hillcrest

Corvette Diner
Crest Cafe
Crush
Extraordinary Desserts
Hash House A Go Go
Kemo Sabe
Mystery Cafe Dinner Theatre
Phil's BBQ
Sassafras Grill
Terra Restaurant & Bar

Kearny Mesa

94th Aero Squadron

Little Italy

Indigo Grill
Princess Pub & Grille

La Jolla

Alfonso's of La Jolla
Azul La Jolla
P.F. Chang's China Bistro
Cody's La Jolla
The Cottage
Daphne's Greek Cafe
Fresh Seafood Restaurant & Bar
George's At The Cove
The Grill
Nine-Ten
Piatti Ristorante
Roppongi
Roy's La Jolla
The Spot
Trattoria Acqua
A.R. Valentien

Mission Beach

Canes Bar & Grill
Islandia Coastal Grill

Mission Valley

Joe's Crab Shack
Postcards American Bistro
Trellises Garden Grille
Valley Kitchen

Ocean Beach

Thee Bungalow
The Third Corner



Old Town

Cafe Pacifica
Casa de Bandini
Casa de Pico
Casa Guadalajara
La Pinata Mexican Restaurant
Lino's Italian Restaurant
Old Town Mexican Cafe y Cantina
Rancho el Nopal
Zocalo Grill

Pacific Beach

Broken Yolk Cafe
Fred's Mexican Cafe
The Green Flash Restaurant
Gringos Cocina y Cantina

Point Loma

Bahia Cafe
Blue Wave Bar & Grill
Kaiserhof Restaurant & Biergarten
Miguel's Cocina
Point Loma Seafoods

Continued from page 34
cards.
Hours: 11:30 a.m.-11 p.m.
Reservations: Recommended.

Panda Inn Restaurant

606 Horton Plaza, San Diego
619-233-7800; Fax: 619-233-5632
www.pandainn.com
Atmosphere: Friendly and relaxed setting featuring a garden room with a downtown San Diego view.
Cuisine: Chinese.
Specialties: Honey walnut shrimp, lettuce cups with minced chicken, orange chicken.
Average dinner for two: \$26 to \$50.
Neighborhood: Downtown.
Attire: Casual.
Credit cards accepted: All major credit cards.
Hours: Sunday-Thursday, 11 a.m.-10 p.m.; Friday-Saturday, 11 a.m.-10:30 p.m.
Reservations: Recommended.
Parking available

Pat & Oscar's

501 First Ave., San Diego
619-515-0877; Fax: 619-232-7686
www.breadstick.com
Atmosphere: Friendly and relaxed environment.
Cuisine: American.
Specialties: Barbecue ribs, chicken, gourmet pizza, salads.
Average dinner for two: Under \$25.
Neighborhood: Downtown.
Attire: Casual.
Credit cards accepted: American Express, Discover, MasterCard, Visa.
Hours: Sunday, 11:30 a.m.-9 p.m.
Reservations: Not accepted.

Peohe's

1201 First St., Coronado
619-437-4474; Fax: 619-437-8471
www.peohes.com

Atmosphere: Located on the water's edge, overlooking the skyline of downtown San Diego with dramatic tropical interior.
Cuisine: Pacific Rim.
Specialties: Coconut shrimp, halibut filet sauteed with macadamia nuts and bananas, sushi.
Average dinner for two: \$76 to \$100.
Neighborhood: Coronado.
Attire: Business casual.
Credit cards accepted: All major credit cards.
Hours: Brunch: Sunday, 11 a.m.-2:30 p.m.; lunch: Monday-Saturday, 11:30 a.m.-2:30 p.m.; dinner: Sunday, 4:30 p.m.-9:30 p.m., Monday-Thursday, 5:30 p.m.-9:30 p.m., Friday, 5:30 p.m.-10:30 p.m.; Saturday, 5 p.m.-10:30 p.m.
Reservations: Recommended.

Phil's BBQ

4030 Goldfinch St., San Diego
619-688-0559; Fax: 619-688-1280
www.philsbbq.com
Atmosphere: Set in an old 1925 mission-style dining room offering a casual and fast-paced environment.
Cuisine: Barbecue.
Specialties: Mesquite grilled ribs and chicken roasted on an open fire pit.
Average dinner for two: \$26 to \$50.
Neighborhood: Hillcrest.
Attire: Casual.
Credit cards accepted: All major credit cards.
Hours: Sunday, Tuesday-Thursday, 11 a.m.-9 p.m.; Friday-Saturday, 11 a.m.-10 p.m.
Reservations: Not accepted.

Piatti Ristorante

2182 Avenida De La Playa, La Jolla
858-454-1589; Fax: 858-454-1799
www.piatti.com
Atmosphere: Light and airy setting with a heated patio for alfresco dining.
Cuisine: Italian.
Specialties: Homemade pasta, pizza, seafood, veal, vegetarian dishes.
Average dinner for two: \$51 to \$75.
Neighborhood: La Jolla.



Attire: Business casual.
Credit cards accepted: American Express, Diner's Club, MasterCard, Visa.
Hours: Sunday-Thursday, 11:30 a.m.-10 p.m.; Friday-Saturday, 11:30 a.m.-11 p.m.
Reservations: Recommended.

Point Loma Seafoods

2805 Emerson St., San Diego
619-223-1109; Fax: 619-223-0250
www.plsf.com
Atmosphere: Waterfront casual dining experience.
Cuisine: Seafood.
Specialties: Ahi tuna Caesar salad, clam chowder, dungeness crab.
Average dinner for two: Under \$25.
Neighborhood: Point Loma.
Attire: Casual.
Credit cards accepted: Credit cards not accepted.
Hours: Sunday, 11 a.m.-6:30 p.m.; Monday-Saturday, 9 a.m.-6:30 p.m.
Reservations: Not accepted.
Parking available

Postcards American Bistro

Handlery Hotel & Resort,
950 Hotel Circle N., San Diego
619-298-0511; Fax: 619-298-9793
www.handlery.com
Atmosphere: Murals of life-sized postcards of San Diego scenery decorate the walls throughout the restaurant.
Cuisine: Eclectic.
Specialties: Filet of beef, garlic grilled lamb chops, lobster club sandwich.
Average dinner for two: \$51 to \$75.
Neighborhood: Mission Valley.
Attire: Business casual.
Credit cards accepted: All major credit cards.
Hours: 6:30 a.m.-10 p.m.
Reservations: Recommended.
Parking available

The Prado Restaurant

1549 El Prado, San Diego
619-557-9441; Fax: 619-557-9170
Cuisine: International.

Specialties: Latin-Italian fusion cuisine featuring Ahi tuna served over black licorice risotto, grilled grande shrimp with coconut-lime mole and Kobe bistro steak.
Average dinner for two: \$76 to \$100
Neighborhood: Balboa Park.
Attire: Business casual.
Credit cards accepted: All major credit cards.
Hours: Lunch: Monday-Friday, 11:30 a.m.-3 p.m., Saturday-Sunday, 11 a.m.-3 p.m.; dinner: Sunday, 4 p.m.-9 p.m., Tuesday-Thursday, 5 p.m.-9 p.m., Friday-Saturday, 5 p.m.-10 p.m.
Reservations: Recommended

Prime 10 Steakhouse

3702 Via De La Valle, Suite 101, Del Mar
858-523-0007; Fax: 858-792-2613
www.primetensteakhouse.com
Atmosphere: Contemporary steakhouse offering elegant and stylish dining indoor or outdoor on a covered and heated patio.
Cuisine: Steak.
Specialties: Filet mignon, prime steak, seafood specialties.
Average dinner for two: \$76 to \$100.
Neighborhood: Del Mar.
Attire: Business casual.
Credit cards accepted: All major credit cards.
Hours: Sunday-Thursday, 5 p.m.-9 p.m.; Friday-Saturday, 5 p.m.-10 p.m.
Reservations: Recommended.
Parking available

The Prince of Wales

Hotel Del Coronado,
1500 Orange Ave., Coronado
619-522-8490; Fax: 619-522-8262
www.hoteldel.com
Atmosphere: The resort's fine dining restaurant offers outdoor terraces and ocean views.
Cuisine: Continental.
Specialties: Classic cuisine with innovative interpretations offering a seasonally-inspired menu.
Average dinner for two: Over \$100.
Neighborhood: Coronado.
Attire: Business casual.

Credit cards accepted: All major credit cards.
Hours: Tuesday-Sunday, 5:30 p.m.-10 p.m.
Reservations: Required.
Parking available

Princess Pub & Grille

1665 India St., San Diego
619-702-3021; Fax: 619-702-3055
www.princesspub.com
Atmosphere: Authentic British pub setting.
Cuisine: Bar and grill.
Specialties: Bangers and mash, fish and chips and steak pies.
Average dinner for two: \$26 to \$50.
Neighborhood: Little Italy.
Attire: Casual.
Credit cards accepted: American Express, Discover, MasterCard, Visa.
Hours: 11 a.m.-1 a.m.
Reservations: Not accepted.
Parking available

Quinn's

Sheraton San Diego Hotel & Marina,
1380 Harbor Island Drive, San Diego
619-692-2344; Fax: 619-692-2339
Atmosphere: Casual sports bar setting.
Cuisine: Bar and grill.
Average dinner for two: Under \$25.
Neighborhood: Harbor Island.
Attire: Casual.
Credit cards accepted: All major credit cards.
Hours: 11 a.m.-1 a.m.
Parking available

Rainwater's on Kettner

1202 Kettner Blvd., San Diego
619-233-5757; Fax: 619-233-6722
www.rainwaters.com
Atmosphere: Upscale, white tablecloth
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

Bahia Cafe
Broken Yolk Cafe
Cafe 222
Canes Bar & Grill
Cheese Shop Restaurant & Delicatessen
Ciro's Pizzeria
Corvette Diner
The Cottage
Crest Cafe
DW's Pub
Daphne's Greek Cafe
Downtown Johnny Brown's
Dublin Square Irish Pub & Grill
Fred's Mexican Cafe
Hazelwoods on the Bay
Las Cascadas
Pat & Oscar's
Point Loma Seafoods
Quinn's
Rubio's Fresh Mexican Grill
Rudi's Bakeshop
The Shout House
Sydney's Grille
Valley Kitchen
Yacht Club Restaurant & Bar

\$26 to \$50

Alambres

Alfiere Restaurant
Anthony's Fish Grotto
Bar 10
Bella Luna
Casa de Bandini
Casa de Pico
Casa Guadalajara
P.F. Chang's China Bistro
Cody's La Jolla
Dick's Last Resort
Extraordinary Desserts
The Field Irish Pub & Restaurant
Galileo 101 Ristorante Italiano & Bar
The Grill
Gringos Cocina y Cantina
Harbor's Edge
Hash House A Go Go
Jimmy Love's
La Pinata Mexican Restaurant
Miguel's Cocina
Moose McGillycuddy's
Neimans
Old Town Mexican Cafe y Cantina
Osteria Panevino
Panda Inn Restaurant
Phil's BBQ
Princess Pub & Grille
Rancho el Nopal
Rhinoceros Cafe & Grill
Rockin' Baja Lobster
Sammy's Woodfired Pizza
Sbicca An American Bistro
Side Bar
Sixth Avenue Bistro
The Spot

Sushi Bar Nippon
Taka Restaurant
The Third Corner
The Tin Fish
Via Italia
Zen Cafe

\$51 to \$75

Alfonso's of La Jolla
Aqua Blu
Aubergine
Blue Point Coastal Cuisine
Blue Wave Bar & Grill
Buca di Beppo
Buster's Beach House
Cafe 828
Cafe Pacifica
Cafe Westgate
Coronado Boathouse 1887 Restaurant
Donovan's Steak & Chop House
The Fish Market
The Green Flash Restaurant
Henry's Pub
Indigo Grill
Joe's Crab Shack
Kaiserhof Restaurant & Biergarten
Lino's Italian Restaurant
Molly's Restaurant & Bar
94th Aero Squadron
Ole Madrid
Piatti Ristorante
Postcards American Bistro
Sassafras Grill
Thee Bungalow
Todai Restaurant



Trattoria Acqua

\$76 to \$100

Barolo
Bertrand at Mister A's
Crush
Fresh Seafood Restaurant & Bar
George's At The Cove
Greystone The Steakhouse
Islandia Coastal Grill
Kemo Sabe
L'Escale
Nine-Ten
Peohe's
The Prado Restaurant
Prime 10 Steakhouse
Rei Do Gado
Roppongi
Roy's La Jolla
Sally's
Seven 17
Sheerwater Restaurant

Star of the Sea
J. Taylor's Del Mar
Terra Restaurant & Bar
Trattoria La Strada
Trellises Garden Grille
A.R. Valentien
Zocalo Grill

Over \$100

Azul La Jolla
The Brigantine
California Bistro
de'Medici
G5-George's on Fifth
Laurel Restaurant & Bar
Le Fontainebleau
Morton's The Steakhouse
Mystery Cafe Dinner Theatre
Nectar
The Prince of Wales
Rainwater's on Kettner
Top of the Market

April 5, 2004

Continued from previous page

restaurant with a club-like setting.
Cuisine: American.
Specialties: Fresh seafood, prime beef.
Average dinner for two: Over \$100.
Neighborhood: Downtown.
Attire: Business casual.
Credit cards accepted: American Express, Diner's Club, MasterCard, Visa.
Hours: Sunday, 5 p.m.-11 p.m.; Monday, Wednesday-Thursday, 11:30 a.m.-11 p.m.; Friday, 11:30 a.m.-midnight; Saturday, 5 p.m.-midnight.
Reservations: Recommended.
Parking available

Rancho el Nopal

4016 Wallace St., San Diego
619-295-0584; Fax: 619-295-0514
www.ranchoelnopal.com
Cuisine: Mexican.
Specialties: Mexican and Southwestern specialties.
Average dinner for two: \$26 to \$50.
Neighborhood: Old Town.
Attire: Casual.
Credit cards accepted: All major credit cards.
Hours: Sunday-Thursday, 11 a.m.-9 p.m.; Friday-Saturday, 11 a.m.-10 p.m.
Reservations: Recommended.

Rei Do Gado

939 Fourth Ave., San Diego
619-702-8464; Fax: 619-702-8465
Atmosphere: Cherry wood, brass surroundings and unique art work give the restaurant a look of elegance.
Cuisine: Steak.
Specialties: All-you-can-eat Brazilian steakhouse featuring various meats served on skewers, as well as a salad bar.
Average dinner for two: \$76 to \$100.
Neighborhood: Gaslamp Quarter.
Attire: Business casual.
Credit cards accepted: All major credit cards.
Hours: Sunday-Thursday, 11 a.m.-10 p.m.; Friday-Saturday, 11 a.m.-11 p.m.
Reservations: Recommended.
Parking available

Rhinoceros Cafe & Grill

1166 Orange Ave., Coronado
619-435-2121; Fax: 619-435-2714
www.rhinocafe.com
Atmosphere: Elegant white tablecloth restaurant with a casual setting.
Cuisine: American.
Specialties: Monk fish, penne pasta a la vodka.
Average dinner for two: \$26 to \$50.
Neighborhood: Coronado.
Attire: Casual.
Credit cards accepted: All major credit cards.
Hours: Lunch: 11 a.m.-2:30 p.m.; dinner: 5 p.m.-8:45 p.m. last seating.
Reservations: Recommended.

Rockin' Baja Lobster

310 Fifth Ave., San Diego
619-234-6333; Fax: 619-234-6372
www.rockinbaja.com
Cuisine: Mexican.
Specialties: Mexican seafood specialties.
Average dinner for two: \$26 to \$50.
Neighborhood: Gaslamp Quarter.
Attire: Casual.
Credit cards accepted: All major credit cards.
Hours: Sunday-Thursday, 11:30 a.m.-9:30 p.m.; Friday-Saturday, 11:30 a.m.-10:30 p.m.
Reservations: Recommended.

Roppongi

875 Prospect Ave., La Jolla
858-551-5252; Fax: 858-551-7712
www.roppongiusa.com
Atmosphere: Stylish indoor and outdoor dining experience.
Cuisine: Asian.
Specialties: Asian fusion cuisine featuring Asian tapas, hibachi grilled Chilean sea bass and Polynesian dungeness crab stack.
Average dinner for two: \$76 to \$100.
Neighborhood: La Jolla.
Attire: Business casual.
Credit cards accepted: All major credit

cards.
Hours: Sunday-Thursday, 11:30 a.m.-9:30 p.m.; Friday-Saturday, 11:30 a.m.-10:30 p.m.
Reservations: Recommended.
Parking available

Roy's La Jolla

8670 Genessee Ave., La Jolla
858-455-1616; Fax: 858-455-7700
www.roysrestaurant.com
Atmosphere: Fine dining around Roy's signature exhibition kitchen and sushi bar.
Cuisine: Pacific Rim.
Specialties: Hawaiian fusion cuisine focusing on fresh seafood.
Average dinner for two: \$76 to \$100.
Neighborhood: La Jolla.
Attire: Business casual.
Credit cards accepted: All major credit cards.
Hours: Sunday-Thursday, 5 p.m.-9:30 p.m.; Friday-Saturday, 5 p.m.-10 p.m.
Reservations: Recommended.
Parking available

Rubio's Fresh Mexican Grill

3545 Del Mar Heights Road, Del Mar
858-481-8002; Fax: 858-481-8089
www.rubios.com
Atmosphere: Baja inspired decor in a casual and comfortable setting.
Cuisine: Mexican.
Specialties: Fish tacos, lobster burritos.
Average dinner for two: Under \$25.
Neighborhood: Del Mar.
Attire: Casual.
Credit cards accepted: All major credit cards.
Hours: 10:30 a.m.-10 p.m.
Reservations: Not accepted.
Parking available
Other locations: 2604-A El Camino Real in Carlsbad, NEX North Island, Building 2017 in Coronado.

Rudi's Bakeshop

San Diego Marriott Hotel & Marina,
333 W. Harbor Drive, San Diego
619-234-1500, ext. 6811; Fax: 619-230-8371
Cuisine: American.
Specialties: Fresh baked pastries, salads, sandwiches, soup.
Average dinner for two: Under \$25.
Neighborhood: Downtown.
Attire: Casual.
Credit cards accepted: All major credit cards.
Hours: 6 a.m.-4 p.m.
Parking available

S

Sally's

Manchester Grand Hyatt,
1 Market Place, San Diego
619-358-6740; Fax: 619-358-6739
Atmosphere: Offering indoor and outdoor dining in an upscale setting on the bay.
Cuisine: Seafood.
Average dinner for two: \$76 to \$100.
Neighborhood: Downtown.
Attire: Business casual.
Credit cards accepted: All major credit cards.
Hours: Lunch: Sunday-Thursday, 11:30 a.m.-2:30 p.m., Friday-Saturday, 11:30 a.m.-3 p.m.; dinner: Sunday-Thursday, 5:30 p.m.-10 p.m., Friday-Saturday, 5:30 p.m.-11 p.m.
Reservations: Recommended.

Sammy's Woodfired Pizza

770 Fourth Ave., San Diego
619-230-8888; Fax: 619-235-2980
www.sammyspizza.com
Atmosphere: Casual and comfortable California environment.
Cuisine: Pizza.
Specialties: Chopped chicken salad, Thai chicken salad, wood-fired gourmet pizza.
Average dinner for two: \$26 to \$50.
Neighborhood: Gaslamp Quarter.
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: Not accepted.
Parking available
Other locations: 702 Pearl St. in La Jolla; 1620 Camino de la Reina in Mission Valley; 12925 El Camino Real in Del Mar; 5970 Avenida Encinas in Carlsbad.

Sassafras Grill

3667 India St., San Diego
619-295-4745; Fax: 619-295-4799
www.sassafrasgrill.com
Atmosphere: Casual and festive setting.
Cuisine: Cajun.
Specialties: Sassafras chicken, seafood gumbo.
Average dinner for two: \$51 to \$75.
Neighborhood: Hillcrest.
Attire: Casual.
Credit cards accepted: American Express, Discover, MasterCard, Visa.
Hours: Sunday, 11 a.m.-8 p.m.; Tuesday-Thursday, 4 p.m.-9 p.m.; Friday-Saturday, 4 p.m.-10 p.m.
Reservations: Recommended.
Parking available

Shicca An American Bistro

215 15th St., Del Mar
858-481-1001; Fax: 858-481-5591
www.shiccabistro.com
Atmosphere: A seaside setting with an ocean view terrace.
Cuisine: American.
Specialties: Creamy pesto orecchiette, grilled Ahi tuna with wasabi butter, maple-roasted pork prime rib.
Average dinner for two: \$26 to \$50.
Neighborhood: Del Mar.
Attire: Casual.
Credit cards accepted: All major credit cards.
Hours: Lunch: 11:30 a.m.-3 p.m.; dinner: 5 p.m.-closing, dinner hours vary nightly.
Reservations: Recommended.

Seven 17

715 Fourth Ave., San Diego
619-232-4440; Fax: 619-232-4434
www.seven-17.com
Atmosphere: Relaxing, upscale restaurant and lounge.
Cuisine: Contemporary.
Specialties: Five-spice Sonoma duck breast, fresh seafood, prime cuts of steak.
Average dinner for two: \$76 to \$100.
Neighborhood: Gaslamp Quarter.
Attire: Business casual.
Credit cards accepted: All major credit cards.
Hours: Monday-Friday, 5 p.m.-11 p.m.; Saturday-Sunday, 5 p.m.-2 a.m.
Reservations: Recommended.
Parking available

Sheerwater Restaurant

Hotel Del Coronado,
1500 Orange Ave., Coronado
619-522-8490; Fax: 619-522-8262
www.hoteldel.com
Atmosphere: Offering casual dining overlooking the ocean with outdoor dining terraces and giant fireplaces.
Cuisine: Californian.
Specialties: Regional specialties with a seasonally inspired menu.
Average dinner for two: \$76 to \$100.
Neighborhood: Coronado.
Attire: Casual.
Credit cards accepted: All major credit cards.
Hours: Breakfast buffet, 7 a.m.-11:30 a.m.; lunch, 11:30 a.m.-5 p.m.; dinner, 5 p.m.-10 p.m.
Reservations: Recommended.
Parking available

The Shout House

655 Fourth Ave., San Diego
619-231-6700; Fax: 619-231-6777
www.theshouthouse.com
Atmosphere: Fun atmosphere with dueling pianos performing a rock 'n' roll sing-a-long.
Cuisine: American.
Specialties: Burgers, pizza.
Average dinner for two: Under \$25.
Neighborhood: Gaslamp Quarter.
Attire: Casual.
Credit cards accepted: All major credit cards.
Hours: Sunday, 7 p.m.-midnight; Monday-Thursday, 7 p.m.-1 a.m.; Friday-Saturday, 6

p.m.-2 a.m.
Reservations: Recommended.

Side Bar

536 Market St., San Diego
619-696-0946; Fax: 619-696-0430
www.sidebarsd.com
Atmosphere: Contemporary decor with video artwork and spacious booths that provide comfortable seating.
Cuisine: Eclectic.
Specialties: Salads, tapas.
Average dinner for two: \$26 to \$50.
Neighborhood: Gaslamp Quarter.
Attire: Business casual.
Credit cards accepted: All major credit cards.
Hours: Sunday, 11 a.m.-2 a.m.; Monday-Saturday, 5 p.m.-2 a.m.
Reservations: Recommended.

Sixth Avenue Bistro

1165 Sixth Ave., San Diego
619-239-4194; Fax: 619-239-8516
www.sixthavenuebistro.com
Atmosphere: Friendly service with a casual atmosphere.
Cuisine: Continental.
Specialties: Breakfast, burgers, carne asada Philly sandwich, gumbo, jambalaya.
Average dinner for two: \$26 to \$50.
Neighborhood: Downtown.
Attire: Casual.
Credit cards accepted: All major credit cards.
Hours: Sunday, 8 a.m.-2 p.m.; Monday-Saturday, 6:30 a.m.-9 p.m.

The Spot

1005 Prospect St., La Jolla
858-459-0800; Fax: 858-459-0847
www.spotinlaajolla.com
Atmosphere: Casual Chicago-style pub.
Cuisine: American.
Specialties: Burgers, lobster, pasta, steak.
Average dinner for two: \$26 to \$50.
Neighborhood: La Jolla.
Attire: Casual.
Credit cards accepted: American Express, Discover, MasterCard, Visa.
Hours: 11 a.m.-2 a.m.

Star of the Sea

1360 N. Harbor Drive, San Diego
619-232-7408; Fax: 619-232-1877
www.starofthesea.com
Atmosphere: Casually elegant dining with views of the lights shimmering across the waters of San Diego Bay.
Cuisine: Seafood.
Specialties: Contemporary seafood dishes with fresh, local ingredients.
Average dinner for two: \$76 to \$100.
Neighborhood: Downtown.
Attire: Business casual.
Credit cards accepted: All major credit cards.
Hours: 5 p.m.-10:30 p.m.
Reservations: Required
Parking available

Sushi Bar Nippon

532 Fourth Ave., San Diego
619-544-9779; Fax: 619-544-9795
www.sushibarnippon.com
Cuisine: Japanese.
Specialties: Sushi.
Average dinner for two: \$26 to \$50.
Neighborhood: Gaslamp Quarter.
Attire: Casual.
Credit cards accepted: American Express, Diner's Club, MasterCard, Visa.
Hours: Lunch: Tuesday-Friday, 11:30 a.m.-2 p.m.; dinner: Sunday, 5 p.m.-9 p.m., Tuesday-Thursday, 5 p.m.-10 p.m., Friday-Saturday, 5:30 p.m.-10:30 p.m.
Reservations: Recommended.

Sydney's Grille

Doubletree Hotel San Diego/Del Mar,
11915 El Camino Real, Del Mar
858-481-6200; Fax: 858-481-0990
Atmosphere: Friendly and casual setting.
Cuisine: Californian.
Specialties: California cuisine with a Mediterranean flavor.
Average dinner for two: Under \$25.
Neighborhood: Del Mar.
Attire: Casual.
Credit cards accepted: All major credit cards.

Business Insurance / T37

Hours: Breakfast: 7 a.m.-11 a.m.; lunch: 11:30 a.m.-3 p.m.; dinner: 5 p.m.-10 p.m.
Reservations: Recommended.
Parking available

T

Taka Restaurant

555 Fifth Ave., San Diego
619-338-0555; Fax: 619-338-0898
www.takasushi.com
Cuisine: Japanese.
Specialties: Sushi.
Average dinner for two: \$26 to \$50.
Neighborhood: Gaslamp Quarter.
Attire: Business casual.
Credit cards accepted: All major credit cards.
Hours: Sunday-Thursday, 5:30 p.m.-9:30 p.m.; Friday-Saturday, 5:30 p.m.-10:30 p.m.
Reservations: Recommended.

J. Taylor's Del Mar

L'Auberge Del Mar Resort & Spa,
1540 Camino Del Mar, Del Mar
858-793-6460; Fax: 858-793-6482
www.jtaylors.com
Atmosphere: Casually elegant setting with a light and airy ambience.
Cuisine: Californian.
Specialties: Mustard-crusted rack of Colorado lamb, northern halibut with lobster gratin.
Average dinner for two: \$76 to \$100.
Neighborhood: Del Mar.
Attire: Business casual.
Credit cards accepted: All major credit cards.
Hours: Breakfast: 6:30 a.m.-10:30 a.m.; lunch: 11:30 a.m.-2 p.m.; dinner: 6 p.m.-10 p.m.
Reservations: Recommended.
Parking available

Terra Restaurant & Bar

3900 Vermont St., San Diego
619-295-7088; Fax: 619-293-7193
www.terra.signonsandiego.com
Atmosphere: Casual and sophisticated surroundings.
Cuisine: Contemporary.
Specialties: Coconut-dusted dungeness crab cakes, lobster macaroni and cheese.
Average dinner for two: \$76 to \$100.
Neighborhood: Hillcrest.
Attire: Casual.
Credit cards accepted: All major credit cards.
Hours: Brunch: Sunday, 9:30 a.m.-2:30 p.m.; lunch: Monday-Saturday, 11:30 a.m.-2:30 p.m.; dinner: Sunday-Thursday, 5:30 p.m.-9 p.m., Friday-Saturday, 5:30 p.m.-10 p.m.
Reservations: Recommended.
Parking available

Thee Bungalow

4996 W. Point Loma Blvd., San Diego
619-224-2884; Fax: 619-224-3563
www.theebungalow.com
Atmosphere: Fireside, cozy and romantic fine dining.
Cuisine: French.
Specialties: Roast duck.
Average dinner for two: \$51 to \$75.
Neighborhood: Ocean Beach.
Attire: Business casual.
Credit cards accepted: American Express, MasterCard, Visa.
Hours: Sunday, 5 p.m.-9 p.m.; Monday-Thursday, 5:30 p.m.-9:30 p.m., Friday-Saturday, 5 p.m.-10 p.m.
Reservations: Recommended.
Parking available

The Third Corner

2265 Bacon St., San Diego
619-223-2700; Fax: 619-224-3563
www.thethirdcorner.com
Atmosphere: Fine dining in an elegantly decorated, Mediterranean-style setting.
Cuisine: Mediterranean.
Specialties: Seasonal fish and seafood.
Average dinner for two: \$26 to \$50.
Neighborhood: Ocean Beach.
Attire: Business casual.

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Continued from previous page
Credit cards accepted: American Express, MasterCard, Visa.
Hours: Sunday, 5 p.m.-9 p.m.; Monday-Thursday, 5:30 p.m.-9:30 p.m.; Friday-Saturday, 5 p.m.-10 p.m.
Reservations: Recommended.
Parking available

The Tin Fish

170 Sixth Ave., San Diego
619-238-8100; Fax: 619-522-0660
www.thetinfish.net
Atmosphere: Casual setting with open air patio and indoor seating.
Cuisine: Seafood.
Specialties: Fish and chips, halibut, salmon, swordfish.
Average dinner for two: \$26 to \$50.
Neighborhood: Gaslamp Quarter.
Attire: Casual.
Credit cards accepted: American Express, Discover, MasterCard, Visa.
Hours: 11 a.m.-8 p.m.
Reservations: Not accepted.

Todai Restaurant

2828 Camino Del Rio S., San Diego
619-299-8996; Fax: 619-299-9382
www.todaisandiego.com
Cuisine: Japanese.
Specialties: Sushi and seafood buffet.
Average dinner for two: \$51 to \$75.
Neighborhood: Downtown.
Attire: Casual.
Credit cards accepted: American Express, MasterCard, Visa.
Hours: Lunch: 11:30 a.m.-2:30 p.m.; dinner: 5:30 p.m.-9:30 p.m.
Reservations: Not accepted.
Parking available

Top of the Market

750 N. Harbor Drive, San Diego
619-232-3474; Fax: 619-232-8646
www.thefishmarket.com
Atmosphere: Located above The Fish Market restaurant, Top of the Market offers an

upscale and white tablecloth dining experience.
Cuisine: Seafood.
Average dinner for two: Over \$100.
Neighborhood: Downtown.
Attire: Business casual.
Credit cards accepted: All major credit cards.
Hours: Brunch: Sunday, 10 a.m.-2 p.m.; lunch and dinner: 11 a.m.-10 p.m. daily.
Reservations: Recommended.
Parking available

Trattoria Acqua

1298 Prospect St., La Jolla
858-454-0709; Fax: 858-454-0710
www.trattoriaacqua.com
Atmosphere: Romantic Italian-Mediterranean ambience.
Cuisine: Italian.
Specialties: Lobster ravioli, osso buco, tutto mare.
Average dinner for two: \$51 to \$75.
Neighborhood: La Jolla.
Attire: Business casual.
Credit cards accepted: American Express, Diner's Club, MasterCard, Visa.
Hours: Lunch: 11:30 a.m.-2:30 p.m.; dinner: 5 p.m.-9:30 p.m.
Reservations: Recommended.

Trattoria La Strada

702 Fifth Ave., San Diego
619-239-3400; Fax: 619-239-0110
www.trattorialastrada.com
Atmosphere: Elegant decor with a Tuscany influence.
Cuisine: Italian.
Specialties: Florentine cuisine featuring filet mignon sauteed with red wine and balsamic vinegar sauce and homemade ravioli filled with lobster, shrimp, zucchini and ricotta cheese.
Average dinner for two: \$76 to \$100.
Neighborhood: Gaslamp Quarter.
Attire: Business casual.
Credit cards accepted: All major cards.
Hours: Sunday-Thursday, 11 a.m.-11 p.m.; Friday-Saturday, 11 a.m.-12:30 a.m.
Reservations: Recommended.

Trellises Garden Grille

Town & Country Resort,
500 Hotel Circle N., San Diego
619-905-5017; Fax: 619-297-0814
www.towncountry.com
Cuisine: Californian.
Specialties: Creative and healthy entrees including a variety of meats, pastas and seafood.
Average dinner for two: \$76 to \$100.
Neighborhood: Mission Valley.
Attire: Casual.
Credit cards accepted: American Express, Discover, MasterCard, Visa.
Hours: Sunday, 8 a.m.-2 p.m.; Monday-Saturday, 7 a.m.-10 p.m.
Reservations: Recommended.
Parking available

V

A.R. Valentien

The Lodge at Torrey Pines,
11480 N. Torrey Pines Road, La Jolla
858-453-4420; Fax: 858-550-3907
www.lodgetorreypires.com
Atmosphere: An elegant dining experience overlooking Torrey Pines Golf Course.
Cuisine: Californian.
Specialties: Seasonal cuisine.
Average dinner for two: \$76 to \$100.
Neighborhood: La Jolla.
Attire: Business casual.
Credit cards accepted: All major credit cards.
Hours: Breakfast: 6:30 a.m.-11 a.m.; lunch: 11:30 a.m.-2:30 p.m.; dinner: 5:30 p.m.-10 p.m.
Reservations: Recommended.
Parking available

Valley Kitchen

Quality Resort Hotel,
875 Hotel Circle, San Diego
619-298-8282; Fax: 619-295-5610
www.qualityresort.com
Cuisine: American.

Specialties: Breakfast served all day.
Average dinner for two: Under \$25.
Neighborhood: Mission Valley.
Attire: Casual.
Credit cards accepted: All major credit cards.
Hours: Open 24 hours daily.
Parking available

Via Italia

4705 Clairemont Drive, San Diego
858-274-9732; Fax: 858-274-0506
www.viaitaliapizzeria.com
Atmosphere: Small, cozy trattoria.
Cuisine: Italian.
Specialties: Northern Italian cuisine featuring pasta and wood-fired pizza.
Average dinner for two: \$26 to \$50.
Neighborhood: Golden Triangle.
Attire: Casual.
Credit cards accepted: All major credit cards.
Hours: 11:30 a.m.-10 p.m.
Reservations: Recommended.
Parking available

Y

Yacht Club Restaurant & Bar

San Diego Marriott Hotel & Marina,
333 W. Harbor Drive, San Diego
619-230-8910; Fax: 619-230-8371
www.yachtclubevents.com
Atmosphere: Casual dining overlooking the marina.
Cuisine: Californian.
Specialties: Guacamole made tableside, marina pitas.
Average dinner for two: Under \$25.
Neighborhood: Downtown.
Attire: Casual.
Credit cards accepted: All major credit cards.
Hours: 11 a.m.-9 p.m.
Parking available

Z

Zen Cafe

615 Broadway, San Diego
619-231-0011; Fax: 619-231-0061
www.obec.tv
Cuisine: Pacific Rim.
Specialties: Sushi.
Average dinner for two: \$26 to \$50.
Neighborhood: Downtown.
Attire: Dressy.
Credit cards accepted: American Express, Discover, MasterCard, Visa.
Hours: Friday, 6 p.m.-10:30 p.m.; Saturday, 7 p.m.-10:30 p.m.
Reservations: Required.

Zocalo Grill

2444 San Diego Ave., San Diego
619-298-9840; Fax: 619-298-0601
www.zocalogrill.signonsandiego.com
Atmosphere: A Mexican zocalo is a large plaza in the center of many towns that serves as a central meeting place. The Zocalo Grill incorporates elements of a traditional zocalo with vibrant local culture and a festive atmosphere.
Cuisine: Californian.
Specialties: Grilled rib-eye steak with cranberry mojo, honey-chipotle glazed salmon with lemon-buerre blanc and cilantro pesto, pepita-crusted crab risotto cakes.
Average dinner for two: \$76 to \$100.
Neighborhood: Old Town.
Attire: Casual.
Credit cards accepted: All major credit cards.
Hours: Champagne brunch: Sunday, 10 a.m.-3 p.m.; lunch: Monday-Saturday, 11:30 a.m.-4 p.m.; dinner: Sunday-Thursday, 4 p.m.-9:30 p.m., Friday-Saturday, 4 p.m.-10 p.m.
Reservations: Recommended.
Parking available

Restaurants by cuisine

American

The Brigantine
Broken Yolk Cafe
Cafe 222
Cheese Shop Restaurant & Delicatessen
Corvette Diner
Crest Cafe
Crush
Dick's Last Resort
Harbor's Edge
Hash House A Go Go
Hazelwoods on the Bay
Jimmy Love's
Las Cascadas
Pat & Oscar's
Rainwater's on Kettner
Rhinoceros Cafe & Grill
Rudi's Bakeshop
Sbicca An American Bistro
The Shout House
The Spot
Valley Kitchen

Asian

Kemo Sabe
Roppongi

Bar and grill

Cafe 828
DW's Pub
Downtown Johnny Brown's
Dublin Square Irish Pub & Grill
The Field Irish Pub & Restaurant
The Grill
Henry's Pub
Moose McGillicuddy's
Princess Pub & Grille
Quinn's

Barbecue

Phil's BBQ

Cajun

Sassafras Grill

Californian

Azul La Jolla
Blue Wave Bar & Grill
California Bistro
Cody's La Jolla
The Cottage
Molly's Restaurant & Bar
Nectar
Sheerwater Restaurant
Sydney's Grille
J. Taylor's Del Mar
Trellises Garden Grille
A.R. Valentien
Yacht Club Restaurant & Bar
Zocalo Grill

Chinese

P.F. Chang's China Bistro
Panda Inn Restaurant

Contemporary

George's At The Cove
Neimans
The Prado Restaurant
Seven 17
Terra Restaurant & Bar

Continental

Bertrand at Mister A's
Cafe Westgate

Le Fontainebleau
Mystery Cafe Dinner Theatre
Nine-Ten
The Prince of Wales
Sixth Avenue Bistro

Dessert

Extraordinary Desserts

Eclectic

Buster's Beach House
Postcards American Bistro
Side Bar

French

Laurel Restaurant & Bar
Thee Bungalow

German

Kaiserhof Restaurant & Biergarten

Greek

Daphne's Greek Cafe

International

Aubergine
The Prado Restaurant

Italian

Alfiere Restaurant
Barolo
Bella Luna
Buca di Beppo
de'Medici
Galileo 101 Ristorante Italiano & Bar
Lino's Italian Restaurant
Osteria Panevino

Piatti Ristorante
Trattoria Acqua
Trattoria La Strada
Via Italia

Japanese

Sushi Bar Nippon
Taka Restaurant
Todai Restaurant

Mediterranean

Bahia Cafe
L'Escale
The Third Corner

Mexican

Alambres
Alfonso's of La Jolla
Canes Bar & Grill
Casa de Bandini
Casa de Pico
Casa Guadalajara
Fred's Mexican Cafe
Gringos Cocina y Cantina
La Pinata Mexican Restaurant
Miguel's Cocina
Old Town Mexican Cafe y Cantina
Rancho el Nopal
Rockin' Baja Lobster
Rubio's Fresh Mexican Grill

Pizza

Ciro's Pizzeria
Sammy's Woodfired Pizza

Pacific Rim

Aqua Blu
Peohe's

Roy's La Jolla
Zen Cafe

Seafood

Anthony's Fish Grotto
Blue Point Coastal Cuisine
Cafe Pacifica
The Fish Market
Fresh Seafood Restaurant & Bar
The Green Flash Restaurant
Islandia Coastal Grill
Joe's Crab Shack
Point Loma Seafoods
Sally's
Star of the Sea
The Tin Fish
Top of the Market

Spanish

Bar 10
Ole Madrid

Steak

Coronado Boathouse 1887 Restaurant
Donovan's Steak & Chop House
G5-George's on Fifth
Greystone The Steakhouse
Morton's The Steakhouse
94th Aero Squadron
Prime 10 Steakhouse
Rei Do Gado

Southwestern

Indigo Grill