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## University of San Diego Media Coverage

### May 2009

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Commencement 2009
Popular culture often a source for speakers

By Matthew T. Hall and Leonel Sanchez

Few adults past middle age can recall the keynote speaker at their college graduation. But celebrity culture—not to mention Obama mania—is changing that.

This year, three local universities have plucked speakers from the pop culture world. Mike Judge, father of Beavis & Butt-Head, is at the University of California San Diego. Kevin Heffernan, from "The Big Bang Theory" is at the University of San Diego. Matt LeBlanc, from "Friends" and "The Odd Couple" is at National University.

And San Diego State University has Mayor Jerry Sanders, who gave some fatherly advice for more than 2,000 graduates at Cox Arena yesterday.

Sanders, an SDSU alumnus, recalled those achieving the same status yesterday that they were graduating during tough economic times. He challenged them to live to the occasion.

"Take chances," Sanders told the College of Arts and Letters graduates during his speech. "Prepare for multiple careers. Don't be afraid to go after different jobs. Try things that are meaningful to you."

While Sanders prepared for his speech by discussing taking points with Darren Paltch, the staffer behind his words, Parsons was on his own. He wrote and rewrote, read drafts aloud to friends and showed copies to others. Before that, he read speeches by Bill Gates, Jon Stewart and David Foster Wallace and watched an address by J.K. Rowling on YouTube.

"It’s the best advice I’ve ever heard," Sanders said. "You have to have a sense of humor and a sense of style, but you also have to be able to connect with the audience."

Local universities don’t have a unified process of choosing speakers from the pop culture world. SDSU, the other hand, has no set method. "There really isn’t a big process here," SDSU spokesman Greg Block said. "There’s no big committee meetings. Somebody makes a recommendation and they all kind of say, ‘Yeah, that’s a good idea.’"
SAN DIEGO UNION-TRIBUNE

May 25, 2009

SAN DIEGO

A day of pride for USD families

Hundreds awarded diplomas at Catholic university's events

By John Williams, Staff Writer

Bogey Kelchev had never set foot in the United States before he arrived from Bulgaria four years ago to attend the University of San Diego on a scholarship.

Kelchev delivered the valedictory address at the private Catholic university yesterday.

Kelchev, 22, a computer science major, talked about how his father, an engineer, was skeptical that someone who had never met his son would give him a scholarship worth about $45,000 a year.

That someone was Gerard Smolik. He created the scholarship in honor of his late wife, Veselka Zaykova-Smolik, who grew up in Bulgaria and dreamed of attending school in the United States. They met at USD, where both earned law degrees.

Kelchev said he heard about the scholarship as he was looking around for U.S. campuses to attend.

"I wanted to experience different cultures, to get out of my comfort zone, to just kind of grow up," he said in an interview.

The trip from Pazardzhik, a town of about 70,000, took 24 hours. He was met at Lindbergh Field by USD students, whose drive back to the campus was, to him, a maze of left turns at red lights.

"I was terrified," Kelchev said.

He settled down enough to carry a 4.0 grade-point average and earn minors in Spanish and English. He is starting an internship soon at a local software development company.

"Be proud. Stay humble. Be grateful," Kelchev told the class of 2009 in his address.

The students gave him a standing ovation.

Jim Parsons, an actor who earned a master's degree in fine arts at USD and now stars in the CBS comedy "The Big Bang Theory," gave the commencement address for the College of Arts and Sciences.

Parsons suggested that graduates do work they love, but to be realistic about the hurdles.

"Doubt and uncertainty are constant companions in life," he said. "I'm sorry to have to say that."

Preparation is a good way to conquer doubt, Parsons said.

"Try little changes. See where they lead," He told them to learn to forgive themselves.

And then he offered this: "Never stop surprising yourself."

John Williams (619) 253-2236
john.williams@uniontrib.com

In all this year, USD awarded 2,200 diplomas

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GRADUATES

CONTINUED FROM PAGE C1

bachelor's degrees in the morning at the Jenny Craig Pavilion - watched and applauded by bearing mistresses and friends.

An additional 550 to business administration, engineering and diversified liberal arts took the walk in their caps and gowns in the afternoon. Including other ceremonies earlier this month, USD awarded 2,200 diplomas this year as it celebrated its 60th anniversary.

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John Williams (619) 253-2236
john.williams@uniontrib.com

USD graduates Brittany Kuhn and Austin Gripps congratulated each other after receiving their diplomas at the campus' Jenny Craig Pavilion yesterday. Howard Lipin/Union-Tribune photos
College grads of '09 step into uncertain world

By Peter Lawe
STAFF WRITER

Markets are gonzo, inspiring speakers, hammering parents, job offers by the hundred; but the risks of college graduation never change.

Except when they do.

"Everyone always told us we'd have a job before we even graduated," said Joy Salvestri, 22. A week ago, she left San Diego State University with an aerospace engineering degree but without employment. She's far from alone: "Only a handful of us have even had interviews."

The National Association of College and Employers, a Pennsylvania career counseling outfit, notes that times are tough for job hunters with new bachelor's degrees. Two years ago, half of college students landed a job offer before commencement. In this recession-rolled year, fewer than one in five can say the same.

Recently, we talked with three jobless graduates—one each from SDSU, the University of San Diego, and Point Loma Nazarene University—about their plans and prospects. We'll check back with them this summer to see how they're faring.

For now, these three have finished their formal education. They've walked off campus—but they're not yet sure where they're walking to.

JESSICA DEFILIPPO
University of San Diego

On Defilippo's wish list:

• A job in marketing or public relations.
• An annual salary that's not less than $38,000.
• A supportive environment where co-workers are happy.
• Well-written materials.
• A lot of people in the office, "Oh, it's so exciting that you are graduateing," she tells them that I'll be more excited if I had a job.

Defilippo, 21, earned a business administration degree from USD, graduating last spring. The Rancho Santa Margarita native is looking for work in Los Angeles, Orange County and New York City.

"Those three are pretty equal right now, as long as it's the right opportunity. But I feel like the right opportunities are few and far between."

Her definition of "right" covers a lot of territory, including the concept "money." A few days before graduation, she turned down an interview with an L.A. firm in the exciting world of multilevel marketing—in other words, a pyramid scheme.

While Defilippo lacks any solid prospects, she does have a firm game plan. She's moving back to her parents' house to save money, earning spending money by working weekends for an Irvine software company. The Qaves Group and working her contacts. She's signed up with several online job sites, which alert her blackberry when new positions are posted. A former officer in the Alpha Phi sorority, Defilippo is well-liked and liked by the Greek system. She'll also reconnect with people she met during internships with "UNI, San Diego's" Public Relations and Orange Coast magazine.

She plans to be.

"Some people want to just kick back, take the summer off—they worked so hard for four years. I just don't have that luxury."
SAN DIEGO. (May 22, 2009) Rear Adm. Kendall L. Card, Commander, Expeditionary Strike Group THREE, addresses the audience as the key note speaker during the University of San Diego and San Diego State University Naval Reserve Officers Training Corps (NROTC) commissioning ceremony held on the University of San Diego campus. The 2009 ceremony celebrated the commissioning of 34 new Ensigns and Second Lieutenants. (U.S. Navy photo by Mass Communication Specialist 2nd Class Damien Horvath/Released)
Algunas de las ceremonias de graduación en el Condado de San Diego incluyen:

| Mayo 22-24: Universidad Estatal de San Diego |
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| Mayo 23-24: Universidade de San Diego |

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Las ceremonias de la Universidad Estatal de San Marcos, Palomar College, Mesa College y Universidad Point Loma Nazarene fueron el 16 de mayo. La del Miramar College fue el 21 de mayo y las de San Diego City College, Palomar College, MiraCosta College y Southwestern College fueron el 22 de mayo.
ART REVIEW

GREATNESS AND GRANDEUR

JASPER JOHNS AND ALLISON WIESE PUT THESE CONCEPTS IN PERSPECTIVE

By Robert L. Pincus
ART CRITIC

The recent show of Jasper Johns at the Museum of Contemporary Art San Diego focused on one strand of imagery, the light bulb, as it cut across sculptures and prints. A current exhibition includes more than four decades of work, in the various media of prints (lithograph, etching, intaglio, aquatint and monotype). It’s clear to say that Johns is the greatest living American artist. Painting is at the core of this greatness, be it in his treatment of the American map, the American flag, targets or numbers. He may also be the greatest living printmaker, and this show, featuring 31 of them (one with a copper plate from an etching and two examples of limited edition books), is a wonderful representation of his virtuosity and visual poetry.

"Jasper Johns: Selected Prints," in the Hoehn Family Galleries at the University of San Diego, was guest curated by John Hoehn, registrar for exhibitions at the San Diego Museum of Art and a noted expert on Johns. The oldest work is a simple cut, "Hand" (1963), in which an image of one of his hand prints appears twice. It was a way of suggesting the figure and presence of the artist and of symbol or architecture without any pretension. What a broad sampling of work like this underscores is how much Johns’ art creates a constructed world, with recurring symbols and motifs. The printed hand reappears, for example, in an atmospheric lithograph, "Sawarin 3 (Red)", (1970). The image mentioned in the title — of a man containing brushes and other tools of the painter’s trade — began life in his art as a cast sculpture in 1960, which he then painted to look just like the original. It depicted the ordinary coffee can and equipment from his studio.

The effect is to create a balance between idea and image, what Johns characterizes as “a thing not being what it was, with its becoming something other than what it is.” All art does this to some degree, but Johns cuts to the core of this notion, while making things that are incredibly seductive on a purely visual level.

One of the selections that does this with incredible finesse is "Wehrhaupt", (1960). Fragments of the American flag — allusions to his famed paintings of the same — appear at either edge, rendered to look as if they are taped to the surface of the picture. Then, much of the rest of the lithograph is taken up with art he clearly appreciates: sealing pottery by the early 20th-century ceramicist George Ohr, which Johns collects, and the outline of Harry Moore’s image of the Sperm Whale for a well-known edition of "Moby Dick." In a sense, Johns is speaking to you indirectly, through the things he includes, creating an image that isn’t necessarily greater than the sum of its parts but does transform them in the process of accumulating.

The Hoehn Family Galleries at the museum are a fine venue for this kind of show, timing wise. 

San Diego's art contains recurring, iconic images, one of which is pictured in the atmospheric lithograph "Sawarin 3 (Red)." (Left) VADO Universal Limited Art Editions


Galleries at the Museum of Greatness includes print maker, is that Johns is at the core of things. Some of the best pieces are created with copper plates, and some of the best are created with paper and watercolor. The printed hand reappears, for example, in an atmospheric lithograph, "Sawarin 3 (Red)", (1970). The image mentioned in the title — of a man containing brushes and other tools of the painter’s trade — began life in his art as a cast sculpture in 1960, which he then painted to look just like the original. It depicted the ordinary coffee can and equipment from his studio.

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San Diego's art contains recurring, iconic images, one of which is pictured in the atmospheric lithograph "Sawarin 3 (Red)." (Left) VADO Universal Limited Art Editions


SEE PERSPECTIVE, 24
Alumni Honors 2009
Prominent hotelier honored by USD alma mater

By Arthur Lightburn

If his entrepreneurial, radio-station-owning father hadn’t gotten into the hotel business "by accident" in the late 1960s, Richard Bartell might still be a criminal defense lawyer like his childhood TV hero Perry Mason.

But such is life — and Bartell, now 61, is the energetic, well-seasoned president of Bartell Hotels, one of the largest and oldest independent family-owned hotel companies in San Diego.

Bartell also serves on a number of boards supporting the terrains and educational communities in San Diego. He is the vice chairman of both of the San Diego Tourism Promotion Corporation and the San Diego Port Tenants Association.

Earlier this month, his law school alma mater, the University of San Diego, honored him with an Author E. Hughes Award for Career Achievement and contributions to public service.

Bartell joined his father’s business — which in 1999 consisted of an AM radio station and three hotels — after four years of living his dream, with 35 jury trials and an equal number of court trials in his bailiwick, as a defense attorney with Defenders Incorporated, the predecessor of San Diego County’s Public Defender’s Office.

"I loved practicing law. I loved being a criminal defense attorney," Bartell said. "My father was encouraging me to work with him to help grow the family business and for me, having the opportunity to work with my father really trumped anything else that I wanted to do."

We interviewed Bartell in his home which he and his interior designer wife, Lee, built 25 years ago and where they raised their family.

Bartell's 150 pounds, with his well-cut polo shirt and well-kept facial hair, reflect a life-long passion he and his wife share in San Diego and a passion he passed on to his children who played on the Women's Tennis team at Stanford University.

"In another life, Bartell said, "I don't travel, except to visit his daughters and to Christmas vacation in Cabo. Never been on a cruise ship."

"He's definitely a San Diego stay-at-home kind of guy."

As president of Bartell Hotels, he now serves hotels in San Diego representing 1,300 hotel guest rooms, five restaurants, three marinas and the popular Humphrey's Concerts by the Bay concert venue on Shelter Island.

The hotels include the Pacific Terrace Hotel in Pacific Beach, The Island on Mission Bay, the Sheraton La Jolla Hotel, Holiday Inn San Diego Bayfront, Best Western Island Palms Hotel and Marlin on Shelter Island, Days Hotel in Hotel Circle, and Humphrey's Half Moon Inn and Suites, including Humphrey's Restaurant on Shelter Island.

Bartell was born in Milwaukee, Wisc. His attorney father, Lee, with his brothers, Gerald, Mal and David, and their sister Rose, founded the Bartell Group in 1950 and began buying and selling radio stations throughout the country. They would acquire stations in small markets, develop successful Top 40 programming, sell and then buy stations in larger markets, including San Diego.

In 1977, when Richard was 8, his father relocated the family to San Diego after acquiring radio station KQRL where he established an ownership presence as general manager.

The Bartell group sold the station in 1983 and Bartell’s father diversified into real estate, eventually buying a piece of land in Mission Valley that he hoped to lease to Holiday Inn, but when the deal fell through, Lee Bartell decided to build his own motel on the land.

"We envisioned where we wanted to be in 10 or 15 years. And, in the hotel business, you always have to look at location, location, location. These are the three most important things in determining success, failure and how you do business," Bartell said. "If you’re not performing at the highest standards of hospitality and service, people may come once but they won’t come back a second time."

Their strategy was to expand by acquiring other locations in San Diego over time, "opportunistically anywhere on the walls."

"So, in the '80s, we acquired essentially underperforming assets that had great locations. You can always change your buildings, but you can’t change the location."

"We knew if we had the location, there were expansion opportunities and we could build, renovate and enhance the property in a first-class way."

He described his father as "extremely modest, extremely humble...He loved being an entrepreneur. He loved creating. He would take risks and make decisions based on facts that he knew at the time, but loved working with."

Lee Bartell died in 1991. "I worked with my father for 11 years and it was the best thing I ever did in 20 years of my life." Bartell said.

And one of them, perhaps the best, was being able to "see your father’s vision come to life every day. That’s as good as it gets."

Bartell continued the strategy of buying underperforming assets in good locations, renovating, expanding and renovating, installing superior management and marketing to create today’s diversified mix of independent and franchised properties.

How’s business now? "Challenging," Bartell replied, "because of the recession. People are still travelling. Occupancy is still strong. There are families and couples still taking their vacations, but it’s at lower rates than it used to be. And the corporate market is travelling less, although I do see that coming back now."

"We’ve been in business so long that we’ve gone through recessions before. And some of them have been very significant. So we know how to navigate through a recession. And I’m already seeing signs that things are improving.”

Bartell said he has missed laying off staff. "We’ve reduced hours for some employees. Part of being a family company is we’ve discovered hard rules to keep the hotels full, to keep people employed and to give people hours. And when they’re not at the hotel, they also use our restaurants. So we’ve been able to avoid a major disruption in the lives of our employees by keeping them employed."

The company has 800 employees. "They’ve been very good to us over the years and this is our opportunity to reciprocate."
Profile

Prominent hotelier, resident honored by USD Alumni mater

By Arthur Lighthorne

If his entrepreneurial, radio-station-owning father hadn’t gotten into the hotel business “by accident” in the late 1960s, Richard Bartell might still be a criminal defense lawyer like his childhood TV hero Perry Mason.

But such is life — and Bartell, now 63, is the energetic, well-spoken and president of Bartell Hotels, one of the largest and oldest independent family-owned hotel companies in San Diego.

Bartell also serves on a number of boards supporting the community and educational communities in San Diego. He is the vice chairman of both the San Diego Tourism Promotion Corporation and the San Diego Port Tenants Association.

Earlier this month, he was awarded an honorary Doctor of Laws degree from the University of San Diego, honoring him with an Arthur E. Hughes Award for Community Service and contributions to public service.

Bartell joined his father’s business, which in 1979 consisted of an AM radio station and a single motel, after four years of living his dream, with 35 jury trials and an equal number of cases to his credit, as a defense attorney with Defenders Incorporated, the predecessor of San Diego County’s Public Defender’s Office.

“I was running my law firm, I loved being a criminal defense attorney,” Bartell said. “My father was encouraging me to work with him to help grow the family business and having the opportunity to work with my father really trumped anything else that I wanted.”

We interviewed Bartell in his home which he built and interior designer wife, Liz, built 25 years ago on a fixer in Rancho Santa Fe and where they raised their family.

Bartell is 5-foot-8, 150 pounds, with a full head of salt-and-pepper hair and the athletic build of a person with a long, long, long, pause; a pause he and his wife share (they met at a dance studio in San Diego) and which they have passed on to their three daughters who played Division 1 women’s tennis at their respective universities.

His other passions, Bartell says, is work. “My love is my work. I don’t travel, except to visit my daughters and their families in Christie, when they visit us in the summer.”

He’s basically a San Diego stay-at-home kind of guy.

As president of Bartell Hotels, he runs seven hotels in San Diego representing 1,500 hotel rooms, five restaurants, three marinas and the popular Humphrey’s Concerts at the Bay concert venue on Shelter Island.

The hotels include the Pacific Terrace Hotel in Pacific Beach, The Dunes on Mission Bay, the Sheraton La Jolla Hotel, Holiday Inn San Diego Bay, West Island Palms Hotel and Marina on Shelter Island, Days Hotel in Hotel Circle, and Humphrey’s Half Moon Inn and Suites, including Humphrey’s Restaurant on Shelter Island.

Bartell was born in Milwaukee, Wis. His attorney father, father, his brothers, Gerald, Mel and David, and their sister, Robe, founded the Bartell Group in 1950 and began buying and selling radio stations throughout the country. They would acquire stations in small markets, develop successful Top 40 programming, and then buy station in larger markets, including San Diego.

In 1975, when Richard was 8, his father relocated the family to San Diego after acquiring radio station KGQR where he established an ownership presence as general manager.

The Bartell group sold the station in 1988 and Bartell’s father diversified into real estate, eventually buying a piece of land in Mission Valley that he hoped to lease to Holiday Inn, but when the deal fell through, Lee Bartell decided to build his own motel on the land.

“He built 176 rooms and called it Circle 711,” Bartell noted of his father’s first hotel venture. “The Circle stood for Hotel Circles (San Diego’s hotel district), the seven was the single room and the 11 was the double room.

“Fe was not a hotelier, but he was very entrepreneurial and he took a chance. And it was wildly successful.”

“Besides how we got into the hotel business and that why I say it really was an accident. If Holiday Inn had decided to build where they originally intended to build, we would never have been in this business.”

But Bartell’s father also couldn’t resist getting back into radio.

“In the mid-1970s, Bartell senior bought local station KGBQ, 910 on the AM dial, changed the call letters to Magic 91, and quickly established it as one of the most popular rock stations in San Diego.”

Richard joined his father in 1979.

By 1980, FM stations had gained popularity and had cut into the AM music market. At that time, the Mexican government had ordered all Mexican stations, including theirs on the border, to broadcast in English into the U.S., to create all religious broadcasts.

“Suddenly San Diego was left without a commercial religious formatted radio station,” Bartell noted.

To fill the gap in 1981, Magic 91 switched its format from rock to religious, selling large blocks of radio time to ministers and evangelists. “It was a profitable venture,” Bartell added.

Bartell sold the station in 1990.

Also, during the early ‘80s, Richard and his father focused their energy on growing their hotel business.

“We envisioned where we wanted to be in 10 or 15 years. And, in the hotel business, you always change back to location, location, location. There are the three most important things in determining success, followed closely by service, because if you’re not performing at the highest standards of hospitality and service, people came see the first time, but they’re not going to come back a second time. And you’re not going to have the same elements of a franchise.”

Their strategy was to expand by acquiring other locations in San Diego over time, specifically anything on the water.

“By the early ’80s, we acquired essentially underperforming assets that had great locations. You can always change your buildings, but you can’t change the location.

“We know if we had the location, there were expansion opportunities and we could rebuild, renovate and refinance the property in a first class way.”

He described his father as “extremely modest, extremely humble.” He loved being an extrovert. “He loved creating. He would take risks and make decisions based on facts that he knew at the time and he loved working.”

Lee Bartell died in 1991.

“I worked with my father for 11 years and it was the best thing I ever did before or after that or will ever happen after,” Bartell said. “Worked side-by-side with him every day. That’s as good as it gets.”

Bartell continued the strategy of buying underperforming assets in good locations, renovating, expanding and refacing, installing sign cutoffs.

“We’ve been in business so long that we’ve gone through recessions before. And some of them have been very significant. So we know how to navigate through a recession. And I’m already seeing signs that things are improving.”

Quick Facts

Name: Richard Bartell

Distinctions: President of Bartell Hotels, one of the largest and oldest independent family-owned hotel companies in San Diego County, founded in 1979, and operates seven hotels representing 1,200 hotel guest rooms, five restaurants, three marinas and Humphrey’s Concerts at the Bay concert venue on Shelter Island.

Residence: Rancho Santa Fe for 25 years; Bartell Milwaukee, Wisconsin, 60 years ago

Education: Bachelor’s degree from the University of California, Santa Barbara (1971). J.D. from the University of San Diego, 1973.

Family: His and her wife, Liz (nee Mykle), have been married for 30 years. They met on the court of a tennis club in San Diego. They have three children, Samantha, 26, a professional tennis player in Los Angeles; Maddie, 25, an MBA student at Wharton School of Business; and Euros, 24, graduating from USD this month and interested in studying law.

Interests: Family and playing tennis with his wife, avid tennis player; on weekends on their home court, “I don’t travel. Never been on a cruise ship. Never been on a cruise ship.”

Reading: Legal thrillers.

Favorite authors: John Grisham, David Baldacci and Steve Martin.

Richard Bartell

Photocredit

Richard Bartell

Production Credit
Ten University of San Diego alumni will be honored on the Linda Vista campus tomorrow for their contributions to the arts, sports and other fields.

The gala event includes a dinner and begins at 5:30 p.m. in USD's Jenny Craig Pavilion.

Those set to be honored are playwright and actress Heather Raffo; human-rights activist Judy Ann Kamanyi; former Navy Nurse Corps member Denise Boren; local hotelier Richard Bartell; private equity investor John Cappetta; family therapist Sandy Cassell Farrell; tennis champion Zuzana Lesenarova; college administrators Leona and Patricia Makokis, both with Blue Quills First Nations College in Canada; and businessman L. Douglas Robert.

More Information is available at (619) 260-4819. —S. Schmidt
USD Honors Special Achievements at Alumni Event

Posted: May 03, 2009 10:30 AM PDT
Updated: May 03, 2009 11:51 AM PDT

The University of San Diego is celebrating its 60th anniversary and honoring 10 of its outstanding graduates.

News 8's Barbara Lee Edwards served as mistress of ceremonies for the alumni honors event.

University President Mary Lyons said honoring graduates who have made a difference in the world sets a great example.

The honorees came from all over the world and have made significant achievements in the arts, business, athletics and public service.
College of Arts & Sciences
Calexico restaurant says griddle has likeness of the Virgin Mary

The griddle at Las Palmas Mexican restaurant has been taken off the stove and is now displayed in a room that is quickly filling up with rosaries, flowers, votive candles and other offerings.

By Tony Perry

May 4, 2009

Reporting from Calexico, Calif. — A Mexican restaurant in this border town is drawing the curious and the faithful to see what some believe is a likeness of the Virgin Mary that appeared miraculously on a griddle.

A cook at Las Palmas restaurant was the first to see the image.

"She started to cry and didn't want to clean the griddle anymore," said Brenda Martinez, who manages the family-owned restaurant.

The griddle has been taken off the stove and is now displayed in a room behind the kitchen that is quickly filling up with rosaries, flowers, votive candles and other offerings left by visitors from the Imperial Valley and from Mexicali across the border.

"I feel she is here with us. I can feel her presence," said Joe Acuna, who owns a landscaping firm.

"She looks real, very real," handyman Mike Breseno said in Spanish.

The Rev. Edward Horning, associate pastor at St. Mary Catholic Church in nearby El Centro, examined the griddle Thursday. He would not say whether he thought the outline on the griddle looked like the Virgin Mary.

But he said, "If God wants to do something like this, he can do it."

To some visitors, the image looks like the Our Lady of Guadalupe artwork in a basilica in Mexico City, considered Mexico's most popular religious and cultural symbol. Mary is said to have appeared on a hill outside the city in 1531.

Among the offerings brought to Las Palmas was a replica of a painting of Our Lady of Guadalupe. Visitors glance at the painting and then the image on the griddle — and some see a similarity.

"She's here, I know it," landscaper Alfredo Luna said.

Only the church hierarchy can confirm that the apparition is a true revelation.

But that hasn't stopped people — including several Mexican wrestlers in colorful costumes and masks — from making the trek to the restaurant, which is known for its menudo and carne asada and is tucked in a corner of a potbelly.

The restaurant — and the room with the griddle — is open Wednesday through Sunday.

Alberto Lopez Pulido, director and professor of ethnic studies at the University of San Diego, said that claims of apparitions, particularly of Mary, are not uncommon among Latino and Mexican Catholics.

The Catholic Church in Central and South America is Mary-centered, while the church in most of North America is more Christ-centered, Pulido said. Seeing images of Mary in public places or work spaces fulfills the need of Catholics for a personal relationship to their religion outside the church, he said.

"It establishes a sense of community, of personal connection and access," Pulido said in an interview. "It makes their religion real to them."

Martinez said one of the cooks felt the image had materialized to give her strength after her brother's fatal heart attack a few days earlier.

"Mary is here for us," Martinez said. "She wants to show us her love and tell us to keep the faith."
G. Aubrey Davidson's advice can be carried over to our time

A VOICE FROM THE PAST

Bill Davidson wore his grandfather's top hat when he visited Balboa Park recently to talk about the family's legacy of leadership. G. Aubrey Davidson led the campaign to hold the Panama-California Exposition in the park in 1915-16. Eduardo Contreras / Union-Tribune
A hundred years ago this summer, when San Diego's economy was in the dumps, G. Aubrey Davidson, 41-year-old president of the San Diego Chamber of Commerce, proposed a way out of the doldrums.

"For 20 years this organization and the entire Pacific Coast have waited for the building of the Panama Canal," he told his board July 9, 1909. "It occurs to me that the (1915) Panama Canal should be the Sianadan for San Diego to put on a great celebration, not just a county or state fair, but an international exposition."

Six years later, Davidson presided over the opening of the Panama-California Exposition in Balboa Park, a two-year event that set San Diego on a new direction in the 20th century and left a legacy — the park, the Navy, high-tech industries — that lives with us today.

In recognition of his contributions, the Committee of 100, the group that watches over the expo buildings and grounds, will give its first Herman Grosemore Goodman Award posthumously to Davidson, whose grandson, Bill, will be present to accept the honor at the Friday luncheon in the park.

"Davidson was a visionary who could not only imagine great things but was able to persuade others that such things were possible," said Committee of 100 President Michael Kelly.

And the 1915 Expo wasn't Davidson's only accomplishment. An eighth-grade dropout, born in Canada, he organized local sports teams in his youth; pursued a railroad career; shifted to banking; developed San Diego's Naval Base neighborhood; worked tirelessly to entice the Navy and Marine Corps here; led several campaigns to save the Expo buildings; chaired the 1935-36 California Pacific International Exposition in the park; and served for many years on the boards of the YMCA, Army-Navy YMCA and First Presbyterian Church, which he helped build downtown. He died in 1957.

"Any one of the many things he has done would be a fitting memorial to any one of us here," said Edward T. Price at a 1948 testimonial lunch to celebrate Davidson's 80th birthday. "But to think the encouragement and helping hand he has given others is an attribute of greatness."

Davidson's example raises a question for today's San Diego, again in a slump — is there a leader in the house who can put things right?

"San Diego today could use someone like G. Aubrey Davidson," said University of San Diego history professor Eric F. Engstrom.

But as other observers and activists on the local scene say, the old model of political or business leaders telling us what to do may not work in the age of Twitter, GoFundMe and Change.org.
A century ago, visionary helped revitalize city

For insight into the man, Bill Davidson, '91, a former Central Valley pistachio grower and current resident of Tustinca, shared an extraordinary artifact—phonograph recordings from the 1940 event, when his grandfather was hailed as San Diego's "endricmier." "I have been credited with doing a great many things for San Diego," the elder Davidson said in response to the many accolades and tributes in him on that occasion, "but I want you to assure you, as I've said many, many times, that one man cannot do these things alone. They've only been accomplished by the support, with the cooperation, of the people of San Diego." Still, it took gumption and leadership qualities to ask for help from San Diego's all-purpose quack at the time, John Spreckels. Spreckels was the Man—owner of the Hotel Del Coronado, the San Diego Union and Evening Tribune, the local streetcar system and many acres of real estate and builder of the San Diego & Arizona Railroad. "We told him we were going out for a million dollars in public subscription for the fair," Davidson told his audience. "Mr. Spreckels said, 'If that not a pretty large order for a city of 15,000.' We said, 'Of course it is, but it's a great thing for the city, it will advertise the city, it will develop our great park.' Mr. Spreckels said, 'How much do you want me to go down for?' We said, 'Unless you go down for 10 percent or $100,000, it is useless for us to make the proposal.' Mr. Spreckels said, 'All right. I'll go down for $100,000 and ask your subscription list, and I'll like to add that if you get us against it, when you give us your list ($100,000), come in and see me.' That was the type of man we had in San Diego to support our various enterprises in the city of San Diego." Spreckels later donated the Spreckels Organ Pavilion. Today, tycoons are in short supply, as San Diego's old families have dispersed their wealth and the newly rich sat the part of "lifestyle millionaires," as Judy Forester put it. She is president of the LEAD San Diego organization that trains would-be leaders to work effectively in the nonprofit world. "I see a lot of people who devote time and tremendous amount of talent," Forester said. "What we don't have enough are people who devote resources to the mayor on top of it." Mary Wolshok, associate chancellor for public programs at the University of California San Diego, said she remains impressed by the imagination of Davidson's generation, which led to the creation of UCSD, the Salk Institute and the Torrey Pines science park—"the foundations of much of San Diego's high-tech and bio-medical sectors.""There are many different centers of leadership, but our destiny is that leadership tends to be sector-specific," Wolshok said. "We live in a new economy, and in a funny way we're still figuring out how to engage our leaders in civic issues." Ben Haddad, 52, this year's chairman of the Chamber of Commerce, a title equivalent to Davidson's in 1909, disagreed with Wolshok, saying his board members willingly work on civic matters outside their businesses and personal interests. "We may disagree on details, but in what's got to get built or not built," Haddad said, "but deep down, most folks want to leave the place better than they found it." One of these is Kevin Harris, 27, a member of the San Diego Regional Economic Development Corp.'s Next Gen Committee, which hopes to engage young business leaders in civic issues. "We're starting to look at San Diego, how it is today, what will it be like in 20 to 30 years from today, what kind of city will it be when we kids grow into it," Harris said. Some weeks ago, CEOs for San Diego's largest group of business and civic leaders, held its annual meeting in San Diego. Chicago's powerful mayor, Richard Daley, son of an even more powerful mayor, was there, but he is not necessarily the model for San Diego or any other place, said CED's president, Carol Coletteri. "There are two models, and both work—top down and bottom up," she said. This model is developing, she said: "For the most part, younger people tend to favor networks and older people favor institutions." Once she had her network has completed its task, it disbands and a new network reforms to tackle something else. Still, there is always a need for people like G. Aubrey Davi-
of the gallery is to showcase printmaking. But this is not an exhibition for specialists or academics. For anyone even casually interested in art that appears destined to outlast our era, this is a captivating display.

LITERALLY LUMINOUS

Alison Wiese borrows from other art in “Vista,” her exhibition at Seminal Projects. But in her case, the lights are literal.

She actually uses versions of works by Robert Wood, a well-known landscape painter.

Wiese, an artist on faculty at the University of San Diego, has wired up these pictures, connecting them to small battery packs and installing little lights in the surface of each. One little orb flickers at the top of a mountain peak; others appear above the horizon line in a seascape. Some even appear among woods in a Wood picture.

The Wood images are klutzy, which makes them easy to spoil. But she does so in such a lighthearted way that you feel as though you win.

Then, to complete her little visual essay on landscape art, Wiese has concocted a tidy row of small plaster sculptures of odd-shaped mountains. All are in white and in a reversal of expectations, they miniaturize something we tend to stereotype as a symbol of grandeur.

Robert L. Phelan (619) 293-1831; rphelan@riverside.com
Science Meets Conscience

EXPERTS PREDICT ROBOTS will become more and more a part of our lives in the near future, tending to the sick and elderly, doing much of our work and even providing us pleasure. With their infinite compliance, subservience and patience, will we someday prefer their company to that of other humans? This is precisely the kind of dialogue emphasizes Lawrence H. Hinman, USD philosophy professor, and San Diego’s Center for Ethics in Science and Technology, founded by a group of local university professors to focus public attention on compelling ethical issues in science.

But rather than impose a subjective idea of “proper” ethics on a given issue, the Center for Ethics fosters debate about matters of importance—including stem-cell research and performance-enhancing drugs in sports—to determine “what the questions are—what people should be thinking about,” says Dr. Michael Kalichman, a neuropathologist at UCSD and an executive member of the center.

Kalichman says one of the center’s greater achievements was initiating substantial dialogue about stem-cell research—after which several participants went on to publish articles in noted science journals. The center, which marks its fifth anniversary in May, hosts a monthly science and ethics forum, Exploring Ethics, at the Reuben H. Fleet Science Center, in addition to public lectures, stakeholder events and focus groups around San Diego.

“Our biggest goal is to promote better science in the public interest,” says Kalichman. “That’s going to be supported by arming people with a better understanding of science, and arming scientists with a better consideration of where the ethical challenges are.”

More information: ethicscenter.net.

—ADAM ELDER
Bishop Salvatore Cordileone was greeted with smiles, warm wishes and occasional tears of joy from East Bay Catholics at the Cathedral of Christ the Light on Tuesday during his official rite of installation as the Diocese of Oakland’s fourth bishop.

“He’s wonderful. For me, he is very holy. Very talented. Cheerful. Smart,” said Elsa Vega of St. Anthony parish in Oakley. “And he’s Italian. I love Italians. And he’s young for a bishop, so he can relate to younger people.”

Cordileone, 52, formerly auxiliary bishop of San Diego, was appointed to Oakland in March by Pope Benedict XVI to replace Bishop Allen Vigneron, who was appointed archbishop of Detroit.

Considered a theological conservative, Cordileone will serve as spiritual leader for the roughly 500,000 Catholics in Alameda and Contra Costa counties, an increasingly diverse diocese in which Mass is celebrated in 17 languages, such as Tagalog and Vietnamese. Many parishioners are pleased that Cordileone is fluent in Spanish. He is scheduled to celebrate the cathedral’s Spanish-language Mass at 2 p.m. Sunday, Mother’s Day.

In the ancient installation ceremony performed in this modern cathedral that opened in the fall, Cordileone, in golden robes and headpiece, knocked three times on the doors of the cathedral with his staff, the sharp sounds silencing the overflow crowd in the 1,300-seat sanctuary.

Archbishop Pietro Sambi, apostolic nuncio to the United States, read the papal letter announcing Cordileone’s appointment, then seated him in the formal chair, the cathedra, as bishop.

In his homily, citing some of the violent episodes that have plagued Oakland in recent months, Cordileone said, “Christ is the answer. We are called to know him better and make him better known. And here in Oakland, we have a plan to do exactly that.”

He spoke of a five-year pastoral plan for the diocese, drafted by Vigneron and the Diocesan Pastoral Council, with goals of sacramental renewal, pastoral leadership and increased youth participation.

"I really like the action plans," Cordileone said. "I like action. It translates ideas into reality. I look forward to working with all of you, priests and priestly people of Oakland, to implement this plan for realizing the mission of the church in this diocese."

Cordileone was born in San Diego. He entered the seminary there in 1975, received his bachelor’s degree in philosophy from the University of San Diego in 1978, and went on to study theology in Rome at The Pontifical North American College. He received a bachelor’s degree in sacred theology from the Pontifical Gregorian University in 1981.

He was ordained as a priest in 1982 and received a doctoral degree in canon law from Gregorian University in 1989. After returning to San Diego, he held various diocesan positions and from 1991 to
1995 served as pastor at a parish in Calexico, which is about 120 miles east of San Diego. He then returned to Rome, serving the next seven years as an assistant at the Supreme Tribunal of the Apostolic Signatura, the Vatican's highest judicial court. In 2002, Pope John Paul II appointed him as auxiliary bishop in San Diego.

Cordileone is a member of the Catholic Bishops Conference task force in the United States on cultural diversity in the church.

Dee Keltner, a docent at the cathedral and parishioner of St. Joseph's in Alameda, couldn't stop praising her new bishop.

"We're very excited," she said. "We've heard a lot of wonderful things from the parishes in San Diego. Bishop Vigneron was wonderful. And now we can't wait to get to know (Cordileone) and see what his youth and enthusiasm will bring to us."

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D. Ross Cameron/Staff
Bishop Salvatore Cordileone knocks on the front door of the Cathedral of Christ the Light on Tuesday as part of the ancient installation ceremony in Oakland.
Discussion on the First 100 Days of the New Administration
May 7, 2009. Public Affairs Officer Jeanine Collins
participated in a May 7 panel discussion on the “The New
U.S. Administration”, hosted by the Friedrich-Naumann-Stiftung
and Karl-Hermann-Flach-Stiftung. FDP Bundestag parliamentary and foreign
policy expert Dr. Werner Hoyer, Professor Michael R. Pfau of
the University of San Diego, FAZ Washington correspondent Matthias
Rüb, participated in this panel discussion and a prior similar discussion
in Hamburg. Questions, during the lively 2 hour discussion before a
near-capacity audience, ranged from the financial crisis to the Mid-East
peace process.

Jeanine Collins (second from right) of the Friedrich-Naumann-Stiftung
| Location: University of San Diego |
| Dates: August 24 - August 29 |
| Costs: $300 |
| Description: Grades 4-5: mathematics enrichment |
| Contact: (619) 260-4706 |
| http://home.san diego.edu/~imcgraf/mathcamp |
Diversionary Closes Its Season With Biting Comedy THE LITTLE DOG LAUGHED, Previews Begin 5/7

by BWW News Desk

Diversionary Theatre’s sixth and final production of the 2008-2009 season is the biting contemporary comedy The Little Dog Laughed by Douglas Carter Beane. Directed by Robert Barry Fleming, this play takes a look at the scandalous world of Hollywood celebrities. Players in this fast-paced and hilarious farce include a spin-doctor agent, a rising movie star, a sexy “rent-boy” and his naïve and needy girlfriend. With photographers itching to catch the latest in celebrity gossip, a compromising photo can make or break your career. The Little Dog Laughed asks the question, “Is there an escape from Hollywood’s glass closet or is it better to just stay locked in from the inside?”

The Little Dog Laughed was nominated for a 2007 Best Play Tony Award and Julie White won the Best Actress Tony Award for her role as the Hollywood agent.

Douglas Carter Beane’s stage credits include Xanadu, As Bees in Honey Drown, and Dancing in the Dark among others. Beane also provided the script for To Wong Foo, Thanks for Everything Julie Newmar. He is a founding member of Drama Dept. and a member of the Dramatist Guild.

Fleming won a 2008 Cabig Nog Award for Outstanding Featured Performance by a Male in a Musical for his performance in Ain’t Misbehavin’ at the San Diego Rep. He is Director of the Theatre Arts Program at the University of San Diego. The cast features Karson St. John as the agent, Brian Mackey as the movie star, Bryan Bertone as the rent boy, and Kelly Iverson as the girlfriend. The Little Dog Laughed contains adult content and brief nudity.

Started in 1986, the mission of Diversionary Theatre is to produce plays with gay, lesbian, bisexual and transgender themes that portray characters in their complexity and diversity both historically and contemporarily.

The Little Dog Laughed will preview on May 7 and 8, and open on Saturday, May 9 and run through Sunday, May 31. Performance times are: Thursday at 7:30pm, Friday & Saturday at 8:00pm and Sunday at 2:00 & 7:00pm, with an additional performance on Monday, May 18 at 7:30pm. Single tickets, priced $29-$33 with discounts for seniors, students and military are now on sale. Food for the opening night party provided by The Mission Restaurant. For information, call the Diversionary box office at 619.220.0097 or log on to www.diversionary.org.

Financial support for Diversionary Theatre is provided in part by the City of San Diego Commission for Arts and Culture.
University of San Diego graduate Heather Raffo returns to USD Sunday at 2 p.m. at the Kroc Institute for Peace to present "The Sounds of Desire," based on her play "9 Parts of Desire," with musician Amir El Saffar. Visit sandiego.edu
USD Theatre presents Naomi Hinde's drama about a young refugee named Anos. In an adapta-

tion of Homer's Odyssey, Anos navigates "the chaotic landscape of the United States."

UNIVERSITY OF SAN DIEGO, 92186
ALCALÁ PARK, USD, 619-260-4600,
THURSDAY, 7:30 P.M.

Charley's Aunt
Grossmont College concludes its season with Brandon Thomas's durable farce about Charley, his wealthy aunt from Brazil, his girlfriend, and his school chum who disguises himself as said-aunt's aunt. Henry J. Jordan directed.

STAGEHOUSE THEATRE, 2990 GROSSMONT COLLEGE DRIVE, EL CAJON, 619-570-7526.
THURSDAYS, 7:30 P.M., FRIDAYS, 7:30 P.M., SATURDAYS, 2 P.M., SATURDAYS, 7:30 P.M. THROUGH MAY 16.

THEATER LISTINGS

Theater listings and commentary are by Jeff Smith. Information is accurate according to material given us, but it is always wise to phone the theater for any last-minute changes. Be sure to inquire about ticket sales. Many theaters offer discounts to students, senior citizens, and military. All information is subject to change.

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tion of Homer's Odyssey, Anos navigates "the chaotic landscape of the United States."

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THURSDAYS, 7:30 P.M., FRIDAYS, 7:30 P.M., SATURDAYS, 2 P.M., SATURDAYS, 7:30 P.M. THROUGH MAY 16.
Festival of Ridván
The Bahá'í community of San Diego will celebrate the annual Festival of Ridván at 11 a.m. today in Hilltop Park, 9771 Oviedo Way, Gazebo No. 4. Information: (858) 274-0178.

Children's concert
Ascension Lutheran Church, 5106 Zion Ave., offers "Sounds of Ascension," a concert by the San Diego Children's Choir, at 4 p.m. tomorrow. Refreshments will follow. Information: (619) 582-2636.

Spring concert
The San Diego Festival Chorus and Orchestra will hold its annual spring concert at 3 p.m. tomorrow at College Avenue Baptist Church, 4747 College Ave. Advance sales: seniors and students $15, children $5, military in uniform free. Information: (619) 670-3588.

Forum
The Ecumenical Council of San Diego County hosts "Breaking Down the Walls of Immigration" 4 to 5:30 p.m. tomorrow at First United Methodist Church, Linder Hall, 2111 Camino Del Rio S., Mission Valley. Refreshments will follow. Information: Dr. Richard Freeman at (619) 422-9263 or the Ecumenical Council at (619) 238-0649.

Festival
United Jewish Federation presents the annual Yom Ha'atzmaut Festival at the San Diego Jewish Academy, 11660 Carmel Creek Road, 11 a.m. to 3 p.m. tomorrow. Free. Information: Israel Center (858) 571-3444.

Keynote lecture
The University of San Diego's Center for Christian Spirituality, 5958 Alcala Park, will hold the lecture "The Devout Life in Modern Dress: Lay Spirituality in a Contemporary World" at 7:30 p.m. Monday. Speaker is Creighton University theology professor Wendy Wright. Fee is $10 pre-registration, $15 at the door. Students are free with ID. Information: sandiego.edu/ccs.
CLASSICAL MUSIC

"Le Grand Orgue" Alison Luecke performs selections from organists of the great Parisian churches...on the pristine 1931 Austin organ of St. Joseph's. Listen for works by Dubois, Langlais, Tournericre, Durufle, Dupre, and Vierne. 858-997-8036. Sunday, May 24, 3pm; free. St. Joseph's Cathedral, 1355 Third Avenue. (DOWNTOWN)

"Solo Time" MiraCosta College's North Coast Symphony Orchestra and local musicians showcase their talents. Soloists include clarinetist Leland Lallier, who will play Ravel's "Ouverture to Semiramis" by Rosalini; Mendelssohn's "Symphony No. 3 (Scotch)." Tickets: 760-795-6815. Saturday, May 23, 7:30pm; Sunday, May 24, 2pm; $8-$10. MiraCosta College Theatre, One Bernard Drive. (OCENMERE)

Chamber Music at the Library Piano trio members Naana Green (piano), Sarah Pak (cello), and Naomi Leslie (violin) play works by Smetana, Chopin, Stravinsky, Kreisler and J.S. Bach. 858-552-1657. Saturday, May 23, 2pm; free. La Jolla Library, 7555 Draper Avenue. (J.A. JOLLA)

Honors Recital Undergraduate pianist Karen Chow presents honors recital, performing classical works by Mozart, Scarlatti, Chopin, Beethoven, Debussy, and Ginasterra. 858-552-3229. Friday, May 22, 8pm; free. Mandeville Recital Hall at UCSD, 9500 Gilman Drive. (J.A. JOLLA)

Organ Concert Civic organist Carol Williams performs. 619-702-8138. Sunday, May 24, 4pm; free. Spreckels Organ Pavilion, 2211 Pan American Road. (BALEA PARK)

Season Finale Jacobs' Masterworks series concludes when San Diego Symphony, conductor Jahja Ling, and pianist Jon Kimura Parker perform Gershwin's "Piano Concerto in F," described as a "jazz/blues-influenced follow-up" to "Rhapsody in Blue." Also on tap: "Remembering Gatsby" by John Harbison, Rachmaninoff's "Symphony No. 2," 619-235-0804. Friday, May 22, 8pm; Saturday, May 23, 8pm; Sunday, May 24, 2pm; $20-$95. Copley Symphony Hall, 750 8th Street. (DOWNTOWN)

Spring Fest Spring showcase offers opportunity to witness exciting and innovative performances by UCSD's extremely gifted music graduate composers and performers. 858-554-3229. Thursday, May 21, 8pm; Friday, May 22, 8pm; free. Conrad Prebys Music Center at UCSD, Russell Lane at Gilman Drive. (J.A. JOLLA)

Symphony Exposed Find out how Sergei Rachmaninoff got his mojo back after the failure of his first symphony when San Diego Symphony, maestro Jahja Ling, and host Nuvi Mehta present Rachmaninoff's "Symphony No. 2," 619-235-0804. Thursday, May 21, 7:30pm; $15-$45. Copley Symphony Hall, 750 8th Street. (DOWNTOWN)

The Evolution of the Violin Violinist Jennifer Lynn traces violin's changes, from baroque to classical to modern, using a baroque violin, classical violin, and five-string electric violin with an amp and pedals. She will play selections from each period. Last year Lynn performed with Foo Fighters at Grammy Awards and Rock Star Supernova at Greek Theatre. 858-552-1668. Wednesday, May 27, 7pm; free. Carmel Valley Library, 3919 Townsgate Drive. (CARME VALLEY)

Trombone Time Timothy Smith (trombone) and Tatiana Mann (piano) plan recital in French Parlor of Founders Hall, 619-260-4171. Wednesday, May 27, 7:30pm; free. University of San Diego, 970 Alcalde Park. (UNDA VISTA)
MUSIC

**BRUDDOCA** at several locations around San Diego. Conductor Jung-Ho Pak leads the SD Chamber Orchestra through Beethoven's 3rd symphony. See website for show locations. At 7 p.m. Wednesday, May 13 through Friday, May 15. $10, www.sdcoo.org

**RED FISH BLUE FISH** at Mandeville Auditorium, UCSD, La Jolla. The UCSD percussion ensemble performs works by Cage and Xenakis. At 8 p.m. Wednesday, May 13. 534-TIXS. $10, music.ucsd.edu

**NIVER BUNNITT AND SPIRITS OF HAVANA** at Athenaeum Music & Arts Library, 1008 Wall St., La Jolla. The disco-jive Latin jazz ensemble performs selections from their two Grammy-nominated CDs and more. At 8 p.m. Wednesday, May 13. 858-454-5872. $20, www.jatheaum.com

**RAMI KLEINSTEIN** at David & Dorothy Garfield Theatre, 4126 Executive Drive, La Jolla. The renowned Israeli singer/songwriter performs his show "Kleinsteins & The Piano." At 8 p.m. Thursday, May 14. 858-451-3146. $40. jnc.org

**MARAMA BUTTERFLY** at San Diego Civic Center Theatre, 1100 Third Ave., Downtown. The San Diego Opera performs Puccini's work about a relationship between a young geisha and a U.S. naval officer. At 8 p.m. Friday, May 15; 2 p.m. Sunday, May 17; and 7 p.m. Wednesday and Saturday, May 16-17. 819-232-7981. $100, www.sdalogo.edu

**RASHA** at Barons Downtown, 666 Sixth Ave., Downtown. That's right, the Polish pop singer is back to perform a free concert. At 7 p.m. Friday, May 16-18. 710-720-4000, www.baronsdowntown.com

**TRIBUTE TO PERRE AND DEZI** at Mira Costa College Theatre, 1 Bernard Drive, Oceanside. The Miracosta Latin Jazz Orchestra performs music by Perez Prado and Dezi Amaro. At 7 p.m. Friday, May 15, and Saturday, May 16. 760-434-0280, 810, www.miracosta.edu/words

**NICHOLAS PATTON QUINTERO** at Birch North Park Theatre, 2811 University Ave., North Park. The award-winning trumpet player performs with his five-piece ensemble. At 8 p.m. Saturday, May 16. 819-232-9856. $36. www.miracostamusicacademy.org

**FESTIVAL OF NEW MUSIC** at the Conrad Prebys Music Center, UCSD campus. Graduate composers and performers perform a series of nine concerts to open the state-of-the-art music center. See website for full schedule and details. From Saturday, May 16 to Saturday, May 23. 819-232-5050, music.ucsd.edu

**COASTAL COMMUNITIES CONCERT BAND** at Carlsbad Community Church, 3175 Harding St., Carlsbad. The group performs their spring concert featuring clarinet soloist Robert Spring. At 2 p.m. Sunday, May 17. $15, www.ccband.com

**WATERFRONT SUMMER CONCERTS** at Seaport Village. This series of free performances by a diverse collection of acts takes place weekly at Seaport Village. This week: Illusia River. From 1 to 4 p.m. Sunday, May 17, www.seaportvillage.com

**YO-YO MA** at Balboa Theatre, 888 Fourth Ave., Downtown. The world's most famous cellist performs a special solo concert, capping off the 40th anniversary season of the La Jolla Music Society. At 8 p.m. Sunday, May 17, 819-870-1100. $20, www.jlaholamusic.org

**OPERATIC DELIGHTS** at California Center for the Arts, S40 N. Escondido Blvd., Escondido. The SD Chamber Orchestra performs a selection of works from the most famous operas ever written. At 4 p.m. Sunday, May 17. 800-858-4253. $22, www.sdcostumers.org

**HOLLY JONES AND GEOFFREY GRAHAM** at All Souls Unitarian Church, 1475 Catalina Blvd., Pacific Beach. Jones and Graham perform the 24th anniversary concert of SD's only Baroque pipe organ. At 4 p.m. Sunday, May 17. $15.

**GREAT AMERICAN SONGBOOK SHOW** at Musicians Union Hall, 1717 Morena Blvd., Linda Vista. Vocalist Jan Hammar and the Jay Berman Trio are featured at this jazz concert and dance performance. From 2 to 4 p.m. Sunday, May 17. $12, www.jazzsd.org

**MIRACOSTA GUITAR ORCHESTRA** at Costa College Theatre, 1 Bernard Drive, Oceanside. Director Eric Foster leads the group through a variety of musical styles. The concert commemorates the university's cutting-edge Digital Audio Composition course that began at this time ten years ago. At 2 p.m. Sunday, May 17. $5. $25. $100, www.miracostacollege.edu

**ED ELDERFORD** at The Pearl, 225 Broadway, Downtown. The group performs music from the university's cutting-edge Digital Audio Composition course that began at this time ten years ago. At 2 p.m. Sunday, May 17. $25. $100, www.miracostacollege.edu

**ACOUSTIC EVENINGS** at Athenaeum Music & Arts Library, 1008 Wall St., La Jolla. Catch an evening of guitar based rock and Americana featuring Jason Isbell, Dave Matthews and Jack Tempchin (who penned the Eagles' hit "Peaceful Easy Feeling"). At 7 p.m. Monday, May 18. 858-451-3146. $36, www.jatheaum.com

MUSIC

• VIGILUGCI'S JAZZ AT THE MUSEUM at Oceanside Museum of Art, 704 Pier View Way, Oceanside. A concert by local jazz artists The David Patrone Quartet, preceded by a wine and hors d'oeuvres reception. The museum's exhibitions Lowbrow Artland Institutional Having will be open for viewing prior to the show. From 7 to 9 p.m. Thursday, May 7. 760-721-2787. $15. www.moma-online.org

SDSU SYMPHONY ORCHESTRA at Smith Recital Hall, SDSU. Matthew Rowe leads the ensemble through its first concert since taking over direction of the group. Features works by Mussorgsky, Chopin, and Tchaikovsky. At 7 p.m. Thursday, May 7. 619-594-6500, www.sdsu.edu

• ENGLAND'S ELNAR at Symphony Hall, 760 B St., Downtown. For Jahja Ling leads the group through pieces by Ennio Morricone, Edward Elgar. At 8 p.m. Friday, May 8, and 2 p.m. Sunday, May 10. 619-231-3150, www.sandiego.edu

MADAMA BUTTERFLY at San Diego Civic Center Theater, 1100 Third Ave., Downtown. The San Diego Opera performs Puccini's work about a relationship between a young geisha and a U.S. Naval officer. At 7 p.m. Saturday, May 9 to Tuesday, May 12. $33-7000. $39. www.sdopera.com

CANT YOU FEEL ME NOW at Sew & Shows, 7890 Golden Ave., Lemon Grove. This showcase for local hip-hop musicians, spoken word artists, vocalists and dancers features performances by Lady Truth, H-Monica, Stacey Lee, Red Rum and more. From 7 to 9 p.m. Saturday, May 9. $5.

SD CHORAL ARTS ENSEMBLE at Good Samaritan Episcopal Church, 4021 Eastgate Mall, Sorrento Valley. William J. Eichhorn leads the group through pieces by F.D.O. Bach and Ken Medema. At 6 p.m. Saturday, May 9. $10. www.sdcae.com

CARLOS OLIVARES at Swedenborg Hall, 1831 Tilt Ave., Hillcrest. The SoCal singer/songwriter performs an intimate concert. At 8 p.m. Saturday, May 9. $12. www.coresdyus.com

JUNG TRIO at Central Library, 200 E St, Downtown. String ensemble and sisters Ellen, Jamie and Julie Jung perform a free afternoon concert. At 2 p.m. Sunday, May 10. 619-235-5800, www.sandiegolibrary.org

SAN TORRELLA at Athenaeum Music & Arts Library, 1008 Wall St., La Jolla. The jazz musician performs a free afternoon show as part of the Athenaeum's Mini-Concert series. At noon, Monday, May 11. 619-454-8672. www.laathenaeum.org

• EROICA at various locations. Conductor Jung-Ho Pak leads the SD Chamber Orchestra through Beethoven's 3rd symphony. See website for show locations. At 7 p.m. Monday, May 11 to Friday, May 15. $35, www.sdco.org
USD Choral Concerts University of San Diego Concert Choir and Choral Scholars present programs of American patriotic selections as well as a series of American Negro spirituals. In addition, Choral Scholars perform literature presented during their concert tour of France. 619-260-4171. Saturday, May 8, 8 p.m.; Sunday, May 10, 2 p.m.; $5-$10. Shiley Theatre at University of San Diego, 5998 Alcala Park, (UNDA 8879)
Classical

USD music students present selections from their semester repertoire. 619-260-4171. Free. Shiley Theatre at University of San Diego (5998 Alcala Park), 12:15 p.m., Thursday, May 7. (USD)

Small Ensemble Recital

How About Honegger? San Diego State University Symphony Orchestra performs works by Messiaen, Honegger, Chopin, and Tomasi. 619-594-1017. $10-$15. Smith Recital Hall at SDSU (5500 Campanile Drive), 7 p.m., Thursday, May 7. (College Area)


The Lark Ascending
Vaughan Williams’s piece played for Jacobs’ Masterworks concerts by San Diego Symphony, plus “Symphony No. 1” by Elgar, Franz Krommer’s unusual and tuneful “Concerto for Two Clarinets.” Reservations: 619-233-0804. $20-$93. Copley Symphony Hall (750 B Street), 8 p.m., Friday, May 8; 2 p.m., Sunday, May 10. (Pomploma)

Odesum Guitar Duo Grossmont College Guitar Guild presents performance by Grossmont College guitar instructors Fred Benedetti and Robert Wetzal in recital hall room 228. 619-644-7299. $8-$10. Grossmont College (8800 Grossmont College Drive), 8 p.m., Friday, May 8. (El Cajon)

“Super Heroes” When the Hutchins Consort performs, “see what it takes to control a megalomaniac composer, watch the antics of this ensemble as they musically duel with the forces of evil!” Wow! Program features Botticelli’s “Super Bassman” bass concerto. 760-759-7376. Free. Encinitas Library (540 Cornish Drive), 10 a.m., Saturday, May 9. (Encinitas)

Tragic and Haunting San Diego Opera's 44th season closes with Giacomo Puccini's Madame Butterfly. Cast includes American soprano Patricia Racette (who has made Cio-Cio-San her signature role), Uruguayan tenor Carlo Venter, American baritone Malcolm MacKenzie, Chinese mezzo-soprano Zhen Cao, Taiwanese tenor Joseph Hu, others. Conductor is Edoardo Muller, director is Gernet Bruce. Performed in Italian with English translations above the stage. Reservations: 619-533-7000. S28-$175. San Diego Civic Theatre (1100 Third Avenue), 7 p.m., Saturday, May 9; 7 p.m., Tuesday, May 12. (Pomploma)
School of Business Administration
USD students receive top honors in real estate competition

Daily Transcript staff report

SAN DIEGO — A group of students from the University of San Diego recently won the 2009 Argus Software University Challenge. The competition, which is the industry standard for commercial real estate cash flow projection, transaction analysis and asset valuation, was sponsored by Argus for the first time this year.

The winning team of students was comprised of USD students in the Master of Science in Real Estate Program including Bob Brittingham, Brent Farrell, John Hundley, Bryce Lewis and Sasha Zhang. Each member of the USD team will receive a $1,000 check from Argus.

The competition required students to simulate an investment analysis of a commercial real estate property. Each team used Argus software to model the analysis using the assumptions provided by the competition.

The competition began in February and the winner was announced April 30. The winner was selected by a panel of seven judges comprised of three members of the academic community, three industry professionals and Argus Software's chief executive officer, Mark Kingston.

Other universities competing in the competition included Arizona State University, Baruch College, Brigham Young University, DePaul University, John Hopkins University, New York University, Texas A&M University, UC Berkeley, University of Colorado, University of Michigan and University of Florida.

USD's Burnham-Moores Center for Real Estate offers a Master of Science in real estate, undergraduate minor in real estate, certificate in real estate finance, investments and development, a certificate in land use and sustainable development and several major industry conferences throughout the year.

Source Code: 20090511cyc
A team of Master of Science in Real Estate students from USD has won the 2009 Argus Software University Challenge, a national competition sponsored by Argus software. Students Bob Brittingham, Brent Farrell, John Hundley, Bryce Lewis and Sasha Zhang took first-place honors and competed against an elite group of highly ranked universities from across the country, including Arizona State University, Baruch College, Brigham Young University, DePaul University, Johns Hopkins University, New York University, Texas A&M University, UC Berkeley, University of Colorado, University of Michigan and University of Florida.

Teams were charged with simulating a real-life investment analysis of a commercial real estate property by modeling the provided assumptions in Argus software. The teams also had to submit a paper explaining the results of the analysis. For their efforts, each USD student will receive a check for $1,000 from Argus.
Historically, real estate has moved in cycles. Downturns are a normal part of a healthy cycle. These are five important points to understand about real estate and where the market is headed.

1. Inflation is coming: Economists generally agree that high rates of inflation come when money supply outpaces the rate of economic growth. The Federal Reserve Statistical Release from March 5 saw the M1 Money supply grow at a seasonally adjusted rate of 27.1 percent. Economic growth, on the other hand, is not growing. According to the Bureau of Economic Analysis, the fourth-quarter real gross domestic product decreased 6.3 percent. Although the U.S. economy is in a deflationary recession, at some point, probably late 2010, the tide will turn and we’ll see rapid inflation.

2. Moratoriums delayed the inevitable: Moratoriums were put in place during the end of 2008 on residential properties. Many banks were waiting to see if they would receive bailout money and have realized the money will come with strings attached. They are now proceeding with foreclosure. Markets will see a flood of residential homes likely peak in early 2010. This backlog of inventory will join an already large pipeline.

3. Commercial properties will take a hit: Since 1990, according to the National Council of Real Estate Investment Fiduciaries, or NCREIF, commercial properties have seen an average cap rate of 8 percent to 9 percent. (Cap rate equals income divided by value.) During market corrections, cap rates tend to overshoot the average before settling back into the historical equilibrium. Cap rates could go to 10 percent to .12 percent before settling at 8.5 percent. The higher cap rates climb, the less valuable the assets become.

The new tenant base has all but disappeared. Few tenants are expanding. In addition, property owners are finding it hard to refinance their loans. They are forced to sell at a loss. The commercial-mortgage-backed securities, or CMBS, market bottleneck is severe and will take years to untangle. Rating agencies are clueless. They haven’t been able to develop a model to value commercial property assets pools. Banks and life insurance companies are staying away. This leaves a huge hole in the lending pool. Leverage is all but gone. All of these factors add to a downward pressure on commercial assets. With the inherent lag effect in commercial real estate, the problems appear slowly and aren’t fixed quickly.

4. Real estate will rebound: According to The Long Cycle in Real Estate paper, published in 1997 by Ronald Kaiser, real estate has followed a rather predictable cycle that, absent from specific anomalies, has lasted 18 years. This downturn was very predictable and so is the eventual rebound. The market will bottom out, be stagnant for a few years, then begin to have price appreciation slowly, and then grow faster and faster until it overheats again ... and the cycle will repeat. The factors driving all of these occurrences will be different and people will say “this time it’s different,” but the outcome and the results will be the same.

5. Opportunity of a lifetime: The housing market will recover and people will be kicking themselves for not jumping in. If intimidation is holding you back, hire someone to buy, renovate and manage your portfolio. If you plan on going at it alone, do your research. Be comfortable with inspecting a home and developing a financial analysis. Find a property manager or learn it for yourself. Find contractors to renovate the properties and be ready for the eventual midnight leaks.

Norm Miller is director of academic programs at the Burnham-Moores Center for Real Estate at the University of San Diego. Trevor Jensen is a graduate of the Burnham master’s program.
Today's market for residential real estate is made up of deals arising from broken loan modifications, short sales, foreclosures, bank-owned properties, distressed sellers, receiverships and bankruptcy trustees. This market is inefficient and chaotic. People want a bargain, and many are willing to wait for several months working through the short-sale process. Others are willing to be a part of a frenzied bidding war over a bank-owned house. Woes, in some way, the supply of residential property has been artificially constrained during the past months by:
- New state statutes requiring banks to engage in work-out negotiations before foreclosing;
- The federal government requesting a voluntary moratorium on foreclosures;
- Borrowers filing lawsuits and bankruptcies;
- The promise of a bailout of financially strapped borrowers.

To hope to understand the state of the market, we must try to recognize, comprehend and analyze new layers and factors never before experienced by the current group of working real estate professionals, experts and analysts. Such factors include:
- A multi-tiered supply chain;
- Underwriting guidelines;
- Conversion of financial products and markets;
- New state and federal statutes, regulations and guidelines;
- High unemployment levels and overleverage of individuals, families and businesses.

On April 30, the University of San Diego's Alan Gin released the Index of Leading Economic Indicators he compiles for the Burnham-Moores Center for Real Estate. Gin issued the stark report that "the outlook for the local economy remains strongly negative at this point, with no turnaround in sight."

Regardless, there seem to be tiny points of light flickering in a very black sky. There has been an increase in the number of sales and a slowing of price declines. Interest rates on 30-year fixed conforming loans remain extremely low — around 5 percent — relative to historical norms. Median income appears to remain comparatively stable, although unemployment is increasing.

Residential units authorized by building permits rebounded after the two worst months ever. The raw data on local consumer confidence were actually up in March, compared with February. Local stock prices ended the first quarter up 3.6 percent, compared with a 13.3 percent drop in the Dow Jones Industrial Average and a 3.1 percent decrease in the NASDAQ Composite Index.

Further, the value of residential real estate in some areas of North San Diego and Southwest Riverside counties has begun to rebound, remaining stable or actually increasing. Some areas along the coast have experienced very little foreclosure activity or deep declines in value to date.

Overall, market value will continue to decline, but at a slower pace, except for the periods of time when foreclosures are actually pursued in earnest. Areas experiencing a larger number of job losses may continue to have moderate price decreases. For the foreseeable future, the market will be mixed, troubled and stretched.

Yet many are saying that we may be nearing the bottom of the residential real estate market for existing homes in San Diego. So if buyers are looking at homes in a neighborhood and community in a relatively stable older market, and all things are steady in their personal lives, the time to buy may be close. If prospective buyers want to obtain homes in an newer area and their jobs are not stable, they may want to wait for a little while.

If buyers have not purchased anything within the next five years, they will probably wish they had.
Lower Standards for CPAs Could Hurt State

Although our state legislators' attention has rightly focused on California's budget crisis these past few months, there is another matter before them that affects our economy.

At issue is whether California CPAs will be restricted to work within California while CPAs in other states will be able to work freely throughout the United States. This issue is critical not just to CPAs, but also to the businesses and individual taxpayers they advise.

CPAs are vital to California's economy. They interpret tax law and advise businesses on global financial issues. CPA auditors diligently search for the next Enron — and in doing so protect the wealth and retirement savings of millions of people.

Restricting California CPAs' ability to practice restrains California's ability to compete. California is one of only four states that have not adopted the Uniform Accountancy Act. The UAA sets uniform standards for becoming a CPA across all states. Because California has not yet adopted the UAA, our CPAs are not considered to be "substantially equivalent" with the rest of the nation.

This means that soon, California CPAs will be restricted from providing normal services such as filing out-of-state tax returns, representing California businesses with out-of-state bankers, auditing the out-of-state business operations of California clients, and even sending business-related e-mails out of state.

To provide these normal services, California CPAs will need to comply with whatever complexified approval process each individual state may impose on CPAs who are licensed in the four states that are not "substantially equivalent."

California already restricts out-of-state CPAs in this way from practicing within California. So why isn't California adopting the UAA? Senate Bill 691 would enact the UAA for California.

However, a small but vocal group of opponents bristled at imposing a protectionist barrier between California and the rest of the nation are actively blocking its adoption.

Under the guise of consumer protection, these opponents imply that non-California CPAs are somehow less qualified and less ethical than California CPAs.

Same Standards Nationwide

The truth is, all CPAs nationwide are subject to the same professional standards. All CPAs must pass the same exams, and adhere to the same principles set by the Financial Accounting Standards Board. Soon — under the blessing of the SEC — all CPAs will adhere to the same international principles set by the International Accounting Standards Board. A few relatively minor differences exist from state to state in the requirements for becoming a CPA.

The UAA eliminates these differences and standardizes the educational and experience requirements in each state.

One may argue over exactly how high the bar should be to become a CPA. The fact is, though, that the rest of the nation has settled on UAA requirements as a reasonable compromise between consumer protection concerns and unreasonable barriers to entry. California's standards are now lower than the national consensus.

Does it make sense that Californians tolerate lower professional standards while allowing a small special interest group to impose dangerous trade barriers?

Can anyone really argue that we can detect fraud better if we discourage all but California CPAs to examine a California company's books?

The ability to call on the appropriate financial expert — wherever he or she is located — is critical for an effective, well-regulated economy.

It's time to remove artificial barriers to trade restrictions, and bring California into the 21st century.

Tom Dalton is a professor of accounting and taxation at the University of San Diego.
Some signs local slump near bottom

USDC data point to first economic uptick in 2 years

By Dean Calbreath
STAFF WRITER

Despite growing unemployment, continuing home foreclosures and a crippling state budget deficit, there are growing signs that the economic slump in San Diego County could be approaching a bottom. Home builders are returning to the market. Home sales are on the rise. Consumers are feeling more confident. Local companies are doing better in the stock market.

"Things aren't falling as bad as they have been," said Kelly Cunningham, economist at the National University System Institute for Policy Research. "Consumer sentiment is improving. People seem to be realizing the worst of the downturn may have already occurred."

The questions are how real are these "green shoots" of growth — as Federal Reserve Chairman Ben Bernanke calls them — and are they strong enough to withstand the continuing drought in employment?

The latest sign that the economic outlook may be improving — or at least that it is not deteriorating as much as it has been — came yesterday from the index of leading economic indicators produced by the Burnham-Moore Center for Real Estate at the University of San Diego.

For the first time in two years, there was an uptick in the index, propelled by improving consumer confidence, more building permits and a jump in local stock prices.

The modest 0.2 percent increase in April put an end to a six-month free fall in the index, which had been plummeting at a rate of 2 percent or more per month since October.

"But this is definitely good news at a time when there hasn't been much about the local economy," Gin said.

If the upward trend continues, the economy could hit bottom toward the end of this year or the first part of 2010, Gin said. But he added that even if that happens, economic growth will likely remain flat for a long time, especially because unemployment probably will remain high.

"We're starting to see good signs, but it's not too late to see the economy really recover," said Gary London, who heads London Real Estate Advisors in San Diego. "It won't be too late to report we're out of the woods yet."

Perhaps one of the least expected signs of improvement is a recent uptick in housing building. In April, 618 building permits were issued in San Diego County, though down from 1,212 in March, it's up dramatically from 87 in January and 86 in February, the worst months for local home construction on record.

In contrast, builders were putting up more than 1,500 homes per month at the peak of the construction boom in 2005.

"The March and April numbers are not great, but they are less bad than what we have been doing," Gin said.

"These numbers make me think that we'll do better than we did last year, which was the worst year on record," he added.

In another positive sign, sales volume has been rising back up. Last month, 3,375 homes were sold in the county, a 20 percent increase year-over-year.

Moreover, after two years of decline, prices have begun to stabilize. The median home price in San Diego County remained flat at $425,000 in both February and March and increased up to $430,000 in April. But the vast majority of purchases involved older foreclosures or short sales — properties being sold at a loss by lenders.

"People are going back into the market, but they're not coming back like they did after the downturn in the late 1980s and early 1990s," Gin said.

"We're still in a slow-growth phase, and there are signs that there's any upturn in home prices."

Banks may have already foreclosed on many of these foreclosures and foreclosed homes are back on the market.

"The number of foreclosures is not going to go down any time soon, but the loans are coming due and it's putting a strain on banks," Gin said.

In March, 12 percent of respondents expected their household income to improve in six months, but that number had increased to 25 percent.

"The key to turning things around is if this increased consumer confidence translates into increased purchases, particularly of big-ticket items such as homes and automobiles," Gin said.
USD Economic Index Rises in April
San Diego Business Journal Staff

An index measuring the overall health of the region's economy rose by two tenths of a percent in April, breaking a string of 24 consecutive months of decline.

Four of six components in the University of San Diego's Index of Leading Economic Indicators, which was released May 28, showed gains during the month, causing the rise.

But the economics professor who compiles the data said observers need to exercise caution. "Since economists typically look for three consecutive moves in one direction for a leading index to signal a turning point, it remains to be seen if a turnaround is in sight," said USD's Alan Gin.

The four components that increased were building permits, stock prices of local public companies, consumer confidence and the national outlook on the economy. Those gains were offset by big declines in the amount of help wanted ad lineage and new claims for unemployment insurance (measured as a negative).

Gin said a jump in consumer confidence above the rate in March (which declined from the prior month by 3.27 percent) marked the largest one-month turnaround ever recorded by any component in the index, and ended a string of 23 consecutive months of decreases. Consumer confidence increased by 2.78 percent.

The key to turning things around is moving from increased confidence to actual consumer purchases, particularly of big-ticket items like houses and cars, Gin said.

Yet even if a bottom is reached later this year, Gin said the rebound will likely be weak. "Indeed, there could be a significant period where the local economy remains flat after reaching that bottom," he said.

— Mike Allen
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Local Economy Up in April

It's too early to call it a trend, but USD's economic index rose in April, breaking a two-year string of consecutive monthly declines.

The rise came from a "sea change" for local consumer confidence, which logged a record monthly jump for any component in the index. Also helping were gains in building permits, stock prices for local companies and the national economic outlook.

Still, the number of unemployed workers filing for assistance was up sharply -- a negative for the index -- and help wanted ads continued to slump.

Here's USD economist Alan Gin:
While caution needs to be exercised about drawing conclusions from just a single month's worth of data, this is definitely good news at a time when there hasn't been much about the local economy.

In addition to being down every month for two full years, the USD Index had been down 35 out of the last 36 months, and last six months were the six biggest monthly declines on record. Since economists typically look for three consecutive moves in one direction for a leading index to signal a turning point, it remains to be seen if a turnaround is in sight. If it is signaled in the next couple of months, the timing looks to be towards the end of this year or the first part of 2010.

Even if a bottom is reached, it is likely that the rebound from there will be weak. Indeed, there could be a significant period where the local economy remains flat after reaching that bottom.

-- KELLY BENNETT
SAN DIEGO -- An index used to gauge the health of San Diego County's economy rose slightly last month, breaking a string of 24 monthly declines, a University of San Diego economist reported Thursday.

The Index of Leading Economic Indicators for San Diego County rose .2 percent in April, according to Alan Gin, who compiles the index for USD's Burnham-Moores Center for Real Estate.

The rise was led by solid gains in building permits, local stock prices and the outlook for the national economy, according to Gin.

However, there was a rise in the number of initial claims for unemployment insurance and a sharp decline in help-wanted advertising, preventing a more dramatic improvement in the index, according to Gin.

"While caution needs to be exercised about drawing conclusions from just a single month's worth of data, this is definitely good news at a time when there hasn't been much about the local economy," Gin's index states.

According to Gin, economists typically look for three consecutive months of economic improvement before signaling a turnaround.

Any improvement in the local economy will be toward the end of the year or the first part of 2010, according to Gin, who added that it's likely the rebound will be "weak" or "remain flat."

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San Diego's Economy Inches Up

By Erik Anderson

Thursday, May 28, 2009

SAN DIEGO — San Diego's index of leading economic indicators rose last month. It's the first time in two years the index has gained ground. It also ends a six month streak in which the index declined more than 2 percent each month.

University of San Diego economist Alan Gin says the uptick was relatively small at two tenths of a percent. He says consumer confidence helped lead the turnaround.

"It was sharply negative in March," he says. There was a big reversal in terms of local consumer confidence. Local consumers are not necessarily feeling better about the current situation, but their outlook for the future has brightened considerably and so that was very strong and that helped contribute to the rise in the index."

Gin says stronger local stock prices, a jump in building permits and a positive impression of the national economy also helped turn around the numbers. He says he generally wants to see three months of gains before he's ready to predict an end to the recession. Even so, he says there are signs that things could be getting better in late 2009 and early 2010.
Economic Decline in San Diego Shows Signs of Improvement

Last Update: 5/28 11:36 am

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Any improvement in the local economy will be toward the end of the year or the first part of 2010, according to Gin, who added that it's likely the rebound will be "weak" or "remain flat."
A monthly list of economic indicators might bring a yawn or two ordinarily but there's some encouraging news in one Diego today. After seeing a string of 24 monthly declines, University of San Diego economist Alan Gin says the index for last month rose. The two-tenths-of-a-percent increase was led by gains in building permits, local stock prices and the national economic outlook. Professor Gin says the index will show more dramatic improvement when initial claims for unemployment insurance fall. He'll be looking for three consecutive months of improvement before announcing a turnaround for the local economy.

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Foreclosures increasing for prime loans

Rate has doubled in the past year

By Emmet Pierce

San Diego Credit Union's chief economist Dean Baker said that in the first quarter of 2009, foreclosures increased for prime and subprime mortgages. The rate of foreclosures for prime, fixed-rate mortgages doubled in the past year, said Jay Brinkmann, chief economist for the Mortgage Bankers Association. Nearly 8 percent of such mortgages were in the foreclosure process or behind by at least one payment at the end of the first quarter.

The mortgage crisis that has shaken the nation's economy is expanding beyond the subprime market to include borrowers with prime loans and solid credit ratings, said a survey released yesterday by the Mortgage Bankers Association. The rate of foreclosures on prime, fixed-rate mortgages doubled in the past year, said Jay Brinkmann, chief economist for the Mortgage Bankers Association. Nearly 8 percent of such mortgages were in the foreclosure process or behind by at least one payment at the end of the first quarter.

Among all types of mortgages, the survey showed that the rate of foreclosures had fallen behind by at least one payment at the end of the first quarter. The rate of foreclosures for prime, fixed-rate mortgages doubled in the past year, said Jay Brinkmann, chief economist for the Mortgage Bankers Association. Nearly 8 percent of such mortgages were in the foreclosure process or behind by at least one payment at the end of the first quarter.

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Unemployment in county at 9.1%

Unemployment in San Diego County has been fluctuating in recent months. In April, MD Solutions reported 1,906 foreclosures in the region, an increase of 65 percent over March but a drop of 36 percent from April 2008. There were 2,371 recorded notices of default in April, a 12 percent decline from the previous month, but a year-over-year gain of 3.3 percent.

Prime, fixed-rate loans, which go to borrowers with good credit, now represent the largest share of new foreclosures nationwide, according to the first-quarter survey. A year ago, prime, fixed-rate loans accounted for about 10 percent of foreclosures nationwide.

Brinkmann said subprime adjustable-rate mortgages loans totaled 39 percent. In the recent survey, prime loans totaled 25 percent of foreclosures starts and subprime adjustable loans were down to 27 percent.

About 29 percent of the increase in foreclosures and past-due loans is coming from California, Florida, Alabama, and Nevada.

Brinkmann said the delinquency rate for mortgage loans in California was 8.2 percent at the end of the quarter, an increase less than one-tenth of 1 percent from the previous quarter.

No region of the country is immune from the foreclosure problem, as rising unemployment spreads. Tarllo said efforts by the Obama Administration to help distressed borrowers in affordable loans has yet to make a dent in the problem.

Economist Christopher Thornberg of Beacon Economics in Los Angeles said the situation isn't surprising, given the large number of bad loans that were made during the housing boom.

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George Chamberlin's Money in the Morning

There actually could be a light at the end of the tunnel. According to the Conference Board, its Index of Leading Economic Indicators "rose sharply in April, the first increase in seven months, and the strengths among its components exceeded the weaknesses for the first time in one and a half years." It will be interesting to see if the same thing happens here when USD economics professor Alan Gin releases his report on local economic indicators, which have been trending lower for years, not months.
Economy indicator index for local fell in March

By Dan Calbreath
STAFF WRITER

San Diego County’s index of leading economic indicators took a nose dive in March, spurred by an increasingly bleak job market, according to a report yesterday by the Burnham-Moores Center for Real Estate at the University of San Diego.

The 3.2 percent decline was one of the largest drops in the index, which dates to 1977.

There were some glimmers of hope beneath the gloom, including an uptick in home construction, more optimism among consumers and a rise in local stock prices.

USD economist Alan Gin, who compiles the index, said it is too early to tell whether the recent upsides are short-lived fluctuations or the beginning of an upward trend.

“We could possibly enter a situation where things are getting less bad, but we need more data before we can tell for sure,” Gin said.

In the meantime, Gin said his forecast for the local economy remains negative.

“Both the national and local economies are caught in a vicious cycle where job losses are reducing incomes, which reduces spending, auto sales and home sales, which in turn leads to even more job losses,” he said.

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SAN DIEGO DAILY TRANSCRIPT
May 1, 2009

"Vicious cycle' quells local economy

Daily Transcript staff report

SAN DIEGO — The San Diego economy continued to sharply decline in March, according to a report tracking key local economic indicators.

The Index of Leading Economic Indicators for San Diego County fell by another 2.2 percent in March, the sixth consecutive decline above 2 percent. Comparatively, the index fell by 1.4 percent a year ago.

The last six months have logged the largest declines the index has seen since the index was created.

The largest drop of 2.6 percent was in February.

A steep drop in local help-wanted advertising and consumer confidence, two of the six index components, led March's decline.

The other four components, which examine the number of building permits, unemployment insurance, local stocks and the national economy, were also negative — the seeming reprieves in the housing and stock market were unable to offset losses.

"The outlook for the local economy remains strongly negative at this point with no turnaround in sight," wrote economist Alan Gin, professor who compiles the index. He described both the national and local economies as "caught in a vicious cycle," in which job losses reduce income, which reduces consumption and sales, which in turn creates more job loss.

Source Code: 20090430cza
USD Index Slumps Again: The San Diego area economy worsened in March, and showed no sign that it would improve anytime soon, according to a local economic index.

The March decrease of 2.2 percent in the University of San Diego's Index of Leading Economic Indicators for San Diego County was the 35th time the index has dropped in the last 36 months. It was also the sixth consecutive monthly decline of more than 2 percent.

All six components of the index fell in March, led by big drops in help wanted advertising and consumer confidence.

Smaller drops were registered in the number of unemployment insurance claims filed (with increases measured as a negative), the number of building permits issued, stock prices of local firms and the nation's index of economic indicators.

"The outlook for the economy remains strongly negative at this point with no turnaround in sight," said Alan Gin, the USD economics professor who compiles the data. "Both the national and local economies are caught in a vicious cycle where job losses are reducing incomes, which reduce consumption, auto sales and home sales, which in turn, leads to even more job losses."

— Mike Allen
Local index points to grim outlook

SAN DIEGO — An index of various local economic data fell nearly as sharply in March as in previous months amid bleak measures of consumers' confidence and businesses' hiring activity.

The Index of Leading Economic Indicators fell 2.2 percent in March to 100.7 after a 2.6 percent fall in February. The index is composed of six types of economic data compiled by Alan Gin, a University of San Diego economist.

The index has fallen in 35 of the 36 months since a peak of 144 in March 2006. The latest six declines have been the steepest in the 32-year history of the index.

The index includes the consumer and hiring components, and components for homebuilding activity, job losses, local stock prices and the national economy's impact.

"The outlook for the local economy remains strongly negative at this point with no turnaround in sight," Gin wrote.
Oz on the block

The Land of Oz doesn't have money, cars or office buildings, but that didn't stop Houston-based Argus Software from inviting 13 college real estate programs to compete in an Oz-oriented contest to produce the best analysis for a development deal.

The University of San Diego's Burnham-Moores Center for Real Estate team beat out heavyweights like the University of California Berkeley, New York University and the University of Michigan in what promises to be an annual competition.

"It was very impressive," said Lynn Clarke, Argus director of global training, of USD's 42-page entry, three times longer than most of the other entries.

Argus sponsored the competition to come up with the value of an office tower downtown in the Emerald City, the capital of Oz, and the best use of undeveloped land on the 4-acre site.

Argus' valuation software, which retails for $3,950 for single-license users, is a standard commercial real estate tool to evaluate assets, make cash flow projections and analyze the return on investment, Clarke said. She said about 70 college and university real estate programs also use the software, which students can purchase for $99.

USD's five-student team apparently made full use of the software to come up with its plan for "Guardian Gateway Center," an 18-story Class A office building and 15-story garage in the Emerald City's financial district, as described in the 23-page proposal presented to students.

"Taking it back with L. Frank Baum's "Wizard of Oz" and sequences of buildings and roads, Argus set up its scenario saying that a new chief wizard named Henry II began opening up the country to the non-fairy world in the 1990s.

One of his early initiatives was to develop a forest products industry by harvesting lumber from "the lush Haunted Forest." He now was inviting outside investors to take a position in the office project, which he built in 2002.

The students were tasked to provide analysis for "Global Investment Managers," led by "Dorothy," and its "Global Office Opportunity Fund (GOOF)."

The 12 tenants in the office building work "two blocks east of the Grand Palace of Oz, the home of all major government agencies, at the corner of Yellow Brick Boulevard and Ruby Slippers."

They include the Bank of Oz and Trust and WOZZ Broadcasting Co., Witches Brewing Co. and the law firm Haley, Bolger and Lahr LLC — an allusion to three actors in the 1939 MGM Oz movie, Jack Haley, Ray Bolger, the Scarecrow, and Bert Lahr, the Cowardly Lion.

The USD students, who earned $1,000 each in winnings, extended the fun by suggesting a fundraising campaign, "Wrestle the Lion for $5," and blaming Oz's recent housing collapse on "unscrupulous lending practices of the Munchkin Housing Corp., 100 percent wholly owned by Wicked Witch of the Wabash Inc."

But the students did get down to Oz dollars and cents and concluded that the office building was worth $83.4 million and a second office building would be a wise investment for two acres of excess land next door.

Brent Farrell, 29, one of the winning USD students, said they worked from Feb. 20 to April 17 on the entry and enlisted friends in graphic design fields to help with the presentation.

"It's a nice thing to reference and it's not a bad sales piece," he said.

Also on the team were Bob Brittingham, John Hundley, Bryce Lewis and Sasha Zhang.

Next year, Argus said, the teams are likely to face a challenge related to real estate issues at Harry Potter's Hogwarts School of Witchcraft and Wizardry.

— ROGER SHOVELY
Smooth Sailing for Multifamily Lending—For Now

Fannie Mae and Freddie Mac remain active despite a restructuring of the two companies on the horizon.

BY MANDY JACKSON

Fannie Mae and Freddie Mac have been in the news a lot recently, facing restructuring and other challenges. However, they remain active in the multifamily lending market, despite the restructuring of the two government-sponsored enterprises.

Fannie Mae and Freddie Mac are key players in the multifamily housing market, providing financing for apartment buildings and other multifamily properties. Their role is crucial for the construction and rehabilitation of affordable housing.

In recent years, multifamily lending has experienced some challenges. The housing market has been volatile, with interest rates fluctuating and demand for rental housing evolving. Despite these challenges, Fannie Mae and Freddie Mac continue to lend, with a focus on affordable and workforce housing.

The companies have also been involved in restructuring efforts, as part of a broader effort to reduce their exposure to certain types of risk. This has included selling off certain portfolios and implementing changes to their business models.

Overall, the multifamily market remains robust, with strong demand for rental housing and continued support from government agencies. Fannie Mae and Freddie Mac are well positioned to continue to play a significant role in this market, providing financing and supporting the development of affordable housing nationwide.

See MULTIFAMILY, page 9

MULTIFAMILY

Continued from page 8

Development deals are still solid, but the outlook for sales is more uncertain, with the market adapting to changing conditions.

Uncertainty around interest rates and the overall economic climate has led to a more cautious approach among developers and investors. However, the multifamily sector remains resilient, with many developers and investors looking to the long-term potential of the market.

The challenge for multifamily developers now is to navigate the changing landscape and adapt their strategies accordingly. This includes focusing on value creation, leveraging partnerships, and exploring new financing options.

As the market continues to evolve, multifamily developers and investors are looking for opportunities to stand out and create value. The key is to stay informed and adapt to the changing market conditions, ensuring continued success in the multifamily sector.

Contact me to talk about how we can help you navigate the multifamily market and position your projects for success.
Smooth Sailing for Multifamily Lending - For Now
Fannie Mae and Freddie Mac remain active despite a restructuring of the two companies on the horizon

By MANDY JACKSON
CREJ Staff Writer

Multifamily has been good business for Fannie Mae and Freddie Mac and that is not expected to change, even though a restructuring of the two government-sponsored entities remains on the horizon.

The companies that back $5.1 trillion in home loans went into conservatorship last year, but reform appears to be far off in the distance as federal officials stay focused on problems in the residential mortgage market and broader economy. Until it has a new plan, the multifamily industry continues to stay afloat with competitive financing from the two GSEs.

The Federal Housing Finance Agency placed Fannie Mae and Freddie Mac under conservatorship on Sept. 6 so that the regulator could control and oversee them until they are financially sound and solvent, while conducting business as usual.

To facilitate their liquidity, the U.S. Department of the Treasury had planned to buy up to $100 billion each in preferred stock in Fannie Mae and Freddie Mac, purchase their mortgage-backed securities and extend a credit facility to the agencies.

Freddie Mac reported a net loss of $50.1 billion for 2008 compared to a 2007 loss of $3.1 billion. The 2008 net loss at Fannie Mae was $58.7 billion after a $2.1 billion loss in 2007.

On May 8, Fannie Mae reported a first-quarter 2009 loss of $23.3 billion, down from a $25.2 billion loss reported in the previous quarter.

Acting in its capacity as Fannie's conservator, the Federal Housing Finance Agency submitted a request on May 6 for $19 billion in federal aid from the Treasury Department.

On May 12, Freddie Mac reported a net loss of $9.9 billion for the first quarter of 2009. The FHFA requested an additional $13.8 billion from the Treasury Department on Freddie Mac's behalf.

Since the first of this year, Fannie Mae and Freddie Mac have requested $79 billion from the U.S. Treasury under the stock purchase plan.

"The administration is utilizing Fannie Mae and Freddie Mac to assist in the resolution of the single-family mortgage problems that exist," said David Cardwell, vice president of capital markets and technology at the National Multi Housing Council in Washington, D.C.

Cardwell said the informal discussion of how to restructure the two GSEs is just beginning on Capitol Hill, but it is complicated by the fact that they have become implementers of the policies set out by the Obama Administration.

FHFA's conservatorship of Fannie Mae and Freddie Mac is scheduled to end at the end of 2009, but that timeline could be extended to deal with their existing mortgage portfolios as well as broader economic recovery activities. Both companies will need additional capital from the federal government to offset mortgage losses.

"They continue to source mortgage capital for apartments owners," Cardwell said. "Without it, the multifamily industry would be in much worse shape."

Still, GSE multifamily lending has fallen, though less than the decline in all commercial and multifamily lending, according to the Mortgage Bankers Association's most recent originations survey. The dollar volume of multifamily loans by Fannie Mae and Freddie Mac decreased 17 percent in the first quarter from fourth-quarter 2008. Overall, originations declined 26 percent for the same quarter.

Lowered Delinquencies

All real estate is being impacted by the economy and property values have declined across the board, including apartments, but the number of defaults remains low for Fannie Mae and Freddie Mac.

Between fourth-quarter 2008, the 60-day-plus delinquency rate on multifamily loans held or insured by Fannie Mae was 0.30 percent, 

according to the Mortgage Bankers Association. The delinquency rate on multifamily loans held or insured by Freddie Mac that were 90 days or more past due was 0.01 percent.

Fourth-quarter delinquency rates were much higher for commercial mortgages held in commercial mortgage-backed securities at 1.2 percent and for commercial real estate mortgages held by banks and thrifts at 1.6 percent. The delinquency rate for commercial mortgages held by life insurance companies was 0.5 percent.

Multifamily lending has always been a low-delinquency business for Fannie Mae and Freddie Mac, so it is unlikely that they will decrease their activity in the future, said Mark Riedy, executive director of the Burnham-Moores Center for Real Estate at the University of San Diego.

Riedy was president, chief operating officer and a director at Fannie Mae in the mid-1980s. He has also been an executive with the Mortgage Bankers Association, the Federal Home Loan Bank of San Francisco and the National Council of Community Bankers.

Riedy said it's politically difficult for the federal government to do anything that will change the structure of Fannie Mae and Freddie Mac. Their roles as stockholder-owned institutions have already changed, but going forward they could be turned into federal government agencies or made into private companies that are so small they aren't "too big to fail." At the moment, those options appear to be in a stalemate.

"On the one hand, you could have a government corporation and then you wouldn't need two [companies] to take on conforming, non-FHA and -VA loans," Riedy said, "but it would be a huge government corporation and governments really haven't been the best to run major private-sector organizations."

On the other hand, the government doesn't want to inhibit the operations of Fannie Mae and Freddie Mac by splitting them into smaller companies because the mortgage market depends so heavily on them.

"I think they have to continue at least for the next several years to be a major player in the mortgage business," Riedy said. "They should continue to purchase mortgages on a conservative underwriting basis."

There has been some discussion that in five, 10 or 15 years, Fannie Mae and Freddie Mac might be broken into smaller regional companies that compete with each other. Riedy said it is likely that there will be a combination of approaches for restructuring the firms.

"The focus now is to get them on sound footing and make their securities marketable - and they will with government support," he said.

A spokeswoman for the House Financial Services Committee said the committee will hold hearings on Fannie Mae and Freddie Mac in the fall, but right now the committee is focused on mortgage reform and broader regulatory reform.

Since Fannie Mae guarantees $3.1 trillion in single-family mortgages and Freddie Mac backs $1.8 trillion in home loans, multifamily is a small part of their business in comparison.

Fannie Mae financed $35.5 billion in multifamily housing in 2008, through debt financing and bond purchases. Freddie Mac invested $24 billion in multifamily housing last year through its whole loan and bond guarantee businesses and bought $1.4 billion in multifamily CMBS.

Jon Reible, senior vice president and western regional manager based in Phoenix for KeyBank Real Estate Capital, said Fannie Mae and Freddie Mac remain active nationwide.

A Smaller Piece of the Pie

KeyBank did $337 million in lending in 2007 through Fannie Mae and Freddie Mac, representing 14 percent of all multifamily loans. In 2008, the bank did $1.5 billion in lending through the GSEs - $650 million through Fannie Mae and $850 million through Freddie Mac - representing 43 percent of its multifamily lending.

While apartments are performing better in some markets than in others, Reible said the two companies continue to lend in markets with higher vacancy rates and less investment activity, but with more conservative underwriting.

"The activity itself is probably remaining relatively steady," he said. "It's just a smaller pie though and Fannie and Freddie are getting a much larger slice of that pie now."

Apartment buyers who normally seek financing from life insurance companies and other balance sheet lenders are converting to Fannie Mae and Freddie Mac borrowers.
"With other capital sources drying up, it's an opportunity to show what Fannie and Freddie can do and it sells very well," Reible said.

Reible said it's tough to compare Fannie Mae and Freddie Mac to other multifamily lenders, because there are so few other sources of capital in the marketplace.

"For a stabilized property with a good-quality sponsor, they are the lending source now," he said. "They will lend up to 70 percent to 80 percent of value based on the property and the strength of the borrower."

Interest rates from the two GSEs are 6 percent or lower for fixed-rate financing and 4 percent for floating-rate debt. The vast majority of borrowers are opting for a fixed rate, but some are taking on floating-rate loans so that they have prepayment flexibility.

Most of the deals under consideration by Fannie Mae and Freddie Mac are for stabilized assets and most are refinance transactions. Apartment acquisitions slowed down a bit, but that business is starting to pick up in strong markets with good borrowers, Reible said.

Bill Rose, managing director in the San Diego office of commercial mortgage brokerage Holliday Fenoglio Fowler LP, said life insurance companies and banks are interested in multifamily transactions in addition to Fannie Mae and Freddie Mac, but the two companies offer the best interest rates and non-recourse financing.

Programs from the Federal Housing Administration and Department of Housing and Urban Development are best suited to finance acquisition and rehabilitation projects.

"The trouble that Fannie and Freddie has always been on the single-family side," Rose said. "On the multifamily side, their underwriting has been pretty consistent."

Investors in the apartment market have shifted to a long-term hold strategy, but Fannie Mae underwrites in-place rental rates rather than rents projected in future years, according to Heidi McKibben, vice president and head of multifamily production at Fannie Mae, who spoke on April 8 at the Millennium Biltmore in downtown Los Angeles during a multifamily conference hosted by the Casden Real Estate Economics Forecast from the University of Southern California's Lusk Center for Real Estate.

"The good thing about this cycle is it is taking us back to realistic underwriting of real estate that will take us through the length of a 10-year loan," said Timothy White, president of PNC ARCS, a Fannie Mae-delegated underwriting and servicing lender, at the Casden Forecast event.

"You have to look forward to an exit strategy and make sure you can refinance it or it can be sold," White said.

CREJ Staff Writer Keeley Webster contributed to this report.

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Cold Condos
By Craig D. Rose

The stunning 50 percent plunge in Phoenix's home prices has attracted national attention. By contrast, San Diego's condominium market, which has seen values fall by 35 percent, has suffered in relative silence.

"This feels like 1991 or 1992," said Gary London, a local real estate analyst. By 1992, London recalled, San Diego was already two years into a real estate downturn, but the market showed no signs of recovery until 1995, he added.

"To come back — if that ever happens — supposes believe that the local market will have to navigate a similar storm front, which could keep the condo market depressed at least through much of 2010.

Patrea said an additional problem for condo sales: Regional economist Alan Gin says the condo market now faces competition from the sale of detached homes, which have fallen to affordable levels, at least for those who've managed to keep their jobs.

Gin, a professor of economics at the University of San Diego, said that for the condo market to rebound, the detached housing market must first rebound. But detached houses are unlikely to bounce back without improvement in the job market. Folks getting laid off or fearing layoffs, won't buy houses.

"The job market is disastrous," said Gin. Local payrolls had 6,400 fewer jobs in March of this year than they did a year ago, he noted, said that if this year continues to be as bad as last year, the balance in the market will have a bad beginning," he said.

Consider that the median price of a San Diego County condo peaked at $400,000 in April 2005, dipped slightly, and then returned to that peak again in March and May of 2006, according to MDA DataQuick, which compiles real estate data.

By March of this year, the median condo price had plunged to $280,000. And this decline in prices has continued despite a slight rebound in the past few weeks. The market remains subdued, he said, and the dragged down the market. In addition, Van Patten recently announced that it was slowing deposits to some 300 potential buyers because many were unable to satisfy a lender's requirement for obtaining loans to close their deals. The requirement stipulated that 70 percent of the total had to be pre-paid in order to qualify for financing.

However, Van Patten predicts that unsold downtown inventory — which could reach roughly 600 homes in the next few months — could shrink to what he characterizes as a normal inventory of about 400 within nine months. That projection counts on maintaining current sales levels and an increase in foreclosure sales. And Harmer's projection could also be upset by a drop in prices that would occur otherwise.
MIXED SIGNALS

Foreclosures, booming sales make market predictions difficult

By ZACH FOX | zfox@nctimes.com

In a story previewing the real estate market in January 2008, the North County Times painted a murky picture of increasing sales mixed with falling prices and a disconnecting level of foreclosures. Those looking for clarity as the summer homeownership season — typically the high point for home sales — approaches will be sorely disappointed.

In a sentence, prices and sales indicate a bottoming, even recovering, of home prices, while foreclosures and unemployment suggest more pain ahead.

And even that vague, nothing-conclusion overview doesn't tell us what, at lower-priced homes appear much closer to a bottom than those in the higher price ranges.

The case for a bottoming or recovering housing market is strongest along Highway 78 (Escondido, Vista, San Marcos, Encinitas) and Southwest Riverside County, where housing inventory — the length of time to sell all active listings — has dipped below three months. Six months is considered healthy; three months is screaming hot.

What's hot — and not

Over the past three months, 177 homes — not including condominiums — sold for less than $300,000 in Escondido alone, according to listing site Redfin. Those homes were often 30 to 70 percent below their previous, bubble-era sales price.

For perspective, prices hit bottom during the last real estate recession in 1995, when the median price was 3.9 times the median household income and the typical mortgage was 51 percent of income.

Areas such as Encinitas and parts of Oceanside have approached that level, with median prices at about five times median income and historically low interest rates pushing the typical mortgage to roughly 50 percent of income. However, the numbers drop in high-end areas such as La Jolla and Rancho Santa Fe. Inventory has bumped a few stratospheres at anywhere from 25 to 50 months to sell all listings. Meanwhile, median prices in Carlsbad and Carmel Valley are still 30 times income, and mortgages stack up 50 to 65 percent of each salary.

That suggests prices have room to fall in the upper end. In a dynamic that is reflected in the divergent inventory at a perfect storm and finding the purchase process on the lower end surprisingly frustrating, real estate agents have reported up to 25 offers on a single house.

That has turned the market in the red-hot areas into bidding wars, with several properties selling over asking price.

"People are afraid things are heading back up, and if they don't jump now, they're going to get frozen out," said Cone Wunderlich, a real estate agent in Vista. Indeed, Wunderlich said he has been receiving an average of 15 offers on a home. A home in Vista, for example, has been sold for $80,000 over its asking price.

The case for more gloom

Looking at all indicators, it's easy to make a case for an extended housing recession. Few analysts test a better track record than Riverside real estate investor Bruce Norris, who in 1997 predicted huge housing appreciation and then saw the crash come in 2005. Unlike West County, Galapago, Rialto and Simi Valley, the market in the area was strong, and it's going to look even stronger by comparison.

"The story is... growing in popularity in the news," said Norris. "The 'shadow' foreclosures and unemployment, and there's a perfect storm at the same time, first-time homebuyers are looking for a sweet deal. They can buy for less than they used to租 in many areas, build equity in the property and enjoy below market rates.

Top it with beat-in-decades

See Signals, next page

Signals

Continued from Page 8

Interest rates below 5 percent that could be growing concerns of hyperinflation, and buying now is very attractive, even if prices drop 20 percent from today, probably the worst-case scenario. Interest rates would need to increase only 7 percent — normal, even good, by historical standards — to negate a 20 percent savings on the price.

Contact staff writer ZACH FOX at 760-740-5432, read his blogs at blogtags.nctimes.com.
USD Schedules Midyear Economic Update

The University of San Diego's Burnham-Moores Center for Real Estate plans to host its first midyear economic conference June 11, which will feature a panel of experts offering insights on the economy.

The experts include Marney Cox, chief economist, San Diego Association of Governments; Kelly Cunningham, economist, National University System Institute for Policy Research; and Ryan Ratcliff, assistant professor of economics, USD.

For questions about the event, contact Diane Gustafson at 619-260-2379. The cost is $45 per person.

— Tom York
GIN ON THE ECONOMY

Alan Gin, associate professor of economics at USD, will speak at the La Jolla New Generations Rotary Club meeting on Wednesday (May 27) at 5:30 p.m. Gin’s topic will be “A San Diego Economic Update.” The meeting will take place at the La Jolla Marriott, Characters Grill, 4240 La Jolla Village Drive in San Diego. The cost is $10 per person with food included and happy hour available. No reservation is necessary and complimentary hotel parking is included. Gin publishes USD’s Index of Leading Economic Indicators for San Diego County.
On the Agenda
By Rebecca Go

SAN DIEGO — Local defense industry group The Security Network plans to build on the success of its conference last year with its sixth annual Security Summit, which starts Wednesday and devotes the entire first day to cybersecurity and international trade. The two-day event is expected to draw more than 300 attendees from numerous companies and several countries and will feature panels and keynote speakers from the top levels of government, military, academia and industry.

The Security Network hosts its innovative products competition as the highlight of the event. Entrants will compete in eight different categories. To register, visit thesecuritynetwork.org.

Accounting Day 2009 aims to educate finance and accounting professionals with a series of sessions from 7:30 a.m. to 6:05 p.m. Monday. The theme is “Build Foundations” and features local economist Allen Guma, the keynote speaker. To register, visit accountingday.org.

SCORE leads a hand to Carlsbad on Monday to help business owners understand financial reporting and statements in a workshop from 9 a.m. to noon. To register, visit ca.sdb.org.

Verizon Wireless (NYSE: VZ)’s chief technology officer Anthony Molon details what’s ahead for his company at a town hall meeting Monday from 5:30-7 p.m. at Qualcomm (Nasdaq: QCOM)’s headquarters. For more information, visit commemorates.org.

The local Association for Corporate Growth chapter reviews mergers and acquisitions for a Tuesday event from 7-9 p.m. For more information, visit aeg.org and click on “Events.”

Connect addresses U.S. patent policy and its effect on San Diego in a two-day policy forum for San Diego’s top thinkers. To register, visit connect.org.

SCORE leads a hand to new business owners with a seminar on “How to Start and Manage Your Own Business” on Tuesday from 9 a.m. to 1:45 p.m. For more information, visit score-sandiego.org.

The Urban Land Institute San Diego/Tijuana spends the Tuesday lunch hour reviewing real estate investment entities and security law from 11:30 a.m. to 1 p.m. To register, visit uli.org.

The Security Network kicks off its sixth annual, two-day Security Summit at 7 a.m. Wednesday. To register, visit thesecuritynetwork.org.

The local Institute of Management Consultants chapter hosts a strategist Wednesday from 7-9 a.m. on how to use IRS codes to advantage. Register by Tuesday at irmc.org.

The Disney Institute talks to the San Diego Society for Human Resource Management on Wednesday between 8-11:30 a.m. about “Leading in a Culture of Change.” To register, visit sdhrm.org.

SCORE reviews bookkeeping software QuickBooks at its Wednesday workshop from 9 a.m. to 4 p.m. For more information, visit scoresandiego.org.

WITI event attendees get some communication training at the Wednesday regional network event from 11:45 a.m. to 1:30 p.m. For more information, visit witi.com/sandiego.

Contact hosts a talk on the future of heart surgery on Wednesday from noon-1:30 p.m. To register, visit contact.org.

The Cosmopolitan Chamber of Commerce talks about selling in tough times at its Wednesday luncheon from 12-1:30 p.m. To register, visit cosmochamber.com.

Attorney and broker Gary Latarno offers a series of courses through the San Diego County Bar Association on real estate property law: one on Wednesday from noon-1:45 p.m. and another on Thursday from noon-1:15 p.m. For a full course listing, visit scdba.org and click on “Meetings & Events.”

The Ynka of San Diego County hosts a seminar on estate planning and exit strategies for family-owned businesses Wednesday from 2-4:30 p.m. with a reception following. To register, visit commensurate.org.

The San Diego Metropolitan Credit Union holds a free workshop Wednesday from 10:30-5 p.m. on managing credit and building good credit. To RSVP to 619-578-8729 or workshops@admue.org.

The local California Society for CBAs chapter celebrates the organization’s centennial and installs its new president Wednesday between 5:30-7:30 p.m. at the San Diego Art Institute. To register, visit calcpa.org and visit the San Diego Chapter page under “Your Society.”

Commercial Real Estate Women of San Diego offers a building tour of the Summit Rancho Bernardo office development on Thursday from 11:30 a.m. to 1 p.m. Register by Monday at crewomen.org by clicking on “Upcoming Events/Programs” under “Calendar.”

The East County Personnel Association covers the “Best Practices for Discipline and Layoffs” and its lunch meeting Thursday from 11:30 a.m. to 1 p.m. For more information, visit eco-pa.net.

Money Talk Radio offers an income tax workshop Thursday from noon-7 p.m. and from 6-7 p.m. For more information, visit mon­neytalkradio.com. The workshop will also be offered Saturday.

The city of San Diego invites contractors to participate in a Potential Bidders Conference Thursday from 3-4 p.m. to learn about upcoming contracts for $500 million in capital improvement projects. The event will be held at the Palisades Recital Hall in Balboa Park. For more information, contact Perri Strey at 619-533-3781 or perri@sandiego.gov.

Iraq War veteran and author Col. H.R. McMaster speaks at a Thursday event from 6-7 p.m. hosted by the EMC Business Forum and the Chairman’s Roundtable.
BURNHAM-MOORES CENTER FOR REAL ESTATE at the University of San Diego presents a four-week course that will provide working knowledge about the four types of income properties and will help students underwrite the cash flows from each.

- Wednesdays, May 6-May 27, 6 to 9 p.m.
- USD, Douglas F. Manchester Executive Conference Center
- Cost: $450
- Visit www.usdce.org/realestate
On the Agenda
By Rebecca Go

Two corporate governance experts square off Wednesday in a debate on the true value of corporate governance.

University of Colorado professor Sanjai Bhagat and special counsel Patrick McDonnell will discuss whether good governance affects company performance, ability to attract capital and overall value.

The Harvard Business School Club of San Diego focuses on the city's employee retirement system Tuesday in its CEO Forum with guest speaker David Wescoe, the administrator and CEO of the retirement system. To RSVP for the 7-8:30 a.m. breakfast event, visit hbsandan.org.

Connect and CleanTech San Diego hold a public policy forum on cleantech financing Tuesday from 9-11 a.m. The discussion will focus on government funding as well as traditional sources of capital. For more information, visit connect.org.

The Centre City Development Corp. hosts a forum Tuesday on downtown San Diego's park and open space planning. The 6-7:30 p.m. event includes a presentation on the findings from a needs assessment. For more information, visit ccde.com.

Connect provides a venture capital overview Wednesday from 8:30 a.m. to noon, including how the process works, how to deal with financiers, and definitions of common terms. For more information, visit connect.org.

Diversity Solutions hosts a career and health fair Wednesday from 1-4 p.m. For more information, visit diversitiesolutions.us.

The Corporate Directors Forum hosts a debate on corporate governance Wednesday between 6:30-8 p.m. For more information, visit directorsforum.com.

The University of San Diego begins offering one of its core courses on real estate finance Wednesday as part of its Certificate in Real Estate professional education program. For more information, visit usd.edu/realstate.

Biocom celebrates its annual DeviceFest in Newport Beach on Thursday with a panel discussion, case studies and an exhibition between 7-9 a.m. to 4 p.m. For more information, visit biocom.org.

The Construction Management Association of America offers a seminar on change orders Thursday from 9-10:30 a.m. To register, visit cmaw-sd.org and click on "Calendar of Events" under "Events."

The first San Diego Microfinance Summit kicks Off Thursday from 8:30 a.m. to 2 p.m., highlighting the local and international work of San Diego's microfinance organizations in various panel discussions. For more information, visit microfinance-summit.org.

The Corporate Finance Council discusses "Innovation and Entrepreneurship in Medical Devices" with chairman Peter Farrell of ResMed (NYSE: RMD) at its monthly dinner meeting Thursday. Cocktails start at 5:30 p.m.; dinner starts at 6:30; p.m. To RSVP, visit corporatefinance-council.org.

The Carlsbad Chamber of Commerce educates its local businesses Friday on how to be "green" — socially, environmentally and economically — as part of its special certification program, which includes monthly workshops. Friday's workshop is from 7:30-9:30 a.m. covers solid waste and purchasing reusable items. For more information, visit carlsbad.org and click on "Green Checklist Workshops."

The local American Concrete Institute chapter holds its annual awards dinner from 6-10 p.m. To register, visit aci-sandiego.org.

The Museum of Contemporary Art holds its final installment of its Master Architects Lecture Series on Friday at 7 p.m. For more information, visit mocad.org and click on "Events."
USD WEALTH TRANSFER PROGRAM

Learn how to use declining values and low interest rates and inter-family loans to increase wealth transfer opportunities at this program by the Burnham-Moores Center for Real Estate at the University of San Diego. The event will include information on estate tax deferral and business succession issues.

- 1:30 to 4:30 p.m.
- Joan B. Kroc Institute for Peace & Justice,
  USD, 5998 Alcala Park, In San Diego
- Cost: $95
- Visit www.sandiego.edu/business/
centers/real_estate
OTHER EVENTS

TUESDAY, MAY 5 - FORUM
CEO FORUM: SAN DIEGO CITY EMPLOYEES' RETIREMENT SYSTEM
Guest speaker is David Wescoe, who has served as the Administrator and Chief Executive Officer of the San Diego City Employees' Retirement System (SDCERS) since 2006. For more info, visit www.hbssandiego.org.
Organizations: Harvard Business School Club of San Diego
Information: nicole@henleycompany.com Cost: $40.00 When: Hours: 7:00 AM - 8:30 AM Where: Fish & Richardson, 12390 El Camino Real, San Diego, 92130

WEDNESDAY, MAY 6 - TRAINING SESSION
DIVERSITY DAY FAIR
Workshops will provide a venue for job seekers to meet one-on-one with hiring employers, listen to guest speakers and learn interview techniques and other tips.
Organizations: Diversity Solutions
Information: Oran Brown (619) 277-9099 Oran@diversitysolutions.us Cost: No Details Available When: Hours: 1:00 PM - 4:00 PM Where: Jacobs Community Center, 404 Euclid Ave., San Diego, 92114, Venue Phone - (619) 277-9099

FRIDAY, MAY 8 - SEMINAR
GET CERTIFIED FOR BEING ECO-FRIENDLY
Learn how to meet specific requirements to be certified as socially, environmentally and economically responsible.
Organizations: Carlsbad Chamber of Commerce
Information: Carlsbad Chamber of Commerce 760-931-8400 Cost: No Cost When: Hours: 7:30 AM - 9:00 AM Where: Carlsbad Chamber of Commerce, 5934 Priestly Drive, Carlsbad, Venue Phone - 760-931-8400

FRIDAY, MAY 8 - SPECIAL EVENT
NEW VISION OF THE CHILD ABUSE PREVENTION FOUNDATION
Honorable Susan Golden, CEO/President of the Child Abuse Prevention Foundation, makes a major public announcement and offers important details about the Child Abuse Prevention Foundation. Host of state, county and city elected officials will be in attendance.
Organizations: Child Abuse Prevention Foundation
Information: (858) 279-4400 info@capfsd.org Cost: No Details Available When: Starts: 10:30 AM Where: Child Abuse Foundation Parking Lot, S. Ruffin Court, San Diego, 92123

TUESDAY, MAY 12 - WORKSHOP SERIES
SMALL BUSINESS SUCCESS OPEN HOUSE
The open house will feature instructors and program graduates, along with author and keynote speaker Michelle Bergquist. Organizations: University of San Diego
Information: Julia Chambers 619-260-7869 julia@rose@sandiego.edu Cost: No Cost When: Hours: 6:00 PM - 7:00 PM Where: Douglas F. Manchester Executive Conference Center

WEDNESDAY, MAY 13 - WORKSHOP
THE BENEFITS OF INTERNSHIPS
Topics to be discussed will include applying soft skills, including interpersonal communication skills, in internships and volunteer opportunities.
Organizations: Grossmont College Career Center
Information: (619) 644-7614 www.grossmont.edu/jobplacement Cost: No Cost When: Hours: 11:00 AM - 12:15 PM Where: Grossmont College, 8800 Grossmont College Drive, El Cajon
The monthly changes in leading indicators (initial claims for unemployment insurance, local stock prices, outlook for the national economy, consumer confidence, building permits and help wanted advertising) of the San Diego economy as tracked by Alan Gin, an urban economics professor at the University of San Diego. The highest monthly rate is 122.7 in March 2008.
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School of Law
ON Wednesday, the Obama administration fired a shot across the bow of lobbyists — and their friends in Congress — who have been guarding against regulation of derivatives, the financial instruments at the center of the financial crisis. In a brief letter, Treasury Secretary Timothy Geithner suggested how new laws might help regulators oversee this $600 trillion shadow market.

For nearly two decades, derivatives have been at the center of every major financial calamity — from the bankruptcy of Orange County in California to Long-Term Capital Management to Enron to the recent subprime mortgage collapse. Yet over time, derivatives have become subject to progressively less regulation. Following the lead of the Federal Reserve chairman at the time, Alan Greenspan, both political parties in the 1990s agreed with Wall Street that derivatives should be permitted to grow unchecked.

Why are derivatives so problematic? Although they have useful purposes, particularly for hedging risks — as when an airline bets on increases in jet fuel prices — they frequently are used to avoid the disclosure rules applied to other financial transactions. A.L.G. held tens of billions of dollars of subprime mortgage-related derivatives, but did not tell its investors or counterparties.

Citigroup, Lehman Brothers and other banks used derivatives to place hidden trillion-dollar bets. Even now, numerous institutions are using derivatives to skirt investment restrictions or to take on unwarranted leverage.

This is an old story: during the 1920s, complicated techniques helped companies move risks off balance sheets or into off-shore subsidiaries. In response to the fall of Ivar Kreuger, the financier who pioneered these innovations, Congress adopted the securities laws of the 1930s, designed to plug two key regulatory gaps by requiring more disclosure and protecting investors against fraud.

Mr. Geithner’s proposal has the same twin goals: to improve disclosure and to police unsuitable sales of derivatives. These reforms are much needed. Banks might not have taken on so much subprime mortgage risk if they had been required to disclose it. Nor would they have marketed unsuitable products to pension funds and municipalities if they had more clearly been subject to liability.

Yet there is one potential weakness in the Treasury proposal, one that reopens a dangerous loophole. Mr. Geithner suggested that derivatives should be split between standardized instruments, which would be traded on regulated exchanges, and privately negotiated contracts, customized deals (often called “swaps”) that are made between two financial organizations and would not be publicly traded or regulated. Rather,
such transactions would be reported privately to a “trade repository,” which apparently would make only limited aggregate data available to the public.

This proposal of Mr. Geithner’s also echoes history, but in a more dangerous way. In 1989, the Commodity Futures Trading Commission, a federal agency then led by Wendy Gramm, an economist and the wife of Senator Phil Gramm, a Texas Republican, issued a policy statement splitting derivatives into these same two categories. Standardized derivatives would be traded on exchanges, but individually negotiated contracts would not. Four years later, Ms. Gramm signed an order making this policy official, a sort of farewell gift to the derivatives industry before she left government service and took a place on Enron’s board.

The exception swallowed the rule, as regulators deemed more derivatives “individually negotiated.” In December 2000 Senator Gramm led a lobbying effort to cement his wife’s approach. It paid off: one of President Bill Clinton’s last official acts was to sign the law largely deregulating derivatives.

The leading derivatives lobbying group, the International Swaps and Derivatives Association, is already looking to exploit the Treasury’s proposal to split derivatives markets in two. As part of its lobbying campaign to protect negotiated instruments, it insists that last year “the derivatives business — and in particular the credit default swaps business — functioned very effectively during extremely difficult market conditions.”

Congress should not be fooled by such talk again. The current crisis is proof that although most people do not trade derivatives, everyone is subject to their risks. All derivatives, exchange-traded or private, must be in the sunlight. If institutions want to negotiate individual derivatives contracts, they should tell investors the full details of their exposure.

For decades, the American financial markets attracted capital because investors believed they were getting the information they needed. That faith has been shaken. To restore it, Congress should enact all of Mr. Geithner’s proposals, except one: it should not permit any private derivatives to grow in the dark. Otherwise, today’s exception will become tomorrow’s rule.

Frank Partnoy is a law professor at the University of San Diego and the author of “The Match King: Ivar Kreuger, the Financial Genius Behind a Century of Wall Street Scandals.”
Why AIG Stumbled, And Taxpayers Now Own It
Steve Kroft Reports On The Troubled Insurance Giant, And Talks To Its New CEO

May 17, 2009

(CBS) Of all the corporate bailouts that have taken place over the past year, none has proved more costly or contentious than the rescue of American International Group (AIG). Its reckless bets on subprime mortgages threatened to bring down Wall Street and the world economy last fall until the U.S Treasury and the Federal Reserve stepped in to save it.

So far, the huge insurance and financial services conglomerate has been given or promised $180 billion in loans, investments, financial injections and guarantees - a sum greater than the annual cost of the wars in Iraq and Afghanistan.

In return the U.S. taxpayers have been given a 79 percent equity stake in the company. We are now AIG's largest shareholder. We have 116,000 loyal employees who had nothing to do with this mess, some valuable insurance assets, and a new CEO, Edward Liddy, who says his only mission is to get our money back.

"I think we have almost a unique place, and not a very desirable place, in terms of the anger and frustration that Americans feel about bailouts. You know, individuals aren't being bailed out. Why should a company be bailed out? So I understand it. We're just trying to do the best we can to pay back the taxpayer," Liddy told 60 Minutes correspondent Steve Kroft.

For the past eight months, Liddy's job has been to prevent AIG from collapsing: trying to extricate the company from its disastrous trades, and selling off the crown jewels of what was once one of the world's great businesses, all to satisfy its massive debt to Uncle Sam.

"Are there people from the government on this floor?" Kroft asked Liddy.

"There aren't people from the government on this floor. But I would guess today, there's probably 20, or 30, or 40, or 50 people either in our building or over at the Federal Reserve, which is a couple of blocks away, worrying and thinking about things related to AIG. They come to our board meetings. They come to our committee meetings. We have them in any strategic meetings, any decisions to buy assets, to sell assets. They're involved in those," he explained.

It's a thankless job that Liddy neither sought nor particularly wanted. He had retired from the chairmanship of the Allstate insurance company and was serving on the board of Goldman Sachs when Treasury Secretary Hank Paulson, Goldman's former chairman, asked him to take over AIG.

Liddy agreed to do it for a salary of one dollar a year

Asked what ever possessed him to take the job for a dollar a year, Liddy told Kroft, "First, I think, like much of your audience, if somebody calls and says, 'Could you please help your country?' people say, 'Yes.' With respect to a dollar a year, I knew I'd have to make some tough decisions. I didn't want in any way, shape, or form people to question my integrity, my honesty as to why I was doing it."

"Did you have any idea what you were getting into?" Kroft asked.

"In some regards, I did, and in some regards, I didn't. So certainly understanding how to restructure a company, I've done that before. The political issues, how you relate to the Federal Reserve or Treasury, or the Congress, that's new and sometimes terrifying to me," Liddy said.

"Especially the Congress," Kroft remarked.

"Especially the Congress, yes," Liddy replied.

Congress raked him over the coals for paying out $165 million in bonuses to some of the very people who helped wreck AIG. The bonus deals had been signed before Liddy got there.

"It's difficult to sit there and have 30 or 35 people throwing barbs at you, and really not appreciating that you're on their side and you're trying to help," Liddy said.
Asked if he knew how bad things were at the company when he took the job, Liddy told Kroft, "No, no, not at all."

Not long after he arrived, AIG reported the largest quarterly loss in U.S. history - more than $60 billion during the final three months of last year.

The sprawling holding company, that controlled some of the biggest insurance companies in the world, owned and leased more jet aircraft than most of the major airlines, and provided investment income for pensions, municipalities and other institutions around the world, had its tentacles everywhere. And the threat of collapse walked the global financial system to the edge on an abyss.

"I know you're not to blame for any of this, but you are the current proprietor, so to speak. Big picture, what happened?" Kroft asked.

"We strayed from our core skills. ... in the late '80s, we put in something called AIG FP. It wasn't an insurance company. It's a company that dealt in very sophisticated financial products," Liddy explained.

With offices in London and Connecticut, AIG Financial Products had fewer than 500 employees, but it made enough bad deals to destroy the rest of the company.

The division was created by longtime AIG Chairman Maurice "Hank" Greenberg, who was forced to resign after an accounting scandal in 2005, and was succeeded by Martin Sullivan.

Like most of Wall Street, AIG FP became enamored with the amount of money to be made in the subprime mortgage market.

Not only did AIG buy billions of the now toxic mortgage-backed securities, the financial products division looked at their computer models and decided that the securities were so safe it could make tons of money insuring them for other investors who bought them.

These private, unregulated insurance contracts were called credit default swaps, and would ultimately expose the giant conglomerate to $64 billion in potential subprime mortgage losses; when the housing bubble burst, AIG didn't have enough money to meet its obligations.

Liddy estimated that just 20 or 30 people were involved in bringing down the company.

"How can 20 or 30 people bring down a company the size of AIG? I mean, that requires a lot of failures, doesn't it?" Kroft asked. "On the part of a lot of different people, on the people in risk management?"

"You know Steve, I don't necessarily see it that way. I think it requires a belief that models are always right and human intervention won't offset them. It assumes that the kinds of risks that were viewed to be so remote could not occur. But in fact, they did occur," Liddy replied.

"This was a pretty colossal screw up. You would agree?" Kroft asked.

"Yeah, I'd say in hindsight, if the people that made that decision had to do it over again, my guess would be that they would not do it," Liddy said.

"What they did was that they underwrote the credit bubble in the U.S. They held up a sign. And they said, 'We're ready to buy the stuff.' It was a cash cow for them. They liked it. They loved the business. And they backstopped the credit bubble and the whole economy," Rich Ferlauto, director of pension investments for the American Federation of State, County and Municipal Employees [AFSCME], told Kroft.

AFSCME's members' pension plans lost $4.3 billion on investments in AIG stock. Ferlauto blames company executives, the board of directors, and a compensation system that rewarded short-term profits while ignoring long-term risk.

Asked why he thinks the people at AIG FP took these risks, Ferlauto told Kroft, "For the most part, I don't think they saw the risk. They knew the risk was out there. But they were driven because they thought they could make a buck. They were sort of blindsided by the ability to make short-term money."

"And it was more than a buck," Kroft pointed out.

"This is the kind of money that most average people only dream of and then some. It's like hitting the jackpot every year," Ferlauto replied.
At AIG Financial Products, more than 30 percent of the profits were paid out in compensation. And no one benefited more than Joseph Cassano, who oversaw the London operation that brought AIG down.

Cassano, who is holed up in his London apartment, has declined all requests for interviews.

Liddy told Kroft he has never met Joe Cassano.

"But he's clearly one of the 20 people who helped wreck this company," Kroft said.

"Joe Cassano ran FP for a number of years," Liddy replied.

"According to these figures I have, he made $43 million in 2006, $24 million in 2007 - a total of $280 million over the course of the eight years. Do you believe that he was more concerned with the values and the survival of AIG than he was about his own compensation?" Kroft asked.

"Based upon those numbers, it doesn't sound like it. But that's pure speculation on my part," Liddy said.

Cassano continued to defend his investment strategy even after the subprime mortgage crisis reared it ugly head in the summer of 2007. On a conference call with Wall Street analysts he said there was nothing to worry about: "We see no dollar of loss associated with any of that business."

He was off by more than $40 billion.

"Do you think that Mr. Cassano knew that everything was all right in August, 2007, when he made that statement?" Kroft asked.

"I don't know what he was thinking," Liddy said.

"You mean, like I don't know what he was thinking?" Kroft asked.

"I mean, like I don't know what he was thinking," Liddy replied.

"Either he didn't know what was going on, which is a kind of horrifying prospect, or he did, which would suggest that he and maybe others at AIG FP engaged in a massive fraud over a period of years. It's one of those two choices," Frank Partnoy told Kroft.

Partnoy is a law professor at the University of San Diego and an expert on the kind of complicated financial derivatives that ruined AIG.

"The fraud would be not telling AIG's shareholders, its investors, about the massive risks that AIG was taking," Partnoy explained. "The fraud would be not disclosing the fact. And it turned out to be a fact, that AIG had significant exposure to subprime mortgages."

Partnoy says AIG didn't tell its shareholders about its risky positions until June 2007, and even then the disclosure was limited to a single sentence buried in a 96-page report.

The conduct of AIG's Financial Products division and its CEO, Joseph Cassano, is now the subject of wide ranging investigations by the Securities and Exchange Commission and the FBI And that has made Ed Liddy's job even more difficult.

"The first thing that I did was walk in the door and say, 'AIG FP, we're going to shut it down.' We are not going to be in that business," he told Kroft.

But there are still employees working at AIG FP, winding the business down, getting paid and getting bonuses.

"You may have said, 'Let's shut it down,' but you're not out of that business yet," Kroft pointed out.

"No, we are not out of the business. And it'll take a while for us to be out of it. But we will substantially de-risk and shrink that business by the end of this year. People will be surprised by how much progress we make," Liddy said.

Since Liddy took over, he says the troubled, volatile entity has disposed of half of its complex derivative investments, but another 27,000 deals valued at $1.5 trillion are still on the books.

"We spoke to someone who's intimately familiar with AIG Financial Products. And he told us that out of the 10 or 20 people who were really involved in the decision-making process, only two have left the company. That everybody else is still there. Is that true?" Kroft
“Steve, we've had some resignations,” Liddy replied. “We've had some people who have said 'I'm going to resign, I'm not going to give you my resignation now, because I want to do this professionally and I want to help you.'"

Asked if it is true that only two people have left, Liddy said, "To the extent there are people who traded credit default swaps, some of them may still be there, because we're asking them to un-trade them. But the people who designed it, who built those models, who signed us up for that business, they are gone."

"Retired, comfortably retired," Kroft remarked.

"Retired, left, went and did other things," Liddy said.

60 Minutes asked to speak with some of the employees of AIG FP and visit their offices in Wilton, Conn.

Liddy declined, but provided us with a video of the operation. He said people there were still traumatized from the threats and harassment leveled against them during the recent bonus controversy, and no one wanted to talk to us.

"Busloads of people wound up on their lawns, taking pictures, picketing in front of their houses. Just not a good idea for us to get back into that," Liddy explained.

Liddy believes the public anger directed against the company and its employees is misguided and counterproductive, making it more difficult to hold onto the people it needs to keep the company going, and undermining the value of its most successful and profitable assets which he is trying to sell.

Just this week, the company unloaded its Tokyo office building for $1.2 billion. The AIG brand - once a huge asset - is quickly vanishing. Even the iconic Manhattan headquarters is up for sale.

"So you are, in effect, the liquidator?" Kroft asked.

"Well, I don't think it will be called AIG, but there will be pieces of this institution left. But that's the only choice we have. That's the only way we can pay back the government," Liddy said.

Asked if all of the government money will be paid back, Liddy said, "That's what we're committed to doing."

"He's got a very tough job ahead of him," Richard Ferlauto told Kroft. "I don't envy him at all."

"You seem to be saying that AIG is still not out of the woods," Kroft remarked.

"If the economy deteriorates anymore, I think there are more problems out there," Ferlauto said.

"We're not an island," Liddy told Kroft. "We're very much dependent upon what happens in the overall economy and the overall financial marketplace. But we have a plan that we'll execute over the next couple of years that we think has an excellent chance of repaying the federal government."
Why AIG Stumbled, & Taxpayers Now Own It

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Cassano continued to defend his investment strategy even after the subprime mortgage crisis reared it ugly head in the summer of 2007. On a conference call with Wall Street analysts he said there was nothing to worry about: "We see no dollar of loss associated with any of that business."

He was off by more than $40 billion.

"Do you think that Mr. Cassano knew that everything was all right in August, 2007, when he made that statement?" Kroft asked.

"I don't know what he was thinking," Liddy said.
"You mean, like I don't know what he was thinking?" Kroft asked.

"I mean, like I don't know what he was thinking," Liddy replied.

"Either he didn't know what was going on, which is a kind of fraud, or he did, which would suggest that he and maybe others at AIG FP engaged in a massive fraud over a period of years. It's one of those two choices," Frank Partnoy told Kroft.

Partnoy is a law professor at the University of San Diego and an expert on the kind of complicated financial derivatives that ruined AIG.

"The fraud would be not telling AIG's shareholders, its investors, about the massive risks that AIG was taking," Partnoy explained. "The fraud would be not disclosing the fact. And it turned out to be a fact, that AIG had significant exposure to subprime mortgages."

Partnoy says AIG didn't tell its shareholders about its risky positions until June 2007, and even then the disclosure was limited to a single sentence buried in a 95-page report.

The conduct of AIG's Financial Products division and its CEO, Joseph Cassano, is now the subject of wide-ranging investigations by the Securities and Exchange Commission and the FBI. And that has made Ed Liddy's job even more difficult.

"The first thing that I did was walk in the door and say, 'AIG FP, we're going to shut it down.' We are not going to be in that business," he told Kroft.

But there are still employees working at AIG FP, winding the business down, getting paid and getting bonuses.

"You may have said, 'Let's shut it down,' but you're not out of that business yet," Kroft pointed out.

"No, we are not out of the business. And it'll take a while for us to be out of it. But we will substantially de-risk and shrink that business by the end of this year. People will be surprised by how much progress we make," Liddy said.

Since Liddy took over, he says the troubled, volatile entity has disposed of half of its complex derivative investments, but another 27,000 deals valued at $1.5 trillion are still on the books.

"We spoke to someone who's intimately familiar with AIG Financial Products. And he told us that out of the 10 or 20 people who were really involved in the decision-making process, only two have left the company. That everybody else is still there. Is that true?" Kroft asked Liddy.

"Steve, we've had some resignations," Liddy replied. "We've had some people who have said I'm going to resign, I'm not going to give you my resignation now, because I want to do this professionally and I want to help you."

Asked if it is true that only two people have left, Liddy said, "To the extent there are people who traded credit default swaps, some of them may still be there, because we're asking them to un-trade them. But the people who designed it, who built those models, who signed us up for that business, they are gone."

"Retired, comfortably retired," Kroft remarked.

"Retired, left, went and did other things," Liddy said.

60 Minutes asked to speak with some of the employees of AIG FP and visit their offices in Wilton, Conn.

Liddy declined, but provided us with a video of the operation. He said people there were still traumatized from the threats and harassment leveled against them during the recent bonus controversy, and no one wanted to talk to us.

"Busloads of people wound up on their lawns, taking pictures, picketing in front of their houses. Just not a good idea for us to get back into that," Liddy explained.

Liddy believes the public anger directed against the company and its employees is misguided and counterproductive, making it more difficult to hold onto the people it needs to keep the company going, and undermining the value of its most successful and profitable assets which he is trying to sell.

Just this week, the company unloaded its Tokyo office building for $1.2 billion. The AIG brand - once a huge asset - is quickly vanishing. Even the iconic Manhattan headquarters is up for sale.

"So you are, in effect, the liquidator?" Kroft asked.

"Well, I don't think it will be called AIG, but there will be pieces of this institution left. But that's the only choice we have. That's the only way we can pay back the government," Liddy said.

Asked if all of the government money will be paid back, Liddy said, "That's what we're committed to doing."

"He's got a very tough job ahead of him," Richard Ferlauto told Kroft. "I don't envy him at all."

"You seem to be saying that AIG is still not out of the woods," Kroft remarked.

"If the economy deteriorates anymore, I think there are more problems out there," Ferlauto said.

"We're not an island," Liddy told Kroft. "We're very much dependent upon what happens in the overall economy and the overall financial marketplace. But we have a plan that we'll execute over the next couple of years that we think has an excellent chance of repaying the federal government."
More problems in state oversight of 529 plans

Posted by Brent Hunsberger, The Oregonian May 05, 2009 04:57AM
Categories: College

Today you'll find our latest report on the state Treasurer's slow reaction to last year's investment losses in the Oregon 529 College Savings Network.

Illinois has other issues over state management of its plan. The Chicago Tribune disclosed Monday that its state Treasurer Alexi Giannoulias had used its state car to transport an SUV to the airport.

For past posts about college savings plans, click here.

Still confused about what brought down Oppenheimer's Core Bond fund? University of San Diego law professor Frank Partnoy, who essentially warned of this current financial crisis several years ago, describes derivatives and credit-default swaps on NPR's Fresh Air.

Tags: college, college savings plans, Oppenheimer Funds, Oregon 529 College Savings Network

COMMENTS (1)

Reader Curt Germundson writes in response to our story on Oregon's oversight:

"If Oregon loses their lawsuit with Oppenheimer, the first thing I'll do is stop my Oregonian subscription."

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5/6/2009
Rules Are Made to Be ... Completely Baffling

Even pros are stymied by golf's laws, but geeks love them; J.P. Hayes confesses

By JOHN PAUL NEWPORT

Most golfers, even those who claim to understand the difference between a water hazard and a lateral water hazard, would be hard pressed to make a knowledge-based argument on either side of the Kenny Perry rules kerfuffle that popped up last week. Did he or did he not improperly improve his lie last February in a playoff at the FBR Open? The same holds for the dispute surrounding whether Rory McIlroy illegally kicked the sand or legally “smoothed” it after flubbing a bunker shot at the Masters last month. We everyday golfers can’t be expected to know every nuance of the regulations involved (Rule 13-2 and Rule 13-4/decision 36, respectively), as we have enough on our minds trying not to reverse pivot. But rules geeks live for such moments.

“It’s a joy, there’s a genuine pleasure in discussing these kind of issues,” said David Fay, a veteran rules hound who is also executive director of the U.S. Golf Association. And the rest of us should be glad they’re on the case.

In a video snippet from the FBR broadcast that for some reason began circulating this month, Mr. Perry tamps the high grass behind his ball with a wedge three or four times about 90 seconds before addressing it, and the ball goes from being just barely visible to almost fully so. It certainly appears as if he improved his lie, although camera angles can be deceptive. No one suggests that Mr. Perry was trying to cheat. He has a stellar reputation and was surely aware of the camera recording the moment only a few feet away. But in adjudicating rule 13-2, intention doesn’t matter, only the facts. The rule specifically allows “grounding the club lightly” behind a ball at address, even if it results in an improved lie, but specifically forbids “pressing a club on the ground.” The rule has nothing to say about lightly grounding a club before addressing the ball. In any case, Mr. Perry sat down with two PGA Tour rules officials on May 14 to review the tape and, after taking everything into account, they cleared him of any wrongdoing.

By contrast, the pass that Masters rules officials gave Mr. McIlroy, the budding superstar from Northern Ireland, did rely on intention. When summoned back to Augusta National to discuss the incident several hours after his round, Mr. McIlroy explained that he was merely smoothing the sand with his foot as he usually does after a bunker shot. Had he kicked the sand as contended by several onlookers, that would have been deemed “testing” the hazard, a two-stroke violation since his ball remained in the bunker after his previous shot. The result of that determination would have been disqualification, because Mr. McIlroy had already signed his scorecard without adding the penalty strokes.

Decisions like these, because they are based on capricious-seeming subtleties in the rules, often evoke consternation among fans and the media, especially when other cases that seem equally innocent are decided more harshly. Last week at the Irish Open, for example, two pros were disqualified for infractions that they, too, obviously did not intend. One player transposed two digits on his scorecard, thus signing for a lower score on one of the holes than he actually made. The other player inadvertently carried 15 clubs in his bag instead of the maximum allowed, 14.
The rules are a bear, I'll grant, and like any statutory system yield occasional head-banging outcomes. But for every decision that seems patently unfair or mired in gray, there is at least a well-thought-through rationale. The rules geeks have heard every possible objection before and in most cases debated alternatives.

In the case of a wrong scorecard, for instance, there's no practical way of allowing players to alter their scores after the fact without wreaking havoc on tournament administration. For clubs, 14 is an arbitrary number but some limit had to be selected back in the 1930s when some players began carrying dozens of clubs for every circumstance. Once 14 was settled upon, exceeding it became a black-or-white issue. How could you sometimes allow 15?

Golf has only 34 rules, but they require some 27,000 words to elucidate and are supplemented by approximately 1,300 separate “decisions on the rules of golf.” The decisions amount to a kind of worst-case-scenario handbook. Covered are such unlikely topics as what happens if a scampering squirrel steals your ball after it's been stroked on the putting green (versus anywhere else on the course), and how do you score a putt if the person tending the flagstick inadvertently yanks out the hole liner and blocks your ball from falling into the hole (it depends on whether the hole liner was moving when your ball struck it).

“The main reason there are so many rules and decisions is because the playground is so large and varied, and almost anything can happen. It's not like tennis, where the court is uniform,” said Mr. Fay. Every four years the USGA and its fellow rules-making body, the Royal & Ancient in St. Andrews, announce new and amended rules to adapt to new circumstances, and new decisions are rendered customarily, all of which rules scholars study like the Talmud.

Fundamentally, however, the rules can be reduced to a few underlying principles—only two, in the opinion of John Minan, a professor at the University of San Diego School of Law and author of “The Little Green Book of Golf Law.” The first is to play the course as you find it and the second is to play your ball without touching it until you hole out—except, of course, when there are exceptions. The rules define and explain the exceptions. And for situations that aren't covered in the rules, there's the all-important equity clause, Rule 1.4: When in doubt, do what's fair.

Compared with any government or legal system, the rules of golf are lean. For the most part they are also self-administered, rather than policed or refereed, a complexity-avoiding virtue made possible because golf, for the most part, is played in small self-regulating units that resemble tribes or families. The 144-man field in a typical PGA Tour event, for example, approximately resembles a tribe. Everyone knows everyone else, even if not well then by reputation, and the sanctions against breaking the rules, enforced by peer pressure, are strong. Last December, for example, journeyman pro J.P. Hayes disqualified himself from the final stage of qualifying school for accidentally playing an unofficial ball. Nobody except him knew of the violation, and it cost him his Tour playing privileges for 2009, but he said he never considered not turning himself in once he realized what had happened. “Anybody else would have done the same,” he said.

Saturday-morning foursomes, which are family-size units, self-regulate the same way. They may not play strictly according to USGA rules (you seldom see players in recreational rounds marching back to the tee to rehit their drives when they can't find their ball, as the rules would normally require), but foursomes do abide by a basic understanding of what is fair for their circumstances, informed by the universal rules of golf, and repeat violators face the harshest penalty of all: banishment from the group.

—Email me at golfjournal@wsj.com.
Rules are made to be ... completely baffling

by John Paul Newport, The Wall Street Journal

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Jay Bybee silent on interrogation memos

Senator Judiciary Committee Chairman Patrick Leahy has called on Bybee, now a federal appellate judge, to explain his legal reasoning on harsh treatment of detainees.

By Carol J. Williams

May 1, 2009

A federal judge who provided the Bush administration with legal advice on what constitutes torture declined to respond Thursday to a letter from the Senate Judiciary Committee chairman calling on him to explain his actions to the American public.

Judge Jay S. Bybee, of the U.S. 9th Circuit Court of Appeals, was head of the Justice Department's Office of Legal Counsel when he described the intensity of pain that could legally be inflicted.

The interrogation methods, including waterboarding, have been denounced by the Obama administration, human rights groups and foreign allies as illegal torture.

Bybee has kept a low profile since the memos were released by President Obama last month, breaking his silence only in an e-mail to the New York Times in which he defended his guidance on interrogating terrorism suspects as "a good-faith analysis of the law."

On Thursday, law clerks for the judge said variously that Bybee would respond to an appeal by Chairman Patrick J. Leahy (D-Vt.) to appear before the Senate Judiciary Committee; that he would explain his reasoning in a statement to the San Francisco-based appeals court; and that he would have nothing more to say to anyone on the subject.

"My impression is that there won't be any further statements," law clerk Keith Woffinden said, apologizing for the contradictory messages being sent by staffers.

In his e-mailed statement Tuesday to the New York Times, Bybee disputed published reports quoting former law clerks and academics saying that he had privately expressed regret over his legal work for the Bush administration.

He told the newspaper that he would have done some things differently -- approaching his analysis with an eye toward helping the public better understand how he reached his conclusions -- in light of recent criticism.

The judge's justification has only fueled critics who say his reading of a U.S. statute and international accords banning torture was deliberately skewed to accommodate Bush administration officials who wanted permission to cross the legal line.

"It surprises, concerns, sickens and depresses me," Christopher Blakesley, a law professor at the University of Nevada, Las Vegas, said of Bybee's defense of the August 2002 memos. "I am surprised that he talked at all at this point."

Blakesley said he was also "saddened because I truly believed from what I knew of him over the years that he would have repudiated the memos along with all that surrounded and came from this sordid situation. Perhaps one day he will."

In the view of John Parry, a professor at Lewis & Clark Law School in Portland, Ore., who has written extensively on torture, Bybee's legal reasoning was suspect and the memos "unbalanced."

"They do not consider any arguments that might detract from their conclusions, and they cite irrelevant or misleading authority," Parry said. "Perhaps worse, they fail to provide sound legal support for what they read as if they were meant to provide cover for decisions that had already been taken."

University of San Diego law professor Shaun Martin, who follows and analyzes Western appeals courts, said he was confident Bybee wouldn't leave the bench of his own accord.

"My sense is that Judge Bybee thinks what he did was right but that it was expressed poorly. That's not something you resign over," Martin said.

Marjorie Cohn, a law professor at Thomas Jefferson School of Law in San Diego, disagreed.

"He can't ignore it," Cohn said of the growing storm around the judge. "Bybee has liability on several different levels. There may well be criminal investigations and prosecutions, if not by the United States, by other countries."

A Spanish judge has announced a criminal investigation on behalf of foreign terrorism suspects, including five Spaniards.

Bybee, John C. Yoo and Steven G. Bradbury, all former Bush administration lawyers, are under investigation by the Justice Department's Office of Professional Responsibility.
California's prison system, what now?

Posted By hoa.quach On May 6, 2009 @ 11:19 am In Politics & Government | 2 Comments

It’s no secret that California’s prisons are among the worst in the nation. Ten percent of the state budget, or $14 billion a year, goes towards prison costs—the same amount of money we spend on the University of California and Cal State higher education systems. The total cost of criminal justice grew to $25 billion a year in 2003-04 (the most recent year available), including the amounts spent by local governments on enforcement and prevention. Last month, a three-judge panel ruled that the state must reduce its prison population by one-third because of overcrowding. The system is currently at 200 percent of capacity.

What remains unclear is how California’s sentencing policies exacerbate, or even cause, this immense pressure on our state. From the three-strikes law to drug sentencing laws, California laws directly influence the state’s budget—and the population of its prisons.

“We’ve painted ourselves into a corner,” said Laura M. S. Berend, a professor at University of San Diego School of Law and former defense attorney. “We’ve had propositions on the ballot for 25 to 30 years that have affected criminal justice pretty dramatically, especially the initiatives on the ballot that have been written for particular cases but not thoroughly thought out as far as consequences.”

The most recently passed law concerning California’s criminal justice system was Proposition 9 on the November 2008 ballot. Also known as “Marsy’s Law,” the bill amended the state constitution to change several victims’ rights laws. It requires authorities to take a victim’s safety into concern when assigning bail or conducting a parole review.

The three-strikes law is now 13 years old. In 2008, there were 41,284 prisoners serving under the law, which doubles sentences for second-time felons and prescribes life sentences for third-time felons, costing the state $500 million annually.

In addition, drug sentencing laws have become more stringent over the last two decades. Felony drug arrests make up 30 percent of all felony arrests in the state, and, in 2005,
approximately 21 percent of inmates in California's prisons were incarcerated for drug-related crime.

"The system right now is focused on punishing people," said Mayra Garcia, a private practice defense attorney who owns her own firm. "The problem is, there is not enough funding to send these people to the correct rehab that they need; they're set up to fail from the beginning."

As new laws stiffen penalties for criminal offenses, provide treatment for drug offenders, and construct new correctional facilities, the prison system's costs have steadily risen—by about 50 percent in less than a decade, according to a University of California, Irvine study. Legislation at the ballot box has created a perfect storm of increased prisoners, decreased resources and the highest recidivism rate in the country. About 70 percent of inmates released in California will be back in jail within 24 months, almost twice the national average.

"Most of the increase in spending in criminal justice programs is due to increases in salary costs, as well as court-ordered mandates to improve parts of the prison system, such as medical care," stated a report from the Legislative Analyst's Office (LAO). Last summer, for example, a federal judge ordered $8 billion seized from the state treasury to pay for improvements in the prison healthcare system. Coincidentally, that's about the same amount by which the LAO recently announced California's budget deficit had grown.

"Compliance with court requirements in the three health care programs (the medical, dental and mental health programs) is expected to result in significant additional costs to the department over the next several years," the LAO report said. "These costs could eventually exceed $1.2 billion by 2010-11."

Berend is concerned that limited budget alternatives will prevent California from enacting any significant reform, but points out the catch-22 of unsustainable costs.

"Somebody's got to do something," Berend said. "The fiscal crisis has contributed to the economic, humanitarian, and medical crises."

As the Department of Corrections approaches how best to reduce the prison population, it will have a tough time navigating the voter's mandates and existing legislation that have narrowed its options.

This is the first in a series on California's prisons. Look for upcoming articles on medical marijuana, the three strikes law, and prison overcrowding.

Gina Giacopuzzi writes for the San Diego News Room where this story originally appeared.
California's three strikes law, 15 years later

Posted By hoa.quach On May 8, 2009 @ 1:58 pm In Politics & Government | 5 Comments

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California's prison system, what now? [1]

In March, California's three-strikes law celebrated its 15th anniversary. Since its passage in 1994 by nearly three-quarters of voters, the law has become one of the most controversial and oft-mentioned in discussions over the state's prison system.

The three-strikes law was advanced by Mike Reynolds, a Fresno photographer, after his 18-year-old daughter was murdered. After one of her killers, a repeat felon, was released in nine years, her father went on the offensive. He maintains a website, www.threestrikes.org, which recently released a 15-year study quantifying the reductions in crime and lives saved as a result of three-strikes.

"Since then, there have been over 3 million fewer serious and violent crime victims and 10,000 fewer murders," Reynolds said. The study compares crime figures from 15 years before three-strikes to 15 years after, or the most recent crime numbers released (which are for 2007). "What's really astonishing is, we've seen an increase in California's population by over 50 percent, but a 50 percent decrease in crime." Reynolds references other theories that attribute crime reductions to a stable economy, but points out that crime hasn't increased since the recent economic downturn-- and that California's violent crime dropped at twice the national rate.

In 2004, Proposition 66 was on the ballot to limit the application of the three-strikes law to violent crimes. Prop. 66 was defeated by 52.7 percent of voters, but the three-strikes law continues to be one of the first areas of law touted for reform in discussions over high prison populations and costs. Numerous court challenges have been filed in individual cases.

"I think if people were really educated about what (the three-strikes law) means, and its consequences, in both human and economic terms, they would vote to overturn it," said Marjorie Cohn, a professor at Thomas Jefferson School of Law and former criminal defense attorney.

"Chainsaw," one of the most regressive three-strikes laws in the country," Cohn said. "It's basically locking people up and treating them like animals... rather than giving people job training, and having them work to support their families, where they can come out of (prison) and have some dignity."

Last year, there were 41,284 prisoners serving time under the law, which requires a minimum 25-year sentence for third-time felons. Of those, 3,629 of third strikers were non-violent felons (although their first two offenses were violent felonies). Since third-strikers are often housed in maximum-security prisons, the average annual cost of housing, per person, is $31,000. The law also doubles sentences for second-time felons. The total cost of housing the 41,284 is $500 million a year.

"We need to revisit whether three-strikes is doing anything good... if it's fulfilled its promise," said Professor Laura M.S. Berend, a professor at University of San Diego School of Law. "We're heading towards being geriatric institutions, and just (covering) medical costs."

The average cost of housing a prisoner over the age of 65 is $60,000 a year.

Reynolds argues that, with an increase in population of only 10,000 inmates a year, there aren't as many prisoners coming in as there were before three-strikes, and that once they're released, the law may act as a deterrent for repeat felons.

"The recidivism rate for second and third time felons is at a much lower rate," Reynolds said. He also points to an "extraordinary exodus" of inmates that have two or three strikes leaving the state.

When the law passed, the Legislative Analyst's Office called it "the most significant change to the state criminal justice system in more than a generation." A year after its passage, the LAO reported measurable increases in prosecutions, fewer guilty pleas by defendants (and subsequent increases in jury trials), a backlog of cases in the courts (and subsequent focus on criminal cases rather than civil cases), and that about 70 percent of second- and third-strikes were for nonviolent offenses.

However, ten years after the law passed, the LAO reported that it had not resulted in the expected rate of growth in prison populations, although strikers made up about 26 percent of prisoners in 2004.

"A number of factors have probably contributed to a lower prison population, including the use of discretion by judges and district attorneys to dismiss prior strikes in some cases," the report found. It did find that the average age of prisoners had gone up, and the number of inmates 50 years of age and older had tripled, attributed in part to the fact that "The so-called 'baby boom' generation is getting older, and so are the criminals of the baby boom generation."

Opponents of the three-strikes law, including Families to Amend California's Three Strikes, keep lists of felons who are serving 25 years-to-life for nonviolent or non-serious third strikes. They range from stealing a spare tire to drug possession. Cohn cites a case that went all the way to the Supreme Court, Lockyer v. Andrade, wherein the defendant was given two 25 years-to-life sentences for stealing nine children's videotapes, worth a total of $153.54. Leandro Andrade's first two felonies were home burglaries. The Supreme Court upheld Andrade's sentence.

Proponents of the law say the three-strikes law has prevented a million serious or violent crimes every five years since its passage by keeping violent repeat offenders off the streets.

"Repeat offenders are already doing life on the installment plan," Reynolds said, only half-jokingly. "The question is, are you saving a lot of money when they're on these crime sabatticals? An extraordinarily high percentage of violent crime is actually committed by a relatively
small percentage of offenders, so three-strikes dropped that down. To suggest that some poor third-striker is being unjustly sentenced...
an offender that’s a lifetime criminal has a rap sheet going back to childhood."

These advocates keep their own lists of criminals who would have been released on parole without the law, including repeat sex offenders,
murderers, and kidnappers. A report by former California Attorney General Dan Lungren found that violent crime dropped almost 27
percent in the four years following passage of the law, with homicide dropping by 40 percent. However, the LAO report stated that, "Our
survey... found that there is little consensus among researchers about the impact of Three Strikes on public safety, even after more than
ten years of application."

Conventional wisdom on criminal sentencing is that the costs of imprisoning criminals (both dollar costs to the public and the human toll
on the inmate) dictate that incarceration should be saved for those who present a threat to society. A criminal who serves time in prison is
more likely to commit subsequent crimes, and more serious crimes, than one who does not serve a time.

The disparities between nonviolent and violent felonies—and the fact that sentences for those felonies are often similar—are measured
against the larger issue of how laws are made in California, and how ballot-box measures contribute to the current backbreaking cost of
the prison system.

"This is a good example of a situation where there’s a high profile case, and in response to the case there are voter initiatives placed on
the ballot," Cohn said. "These issues should be thoroughly considered by the legislature after hearing testimony from experts who have
evidence relating to the consequences."

Gina Giacopuzzi writes for the San Diego News Room where this story originally appeared.

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Appeals judge might be on list for Souter's job

By Greg Moran
STAFF WRITER

The ink was barely dry on the formal retirement announcement by U.S. Supreme Court Justice David Souter when the lists began to circulate.

Those would be the shortlists, A-lists, even lists of lists of possible nominees that President Barack Obama could choose to fill the seat.

And while it is early and much can change during the often contentious nomination and confirmation process for a justice on the court, San Diego-based Judge M. Margaret McKeown of the 9th U.S. Circuit Court of Appeals keeps surfacing as a possible nominee.

McKeown is based in San Diego and serves on the largest appeals circuit in the federal system. She has her judicial chambers in the federal courthouse downtown.

McKeown is a law school professor at the University of San Diego Law School, where she has taught about the interplay between the Constitution and Internet, as well as lectured on securities law, intellectual property and employment law.

At this point, McKeown is not counted among the top tier of potential nominees. Some lists even put her behind a colleague on the 9th Circuit, Judge Kim Wardlaw.

McKeown, who turns 58 today, has been on the court since 1998. She was initially nominated in 1996 but became involved in the battle over judicial appointments between President Bill Clinton and congressional Republicans, and her nomination did not come to a vote.

Clinton renominated her in 1997, and McKeown was confirmed by an 80-11 vote in 1998.

The judge, who was traveling last week, declined through a court spokesman to comment for this story.

McKeown is widely considered to be smart and articulate and to have deep connections in the nation's legal community. Although she serves on the circuit that is often derided as the most liberal in the nation, her views are generally seen as

SEE McKeown, B3
moderate and not far left of center.

“She’s very well-liked, pleasant and personable,” said Laurie Levenson, a professor at Loyola Law School in Los Angeles. “And I think she has a good reputation for being a good judge. If she got nominated, people would have good things to say about her.”

Levenson said. ‘‘There’s so much promotion that goes on all sides here,’’ she said.

Obama is widely believed to be under pressure to appoint a woman to the Supreme Court, where Justice Ruth Bader Ginsburg is now the lone woman.

Interest groups are urging the president to appoint a person from a minority group, which McKeown — a native of Wyoming who built a lauded legal career in Seattle — is not.

McKeown served as a White House fellow in 1981 — under President Ronald Reagan, which could also play in her favor. The fellowship program allows promising young professionals to work with top government leaders.

“She’s on these lists because she is a very plausible candidate,” said Shaun Martin, a professor who also teaches at USD and served as a law clerk on the 9th Circuit before McKeown’s appointment.

“She’s universally recognized as very smart and hard-working. If you are narrowing the focus down to women who are well-respected judges, she’s in that group,” Martin said.

One of the recent decisions McKeown wrote for the court was in a 2007 case involving an 8-foot-tall cross that was part of a war memorial on federal land in the Mojave National Preserve. A federal district judge had ordered the cross removed because it violated the principle of separation of church and state under the establishment clause.

But Congress intervened and transferred the land under the cross to a private party. McKeown, on behalf of a three-judge panel, ruled that the transfer violated the lower court’s order.

The facts may sound familiar to San Diego residents because it is similar to the long-running controversy involving the cross atop Mount Soledad. And the Mojave case is not over: In February, the Supreme Court agreed to hear an appeal of McKeown’s ruling filed by the Bush administration. It will be one of the most closely watched cases of the court’s term beginning in October.

McKeown also wrote an opinion in 2007 that allowed an Islamic charity’s lawsuit against the government for secret wiretapping to go forward. However, she decided that the charity could not use in its case a confidential government document that the charity’s lawyers had mistakenly been given.

McKeown said she recognized that judges needed to “defer to the executive on matters of foreign and national security.” But McKeown firmly rejected the government’s position that the subject matter of the litigation was itself a state secret that meant the lawsuit had to be dismissed. The suit is still pending.

'Unfortunate error' in oral surgeon's background

By Michael Rothfeld

May 26, 2009

Reporting from Sacramento — Patients of Dr. Suzanne McCormick can get a glowing picture of her qualifications from the Dental Board of California, where she serves as president. They can learn that the oral surgeon teaches at Loma Linda University, lectures worldwide and has never been professionally disciplined.

What the state licensing agency will not tell consumers is that shortly before she was appointed by Gov. Arnold Schwarzenegger, McCormick agreed to a $95,000 malpractice settlement for taking out two wrong teeth from a 13-year-old boy.

Officials in the office of the governor, who appointed McCormick in early 2006 and gave her a new four-year term in March, said they were unaware of what she had done.

"It was a messed-up deal what she did — she made a big mistake," said Joey Rossi, now 18, who went to McCormick five years ago to have his wisdom teeth removed and lost two permanent molars instead. "People should know about this if she's the president of the Dental Board."

The mistake by McCormick, 48, who declined to be interviewed, highlights how little information is available to consumers from the agencies that are supposed to protect them. Both the dentist and the board, which look no disciplinary action against her, contributed to keeping the incident secret.

McCormick obtained a "gag clause" during settlement discussions so the boy's lawyer would not file a complaint against her with the board she would soon join, reducing the chances that she would be disciplined.

The Dental Board, which investigates misconduct against its licensees, learned of the incident when McCormick reported the December 2005 malpractice settlement to the state, as legally required. But the board keeps settlement records confidential.

Had the board sanctioned McCormick, consumers could have learned about the incident on the agency's website. But board staff, based on what they called a "cursory review," closed her case a few months after she was appointed. An outside consultant, a Northern California dentist who contacted McCormick just before Rossi or his family, concluded the matter did not warrant punishment, state officials said.

McCormick didn't interfere or receive special treatment, said Amanda Fulkerson, a spokeswoman for the Dental Board. "We have an excellent reputation," she said. "I took out the wrong teeth." Rossi recalled. "She didn't really say much."

State officials say the board kept the information about the incident or the settlement. McCormick could have mistaken permanent molars instead. "People should be aware of the incident," Fulkerson said. "It was a single instance and she had a clean record previously nothing was done. In addition, the patient wasn't asking for punishment, state officials said.

McCormick doesn't interfere or receive special treatment, said Amanda Fulkerson, a spokeswoman for the Dental Board. "We have an excellent reputation," she said. "I took out the wrong teeth." Rossi recalled. "She didn't really say much."

Today, the only public evidence of Rossi's ordeal is in a file at San Diego County Superior Court. "...without any context," Fulkerson said.

Fulkerson said that if the Dental Board disclosed anything about the incident or the settlement, McCormick could have been asked to provide as much information as possible to consumers, if the law allows for that, she said.

State boards that license nurses and social workers, who are governed by the same laws, have released malpractice settlement records upon request.

"Our policy is that sharing relevant information with consumers so that they can make decisions is part of our job," said Paul Riches, executive officer of the Board of Behavioral Sciences in Sacramento.

Julianne D'Angelo Falmeth, who directs the Center for Public Interest Law at the University of San Diego School of Law, said taxpayers, who foot the bill for state courts, are entitled to information about malpractice cases, especially information regarding the conduct of medical professionals.

"The boards should not be in the business of hiding information from the public," Falmeth said.

Rossi went to McCormick after his pediatric dentist recommended removing all four wisdom teeth — which weren't yet poking out of his gums — in preparation for braces. Everything seemed to go as planned, he said. McCormick did not tell him anything was wrong until he arrived for a follow-up appointment six days later.

"She walked in and she said, 'I took out the wrong teeth.'" Rossi recalled. "She didn't really say much. She said, 'Sorry.'"

Rossi's mother, Danna Laxman, said McCormick had an "excellent reputation." But she never offered an explanation. "I looked her dead in the eye and she said, 'I made a mistake, and she broke down crying," Laxman said.

Her son, then an eighth-grader, was "totally traumatized," she said.

Several dentists said in interviews that it was unusual to remove wisdom teeth from someone Rossi's age, and they couldn't imagine how McCormick could have mistaken permanent molars for wisdom teeth.

"I've never made that mistake, and I would say the vast majority of dentists probably have the exact same track record," said Jay Grossman, a West Los Angeles dentist who has practiced for 21 years.

Board officials said McCormick was negligent, but because it was a single instance and she had a clean record previously, nothing was done. In addition, the patient wasn't asking for discipline.

Julie Parker, Rossi's attorney, said she normally complains to state boards on behalf of clients but did not because of the gag clause.

Such provisions are illegal for medical doctors, but Schwarzenegger twice vetoed legislation that would have outlawed them for other professions.

Falmeth said licensees use these clauses to short-circuit the regulatory process that protects the public.

"They should not," she said, "be able to deprive their regulators of information about their own misconduct."

Dental board chief pulled wrong teeth

Published: May 26, 2009 at 2:26 PM

The head of the Dental Board of California has settled a case in which she admitted pulling the wrong teeth from a 13-year-old boy, documents indicate.

Court documents obtained by the Los Angeles Times show that shortly before she was appointed to the dental post by Gov. Arnold Schwarzenegger in 2006, Dr. Suzanne McCormick agreed to a $95,000 malpractice settlement for mistakenly removing two permanent molars rather than wisdom teeth from an Encinitas, Calif., boy, the newspaper reported Tuesday.

The details of the incident were never publicly revealed by the dental board because the boy and his family agreed to a "gag clause" as part of the suit that prevented them from filing a complaint against McCormick.

The Dental Board became aware of the case when McCormick reported the settlement, but it keeps such records confidential, the Times reported. State officials said they examined the case but declined to sanction McCormick, who did not respond to calls for comment from the newspaper.

Julianne D'Angelo Fellmeth of the University of San Diego School of Law said that since taxpayers foot the bill for state courts, they are entitled to information about malpractice cases, "especially information regarding the competence of licensed professionals."

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Los Angeles, May 26 (UPI) --

The head of the Dental Board of California has settled a case in which she admitted pulling the wrong teeth from a 13-year-old boy, documents indicate.

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Va. Girl's Death Highlights Discord Over Releasing Abuse Data

By Jonathan Mummolo
Washington Post Staff Writer
Tuesday, May 19, 2009

When a letter from Prince William County's Department of Social Services arrived in the mail recently, Wes Byers was hoping for an answer to his question.

He wanted to know why -- despite a report he made in December that a young girl in his neighborhood appeared to have been abused -- the agency did not rescue her before she was slain the next month.

But the letter, five sentences long, didn't shed any light on the Agyepong-Glover's case. It said Byers's report had been investigated and that "appropriate actions" were taken, but it did not elaborate.

"I can't tell you how upsetting it is to me," Byers said. "These folks are like, 'Well, it's just another day at work.' ... We've got a life that has passed."

The slow trickle of information to emerge about Lexie's death, and how local agencies handled her case while she was alive, highlights the secrecy that often surrounds child abuse cases, child welfare advocates said. Because of confidentiality rules that vary across the states, records related to cases involving juveniles are sometimes withheld even after a criminal investigation is complete.

If information is eventually released, it is often heavily redacted, preventing proper scrutiny of public agencies charged with protecting children, child advocates said.

"Fifty-one different jurisdictions interpret [federal law] 51 different ways," said Elizabeth Weintraub, administrative director and staff attorney with the Children's Advocacy Institute at the University of San Diego School of Law. "When it reaches the point that a child incurs this kind of serious injury or death ... the public's right to know about what's going on in these cases trumps the privacy rights of those involved."

It is unclear how much information officials will release to the public in Lexie's case. A criminal investigation into the actions of her adoptive mother, Alfreedia Gregg-Glover -- charged in her abuse and death -- is ongoing, and her trial is set for July.

"We don't want to scare away people from adopting children," said Prince William Social Services Director John P. Ledden Jr. "We also don't want to give the public the perception that we're hiding and covering up something."

Since Lexie was found dead in a Woodbridge area creek Jan. 9, several investigations have been launched.

County social services officials have completed probes into past abuse allegations, but the county attorney's office declined to release to The Washington Post nearly 400 pages of records pertaining to Lexie's case, citing the pending criminal trial. Assistant County Attorney Bobbi Jo Alexis said that it was too early to say whether any of the records would be made public after Gregg-Glover's trial.

Prince William police have been re-tracing their steps, re-interviewing Lexie's former bus drivers and acquaintances who made reports of abuse to see if any red flags were missed. Police Chief Charlie T. Deane said that he will be "as thorough as I can" in releasing the findings, but that he might have to withhold certain information so others aren't discouraged from reporting abuse.

The Virginia Department of Social Services is conducting a Quality Management Review of the county's social services practices, which could be completed this month but will not mention Lexie specifically. Findings of a separate probe by VDSS into Lexie's death, which began recently, would be made public upon request but with likely redactions, a VDSS spokeswoman said.
How much the public gets to know about cases such as Lexie's depends heavily on how states interpret a federal law known as the Child Abuse Prevention and Treatment Act, child law experts said. CAPTA says states must "allow for" the release of "findings or information" in child fatalities or near-fatalities caused by abuse or neglect.

Although the language is vague, advocates point to a federal policy manual published by the Administration for Children and Families -- a division of the U.S. Department of Health and Human Services, which implements CAPTA -- as the definitive interpretation. The manual says states do not have discretion in releasing information, unless disclosure would jeopardize a criminal investigation.

But several states, including Virginia, have added restrictions. According to its administrative code, Virginia social services officials "may" release information upon request, including summaries of past abuse reports, and how a social services agency responded. The state can withhold information for several reasons, including if the information is likely to endanger the "physical or emotional well-being" of anyone, or if a civil court case might be compromised, the code states.

Because of such restrictions, Virginia received a C- for transparency in a report last year co-published by the Children's Advocacy Institute in San Diego and First Star, a nonprofit child welfare advocacy group.

Gregg-Glover's case is being closely followed by several people who said they told authorities that they saw Gregg-Glover drive off with Lexie in the trunk of a car, saw bruises on Lexie and found her almost naked outside her house more than once. Byers made a report after finding Lexie outside his house Dec. 2, barely dressed in the freezing cold, famished and with a head wound.

"I want to know what they did," said Nancy Frederick, Lexie's former bus driver, referring to county officials who looked into the reports she made.

Simply waiting for the facts to come out in court is not a reliable strategy, said William L. Grimm, senior counsel with the National Center for Youth Law, who has successfully lobbied for more open policies in California.

"A lot of these cases never go to trial," Grimm said. "The abusers plead them out, or the trials are delayed for so long that everybody sort of loses interest in it. . . . That's why it's so important to get the information out in the public domain."

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State Requirement Mandates Doctors Post Signs Telling Patients Who Licenses Them

Cheryl Clark, for HealthLeaders Media, May 11, 2009

California doctors will now have to post a sign or tell patients about the agency they can complain to if they're not happy with care after the Medical Board of California unanimously approved the mandate on Friday.

If unchanged after a series of regulatory hearings this summer, the requirement will take effect as early as this fall, says board spokeswoman Candis Cohen.

Physicians who have waiting rooms will have to post the following notice in 48-point type in their office waiting rooms or in an area "visible to patients on the premises where the licensee provides the licensed services."

NOTICE
Medical doctors are licensed and regulated by the Medical Board of California
(800) 633-2322
www.mbc.ca.gov

Physicians who don't have waiting rooms, such as anesthesiologists or radiologists, would have to include the notice in a written statement that is signed and dated by the patient or the patient's representative stating that the patient understands the physician is licensed and regulated by the medical board.

The statement must be retained in patient medical records.

The physician also may opt to include the notice in a statement on letterhead, discharge instructions or other document given to a patient or the patient's representative, where the notice is placed immediately above the signature line for the patient in at least 14-point type.

Board officials say they need such a rule because too many patients are unaware about the existence of the board, which can investigate their complaints and may launch disciplinary actions against doctors with malpractice or other performance issues. Otherwise the patient may have no other recourse except going to an attorney.

In California, many other professions are required to post signs, such as building contractors, pest control operators, barbers, cosmetologists, and auto repair shops.

The day before the vote, the board's education committee heard objections from representatives of the California Medical Association, who said that requiring such notices does not create an atmosphere of mutual trust for the physician-patient relationship.

CMA officials told the committee that the rule would place an "additional burden on physicians," says CMA spokeswoman Amber Beck. She adds that the CMA supports "giving information to patients that is useful for them to make decisions on their healthcare needs."

James Hay, MD, the CMA's liaison to the Medical Board of California, says, "This proposed rule does not seem to me to be a worthwhile thing to foster that doctor-patient relationship." If the Medical Board is supposed to educate the public, but hasn't done it, "that's the medical board's problem," he says.

California is not the only state with a posting requirement for doctors. Texas, Kansas, Georgia, and Idaho are among other states that have similar sign rules.

If patients knew who to complain to, disciplinary actions may be more promptly taken against physicians, the board argues.

Now, when the agency learns of a physician's alleged misconduct, investigators first look for court filings routinely come across people who have sued doctors for malpractice but who have not filed a complaint with the Medical Board," says Julianne D'Angelo Fellmeth, who was hired by the board's Enforcement Unit. Occasionally, the court has issued large awards against physicians after long courtroom processes, yet the medical board receives notice about the case.

A physician's failure to provide proper notice of the board's authority could come with penalties or fines, says Fellmeth, an attorney with the Center for Public Interest Law at the University of San Diego.

"Consumers have the right to know that if they do not feel that their physician is acting professionally, that the overseeing licensing agency should be informed of their concerns," says board member Mary Lynn Moran, MD. She said similar sign requirements are even required of cab drivers.

Cheryl Clark is a senior editor and California correspondent for HealthLeaders Media Online. She can be reached at cclark@healthleadersmedia.com.

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Hedge fund superstar David Einhorn says the credit rating system should be dumped and that he is short the stock of major ratings firm Moody's.

The big rating agencies failed to warn investors of potential problems faced by mortgage- and other asset-backed securities during the credit boom.

Experts agree much of the problem is that the agencies are paid by the firms whose securities they rate.

"The truth is that nobody I know buys or uses Moody's credit ratings because they believe in the brand," Einhorn, who runs Greenlight Capital, said in a speech reported by Bloomberg.

"They use it because it's part of a government-created oligopoly and often because they are required to by law."

Einhorn points out that "even Moody's largest shareholder, Warren Buffett, has said he doesn't believe in using ratings. We are short Moody's."

Dropping the rating system could strengthen financial markets, the hedge fund manager says.

Moody's, of course, begs to differ. Company spokesman Anthony Mirenda told Bloomberg the company's work plays an "important role" in financial markets.

"Moody's opinions are a vital source of information and continue to be widely sought by market participants of all types," he says.

Others agree with Einhorn. Jerome Fons, former managing director at Moody's, and Frank Partnoy, a law professor at the University of San Diego, argued in a New York Times opinion piece that Moody's and the other biggest rating agency, Standard & Poor's, are worthless.

"No one has been more wrong than Moody's and S&P," they write.

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Books on Financial Schemes

Frank Partnoy says these books on financial schemes are sure bets

1. J R

Even Bernie Madoff could have learned a few tricks from J R, the eponymous 11-year-old protagonist of William Gaddis’s National Book Award-winning novel. The boy works his school’s pay phone between sixth-grade classes to parlay free catalog samples and surplus Navy picnic forks into controlling stakes in major firms. “J R” has a cult following among Wall Street cognoscenti, who claim to love all of the novel’s 726 almost entirely dialogue-filled pages. Do “J R” fans in the financial district get the satirical message, and dream of more than money? “Anybody can be a millionaire,” quips one of Gaddis’s stockbroker characters, “but a young fellow with a talent like that owes the world something, don’t you think?”

2. Memoirs of Extraordinary Popular Delusions and the Madness of Crowds

Are crowds wise or mad? Witnesses to witch hunts, religious crusades or investment bubbles tend to vote for madness. Charles Mackay certainly did. Mackay (1814-89) compiled this treatise on a wide variety of mass delusions, including the belief in alchemy, the enthusiasm for dueling and the appetite for Nostradamus’s prophecies. But the book is most memorable for its discussion of financial lunacy, such as those two infamous 17th-century bubbles, the tulip mania in Holland and the South Sea Co. frenzy in England. “Men, it has been well said, think in herds,” Mackay writes. “It will be seen that they go mad in herds, while they only recover their senses slowly, and one by one.” Some of his stories might be apocryphal, but all are entertaining, particularly the one about the poor sailor who ate a prized tulip bulb, thinking it was an onion.

3. Manias, Panics, and Crashes

Throughout his long career as a professor at the Massachusetts Institute of Technology, Charles P. Kindleberger battled the dominant thinking in finance. His multi-stage theory, presented in “Manias, Panics, and Crashes,” about “the instability of expectations, speculation, and credit and the role of leveraged speculation in various assets,” was simple but radical. More important, it worked, and still does. First, financial innovation and technology create new opportunity (think subprime lending and derivatives, particularly credit-default swaps). Then profits are fueled by increasing credit and expanding money supply (thank you, Mr. Greenspan). People overestimate expected returns and borrow too much (ah, those AAA credit ratings). Speculation spreads until there is financial distress, and news about a bankruptcy or financial fraud leads to a panicked rush for liquidity (take your pick: Bear Stearns, Lehman, Citigroup, AIG). Regulators should heed Kindleberger’s moral-hazard warning: A lender of last resort should exist, but its “presence should be doubted.”

4. Once in Golconda

Many famed jewels, including the 45-carat Hope Diamond, supposedly came from the mines of Golkonda, a ruined city in southeastern India that was a 16th-century trading center and fortress for Muslim sultans. “Everyone who passed through got rich,” according to legend, or at least according to John Brooks, whose misspelled version of the legendary fort city in “Once in Golconda” became his metaphor for Wall Street between the world wars. The loose policies of the 1920s Federal Reserve spurred a borrowing wave and promoted a new financial elite, described with pitiless precision by Brooks: white-mustached Jack Morgan and his “brains,” Tom Lamont; the German-Jewish power brokers of Kuhn Loeb; and the infamous bucket-shop operator Jesse Livermore, known as The Boy Plunger. Unscrupulous pool managers exploited the day traders of the era, manipulating stock prices with false news until finally the game collapsed in October 1929.

5. The Panic of 1907

I recently attended the best academic conference to date on the financial crisis, titled “The Panic of 2008,” at George Washington University. The allusion to the Panic of 1907 was intentional, as speakers included the authors of this excellent book. Robert F. Bruner, now dean at the University of Virginia’s business school, said that the message to glean from the 1907 meltdown involves leadership. No one today can replicate J. Pierpont Morgan did, call every business leader into a room, lock the door and refuse to let anyone leave until the crisis was resolved. Instead, Bruner said, leaders must take action with what they can: “You must lead wherever you are: Leadership consists not in asking permission, but in acting. This is where Morgan’s example remains relevant today.”

—Mr. Partnoy, a law professor at the University of San Diego, is the author of “The Match King: Ivar Kreuger, the Financial Genius Behind a Century of Wall Street Scandals” (PublicAffairs, 2009).
School of Leadership and Education Sciences
Non-Profit Summit Meeting Scheduled

A community meeting is taking place on Wednesday, June 3, to convene "a new kind of conversation" about non-profits in Escondido. It is titled "The Multiplier Effect of the Third Sector: Escondido's Best Kept Secret." Organized by an independent committee of volunteers who live or work in Escondido, this meeting is for senior staff from Escondido non-profits, board members, donors, other city leaders, and any Escondido residents interested in non-profits in this community.

Laura Deitrick, Caster Family Center on Non-Profits at the University of San Diego, and Jack Raymond, Chairman, San Diego Foundation, will give keynotes, with opening remarks by Mayor Lori-Holt Pfeiler. A panel discussion with business and non-profit leaders will help attendees learn new data about Escondido's non-profit sector, their economic and social impacts in the city, a new online forum to continue the 'conversation,' and new tools to measure the effectiveness and efficiency of these groups and their supporters.

Jack Raymond, Catherine Sanders, the North County Times, and Mi California Printing are sponsoring the event with financial or in-kind support. Taking place at the Escondido Chamber of Commerce from 8:30am to 11am on June 3, breakfast snacks will be served. The event is free. To register, call the Escondido Chamber at 760.745.2125, or email trudy@sdfoundation.org.
NONPROFIT INNOVATION MODELS

For those who work in the nonprofit and philanthropic sector, U.S. Banks is sponsoring an in-depth seminar and workshop on best practices organized by the Caster Family Center for Nonprofit Research at USD. The session will present field-tested models of how organizations throughout the nation are functioning more effectively through collaborative inter-organizational relationships or the innovative use of technology. Participants will have the opportunity to discuss these ideas in small groups with the presenters over lunch.

The seminar will feature:
-- The Children's Support Foundation of New York - Shared Planned Giving
-- Pittsburgh Human Resources Collaborative - Shared HR Functions
-- Council of Community Clinics of San Diego - Shared Purchasing
-- USD Professor Mary McDonald - Mechanics of Collaboration
-- Shakespeare Santa Cruz - Fundraising Through Innovative Technology
-- Heather Carpenter and Tom Cesarini - Technology Tools for Increased Efficiency

Details are at http://www.sandiego.edu/soles/documents/Working_Agenda_June5.pdf
School of Nursing
Health care: What the U.S. can learn from other countries

In the 2008 World Health Organization Health and Human Rights Strategy and the 1948 United Nations Universal Declaration of Human Rights it is stated that every individual shall have the right to an adequate standard of living, including food, clothing, housing and medical care and necessary social services. Yet greater than 60 percent of the American people are denied this right because of a lack of insurance or underinsurance. The escalating costs of health care, now greater than 18 percent of the national gross domestic product (GDP), have begun to price most Americans out of this basic right.

President Barack Obama's national health care plan can be a mechanism to provide affordable health coverage for all. But to be successful, the plan must help alleviate problems in the United States health care system that are apparent in comparisons with systems in other countries.

The International Health Policy Survey in November 2006 also found that chronically ill adults across the globe identified major differences in health care access, safety and efficiency, however patients in the United States were at the highest risk of forgoing care because of cost, medical errors, inefficiency of services and poorly organized care. These have been consistent results since 2006. In a recent speech, John Roth from the American Association of Retired Persons noted that the problems of coverage, cost and quality are converging into a "perfect storm." Overall, the United States spends 60 percent more of our GDP on health care than other countries that cover everybody, have longer life expectancies and lower infant mortality rates.

Indeed, after 16 years of health care work across four developing countries (Ghana, Uganda, Mexico and the Dominican Republic), working collaboratively with 500 advanced practice nurses, nursing students and faculty, I have found that many U.S. citizens have less access to health care and services than the poorest of the poor. There are great lessons to be learned by working in other health care systems. People everywhere have the same health problems including diseases, infections, cancer and heart disease. But in these four countries health care is "free." The government provides for all — maybe not adequately, but it has taken the United Nations mandate to heart. These countries are providing cost efficient, responsible health care. Nurses have provided direct health care services in collaboration with the providers in these countries as equals, consulting with government minister of health, building hospitals, training village health educators and fervently trying to save lives. Yet, such work in the United States for our own people is not supported.

Embracing these new models of care that are not traditional to the U.S. system can allow the public to take charge and demand its human right to medical care. Nurses who have worked in these other systems can play a vital role in this process as they have learned how to provide the best with limited means. By supporting nurses' expanded role, patients can receive culturally appropriate care and we can prevent health problems and prevent their complications. If 500 nurses, over 16 years, directly affected the health and human rights of more than 75,000 people in four countries, just think what the current two million practicing nurses in the United States could do for the health of the American people.

Affordable, quality, comprehensive health care is possible if nurses, especially advanced practice nurses, were supported to practice their full scope of practice. Our expertise includes providing health education, conducting physical exams to identify health status and health risks and managing health problems. We have improved the lives of children and their families and are skilled at working with culturally diverse peoples. Nurses consult with city, state and national health offices in policy development and many have served in politics. We can reduce the epidemics of obesity, type 2 diabetes, cancer and heart disease. We can stop the health crisis in the United States and make the UN's human rights declaration a reality.

By Anita Hunter

Guest Commentary

Hunter, PhD, APRN, FAAN, is a guest author and director of master's program in international nursing offices. She is also an instructor and director of master's program in international nursing offices at the School of Nursing and Health at the University of San Diego.
School of Peace
Steps taken to fight flu hobble Mexican economy

By Leslie Berestein
STAFF WRITER

As Mexico inches toward viability after a bloody shutdown of some government services and commerce, the government is optimistic that the swine flu outbreak is waning, but the measures taken to limit its spread could prove ruinous for the nation's already-battered economy.

Mexico's tourism industry ground to a halt as a result of flu precautions, but other sectors of the economy were hit as well. For a country reeling from more than two years of drug cartel violence, along with the global recession, the economic fallout of the flu promises to have a far-reaching effect.

though it has been pretty slow. "About half the events booked for the restaurant's three months have been canceled," said Idan Nisim, though those that are still valid are not cancelled, they are closed longer, which could prompt some to remain home with children. Universities and high schools are now closed until the end of the week, but younger children will now remain out of school until mid-May. "This is definitely the most important thing to do in the economic sector," said Nisim. However, others have wondered if the economic sector is being hit harder, because the national shutdown is going to have a major impact," Gerber said. "And so, for overall effect on the economy is going to be greater than the loss of gross domestic product, because of all the other kinds of expenditures that are on being made.

In general, Tijuana businesses have not been as badly hit as those in the nation's capital, where restrictions on commerce have been severe. Unlike in Mexico City, where last week restaurants were ordered to close, business owners in Tijuana restaurants have remained open — though diners are scarce.

"We have been influenced by the influenza," quipped Francezco Useld, manager of the high-end eater La Diferencia. "That's what has happened here. Sunday was OK in the morning, but

"People who did work in Mexico understood that drug violence was not a real threat for most people. What is problematic about this (flu) thing is that even on a very small scale, there is a perception that this is an indiscriminate killer." 

DIAK SHREKV, director of the Trans-Border Institute at the University of San Diego

"The flu thing gone from bad to worse. The last two days, the U.S. and Mexico have been talking about providing aid to Mexico. There's a new level of caution," Gerber said. "But there's no official announcement, and we're not sure what it means." 

The best that can happen is for the remainder of the outbreak to play out quickly, experts say. If the SARS epidemic was any example, most of the economic damage should be short-lived, Gerber said.

"The harm is quick and it's over quick," Gerber said. "The recovery from these types of epidemics tend to be very quick. This is not the type of event that will continue for a long period of time."

The Associated Press contributed to this report.

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Tourism suffering in Tijuana

Waiter Sergio Hernandez sets a pair of shrimp fajitas ablaze at Tilly's restaurant on Revolucion Avenue in Tijuana.

Contributed

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Avenida Revolucion is nearly a ghost town now, with the global economic crisis and drug cartel violence slamming the Mexican tourism industry.

With the swine flu scare, even more tourists are staying away.

On April 27, the Centres for Disease Control and Prevention issued a travel alert recommending U.S. travelers avoid all nonessential travel to Mexico.

Even before that, the U.S. State Department, for more than a year, had a travel alert in place because of Mexico's drug cartel violence.

For 37 years, the Mendez family sold crafts, leather goods, and knickknacks in six stores here, along Avenida Revolucion, a popular shopping thoroughfare for tourists in this border city.

But now, as fewer Americans visit, Andres Mendez is struggling to keep open the last of his shops, Montealan Curios.

"I used to invest about $5,000 to $6,000 a week in merchandise and make anywhere from $20 to $25,000 a week at the most profitable store," said Mendez, coordinator for Ceturnex, an Avenida Revolucion merchant association. "Last year, we had almost no profit. Now, we're almost in the red."

Similar stories float through the restaurants and other businesses along the 10-block avenue, now filled with for-rent signs.

About half of all businesses along the street have closed, according to the Tijuana Convention and Visitors Bureau.
Trips across the border have dropped by as much as 55 per cent since early 2008, a massive blow to a city economy that depends on tourism and commerce for more than half of its revenue.

In early 2007, Mexican President Felipe Calderon declared war on the country's drug traffickers.

The military and federal police took up a big role, and bloodshed increased as the government battled drug cartels, the cartels battled each other for territory and people within the cartels fought for leadership roles.

Since then, the drug wars have claimed about 8,000 lives in the country, according to various news reports. Tijuana, a city of two million residents, has had more than 200 homicides so far this year, although it's unclear how many can be attributed to the drug war.

But merchants, authorities and tourism officials say tourist areas are not where the violence is taking place.

"Downtown Tijuana and Avenida Revolucion are safe zones. There's a lot of security," said Juan Coronado, marketing director for the Tijuana Convention and Visitors Bureau.

"If there are soldiers (in those areas), it doesn't mean that there's something bad happening; it actually gives residents peace of mind."

On a recent afternoon, Gordon Hall was walking on a mostly-empty Avenida Revolucion with two friends from the area.

He says he hasn't seen many Americans lately, except for those who live in Baja.

"It's the violence, but it's also the American government telling people not to come over here because it's dangerous," said Hall, a La Jolla, Calif., art gallery director who visits about once a week.

"It's the violence and our recession, both of which we caused."

Hall says that every time he talks to Americans, they ask him if it's safe to go to Mexico.

"I tell them that if they stay in the tourist areas, they're probably safe and not to worry," he said.

When the flu outbreak started making headlines a few weeks ago, some nations temporarily banned flights to and from Mexico, some U.S. and Mexican airlines waived fees for passengers who wanted to change their itineraries, and cruise lines canceled port stops.

"This is more significant, because during the drug cartel violence, there was the perception that the violence was restricted to the drug cartels. Right now, there is a perception that the swine flu virus is indiscriminate and anyone can become infected," said David A. Shirk, director of the Trans-Border Institute at University of San Diego.
The World Health Organization is not recommending travel restrictions related to the virus.

"Scientific research based on mathematical modeling indicates that restricting travel will be of limited or no benefit in stopping the spread of disease," said the organization's Web site. "Historical records of previous influenza pandemics, as well as experience with SARS, have validated this point."

At least one major bus tour company suspended its trips to Tijuana: Coach America in Anaheim, which offers day tours to various tourist spots in Southern California and Baja California, canceled tours three weeks ago until further notice to Mexican stops, including Tijuana.

Despite the alerts, some people are traveling.

"A lot of people, like friends, said not to go, but there are cases in California as well," said Miriam Zavala, 26, of Los Angeles, who was recently aboard a bus headed to Tijuana to see her sick grandmother.

Merchant associations of Avenida Revolucion and government officials have been meeting frequently to discuss how they're doing and what they can do.

Last month, they launched the campaign "Tu eres la revolucion" ("You Are Revolucion")—the first campaign that exclusively promotes the avenue to locals and Southern Californians.

Efforts by Baja California include working with a U.S. marketing firm to restore a safe image of Baja California and Mexico, so the U.S. Department of State won't renew the drug-related violence alert. In addition, more auto lanes will be available for tourists crossing into the state from the U.S.

"The economy, I think, won't be a big issue. I see it as an opportunity," said Baja California's tourism secretary Oscar Escobedo, referring to the U.S. recession. "People have less money, and since things are worth half here, it's a good thing. We're betting that this year will be a turnaround."

Mendez, the shopkeeper, plans to stay open.

"It's been almost 40 years since we started in the business. We don't want to go. We're staying," he said.

"Tijuana has given us a lot, and this time, Tijuana needs us.

"We'll stay to improve what we have to offer to tourists."
As infamous Mexican cartel crumbles, violence grows

TIJUANA, Mexico (AP) - In Mexico’s drug war, Tijuana tells the story of a government that says it’s winning, even as the battle gets bloodier.

The arrest aboard a yacht in August 2006 of Javier Arellano Felix, the boss of the Tijuana-based Arellano Felix cartel, sparked a savage war of succession - one that President Felipe Calderon moved to exploit when he took office four months later and declared war on the whole drug business in Mexico.

Tijuana’s case has shown how much time, effort and blood it can take to subdue even one cartel. Eighteen months after Arellano Felix’s arrest, the border city’s drug lords were still fighting the army and each other to control lucrative drug routes.

Now, after daytime shootouts and beheadings - 443 murders in the last three months of 2008 alone - Tijuana is quieter. Skeptics say the lull could be only a short-term truce among traffickers. But a top Mexican army commander says the powerful gang’s warring factions are spent.

“They wore each other down,” Gen. Alfonso Duarte Mugica told The Associated Press. “They couldn’t keep going at that pace.”

To break down the country’s other big cartels, Calderon is using the same strategy that put the Arellano Felix gang on the ropes. Drug violence throughout Mexico has claimed more than 10,700 lives since December 2006 - a sign, says Attorney General Eduardo Medina-Mora, that the government offensive is dividing and weakening drug gangs as they battle for a tightening market.

Calderon’s war may never choke off the drug flow permanently. But the goal, he told the AP in late February, is to beat back the cartels by the end of his term in 2012 to a point where the army and federal police can withdraw and leave the rest to normal policing.

The fate of the Arellano Felix gang also shows that the government crackdown is changing drug trafficking in Mexico from a discreet, disciplined business to a brazen public brawl among smaller, less sophisticated criminals - leading to the bloody chaos plaguing the country.

“At least in the first two years, it hasn’t led to smaller and more manageable (cartels), it’s just led to smaller and more violent,” said David Shirk, director of the University of San Diego’s Trans-Border Institute.

When the Arellanos dominated Tijuana - as fictionally portrayed in the Hollywood movie "Traffic" - there was a sense of order in the ranks. Cartel members were recruited from wealthy families and blended easily with Tijuana’s elite.

Now the four brothers who ruled it are dead or in jail, and the gang is run by Fernando Sanchez Arellano, a nephew in his 30s known as “the Engineer.” He is at war with Teodoro Garcia Simental, a longtime cartel lieutenant of roughly the same age who broke away a year ago in a street shootout that killed 14 gang members.

Other long-established gangs - from the Sinaloa cartel based in the northwestern Mexican state of the same name, to the Gulf cartel based near the Gulf of Mexico - are adding to the mayhem by openly battling for the Tijuana gang’s once-secure cocaine and marijuana turf.

The Engineer’s rival, known as "El Teo," is now allied with the Sinaloa cartel, according to an army document dated February.

El Teo and the Engineer are hardly the leaders of the 1990s, when Mexican cartels took over from Colombians as U.S. drug enforcement in the Caribbean and south Florida pushed drug routes to the U.S.-Mexico border.

In those days Ramon Arellano Felix was the enforcer who rode Harley-Davidson motorcycles and killed people for kicks. Benjamin Arellano Felix was the reserved businessman who dressed conservatively and, according to a 2003 federal indictment in San Diego, “had the ultimate decision-making authority.”

The Arellanos killed anyone who stepped on their California-Mexico border turf, aided by corrupt Mexican officials.

Their "chief enforcer" in the city of Mexicali, according to a U.S. indictment, was Armando Martinez Duarte, a former federal police official.
Yet the brothers tried to avoid violence in public, typically dissolving bodies in drums of chemicals or burning them in the desert, said John Kirby, a former U.S. prosecutor who co-wrote the 2003 indictment.

"Benjamin wanted things to be quiet," Kirby said. "He didn't want a bunch of bodies being thrown in the street." Their business attracted some of Tijuana's most prominent families.

Alejandro and Alfredo Hoyodan, San Diego-born sons of a Tijuana electrical contractor, joined Ramon at the best-nightclubs and street parties. Their mother, Cristina Palacios, recalled that Ramon was wearing a mink coat and shorts the first time she saw him in 1987. Ramon always paid for the beer, and soon the sons joined his operation.

Alejandro was 35 when he went missing in 1997. Alfredo, 36, is in a Mexican prison. Palacios paused when asked what drew her sons to Ramon. "I think it was the adrenaline," she said.

But public acceptance of the Arellanos evaporated in 1993, when Ramon and a crew seeking to assassinate a rival killed Roman Catholic Cardinal Juan Jesus Posadas Ocampo in the Guadalajara airport—a case of mistaken identity.

Meanwhile, Mexican and U.S. drug enforcement officials chipped away at the leadership. In 2002, Mexican authorities killed Ramon in a shootout in Mazatlan and, a month later, captured Benjamin, who remains in a Mexican prison.

After Benjamin's arrest, a key lieutenant already in custody opened up to U.S. authorities, according to David Herrod, a Drug Enforcement Administration agent who pursued the brothers for nearly 20 years.

Arturo "Kitty" Paez, who in 2001 became the first Mexican drug trafficker to be extradited to the U.S. under a landmark Mexican Supreme Court ruling, gave authorities "the break we needed" to build a case against Benjamin and other top leaders, Herrod said in a public lecture last year.

He also helped lead them to the new boss, Javier, the youngest of the 11 Arellano Felix children. U.S. authorities intercepted radio communications of at least 1,500 kidnappings under Javier's reign, with most of the victims' bodies dissolved in acid, Herrod said. U.S. authorities say Javier had a drug-smuggling tunnel dug under the border that was longer than seven football fields.

To capture Javier, the DEA planted a transponder under a yacht he used while it was at a Southern California dealership, said David Bartick, his attorney.

The DEA persuaded the Coast Guard to watch the yacht for six weeks, Herrod said. The American cutter had finished its duty and was two hours up the coast when word arrived that Javier had left Mexican waters. By the time the cutter returned, its target was barely a mile beyond the 12-mile limit, making it legal to intercept the vessel. Javier pleaded guilty to drug charges in San Diego and was sentenced to life in federal prison.

The cartel baton passed to the Engineer, about whom little is known. Only in January did the DEA release its first photos of the Engineer and El Teo. The two rivals battled in a shootout that began on a major Tijuana boulevard early one Saturday morning. The army says the Engineer called a meeting to order El Teo to stop kidnappings and executions; El Teo didn't show.

The split resulted from "a lack of leadership," said Duarte Mugica, who commands more than 2,000 troops in Tijuana. "It's very likely that the Engineer didn't command respect or legitimacy."

In the ensuing war, 12 corpses were dumped near a school in September, most either without heads or without tongues. Nine more headless bodies were found in an empty lot in December. The heads of three police officers were found with their credentials stuffed in their mouths.

Duarte Mugica says the warring factions are increasingly recruiting minors because they can't find experienced criminals.

Some are paid only $400 a month to guard homes where kidnap victims are held.

The Arellano Felix cartel continues to suffer setbacks. Eduardo Arellano Felix, the last of the founding brothers, was captured in October. Other allegedly key operatives were arrested last year—Saul Montes de Oca as he prepared for the Baja 250 off-road race, and Gustavo Rivera in the beach resort of San Jose del Cabo.

El Teo's camp is also in trouble; a suspected hit man and former Rosarito police officer, Angel Jacome Gamboa, was among 60 people detained in a Tijuana ballroom in March.

In January, the army raided a three-day party and captured Santiago Meza Lopez, who confessed to dissolving 300 bodies in vats of liquid over the previous year under El Teo's orders. Duarte Mugica said El Teo and two top deputies escaped to the beach five minutes before troops arrived.

The general says the Arellano Felix cartel is divided and weakened—but stops short of saying it is finished.

"It is all part of our strategy to create division," he said, "to create mistrust among themselves."

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EVENING WAS STRETCHING OUT against the sky when Valente Montijo-Pompa - the 60-year-old chief of police of Rosarito - sent his bodyguard for a cold six-pack, one beer for each man at headquarters. The day had been hot, and he was already tired. It was June 20, 2006, and the veteran of four decades of police work was easing into his second year as director de seguridad. None of his experience had prepared him for what was to come.

Four of the men at headquarters disappeared in the hour that followed the dispatch of that beer runner. Their tortured bodies wouldn't be found until the following day. The men's severed heads were dumped 20 kilometers north, near state police headquarters in Tijuana. A former rancher with a quiet and imperious bearing, Montijo-Pompa was gently sliding down the backside of his life's arc when he found himself, on that ill-fated afternoon, desperately feeding bullets into the magazine of an AR-15 rifle. Not knowing the fate of his men, he threw the weapon into the back of a police car, reached for another and prayed (to a God he hadn't invoked in years) the situation wasn't as dire as his gut said it was. Miles away, with a menacing convoy of SUVs speeding by, a tire-shop owner was forced to lower his shingle at gunpoint. In another part of town, on the side of a dirt road, an apparent federal agent approached a local policeman.

Before the cop could react, the agent produced a handgun. Squeezing a worn trigger with a Sinaloa-born finger, he sent a single round through the cop's lower jaw. The business end of the weapon was likely nuzzling the officer's chin, Montijo-Pompa says. The shot tore a hole in the patrol's roof, carrying gray matter and 38 years of Catholic devotion heavenward. A ray of light sliced into the cab in the stillness that followed, giving life to dust particles kicked up by the commotion. On the other side of town, an eight-months-pregnant mother rubbed her bulging belly, watching similar particles dance through the air as she cleaned house and waited for her husband's return.

Under Montijo-Pompa's mandate, the year following Bowser-Miret's murder was filled with peace in Rosarito, days of living velvet. The town was again in consonance with itself. Tourism was up, crime down and the chimera of security restored - until that torrid afternoon in June 2006. A pale horse appeared that day, bringing with it a wrathful night for three street cops - and a civilian - caught unawares in the firing lines of a society at war.

"I kept Rosarito clean and peaceful," Montijo-Pompa says, "because I wasn't going after these mafia guys. I had a red carpet for them. I'm going to be peaceful to you, and you're going to be peaceful to me. That was the agreement. I put it in the newspapers, on TV, on the..."
"I didn't want any kind of action in Rosarito - nothing. I didn't want them throwing bodies here, or the shootings or kidnappings. Nothing like that. You have the boulevard, the Scenic Highway, anywhere you want to transport ... that's not my problem. I didn't have people, guns or investigation sources. I didn't even know these guys - who they were or why I was fighting them.

"I'm not going to fight with somebody whose circumstances are 1,000 to my one. I'm not going to be a hero - to kill my people. I'm not going to sacrifice others or convert Rosarito into a battleground or put innocents in the middle. My problem was to keep my guys off their back - because easily 80 percent of my cops were crooked themselves.

"We know we're just a passing point to Tijuana - loads and loads of contraband go through here every day, every hour. So my crooked police stop the trailers, the cars, everything - and they go for money. They're gonna take $2,000 or $10,000 or even $40,000; whatever. But these mafia guys are gonna be back. And who's gonna pay?

"They're gonna start with the mayor and the police chief, and then you're gonna be in a real fight, because you're not gonna be able to respond. When they kidnapped my three boys, there were 200 of them, all of them with the best equipment on the market. What can I do when I've got 15 guys available? And they have old Beretta handguns?"

IN 2003, I MOVED TO ROSARITO on a reporting tip from a convicted human smuggler. The following five years afforded me a bottom-up picture of Mexico's organized-crime paradigm, by way of a group of wily and dentally challenged expatriate American traffickers (a strange brood that had escaped to the less-restrictive climes of Baja California). The cop beheadings happened midway through my time there, and they didn't add up. Why did the mafia kill three municipal officers, men who were powerless to investigate its transgressions? And who was the fourth victim, the Mexican-born American citizen who had no apparent reason for being in Rosarito?

The answers to those questions have been hindered by the bad newspaper coverage of organized crime in Baja California. The San Diego Union-Tribune often repeats the official line given by police representatives on each side of the border. Reporters from Tijuana's dailies are scared to dig much deeper than that; three editors from the muckraking journal Zeta have been assassinated since 1988. And as a law enforcement source I call "Buford Pusser" assures me, editors of Tijuana's major dailies were on the payroll of the Tijuana Cartel in the past.

A Rosarito police officer (Photo by Sergio Fernandez)

In 2007, U.S. federal sentencing statements confirmed that Javier Arellano-Feliz - the then-head of the AFO (who was captured in international waters off Baja California) - ordered the decapitations. But authorities still couldn't explain what a 31-year-old civilian named Rodolfo Masforroll was doing at the Rosarito police station or why the AFO wanted him dead. Rumors and theories were banned about, but as is often the case in Mexico, the next high-profile crime pulled the story off the media radar and out of the public consciousness.

Baja authorities said that though they had no leads on Masforroll, the explanation for the slayings was simple: Rosarito officers interrupted a cartel party at a local ranch. Zeta (widely viewed as the only outlet in town with an honest perspective) suggested cops went to the party one too many times looking for bribe money. Another theory held that Masforroll was a DEA or even CIA operative, working against (or possibly with) the AFO. In the months following the slayings, violence flared across Mexico, and bodies piled up in Baja. But Rosarito
Jorge Montero, a former captain in Mexico's army (and a Mexican special forces vet), took the reins of the town's police department at the beginning of December 2007. Weeks later, an 18-man cartel commando came gunning for him. The team stormed police headquarters in broad daylight, killing one of Montero's bodyguards and wounding another. Only one member of the assault team has been arrested, and he was a Rosarito cop. It's widely believed the majority of men on that commando raid were Montero's pals.

The event made for headline fodder on both sides of the border and was a pointed reminder that law enforcement and the world of organized crime have become so closely tied in Mexico it's hard to separate them. Montijo-Pompa says systematic graft drove the Spaniards, when the indigenous tribes who fought the Europeans were eradicated, and sycophants and enablers followed. By the 20th century, he says, corruption had become ingrained in the cultural fabric.

Dr. David Shirk, the head of the University of San Diego's Trans-Border Institute, demands. The TBI studies Mexico's judicial system and its challenges, and Shirk says corruption there is merely the reflection of a weak judicial system. According to TBI statistics (which closely match the numbers of law specialist Dr. Dante Haro of the University of Guadalajara), little more than 1 percent of crimes in Mexico are successfully prosecuted. Those figures come from an assumed mass of all crimes called the cifra negra. It's impossible to tally the country's universe of transgressions, Shirk says, so researchers, needing that theoretical base, construed the "black statistic."

"Somebody is stealing a quarter out of my ashtray at home right now, and I'll never know about it," Shirk says. "Or somebody steals my bike and it only costs me $20 at a yard sale ... I'm not going to report it to authorities. They're part of that black universe of crimes we'll never know about. Murder, on the other hand, has a very high incidence of reporting. All of them together compose the cifra negra."

Researchers say only 25 percent of crimes are reported in Mexico. That contrasts with 65 percent in the United States. Mexicans clearly don't trust their police. Of that 25 percent, authorities develop suspects in about one out of five cases - only 4.6 percent of total crimes. About a third of those are then brought to trial: 1.6 percent of the cifra negra.

A high-level source in Mexico's attorney general's office, the PGR (Procuraduría General de la República, the nation's preeminent security agency), tells me Shirk's numbers are right on - but his conclusion is off. Montijo-Pompa is right, the source says, corruption in Mexico is cultural.

"If you grow up in a system of corruption, one that is based in corruption, how do you know anything but corruption?" she says. "The problem is education. We need to show officials and police there is another way."

She talks of a contemporary atmosphere of virtual impunity for killers. Beginning in the mid-20th century, she says, and escalating with cocaine in the 1970s, the Mexican government - mainly through the PGR - controlled the country's organized-crime network. It was the government that officiated in criminal disputes and apportioned plazas - areas of influence and drug-thoroughfare, the rights to which were leased by crime syndicates. It's not that cartels didn't kill 30 and 40 years ago, she says; they just did it quietly - with cooperation and pacifying oversight of the government.

Her story was echoed by claims that several law enforcement officials in Baja California made to me, and it parallels statements made by Miguel Ángel Félix Gallardo, a jailed drug baron known as Mexico's Godfather. Gallardo told Mexico's La Jornada newspaper in February that in the 1980s it was the PGR that doled out plazas in Mexican territory.

A source at Los Pinos, Mexico's White House, tells me President Felipe Calderón has dismantled the old system of government-mafia pacts and severed communication with organized crime. Ironically, the source says, that might be one of the factors driving the bloodshed. To put pressure on the government and force it back to the negotiating table, the mafiosos have begun targeting the civilian population with bloodletting and terror. Nothing demoralizes the public more quickly than killing its police chief or beheading its officers, and nothing affects the immediate policy of a government more than a terrified citizenry.

BUFORD PUSSER holds a sensitive position with Baja California's judiciary and acts as liaison to the Mexican army. Before that, he held a high post in Tijuana's beleaguered police department. He needs two hands to count the number of his friends who have been assassinated, and he stoically recounts two attempts on his own life. In 2007, I asked him why the ATF had killed those Rosarito cops so gruesomely - and if Montijo-Pompa had something to hide (as another police source indicated). Pusser told me he thought the former chief was clean but peripherally responsible for the death of Adrian Masforroll - who, he said, had to be one of the unluckiest men in North America.

According to Pusser, in the months leading up to the killings, Montijo-Pompa took up a private collection to clandestinely buy weapons for Rosarito's police department. The former rancher collected between $10,000 and $20,000, and sent two officers to a Phoenix gun show to buy AR-15s (semiautomatic M-16s). As non-U.S. citizens, the Rosarito cops couldn't buy weapons in Arizona, so they found Masforroll - who worked construction and had crossed into the States years before, eventually achieving legal status - and convinced him to help. The Mexican immigrant went to the show and bought a half-dozen rifles.
The Rosarito cops went back to Masforroll's house, dismantled the weapons, hid the parts in a vehicle and drove home - their mission a success. Weapons in hand, and satisfied with the operation, the chief sent his men back to the United States a month later for more. They recontacted Masforroll and returned to the gun show - where they suspected they were being tailed. After procuring the weapons, the trio returned to Masforroll's house. There, a task force of ATF (Alcohol, Tobacco, Firearms and Explosives) agents, FBI and local cops pounced on them.

The Rosarito officers were lucky - they were merely sent home. Masforroll returned with a class-four felony. During the booking process, Phoenix cops realized his paperwork wasn't in order; he wasn't a citizen at all. With the felony charge still standing, Masforroll was deported to Mexico. It had been years since he'd lived in his native country, and he didn't know where to turn. Rosarito officers rented him an apartment, with a promise to get him back across the border.

He began spending afternoons with Montijo-Pompa's best cop, an officer named Ismael Torres Arellano (no connection to the cartel). Torres was on disability leave, and on the afternoon of June 20, 2006, he left his wife at home - with a baby two weeks from birth - and took Masforroll to police headquarters, where the two men found themselves in the tragically wrong place at the wrong time.

Until Police Chief Bowser-Miret's murder, the town's first high-level assassination, Rosarito was viewed as an insignificant satellite of the mafia-ridden Tijuana, not worth the AFO's attention. To calm nerves, Mayor Macias-Garay turned to longtime cop Montijo-Pompa, his old friend. After being appointed, the new chief realized Rosarito's police department had no automatic rifles - an oddity for a municipality that just 10 years before had been part of Tijuana, one of the country's most violent pueblos.

The Mexican army, which controls all firearms in the country, is fiercely guarded about automatic weapons, Montijo-Pompa says. It's been less than 100 years, after all, since Mexico's last bloody revolution. In 2005, the wait time for an AR-15 order was two to three years, and the former rancher knew he would likely be out of office before his weapons order arrived at headquarters.

"Do you understand that policemen in Mexico have to go down on their knees and beg for a single bullet?" he asks. "While it is nothing for the narcos to go practice with 3,000 rounds for their AK-47s."

Current chief Montero says there's a deeper explanation for the dearth of weapons: Mayor Macias-Garay was up to his ears in his affairs and didn't want to arm his own officers, who might then war with the men lining his pockets. The word on Rosarito streets is that the former mayor had, and continues to have, close ties with the Arellanos - and that he became a millionaire during his three years in office. Records show he owns several properties in Southern California, as well as a development company. His salary as mayor was $30,000 a year. (Though I interviewed him in late 2006, he ignored numerous attempts to contact him for this article.)

Local lore says the city attorney under Macias-Garay, a man named Juan Esquivel-Fierro (who is the head of a five-brother political dynasty in Rosarito), was also complicit with the AFO. In 2004, I went to see his brother, Alberto, who was then a subcommander in Rosarito's police department and a friend of an American who went by the alias Big Brother (a former human smuggler who was one of my primary sources). Big Brother said the mafia ran Rosarito and that the city's government was thoroughly mixed up with it (a claim that seemed dubious at the time, as the pueblo still carried the tenor of an idyllic beach town).

When Big Brother disappeared in 2004, I went to see Alberto - a corpulent, light-skinned man of 34, with a thick, block mustache. He said he had gone to high school in the United States, and his English was decent. After a couple of meetings, he told me Macias-Garay wanted to promote him. Then he asked me to help him find a security guard job in the United States. The incongruity - a bright career outlook in Rosarito versus his desire to flee north - became more muddled when he told me he feared for his life and his family.

"I now have a heart condition," he said. "The stress is making my heart bad. If I don't leave here soon, I will die."
"How many people live in Rosarito?" I asked.
"About 85,000."
"And how many murders were there last year?"
"Sixteen," he said.

That same year, I interviewed then-Police Chief Carlos Bowser-Miret. When I asked him about Alberto's fear for his life, he shrugged it off, saying many people were scared in Rosarito. We talked about human smuggling, and I told him one of my sources had said that he, Bowser-Miret, was connected to the cartel. He laughed that off as well and agreed to meet again. If I was looking for organized crime, he said, I should check the background of Juan Esquivel-Fierro.

When Bowser-Miret was assassinated, months later, Alberto - one of his immediate subordinates - was named as a suspect; Bowser-Miret had recently quarreled publicly with Alberto's brother Juan. Alberto was later cleared, but he left the police department. Juan maintained his post until PAN was voted out in 2007. All of which, by mere association, has darkened Montijo-Pompa's reputation - a case that illuminates the great challenge of contemporary Mexican cops. With so many corrupt brothers-in-arms, and when che moros ("the bite," or bribe) has become a way of life for so many, who can be trusted?

"I can go with you to the church and show you," the former chief says. "See, on my hands - nothing. Not a penny. Never. The problem is, when you start bribing the money, when you make the first bite, that's when you are through - with everything. You are through with yourself, your career, your name, your family - everything. Because once you take the bite, they own you."

At the same time, he says, there's little wonder so many cops go bad. It's not as if they have to kill people or even carry drugs. Often, it's as easy as turning one's head at a certain time or offering obscure information when needed, trivial obligations that earned serious money when you start biting the money, when you make the first bite, that's when you are through - with everything. You are through with...
retirement package or medical service, no farewell, no goodbye... nothing. Go and take care of yourself. Can you fulfill that obligation? Can you live with 100 or 1,000 enemies in the streets, waiting for you? How far can you go? If I've got the money, I have to move from here tomorrow. What am I going to do, sell my house every day for the rest of my life?"

MOST OF MEXICO'S COPS, like Montijo-Pompa and Montero, are policia preventiva - they can stop a crime in progress. But if it happens before they arrive on the scene, it's out of their hands. At that point, it moves on to the state-level PGJE (Procuraduría General de Justicia del Estado). According to the Mexican constitution, only state- and federal-level authorities - 25 percent of the country's police force - have powers of investigation.

It didn't take the bad guys long to figure out that if an investigation could be stalled on a PGJE investigator's desk, it was as good as closed - which has left the country's investigators facing the Mexican choice of plata o plomo (silver or lead) for decades. As a result, loyalties at the PGJE and the PGR are among the most mercurial in Mexico. And the violence has metastasized in the past 20 years - now even municipal cops live in fear.

Montijo-Pompa says he was 99 percent sure he would be killed during his tenure as chief - and I was, too. In Mexico, death has become as capricious - and as meaningless - as those dancing particles of Sonoran dust. After five years in the front row, watching the country's civil war (a conflict fomented by and underwritten with U.S. drug demand) and the steadily climbing body count, I've come to see the slayings of June 20 and events like them - the multi-ton drug busts, assassinations and three-hour shootouts - as small acts in an expansive, though largely accidental, ruse. Bit parts in a giant sleight-of-hand that's been used to distract two willfully misled republics from the real story: the steady and uninterrupted flow of banned substances (cocaine chief among them) and undocumented immigrants.

The first human flaw - one as old as the Garden and as deep as the collective unconscious - wasn't knowledge, after all, but the greed to have that knowledge at whatever cost. And with hundreds of billions of narco- and narco-defense dollars at stake in this, the age of over-capitalism and exaltation of the greed factor - where the democrizing effects of terror have emasculated binational journalism - hard truths have taken a back seat to self-interest and expediency. And special interests on both sides of the border - American big business and upper-level Mexican organized crime - are reaping huge profits off the chaos. The honest and valiant of Mexico, meanwhile, are being sacrificed en masse to the machinations of artifice and the inexorable demands of the market.

Part II of The Border Trilogy, "All the Dead Heroes," examines the lives - and despair - of a pair of honest Mexican cops. The country's mutating mafia structure and a perfect storm of conflicting factors have led to an unprecedented spike in bloodshed and prompted serious comparison with 1990s Colombia, all of which reached a crisis pitch in Rosarito on June 20, 2006.
Border agent skeptical of outbound inspection program

The Associated Press

Published: 05.15.2009

NOGALES - Federal agents tap on car windows, opening trunks, looking in vain for contraband.

"We're sucking up a lot of exhaust out here," supervisory Customs and Border Protection officer Edith Serrano says, shrugging in her uniform.

This is what the Obama administration's new commitment to help Mexico fight its drug cartels looks like.

President Obama this spring promised his Mexican counterpart, Felipe Calderón, that the United States would fight two of the biggest contributions U.S. residents make to the drug cartels Calderón has vowed to eradicate: cash and weapons, the latter hard to come by in Mexico.

For the past five weeks, hundreds of agents participating in a newly intensified $95 million outbound inspection program have been stepping into southbound traffic lanes, stopping suspicious-looking cars and trucks.

The Associated Press fanned out to the busiest crossings along the Mexican border - San Diego, Nogales, El Paso and Laredo - to see how effective the inspections are.

The findings? Wads of U.S. currency headed for Mexico, wedged into car doors, stuffed under mattresses, taped onto torsos, were sniffed out by dogs, seized by agents and locked away for possible investigations. No guns were found as the reporters watched; they rarely are.

"I do not believe we can even make a dent in (southbound smuggling) because that assumes the cartels are complete idiots, which they're not. Why in the world would they try to smuggle weapons and currency through a checkpoint when there are so many other options?" said Border Patrol Agent T.J. Bonner, president of the agents' union.

According to CBP, between March 12 and April 30 officers seized:

- Fifty-one pieces of ammunition, weapons parts and guns, a minuscule fraction of the 2,000 weapons the Mexican government estimates are smuggled south every day.
- $12 million in cash, less than one-tenth of 1 percent of the $17 billion to $39 billion the U.S. Justice Department estimates is illegally sent to Mexico from the U.S.
annually, but more than the $10 million seized in outbound checks in 2008.

- Sixty-one people on charges involving weapons or currency offenses and on outstanding warrants.

Millions of cars pass into Mexico from the United States every year. The federal government doesn't keep track but a count by Texas A&M International University's Texas Center for Border Economic and Enterprise Development shows more than 27 million vehicles a year drove into Mexico just from Texas.

The outbound checkpoints the AP observed stopped sometimes 1 out of 4 cars, sometimes 1 out of 100, and not every day. Even that amount created huge traffic backups at some locations and, agents said, might have allowed spies to call any smugglers heading that way and warn them to put off their Mexico trip.

Agents across the border said the first few minutes of their operation are the most precious. That's how long it takes for "scouts" watching from a bridge in San Diego lined with taxis to radio ahead to smugglers to stay away. In Nogales, a dozen men dashed along a Mexican hill about 150 yards from the checkpoint last week.

"We tend to see spotters up there," said CBP agent Brian Levin. "They sit up on those hills and watch everything we do."

Inspectors retreat, then mount another "surge" after a while standing on the side of the freeway.

Some of those stopped were sanguine, others annoyed.

"I guess they think I have drugs or something," said Daniel Saucedo, a 15-year-old Albuquerque high school student who clambered out of the passenger side of a small white pickup truck with his two dogs last week in El Paso. "It's dumb," he said.

William Molaski, port director in El Paso, said agents at his four El Paso bridges haven't found much since the focus on outbound checks started in early April - one handgun and only about $400,000 - "but not for lack of trying."

Without providing any numbers, Homeland Security Secretary Janet Napolitano told attendees at the Border Trade Alliance International Conference on April 21 that, just a few weeks into the intensified outbound inspections, she was amazed at how much had already been seized. "It's unbelievable," she said. "So the notion that there wasn't a river of cash and a flood of guns going into Mexico is a myth. I mean, there was. We want to stop that river."

CBP's 2010 budget request, released May 7, includes an additional $46 million specifically targeted at southbound enforcement.

Customs inspectors' techniques range from primitive to high-tech, with about an equal success rate. Sometimes a small white truck drives slowly alongside vehicles that have been pulled over, beaming X-rays at them to reveal hidden cash or weapons. A smaller X-ray unit scans spare tires or pieces of luggage, a hand-held density meter called a "Buster" can reveal hidden compartments loaded with cash, a fiber-optic scope snaked
into gas tanks looks for hidden cargo and trained dogs can sniff out cash or weapons.

But before they get to any of the gadgets, officers knock with a knuckle or flat palm on a car's body panels. And they ask, again and again: "Do you have any weapons? Cash? Merchandise?"

Often the dogs make the finds.

Grill, a "currency canine," smelled something on 63-year-old Isabel Ortega Garcia on April 3 in Hidalgo, Texas, when Ortega was walking into Mexico. When Grill got excited, agents patted Ortega down and found $148,000 in neat wads of $100 bills taped around her waist.

Two weeks earlier in Laredo, Akim sniffed cash under the floor of a southbound bus. Under the seats, in a hidden compartment, were 75 bundles of bills totaling $2,997,510.

But even finding that much cash doesn't always yield an arrest. Without a U.S. attorney's say-so, the best an agent can do is seize any cash amounts over $10,000 that the traveler does not declare, hand them a receipt and send them on south.

The best case scenario for agents who seize undeclared currency is that federal prosecutors decide to bring charges and begin a forfeiture procedure. But often it is a race against the clock as inspectors on the scene try to collect enough evidence to make it an attractive case for prosecutors.

Obama said while campaigning that he favored a ban on sales of assault weapons. But Congress isn't budging on the issue, and guns in the U.S., particularly in southern border states, remain easy to buy legally.

"The real issues of assault weapons and bulk cash do not initiate at the border and cannot be solved there," said David Shirk, director of the University of San Diego's Trans-Border Institute. "But gun control? That's a discussion the current administration is reluctant to wade into."

Mexican customs inspector Ricardo Briseno, 27, says the increase in U.S. inspections of Mexico-bound cars has made his job easier, even though the only effective solution would be to stop every car.

"At least it's something," he said. "We are working together on a shared problem."
Big trouble on Tijuana's main drag: Few Americans

As U.S. travelers avoid Mexico as a destination, Tijuana tourism suffers.

By ROSALBA RUÍZ and DENISSE SALAZAR
The Orange County Register

TIJUANA – Avenida Revolución is nearly a ghost town now, with the global economic crisis and drug cartel violence slamming the Mexican tourism industry. With the swine flu scare, even more tourists are staying away.

On April 27, the Centers for Disease Control and Prevention issued a travel alert recommending U.S. travelers avoid all nonessential travel to Mexico. Even before that, the U.S. State Department, for more than a year, had a travel alert in place because of Mexico’s drug cartel violence.

For 37 years, the Mendez family sold crafts, leather goods, and knickknacks in six stores here, along Avenida Revolución, a popular shopping thoroughfare for tourists in this border city.

But now, as fewer Americans visit, Andres Mendez is struggling to keep open the last of his shops, Montealbán Curios.

"I used to invest about $5 to $6,000 a week in merchandise and make anywhere from $20 to $25,000 a week at the most profitable store," said Mendez, coordinator for Ceturmex, an Avenida Revolución merchant association. "Last year, we had almost no profit. Now, we're almost in the red."

Similar stories float through the restaurants and other businesses along the 10-block avenue, now filled with for-rent signs.

About half of all businesses along the street have closed, according to the Tijuana Convention and Visitors Bureau. Trips across the border have dropped by as much as 55 percent since early 2008, a massive blow to a city economy that depends on tourism and commerce for more than half of its revenue.

VIOLENCE: PERCEPTION AND REALITY

In early 2007, Mexican President Felipe Calderón declared war on the country’s drug traffickers. The military and federal police...
took up a big role, and bloodshed increased as the government battled drug cartels, the cartels battled each other for territory and people within the cartels fought for leadership roles.

Since then, the drug wars have claimed about 8,000 lives in the country, according to various news reports. Tijuana, a city of two million residents, has had more than 200 homicides so far this year, although it's unclear how many can be attributed to the drug war.

But merchants, authorities and tourism officials say tourist areas are not where the violence is taking place.

"Downtown Tijuana and Avenida Revolución are safe zones. There's a lot of security," said Juan Coronado, marketing director for the Tijuana Convention and Visitors Bureau. "If there are soldiers (in those areas), it doesn't mean that there's something bad happening; it actually gives residents peace of mind."

On a recent afternoon, Gordon Hall was walking on a mostly-empty Avenida Revolución with two friends from the area. He says he hasn't seen many Americans lately, except for those who live in Baja.

"It's the violence, but it's also the American government telling people not to come over here because it's dangerous," said Hall, a La Jolla art gallery director who visits about once a week. "It's the violence and our recession, both of which we caused."

Hall says that every time he talks to Americans, they ask him if it's safe to go to Mexico.

"I tell them that if they stay in the tourist areas, they're probably safe and not to worry," he said.

SWINE FLU: A NEW SCARE

When the flu outbreak started making headlines two weeks ago, some nations temporarily banned flights to and from Mexico, some U.S. and Mexican airlines waived fees for passengers who wanted to change their itineraries, and cruise lines canceled port stops.

"This is more significant, because during the drug cartel violence, there was the perception that the violence was restricted to the drug cartels. Right now, there is a perception that the swine flu virus is indiscriminate and anyone can become infected," said David A. Shirk, director of the Trans-Border Institute at University of San Diego.

The World Health Organization is not recommending travel restrictions related to the virus.
"Scientific research based on mathematical modeling indicates that restricting travel will be of limited or no benefit in stopping the spread of disease," said the organization's Web site. "Historical records of previous influenza pandemics, as well as experience with SARS, have validated this point."

At least one major bus tour company suspended its trips to Tijuana: Coach America in Anaheim, which offers day tours to various tourist spots in Southern California and Baja California, canceled tours two weeks ago until further notice to Mexican stops, including Tijuana.

Despite the alerts, some people are traveling.

"A lot of people, like friends, said not to go, but there are cases in California as well," said Miriam Zavala, 26, of Los Angeles, who was recently aboard a bus headed to Tijuana to see her sick grandmother.

**TAKING ACTION**

Merchant associations of Avenida Revolución and government officials have been meeting frequently to discuss how they're doing and what they can do.

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Efforts by Baja California include working with a U.S. marketing firm to restore a safe image of Baja California and Mexico, so the U.S. Department of State won't renew the drug-related violence alert. In addition, more auto lanes will be available for tourists crossing into the state from the U.S.

"The economy, I think, won't be a big issue. I see it as an opportunity," said Baja California's tourism secretary Oscar Escobedo, referring to the U.S. recession. "People have less money, and since things are worth half here, it's a good thing. We're betting that this year will be a turnaround."

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**Contact the writer:** 714-704-3709 or desalazar@ocregister.com

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As tourists avoid traveling to Mexico, Tijuana suffers

Trips across the border have dropped by 55 percent since early 2008 in a massive blow to Tijuana's economy

By Rosalba Ruiz and Denisse Salazar
The Orange County Register
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2008-05-20 12:14 AM

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Checking Up On Drug War Border Checks

NOGALES, Ariz., May 15, 2009

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Homos blared during afternoon rush hour south of San Diego as cars jammed the two freeways that merge at San Ysidro border crossing.

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"It's a time-waster, but I understand they have a job to do," said Maria Solo, 50, of San Diego, who watched a soldier search her silver Toyota 4Runner.

Mexican officials say it is extremely rare to find anyone with weapons. The last time anyone in Tijuana could remember was April 17, when an American couple was found with 123 bullets.

Outbound checks have been going on, on a much smaller scale, for decades.

The weapons - easily purchased in the U.S. and banned in Mexico - are a major concern.

Obama said while campaigning that he favored a ban on sales of assault weapons, and Congress isn't budging on the issue, and guns in the U.S., particularly in southern border states, are easy to buy legally.

"The real issues of assault weapons and bulk cash do not initiate at the border and cannot be solved there," said David Shirk, director of the University of San Diego's Trans-Border Institute. "But gun control? That's a discussion the current administration is reluctant to wade into."

Local police and sheriff's departments are lending agents to CBP to help with the stops. Border czar Alan Bersin said he is confident that sporadic checks are keeping smugglers away, a sentiment echoed by other U.S. authorities.

"It's creating a deterrent effect," Bersin said in an interview, while discarding the idea of inspecting everyone.

Mexican customs inspector Ricardo Briseno, 27, says the increase in U.S. inspections of Mexico-bound cars has made his job easier, even though the only effective solution would be to stop every car.

"At least it's something," he said. "We are working together on a shared problem."

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COMMENTS [ + Post Your Own ]

Who cares?? They send us illegal aliens, we send them guns. Sounds fair. We get things we don't want and they kill people, they get things that they don't want and that kill people. What could be more fair than that. Until they stop sending these trashy illegal aliens here, we will not stop sending our high quality weapons there. They started the trade, we will finish it. Why is it that nothing can be done about the illegals, yet they expect us to do something about the weapons, if they can not stop human beings from crossing, how do they expect us to stop something as small as a weapon. It is far easier to hide a gun than a human.

Posted by mrcrossy11 at 6:46 AM | May 17, 2009
+ report abuse + permalink

i dont know this bridge they speak of or outlook areas so its perhaps impossible. it would be nice if possible to put up the black contractors cloth you see sound exteriors of buildings under construction.

secondly, id love to see this money not just seized but rolled over into border and homeland security budget, perhaps commissions to agent. more they seize they get a bonus, works in private sector.

Posted by wtcmedic911 at 7:27 PM | May 15, 2009
+ report abuse + permalink

Our Politicians keep telling us our Immigration laws are broken and we need an comprehensive solution, which are code words for Amnesty. our Immigration Laws are not broken, they just have not been enforced, what is broken is our Political system when we elect Corrupt/Pandering politicians that puts their desires ahead of the Constitution of USA and the Rule of Law!

Our government fails the most basic and primary task & duty of government, to protect this Nation and its Citizens from invasion and enforce its laws.

huwww.cbsnews.com/stories/2009/05/15/national/main5017125.shtml
Spot-checks at Mexican border turn up relatively little cash and few guns

The Associated Press

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“We’re sucking up a lot of exhaust out here,” says Edith Serrano, a supervisory Customs and Border Protection officer, struggling in her uniform.

President Barack Obama promised this spring to help Mexico fight its drug cartels by slowing the flow of cash and weapons from the United States.

And this is what the effort looks like.

For the past five weeks, hundreds of agents participating in a $95 million outbound inspection program have been stepping into southbound traffic lanes, stopping suspicious-looking cars and trucks.

The Associated Press fanned out to the busiest crossings along the Mexican border — San Diego, Nogales, El Paso and Laredo — to see how effective the inspections are.

Wads of U.S. currency headed for Mexico, wedged into car doors, stuffed under mattresses, taped onto torsos, were sniffed out by dogs, seized by agents and locked away for possible investigations. No guns were found as the reporters watched. They rarely are.

“I do not believe we can even make a dent in [southbound smuggling] because that assumes the cartels are complete idiots, which they’re not. Why in the world would they try to smuggle weapons and currency through a checkpoint when there are so many other options?” said Border Patrol Agent T.J. Bonner, president of the agents’ union.

According to the CBP, between March 12 and April 30 officers seized or arrested:

Fifty-one pieces of ammunition, weapons parts and guns, a minuscule fraction of the 2,000 weapons the Mexican government estimates are smuggled south every day.

$12 million in cash, less than 0.1 percent of the $17 billion to $39 billion the U.S. Justice Department says is illegally sent to Mexico from the U.S. annually.

Sixty-one people on charges involving weapons or currency offenses and outstanding warrants.

Millions of cars pass into Mexico from the United States every year. The federal government doesn’t keep track, but a count by Texas A&M International University’s Texas Center for Border Economic and Enterprise Development shows that more than 27 million vehicles a year entered Mexico from Texas.

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Agents say the first few minutes of their operation are the most precious. That’s how long it takes for “scouts” to tip off smugglers.

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Customs inspectors’ techniques range from primitive to high-tech. Often, the dogs find the loot. Grill, a “currency canine,” smelled something on 63-year-old Isabel Ortega Garcia on April 3 in Hidalgo, when she was walking into Mexico. Agents found $148,000 in $100 bills taped around her waist.

http://www.star-telegram.com/279/v-print/story/1382503.html
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Big net, small catch
Crackdown finds little contraband heading from U.S. into Mexico

Sunday, May 17, 2009 3:32 AM

Associated Press

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Some cash, few guns found in southbound checks

The Associated Press

5/15/2009

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"The real issues of assault weapons and bulk cash do not reside on the border and cannot be solved there," said David Shirk, director of the University of San Diego's Trans-Border Institute. "But get control? That's a discussion the current administration is reluctant to wade into."

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Kevin Jones of The Trucker staff can be reached for comment at kevinj@thetrucker.com.

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Some cash, few guns found in southbound checks

BY THE ASSOCIATED PRESS,

NOGALES, Ariz. — Hawks circle above the lines of traffic at the hot, arid border crossing into Mexico. Sagebrush catches clothes tossed by fence climbers. Three curious, dusty horses watch the federal agents tapping on car windows, opening trunks, looking in vain for contraband.

An agent notices the horses and wonders aloud if they're wild. A colleague notes the temperature: 92 degrees.

"We're sucking up a lot of exhaust out here," supervisory Customs and Border Protection officer Edith Serrano says, shrugging in her uniform.

This is what the Obama administration's new commitment to help Mexico fight its drug cartels looks like.

President Barack Obama this spring promised his Mexican counterpart, Felipe Calderon, that the United States would fight two of the biggest contributions U.S. residents make to the drug cartels Calderon has vowed to eradicate: cash and weapons, the latter hard to come by in Mexico.

For the past five weeks, hundreds of agents participating in a newly intensified $95 million outbound inspection program have been stepping into southbound traffic lanes, stopping suspicious-looking cars and trucks.

The Associated Press fanned out to the busiest crossings along the Mexican border — San Diego, Nogales, El Paso and Laredo — to see how effective the inspections are.

The findings? Wads of U.S. currency headed for Mexico, wedged into car doors, stuffed under mattresses, taped onto torsos, were sniffed out by dogs, seized by agents and locked away for possible investigations. No guns were found as the reporters watched; they rarely are.

"I do not believe we can even make a dent in (southbound smuggling) because that assumes the cartels are complete idiots, which they're not. Why in the world would they try to smuggle weapons and currency through a checkpoint when there are so many other options?" said Border Patrol Agent T.J. Bonner, president of the agents' union.

According to CBP, between March 12 and April 30 officers seized:

- Fifty-one pieces of ammunition, weapons parts and guns, a minuscule fraction of the 2,000 weapons the Mexican government estimates are smuggled south every day.
- $12 million in cash, less than one-tenth of 1 percent of the $17 billion to $39 billion the U.S. Justice Department estimates is illegally sent to Mexico from the U.S. annually, but more than the $10 million seized in outbound checks in 2008.
- Sixty-one people on charges involving weapons or currency offenses and on outstanding warrants.

Millions of cars pass into Mexico from the United States every year. The federal government doesn't keep track but a count by Texas A&M International University's Texas Center for Border Economic and Enterprise Development shows more than 27 million vehicles a year drove into Mexico just from Texas.

The outbound checkpoints the AP observed stopped sometimes one out of four cars, sometimes one out of 100, and not every day. Even that amount created huge traffic backups at some locations and, agents said, might have allowed spies to call any smugglers heading that way and warn them to put off their Mexico trip.

Agents across the border said the first few minutes of their operation are the most precious. That's how long it takes for "scouts" watching from a bridge in San Diego lined with taxis to radio ahead to smugglers to stay away. In Nogales, a dozen men dashed along a Mexican hill about 150 yards from the checkpoint last week.

"We tend to see spotters up there," said CBP agent Brian Levin. "They sit up on those hills and watch everything we do."

Inspectors retreat, then mount another "surge" after a while standing on the side of the freeway.

Some of those stopped were sanguine, others annoyed.

"I guess they think I have drugs or something," said Daniel Saucedo, a 15-year-old Albuquerque high school student who clambered out of the passenger side of a small white pickup truck with his two dogs last week in El Paso. "It's dumb," he said.

William Molaski, port director in El Paso, said agents at his four El Paso bridges haven't found much since the focus on outbound checks started in early April — one handgun and only about $400,000 — "but not for lack of trying."

Without providing any numbers, Homeland Security Secretary Janet Napolitano told attendees at the Border Trade Alliance International Conference on April 21 that, just a few weeks into the intensified outbound inspections, she was amazed at how much had already been seized. "It's unbelievable," she said. "So the notion that there wasn't a river of cash and a flood of guns going into Mexico is a myth. I mean,
there was. We want to stop that river."

CBP’s 2010 budget request, released May 7, includes an additional $46 million specifically targeted at southbound enforcement.

Customs inspectors’ techniques range from primitive to high-tech, with about an equal success rate. Sometimes a small white truck drives slowly alongside vehicles that have been pulled over, beaming X-rays at them to reveal hidden cash or weapons. A smaller X-ray unit scans spare tires or pieces of luggage, a hand-held density meter called a “Buster” can reveal hidden compartments loaded with cash, a fiber-optic scope snaked into gas tanks looks for hidden cargo and trained dogs can sniff out cash or weapons.

But before they get to any of the gadgets, officers knock with a knuckle or flat palm on a car’s body panels. And they ask, again and again: “Do you have any weapons? Cash? Merchandise?”

Often the dogs make the finds.

Grill, a “currency canine,” smelled something on 63-year-old Isabel Ortega Garcia on April 3 in Hidalgo, Texas, when Ortega was walking into Mexico. When Grill got excited, agents patted Ortega down and found $148,000 in neat wads of $100 bills taped around her waist.

Two weeks earlier in Laredo, Akim sniffed cash under the floor of a southbound bus. Under the seats, in a hidden compartment, were 75 bundles of bills totaling $2,997,510.

But even finding that much cash doesn’t always yield an arrest. Without a U.S. attorney’s say-so, the best an agent can do is seize any cash amounts over $10,000 that the traveler does not declare, hand them a receipt and send them on south.

The best case scenario for agents who seize undeclared currency is that federal prosecutors decide to bring charges and begin a forfeiture procedure. But often it is a race against the clock as inspectors on the scene try to collect enough evidence to make it an attractive case for prosecutors.

Although Laredo leads the country in cash seizures right now, even there seizing cash is rare, and arresting someone even more unusual, a weapons seizure rarer still. And that’s where the inconvenience to travelers and agents’ frustration set in.

Officers have no booths, no signs for drivers or lanes to pull people over in. Yet.

“We don’t have the infrastructure that we need to conduct safe outbound inspections,” said Oscar Preciado, director of San Diego’s San Ysidro port of entry.

The Obama administration has budgeted $269 million to upgrade these southern ports, adding lanes and pull-over spaces. Perhaps most importantly they’ll be adding shade for the wilting agents who wade into traffic under the blazing sun.

Over five hours on a recent day, outbound traffic from Laredo, Texas, to Nuevo Laredo, Mexico, experienced the gamut from clear, moving traffic, to multi-agency teams laying travelers’ lives bare, unpacking, X-raying and interviewing.

Farther west, during a two-hour “surge” in El Paso, not a single seizure was made as agents stopped dozens of vehicles.

Horns blared during afternoon rush hour south of San Diego as cars jammed the two freeways that merge at San Ysidro border crossing.

On the Mexican side soldiers touting M-16 rifles select a few motorists to wave aside for inspection.

“It’s a time-waster, but I understand they have a job to do,” said Maria Soto, 50, of San Diego, who watched a soldier search her silver Toyota 4Runner.

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AP foreign, Friday May 15 2009

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"We tend to see spotters up there," said CBP agent Brian Levin. "They sit up on those hills and watch everything we do."

Inspectors retreat, then mount another "surge" after a while standing on the side of the freeway.

"We like to be unpredictable. We like to hit hard fast and pull back," said Oscar Preciado, director of San Diego's San Ysidro port of entry. "If we're going to have success, it's within the first few minutes."

Some of those stopped were sanguine, others annoyed.

"I guess they think I have drugs or something," said Daniel Saucedo, a 15-year-old Albuquerque high school student who clambered out of the passenger side of a small white pickup truck with his two dogs last week in El Paso, just a few hundred feet north of Ciudad Juarez, after agents ordered him into a secondary inspection area. Watching agents cut through heavy plastic wrap covering the computer gear while the driver unpacked the truck's bed, Saucedo worried about the delay.

"It's dumb," he said, before repacking and heading south. "They already had told us to leave and then they pulled us over."

William Molaski, port director in El Paso, said agents at his four El Paso bridges haven't found much since the focus on outbound checks started in early April — one handgun and only about $400,000 "but not for lack of trying."

"It's a needle in a haystack," Molaski said.

It's a different day, a different checkpoint, but the description is echoed again and again along the southwest border.

"To be honest, it's a crapshoot," said Jose Garcia, deputy special agent in charge of investigations at U.S. Immigration and Customs Enforcement in San Diego. "You're rolling the dice when doing this without intelligence."

However, Garcia added that the inspections send a message out. "You're letting people know, 'Hey, we're a strong presence. We're not going to just roll over."

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of cash and a flood of guns going into Mexico is a myth. I mean, there was. We want to stop that river."

CBP's 2010 budget request, released May 7, includes an additional $46 million specifically targeted at southbound enforcement, "interdicting arms and currency going south," said DHS acting chief financial officer Peggy Sherry.

Customs inspectors' techniques range from primitive to high-tech, with about an equal success rate. Typically they pull vehicles from outbound traffic and line them up to the side of the traffic lanes. Drivers and passengers wait to the side. Sometimes a small white truck drives slowly alongside the vehicles beaming X-rays at them to reveal hidden cash or weapons. A smaller X-ray unit scans spare tires or pieces of luggage, a hand-held density meter called a "Buster" can reveal hidden compartments loaded with cash, a fiber-optic scope snaked into gas tanks looks for hidden cargo and trained dogs can sniff out cash or weapons.

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Officers have no booths, no signs for drivers or lanes to pull people over in. Yet.

"We don't have the infrastructure that we need to conduct safe outbound inspections," said Preciado, at the San Ysidro port of entry. "We do the best with what we have... So far, we've been lucky."

The Obama administration has budgeted $269 million to upgrade these southern ports, adding lanes and pull-over spaces. Perhaps most importantly they'll be adding shade for the wilting agents who wade into traffic under the blazing sun.

Over five hours on a recent day, outbound traffic from Laredo, Texas, to Nuevo Laredo, Mexico, experienced the gamut from clear, moving traffic, to multi-agency teams laying travelers' lives bare, unpacking, X-raying and interviewing.
Farther west, during a two-hour "surge" in El Paso, not a single seizure was made as Border Patrol and CBP agents stopped dozens of vehicles.

Horns blared during afternoon rush hour south of San Diego as cars jammed the two freeways that merge at San Ysidro border crossing. Inspectors standing at the end of X-rails that separate lanes peered into vehicles for 45 minutes, retreated for 30 minutes, then resumed.

San Ysidro has only seven southbound lanes, and some crossings have fewer, raising fears of nightmarish lines that would choke commerce and tourism if inspections become widespread. It's a busy place, with about 45,000 drivers and 30,000 pedestrians traveling in both directions every day.

The driver of a Volkswagen Jetta was ordered aside because a door lock was damaged, raising suspicions. She was cleared after explaining that someone tried to steal her car in Mexico.

Buses were emptied of passengers, who were questioned about their immigration status and sniffed by dogs while standing on the shoulder.

In one lane, about one of every four cars got stopped for a spell, while fewer than one in 30 were getting questioned in another lane. The crescendo of horns grew.

A day of sporadic inspections of U.S.-bound vehicles here netted one stolen vehicle. By comparison, on a typical day inspectors checking motorists and pedestrians entering the U.S. can find between three and 10 cars stocked with drugs and 150 illegal immigrants, often in trunks or other vehicle compartments.

Temper are also frayed on the Mexican side, where soldiers wearing ski masks and battle fatigues tote M-16 rifles and select a few motorists to wave aside for inspection. Soldiers bang on ceilings and side panels, open glove compartments, and order dogs to walk over the seats.

On a recent Thursday, soldiers inspected 150 vehicles between 5:20 a.m. and 9 p.m., 100 of them before 1 p.m.

"It's a time-waster, but I understand they have a job to do," said Maria Soto, 50, of San Diego, who watched a soldier search her silver Toyota 4Runner.

The Mexican army dispatched soldiers to the San Ysidro crossing in December, a little later than other points along the U.S. border, said Cesar David Montoya, assistant Customs administrator in Tijuana.

In addition, between 10 percent and 13 percent of motorists are randomly directed to pull over when a red light goes on and bell sounds in their lanes. Motorists who get a green light don't have to pull over.

"The system is completely random," Montoya said. "It's not effective."

By July, the Mexican government plans to install license-plate readers, scales and sensors in Tijuana, as it has already done this year along the Texas-Mexico border. Authorities estimate the equipment being installed at all of Mexico's 44 border crossings will cause each motorists to wait seven seconds, compared to two seconds currently.

The additional five seconds for each car is expected to create a backup of 400 cars in San Diego during rush hour, Mexican authorities predict.
Mexican customs inspectors, many of them unarmed, chase about 10 motorists a day through the streets of Tijuana when drivers ignore the red lights, bells and whistles that order them to pull over. Most say they didn't notice.

Mexican officials say it is extremely rare to find anyone with weapons. The last time anyone in Tijuana could remember was April 17, when an American couple was found with 123 bullets.

They feigned ignorance, despite giant freeway signs in Southern California warning that arms are illegal in Mexico, and were released without being charged.

Outbound checks have been going on, on a much smaller scale, for decades.

The weapons easily purchased in the U.S. and banned in Mexico are a major conundrum for this administration.

Obama said while campaigning that he favored a ban on sales of assault weapons. But Congress isn't budging on the issue, and guns in the U.S., particularly southern border states, remain easy to buy legally.

"The real issues of assault weapons and bulk cash do not initiate at the border and cannot be solved there," said David Shirk, director of the University of San Diego Trans-Border Institute. "But gun control? That's a discussion the current administration is reluctant to wade into."

But Shirk said the stepped-up outbound checks make clear the new spirit of cooperation between Mexico and the U.S.

"It's historic, a watershed to see the breakthrough in confidence on both sides of the border that the two sides can work together to solve these issues," he said.

Local police and sheriff's departments are loaning agents to CBP to help with the stops. And there have been unannounced southbound inspections in at least one border city every day since they were intensified in March, said border czar Alan Bersin.

He is confident that sporadic checks are keeping smugglers away, a sentiment echoed by other U.S. authorities.

"It's creating a deterrent effect," Bersin said in an interview, while discarding the idea of inspecting everyone.

Mexican customs inspector Ricardo Briseno, 27, says the increase in U.S. inspections of Mexico-bound cars has made his job easier, even though the only effective solution would be to stop every car.

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La batalla contra las drogas no cesa

México señala el éxito logrado en Tijuana, pero la violencia sigue expandiéndose por otras zonas

ELLIOT SPAGAT / Associated Press | 2009-05-11 | La Opinión

TIJUANA, México. — En la guerra de las drogas en México, la de la ciudad fronteriza de Tijuana es una historia en la que el gobierno dice estar ganando, pero la batalla se vuelve cada vez más sangrienta.

El arresto a bordo de un yate en agosto de 2006 de Javier Arellano Félix, líder del cartel de la droga basado en Tijuana, desató una violenta guerra por la sucesión, que fue aprovechada por el presidente Felipe Calderón cuando declaró guerra total al narcotráfico.

El caso de Tijuana ha mostrado cuánto tiempo, esfuerzo y sangre va a tomar para someter incluso a un solo cartel. A 18 meses del arresto de Arellano Félix, los capos de esta ciudad seguían peleando entre sí y contra el Ejército.

Ahora, luego de una oleada de tiroteos y decapitaciones en plena luz del día —443 asesinatos en los últimos tres meses de 2008— Tijuana está más calmada.

Los escépticos dicen que la calma pudiera ser apenas una corta tregua entre traficantes, pero el general Alfonso Duarte Mugica dice: “Se agotaron entre sí”, dijo. “No podían seguir a ese paso”.

Para quebrar los otros carteles de la droga en el país, Calderón está empleando la misma estrategia que puso a la pandilla de Arellano Félix contra las sogas. La violencia México ha cobrado 10,700 vidas desde diciembre de 2006, una señal, dice el procurador Eduardo Medina Mora, de que la ofensiva del gobierno está dividiendo y debilitando a las pandillas en su batalla por el control del mercado.

La guerra lanzada por Calderón podría no acabar con el flujo de drogas, pero el objetivo, expresado por el Presidente en febrero, es debilitar a los carteles para 2012 a un punto en que el Ejército y la policía federal pueden retirarse y dejar la tarea al fuerza policial local.

La suerte de la pandilla Arellano Félix muestra además que la batida del gobierno mexicano está teniendo su efecto y que el narcotráfico deja de ser un negocio discreto y disciplinado para convertirse en una descarada pelea pública entre grupos criminales menores y menos sofisticados.

“Al menos en los primeros dos años, no ha llevado a carteles menores y más controlables, sino a carteles menores y más violentos”, dijo David Shirk, director del Instituto Trans-Border de la Universidad de San Diego.

Cuando los Arellano dominaban Tijuana existía un sentido de orden entre sus filas. Los miembros del cartel eran reclutados de familias acaudaladas y se codeaban sin problemas con la elite de Tijuana.

Ahora, los cuatro hermanos que lo encabezaban están muertos o encarcelados, y la pandilla es dirigida por Fernando Sánchez Arenal, un sobrino conocido como “El Ingeniero”. Sánchez Arenal, de 36 años, está en guerra con Teodoro García Simental, un veterano lugarteniente del cartel que se separó hace un año en una pelea callejera que dejó muertos a 14 miembros de la pandilla.

Otras pandillas establecidas —desde el cartel de Sinaloa hasta el cartel del Golfo— contribuyen a la violencia batallando abiertamente por el territorio en Tijuana.

El rival del Ingeniero, conocido como “El Teo” o “Tres Letras”, se ha aliado ahora con el cartel de Sinaloa, de acuerdo con documentos del Ejército fechados en febrero.

El Teo y El Ingeniero no se asemejan a los líderes de los 90, cuando los carteles mexicanos reemplazaron a los colombianos a medida en que operaciones antidroga lanzadas por Estados Unidos en el Caribe y el sur de Florida desplazaron las rutas de narcotráfico hacia la frontera mexicoestadounidense.

En esos días, Ramón Arellano Félix era el matón que tenía motocicletas Harley-Davidson y asesinaba por placer. Benjamin Arellano Félix era el hombre de negocios reservado, vestido de forma conservadora y, según un auto federal de instrucción de cargos de San Diego, “tenía suprema autoridad” en el grupo.

Los Arellano mortaron a todo el que se interpusiera en su territorio en la frontera México-California, ayudados por policías corruptos. Su principal matón en la ciudad de Mexicali, de acuerdo con documentos judiciales estadounidenses, era Armando Martínez Duarte, un ex policía federal.

Aún así, los hermanos trataron de evitar la violencia pública, usualmente disolviendo cadáveres en ácido o quemándolos en el desierto, según John Kirby, un ex fiscal estadounidense que firmó el auto de instrucción de cargos en 2002.

"Benjamín quería las cosas calladas", dijo Kirby. "No quería un montón de cadáveres en las calles", El
cartel atrajo a algunas de las familias más prominentes de Tijuana. Alejandro y Alfredo Hoyodán, hijos estadounidenses de un contratista eléctrico de Tijuana, se unieron a Ramón en los mejores clubes nocturnos y fiestas callejeras en la ciudad. La madre de ambos, Cristina Palacios, recordó que Ramón lucía un abrigo de visón y pantalones cortos la primera vez que le vio en 1987.

Ramón siempre pagaba por las bebidas y muy pronto los hermanos Hoyodán se sumaron a sus operaciones. Alejandro tenía 35 años cuando desapareció en 1997. Alfredo, de 36 años, está en una prisión mexicana. Palacios se toma una pausa ante la pregunta de qué atraía a sus hijos a Ramón Arellano Félix. "Piensan que fue la adrenalina", dijo.

Pero la aceptación pública de los Arellano se evaporó en 1993, cuando Ramón y miembros del cartel que buscaban matar a un rival asesinaron por error al arzobispo Juan Jesús Posadas Ocampo en el aeropuerto de Guadalajara.

Mientras tanto, funcionarios antidrogas de México y de EEUU comenzaron a debilitar la cúpula del cartel. en 2002, las autoridades mexicanas mataron a Ramón en un tiroteo en Mazatlán y, un mes más tarde, capturaron a Benjamin, que sigue encarcelado en México.

Luego de la captura de Benjamin, un importante lugarteniente del grupo que estaba bajo arresto comenzó a hablar con autoridades de EEUU, según David Herrod, un agente de la Oficina Federal contra el Narcotráfico (DEA), que persiguió a los hermanos por casi 20 años.

Arturo "Kitty" Páez, que en el 2001 se convirtió en el primer narcotraficante mexicano en ser extraditado a EEUU bajo un histórico veredicto del Tribunal Supremo de México, dio a las autoridades la información que necesitaban para preparar un caso sólido contra Benjamin y otros importantes líderes, dijo Herrod en una conferencia pública este año.

El general Duarte Mugica dice que el cartel de los Arellano Félix está dividido y debilitado, aunque no dice que esté acabado.

El grupo de El Teo también está en aprietos. Un presunto matón y ex policía, Angel Jacome Gamboa, estaba entre 60 personas arrestadas en un salón de bailes en Tijuana en marzo.
THURSDAY MAY 7

ELDER ABUSE - Paul Greenwood, head of the San Diego County Elder Abuse Unit, presents "Ten Tips to Help You Reduce the Risk of Becoming the Next Victim of Elder Abuse" at 10 a.m. Thursday, May 7 at Rancho Bernardo Senior Services, 16789 Bernardo Center Drive, Suite K-14. Make reservations by calling 858-487-2840.

SPRING TEA - Just in time for Mother's Day, the R.B. Woman's Club hosts a tea for members and friends starting at 11:30 a.m. Thursday, May 7 at the Bernardo Heights Country Club. Debra Rosen, new San Diego North Chamber president/CEO will talk about the chamber. For reservations, call 858-674-5941.

RB NOON ROTARY  - Michael Rennie gives a preview of the upcoming season of the Poway Center for the Arts at a meeting of the RB Noon Rotary at Bernardo Heights Country Club, 16066 Bernardo Heights Parkway, Rancho Bernardo. Stay for lunch for $17. More information online at www.rbrotary.org.

ISRAELI-PALESTINIAN SITUATION -  William R. Headley, Ph.D. of the University of San Diego discusses "New Optics in the Israeli-Palestinian Situation" at a meeting of the World Affairs Council 10 a.m. Thursday, May 7 at the Remington Club, 16322 Hierba Drive, Rancho Bernardo. All are invited, no charge.
ELDER ABUSE - Paul Greenwood, head of the San Diego County Elder Abuse Unit, presents "Ten Tips to Help You Reduce the Risk of Becoming the Next Victim of Elder Abuse" at 10 a.m. Thursday, May 7 at Rancho Bernardo Senior Services, 16769 Bernardo Center Drive, Suite K-14. Make reservations by calling 858-487-2640.

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BORDER CZAR COMING TO TOWN

Alan Bersin, named to the new post of “border czar” by Homeland Security Secretary Janet Napolitano, is the featured speaker at a May 27 luncheon sponsored by LEAD San Diego, The City Club and USD’s Trans-Border Institute. Luncheon topic is “The Border in Crisis.” Bersin, most recently chair of the San Diego County Airport Authority, was named to his current post to oversee efforts to end drug cartel violence along the U.S.-Mexico border and to slow illegal border crossings.

The luncheon is at noon in the Harborside Room at the Holiday Inn on the Bay, Harbor Drive at Ash Street, in Downtown. Admission is $30. For reservations, call (619) 687-3580.
"The Border in Crisis" Alan Bersin — Assistant Secretary for International Affairs and Special Representative for Border Affairs, United States Department of Homeland Security — speaks during luncheon hosted by LEAD San Diego, the City Club, and USD's Trans-Border Institute. RSVP: 619-687-3580. Wednesday, May 27, 12pm; $30. Holiday Inn on the Bay, 1353 North Harbor Drive. (Downtown)
LECTURES

FRITZ HAEG at VAF Performance Space, Visual Arts Facility, UCSD campus. Haeg discusses the creation of "Edible Estate," an agricultural project that seeks to replace suburban lawns. At 7 p.m. Wednesday, May 6. 858-534-2230, www.fritzhaeg.com

JAMES GRIEBL at Athenaeum Music &arts Library, 1008 Wall St., La Jolla. Griebl is the first in a series of four lectures examining the art of the Rembrandt. At 7 p.m. Thursday, May 7. 858-454-5872, www.athenaeum.org

MARO GARLAND at Salk Institute for Peace, USD, Linda Vista. The Human Right Watch Senior Analyst discusses "Behind the Headlines and Off the Record." At 7 p.m. Thursday, May 7. 619-269-7509, www.sandiego.edu


ANDREW MCGUIRE at First Unitarian Universalist Church, 4180 Front St., Hillcrest. McGuire discusses "Real Healthcare Reform in California - California OneCare: the Grassroots Campaign." At 7 p.m. Thursday, May 7. 619-289-6978, www.healthcareforall.org

THOM MAYNE at MCASD La Jolla, 700 Prospect St., La Jolla. The internationally renowned designer and architect discusses his work at the final installment of MCASD’s Master Architects Lecture Series. At 7 p.m. Friday, May 8. 619-472-9216, www.mcasd.org

JAMES GALLOWAY at Natural Sciences Building auditorium, UCSD campus. Galloway discusses "Nitrogen: A Story of Food, Fuel and Fiber" for the eighth annual Jim Arnold Lecture. At 4 p.m. Friday, May 8. 858-534-2230, ucsd.edu

GREENOVA at Addison Pavilion, Faculty Club, UCSD campus. Ayedet Grewcz and Berry Logan discuss "The Water We Eat." See website to RSVP. At 4 p.m. Tuesday, May 12. ed.ucsd.edu/greenovation

MONIQUE HENDERSON at Spring Valley Library, 859 Kempton Dr., Spring Valley. The two-time Olympic gold medalist discusses her career. At 3 p.m. Tuesday, May 12. 858-634-2230, www.svlibrary.org
May 7

Andrew McGuire, California Executive Director of Health Care for All, will speak at 7 pm on Real Healthcare Reform in California. California One Care: The Grassroots Campaign. During the past 35 years he has been directly involved in many health policy issues that have faced state and national policymakers. The event sponsored by the Peace & Democracy Action Group of the First Unitarian Universalist Church will be at the church 4190Friend St, free parking at Church parking lot, donation requested. Visit www.HealthCareforAll.org

"Behind the Headlines, Stick Out the Record," with Marc Garfield, Human Rights Watch Senior Analyst, will discuss how HRW collects evidence in war zones. 7 p.m. Town B, Kroc Institute for Peace & Justice Theatre, University of San Diego, 9500 Alcala Park. RSVP at 619-260-7309 or call 619-260-7309
Other
Dell's Low-Rate Financing Helps Public-Sector Customers Acquire Technology

Dell is helping its customers remain competitive in a tough economy by lowering the cost of financing for needed technology.

The News:

- Effective immediately, qualified Large Enterprise and Public end-user customers in the U.S. can get new Dell-branded product solutions with exceptional low-rate financing.¹

- The offer includes ownership financing with an effective rate as low as zero percent for tax-exempt public-sector customers and as low as 2.5 percent for commercial/non tax-exempt customers.² With terms from 12-48 months, customers can get the technology they need today with no money down and fixed regular payments.

- For customers desiring a programmatic rotation of their IT assets, Dell also offers promotional rotation lease solutions that allow customers to pay for the use of their technology and return it at the end of the lease term, thus taking advantage of the latest technological advancements, while helping to lower total cost of ownership. An effective technology rotation program can help lower a customer's total cost of ownership by as much as 20.5 percent, according to one study.³ For additional information, customers can visit Dell Financial Services or contact their Dell sales representative.

- Public-sector IT professionals awaiting American Recovery and Reinvestment Act (ARRA) funding can better manage their immediate technology needs with help from Dell’s flexible financing options, services and information.

- Respondents of IDC’s 2009 IT Leasing & Financing survey say their motivation to lease/finance has changed with the economy and capital conservation has risen in importance.

Quote:

- "The current economic environment has led our teams to further identify the most efficient ways to stretch our IT spending. Having the flexibility to lease and finance our assets allows us to maintain our technology and keep IT expenditures aligned with our budget constraints. Dell Financial Services has been instrumental in offering solutions that allow us to achieve strategic goals that help advance the University of San Diego,” said Christopher W. Wessells, vice provost and chief information officer, University of San Diego.

Additional Information:

www.dellfinancialservices.com

www.direct2dell.com/simplifyandsave

About Dell

Dell Inc. (NASDAQ: DELL) listens to customers and delivers innovative technology and services they trust and value.
Northrop Grumman Supplies Navigation Training Packages for Naval Reserve Officer Training Corps Students

CHARLOTTESVILLE, Va. - May 18, 2009 - Naval Reserve Officer Training Candidate (NROTC) students at college campuses in San Diego have become the first to use an advanced navigation training package supplied by Northrop Grumman Corporation's (NYSE: NOC) Sperry Marine business unit.

The computerized learning DVDs contain interactive courseware (ICW) training lessons on the use of the latest version of Sperry Marine's Voyage Management System (VMS), a ship navigation software. They are being used in the navigation training curriculum for NROTC students at the University of San Diego and other greater San Diego college campuses.

"The Sperry Marine eLearning courseware provides a high-quality, professionally produced training experience for our students," said Capt. Mark Woolley, commanding officer of the five San Diego-area NROTC units. "We are pleased to be the first NROTC program in the country to make use of this excellent instructional tool for preparing our future officers for their careers in the naval service."

"The eLearning courseware will give the NROTC students an opportunity to become familiar with the standard electronic navigation system used throughout the U.S. Navy surface and submarine fleets. This ICW has been recently incorporated as a navigation training delivery method at the U.S. Naval Academy," said Jeff Holloway, director of U.S. defense business development and marketing/sales for Northrop Grumman Sperry Marine.

Holloway noted that Sperry Marine VMS-based integrated bridge systems are either installed on or under contract for 175 U.S. Navy ships and submarines. It is the only navigation system that has been certified by the Navigator of the Navy to meet the requirements for naval electronic chart display and information systems (ECDIS-N) under the U.S. Navy's phased program to convert the fleet from paper to electronic nautical charts.

The eLearning courseware was created by Sperry Marine’s team of navigation instructors and courseware developers, and complements the traditional VMS lessons taught in the company’s training and simulator facilities in the U.S. as well as shipboard instructor-provided training.

Northrop Grumman Sperry Marine, headquartered in Charlottesville, Va., and with major engineering and support offices in New Malden, United Kingdom and Hamburg, Germany, provides smart navigation and ship control solutions for the international marine industry with customer service and support through offices in 16 countries, sales representatives in 47 countries and authorized service depots in more than 250 locations worldwide.

Source: Northrop Grumman
2009-05-19
Web: http://www.northropgrumman.com/
A record number of college graduates is joining Teach for America, the program that trains top students to teach in poor communities. Here is a look at where the 4,100 new teachers are coming from:

Colleges most attended:
- University of Michigan
- University of Texas, Austin
- University of California
- Cornell University
- University of Wisconsin, Madison
- Harvard University
- University of North Carolina, Chapel Hill
- Yale University

Schools where Teach for America is the No. 1 employer of graduating seniors:
- Albion College
- Barnard College
- Brown University
- Emory University
- Georgetown University
- Loyola of New Orleans
- Marquette University
- Mount Holyoke College
- Spelman College
- Trinity College, Connecticut
- Tulane University
- University of Chicago
- University of Connecticut
- University of San Diego
- Vanderbilt University

Schools with more than 5 percent of the senior class applying:
- Spelman, 25 percent
- Yale, 16 percent
- Princeton University and Wellesley College, 15 percent
- Brown, University of Chicago, Haverford College, 14 percent
- Harvard, Bowdoin College, 13 percent
- Columbia University, Cornell, Georgetown, Swarthmore College, Duke University, 11 percent
- University of Notre Dame, Vanderbilt, Amherst College, Williams & Mary, Tulane, 10 percent
- University of Michigan, 8 percent

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Students avoid partying in Mexico

By Dana Flack
May 15, 2009

While San Diego, Calif. students are only a 30 minute drive away from Tijuana - known for its young drinking age, crazy clubs, and inexpensive prices - some students think twice before crossing the border.

Fear of the party destination sparked a halt in activity of San Diego campus after officials found four Americans, aged 19 to 23, strangled to death last month by a group of 15 to 17-year-olds.

"You don't think it's going to happen to you but then you hear something like this," said Kili Loeve, a student at the University of San Diego. "These people are our age and it's very scary to think."

Kelly Ness, a USD freshman, said, "It's really going to make me think twice. It's a very dangerous place that you don't want to go to right now."

Other students have noticed that the recent violence in Mexico has minimized the number of student trips to Tijuana.

"I went on a Tijuana party bus last year, but then they stopped it in the beginning of this year," said Rachel Horgan, 20. "They changed it to parties downtown, which was a really smart move."

Students have also noticed clubs and organizations canceling day trips to Tijuana for educational reasons.

"It affected my club, AMSA, because we can't go down anymore because of all the risks," said Jessica Kahl, 21.

Overall, many students are choosing alternate destinations in light of violence in Mexico.

"A lot of my residents were really crazy this year," said Liz Crosby, a former USD RA. "They went to Vegas every other weekend, but they would never go to Tijuana."

When students were notified of the recent deaths of these four young victims, many of them were not surprised.

"It's terrible to hear. something like that happened," said Andrew Adamany, 22, "but with the way things are going down there I'm not too surprised because of all the violence that has been occurring within the past couple of months."

Miriam Rayward, 22, thinks similarly, "After everything that I've been hearing from the news, this event doesn't surprise me."

Although many students sympathize for these victims, some remain unmoved by the event and believe that students should take more responsibility in their actions. Steve Perez, 20, feels that students should already be aware of the possibilities of danger in Tijuana.

"Students already know the risks," he said, "why put myself in danger?"

This story was originally published by UWIRE
Yolanda Walther-Meade is an active philanthropist and community catalyst in the Tijuana and San Diego communities. She has sat on the board of the University of San Diego since 1989, the board of governors of The University Club since 2001 and the board of the Center for U.S.-Mexican Studies at UCSD since 1997.

Walther-Meade has also been vice president and founder of the Fundación Internacional de la Comunidad, A.C. since 2000, the first community foundation in Baja California.

With her daughter, Yolanda S., she has served as co-chair of the Dos Aguilas/Two Eagles Binational Gala for the San Diego Natural History Museum since 2002.

The La Jolla resident is the mother of five accomplished adults and grandmother of six.

**What brought you to La Jolla?**
My late husband and I were looking for a vacation home, and I've been on vacation ever since.

**What makes La Jolla special to you?**
This is a wonderful place to be. I am sure that, like me, people appreciate the beautiful views, beaches, schools, the feeling of a small town, tight-knit and giving community.
I love the fact that I can go down to the Village and I have everything I could need: the post office, church and some shopping.

**If you could snap your fingers and have it done, what might you add, subtract or improve in La Jolla?**
I would add more parking, improve the in and out of La Jolla and add more security. I still miss the movie theater.

**Who inspires you?**
There are plenty of role models in our San Diego area, but three women living come to mind: Deborah Szekely, with her last dream come true, the New Americans Museum; former Sen. Lucy Killea, a mentor for many people; and Sister Sally Furay, former provost at USD, a great educator.

**How do you juggle all the different philanthropic organizations with which you're involved?**
Definitely a color-coded calendar so I know right away what are my family or social responsibilities. A BlackBerry because I travel a lot. Organization is key in my life. When you have a mission in life, everything kind of falls into place.

**If you hosted a dinner party for eight, whom (living or deceased) would you invite?**
Bob and Karen Hoehn, President Obama and Michelle, Darlene Shiley, Liam Neeson and Sidney Poitier.

**What are you currently reading?**
The anniversary edition of Fr. James Keller's "You Can Change the World" and "The Piano Teacher" by Janice Lee.

**What do you do for fun?**
Anything that has to do with learning, like travel, theater, dancing and movies.

**Describe your greatest accomplishment.**
First of all, raising five successful and happy children and being part of their lives. Second, being part of the community and enjoying what I do.

**What is your motto or philosophy of life?**
Everything happens for a reason; try to learn and go on. I can't live my children's life, but I can try to do my best, and if I can share what God has given me, then I am happy.
WHAT A TRIP: Campus tours chance to escape Contra Costa "bubble"

By Nancy D. Brown

Posted: 05/07/2009 02:01:59 PM PDT

Updated: 05/07/2009 02:02:00 PM PDT

AS SURE AS the salmon migrate upstream to lay their eggs, mothers and fathers are beginning the migration process with their high school juniors and seniors to visit prospective colleges. We spotted many Lamorinda minnows in the proverbial fish pond otherwise known as campus tours.

College visits are a great way to check out potential schools and discover new areas outside of the Contra Costa bubble. Campolindo Parent Lynn Carey said it best: "It's a good way to light a fire under your kid's behind, if they find a place they like." Carey and her family are Boston-bound this summer, "Because we only like to go to Boston when it's really, really humid," she laughed.

UC Santa Barbara graduate Craig Isaacs said, "When we were looking at schools, there wasn't much info available. You had to visit to get a sense of the school. Now, the Internet gives you a sense of what the school's about. Isaac's conclusion, "Use the Internet to narrow choices, apply, then visit after acceptance. The exception — local/in-state schools where chance of acceptance is high.

Moraga's Trish and Caroline O'Neill visited five northwest colleges in four days. "My son attends Middlebury College in Vermont, so we were looking for small schools," noted Trish. "The ratio of student-to-professor is hard to get in the large institutions."

The family visited three Oregon schools — the University of Portland, Lewis & Clark and Linfield College, a small liberal arts school located in McMinnville. After visiting Seattle University, Caroline determined she didn't want to be in the city. The family noted that Tacoma, Washington's University of Puget Sound student ambassadors did a wonderful job.

For schools such as the University of Oregon in Eugene, weather can play a factor in determining how a student will adapt. Don't let a summer visit to the Emerald City seduce you into believing that the campus radiates sunshine. There's a reason that the school vibrates with amazing green energy. It rains a lot in Eugene.

Colleges down south

For beauty and the beach, some of the Southern California schools offer amazing scenery. The private University of San Diego has manicured grounds and transportation to beachside La Jolla. The University of San Diego offers cutting-edge research to its students, along with non-stop sunshine. Another favorite among Lamorinda students was San Diego State University. We had seven Acalanes and Campolindo students join our campus tour during Spring Break.

What's not to like about the University of Santa Barbara? Snuggled up to the Pacific coastline, California coeds at UCSB buzz along on their cruisers as they bicycle and walk to class. For marine biologists, this school has its own Marine Operations Facility. It doesn't hurt that some of the dorm rooms come with ocean views.

Our final college tour took us to Cal Poly in the...
Ultimamente el mercado de arte ha estado en la mira de la Universidad de San Diego y ahora están ofreciendo un diplomado enfocado en las artes.

La universidad privada está por empezar el diplomado en administración de las artes y de organizaciones de arte y cultura sin fines de lucro con énfasis en esta región.

El objetivo es preparar a líderes que entiendan la administración de las artes tanto en los Estados Unidos como en México.

De entrada, el diplomado está dirigido a quienes ya trabajan en administración de arte, pero puede atraer a artistas o a otras personas interesadas en esta área.

El diplomado está integrado por 10 módulos que se cubren de 96 a 120 horas. Los estudiantes se reunirán dos días consecutivos al mes.

En una reunión informativa reciente, la organizadora, Karla Duarte, y varios de los profesores que darán el curso dieron los detalles de cada clase.

Duarte, la directora del diplomado, dijo que la intención es dar herramientas a quienes administren las artes para enriquecer los conocimientos en áreas como curaduría, coleccionistas, recaudación de fondos, administración de galerías y otros temas.

La administración de las artes se imparte en unas 40 universidades en los Estados Unidos; lo diferente en este caso es que el curso se le dará un enfoque binacional.

Este tipo de cursos sí es útil y necesario, dijo Carmen Cuenca, subdirectora de promoción cultural del Centro Cultural Tijuana y quien por muchos años ha trabajado en la venta, administración y promoción de las artes plásticas en ambos lados de la frontera.

“Será útil si logran transmitir cómo colaborar y entender mutuamente entre el sistema mexicano y el estadounidense. Si se habla de las limitaciones, de hasta dónde podemos legalmente hacer cosas, por ejemplo.”

 Otro requisito que apuntó Cuenca como necesario es que se transmita el enfoque bilateral de las artes, que se considere el desarrollo histórico del lugar y que abarque lo práctico. Cuenca no participa en el diplomado.

La idea es que haya profesores tanto de los Estados Unidos como de México. Hasta la fecha están confirmados como colaboradores latinos Pedro Ochoa, agregado cultural del Consulado de México en San Diego; Duarte; y Mauricio Chávez, líder de proyecto y editor en el Colegio de la Frontera Norte. También participarán la mercadóloga mexicana Martha Guzmán, residente de Long Beach; y la curadora colombiana Adriana Cleves.

Este curso se dará solamente en inglés, pero los organizadores están abiertos a proporcionar interpretación simultánea si es necesario, y en un futuro, consideran que pueda darse en español.

El 15 de mayo empieza el primer módulo, pero la idea es que pueda repetirse. Los participantes tendrán un periodo de dos años para completar los nueve módulos si les interesa obtener el certificado del curso, o pueden tomar solamente las clases que les interesen.
GREEK BEAT: 5-4-09
Multi-campus charity event
Sigma Phi Epsilon fraternities from San Diego State, University of California at San Diego and the University of San Diego teamed up to host a multi-campus charity soccer tournament Saturday.

There was a sand castle building competition and a tug-o-war competition.

Approximately 20 sororities from all three campuses participated in the games.

The three chapters worked to raise money to donate to their national charity, YouthAIDS. Sigma Phi Epsilon’s vice president of communication, Sean Kashanchi, said the three chapters have been organizing the event since November.

"(The) Sun Cup (was) the largest philanthropic event ever held in San Diego," Kashanchi, a business management junior, said. "Though the games will only be for the sororities of the three universities, we encourage people to come out (to) support our cause, donate money, have some fun and enjoy the day at Mariner’s Point."

Seven bands performed throughout the day. There were also multiple disc jockeys and five different food vendors.

So far, Sigma Phi Epsilon has raised money through online donations. The fraternity has also held fundraisers all week long.

From the Sun Cup event, the food vendors planned to donate 20 percent of their total sales to the cause.

For more information and to donate, log on to http://sigepsuncup.chipin.com/sigma-phi-epsilon.
Walk for Hope to Cure Breast Cancer

Saturday, May 9 7:15a to 12:00p

at University of San Diego, San Diego, CA

Make a difference in the fight against breast cancer by joining us for City of Hope-Walk for Hope to cure breast cancer; an inspiring, fun and leisurely 3k walk and 5k fun run

Price: Presale: Adults $30 Children $20 Day of: Adults $35 Children $25

Phone: (858) 452-6846

Categories: Charity & Volunteer, Health

Location & Nearby Info

University of San Diego, 5998 Alcalá Park, San Diego, San Diego, CA, 92110

Show nearby:

- Restaurants
- Hotels
- Bars
Walk for Hope to Cure Breast Cancer Take a scenic walk through USD campus. Registration begins at 7:15 a.m., followed by 3k and 5k walks stepping off at 8:30 a.m. Pledges: 800-881-5323. Saturday, May 9, 7:15 a.m.; $30-$20. University of San Diego, 5998 Alcalá Park, (LINDA VISTA)
OTHER EVENTS

TUESDAY, MAY 12 - PANEL DISCUSSION
LEADING HIGH PERFORMANCE TEAMS

Join us for a panel discussion that will examine the knowledge sets, skills, and abilities required to create and lead high-performance teams. Panelists will provide their insights into developing a positive team dynamic and culture, implementing best practices in creating a high level of team performance, focus, and discipline, and recognizing the circumstances which might cause a team and a team leader to fail. For more info: www.athenasd.org. Organization: Athena San Diego and the USD Master of Science in Executive Leadership Program Information: 858-481-0720 andrea@athenasd.org Cost: $40.00 - $65.00 When: Hours: 7:30 AM - 9:00 AM Where: The Salk Institute, 10010 N. Torrey Pines Road, La Jolla

TUESDAY, MAY 12 - WORKSHOP SERIES
SMALL BUSINESS SUCCESS OPEN HOUSE

The open house will feature instructors and program graduates, along with author and keynote speaker Michelle Bergquist. Organization: University of San Diego Information: Julia Chermers 619-280-7698 juliarose@sandiego.edu Cost: No Cost When: Hours: 6:00 PM - 7:00 PM Where: Douglas F. Manchester Executive Conference Center
Community Healthcare Calendar

To submit a community healthcare event for possible magazine and website publication, email KLewis@SDCMS.org. All events should be physician-focused and should take place in San Diego County.


Riverside County Medical Association's 8th Annual "Crusin' Thru CME" (Eastern Mediterranean). Call (800) 345-3540.

San Diego Day of Trauma at the Joan B. Kroc Institute for Peace and Justice, University of San Diego. Visit www.scripps.org/conferenceservices.

XVII World Congress of Psychiatric Genetics. Offers a forum for exchange of the latest scientific data and education for the interested clinician. At the Manchester Grand Hyatt, San Diego. Contact (858) 534-9940 or ocm@ucsd.edu.


Local Events

Creative Writing Class
Author Lisa Shapiro helps writers improve creative writing. Including fiction, family history, personal memoirs, and creative nonfiction. 619-588-3718. Monday, May 18, 2 p.m.; free. El Cajon Library, 201 East Douglas Avenue. (EL CAJON)

Floral Design Credentiald floral instructor Betty Patterson divulges "secrets of beautiful, creative displays" for Miracosta Horticulture Club in room 7001. Refreshments, plant raffle follow. Visitors welcome. 760-729-8172. Saturday, May 16, 12:45 p.m.; free. Miracosta College, One Barnard Drive. (OCENSIDE)

Goodbye Baja Bishop Pine? Greg Abbott focuses on "Endangered Coo-S californica and Northern Baja" for Tijuana Estuary Speaker Series. Did you know that some species of pines and cypresses are almost extinct in our region? Abbott will explain how a comet impact 12,900 years ago caused abrupt ecological changes that shifted the vegetation communities of California. 619-575-3613. Saturday, May 16, 11 a.m.; free. Tijuana Estuary Visitor Center, 301 Caspian Way. (IMPERIAL BEACH)


How to Live Happily Ever After with Your Dog Open-forum workshop covers topics such as house training, socialization with people and other animals, calmness in home, communication with your dog, basic nutrition, more. For people only. Required reservations: 619-299-7012 x2247. Tuesday, May 19, 6:30 p.m. $35. San Diego Humane Society and SPCA, 5500 Gaines Street. (INDIA VISTA)

Lifestyle Medicine Dr. John Kawasaki simplifies topic of lifestyle medicine— which includes nutrition, exercise, sleep— during lecture entitled "Take Control of Your Health" offered in multipurpose room of Student Services Center. How does lifestyle affect most major diseases? 408-239-7666. Monday, May 18, 5:30 p.m.; free. University of California San Diego, 9500 Gilman Drive. (S. JULLA)

Rare Glimpses Offered! Senior archivist Jane Kenzala and Chris Travers, director of the Booth Historical Photograph Archive, demonstrate how to conduct research in the library, ways to properly identify source materials that may help in research projects during this research library open house. 619-333-6283 x129. Saturday, May 16, 10 a.m.; free-S. Museum of San Diego History, 1649 El Prado. (BALBOA PARK)

Save Time and Money Series of grant-writing and nonprofit development workshops continues with "Program Evaluation Made Easy." Learn to count only what is important to your program and to your funders. Classes offered in room SSC-1. Registration: 619-466-2728. Friday, May 15, 10 a.m.; free. Palomar College, 1140 West Mission Road. (SAN MARCOS)

UCSD Visiting Artist Lecture Series: Marnie Weber/Im

Shaw Series continues with talk by duo in Visual Arts Facility Performance Space. Weber's photomontages and videos are said to deal in "half-finished hallucinogenic fantasies." 858-246-0115. Thursday, May 14, 7:45 p.m.; free. University of California San Diego, 9500 Gilman Drive. (S. JULLA)

Want to Write a Newbery Winner? Author Susan Patron presents "You Can Write a Newbery: Ten Tips for Putting the Ultimate Gold Seal on Your Book" for Society of Children's Book Writers and Illustrators, La Jolla School of Nursing. Patron's novel The Higher Power of Lucky won the award in 2007. 619-713-5462. Saturday, May 16, 10:45 a.m.; $25-$50. University of San Diego, 5998 Alcala Park. (INDIA VISTA)


Who Was "World's First Music Entrepreneur"? David Lewis plays music, discusses G.F. Handel for LIFE learning group. in room 1068 (1 p.m.). Author Nicky Phelan- tidis, M.D., discusses his philosophy on aging (2 p.m.). 760-721-8124. Friday, May 15, 1 p.m.; free. Miracosta College, One Barnard Drive. (OCENSIDE)
Tax conference postponed due to swine flu

Due to the rising concern over the cases of swine flu in Mexico, the United States and the rest of the world, Procopio, Cory, Hargreaves & Savitch and the University of San Diego have postponed their tax conference scheduled for Friday.

The conference has been rescheduled for Oct. 19. Registrations will be carried over so attendees who have already registered for the conference will not need to re-register for the new date.

For more information, visit procopio.com/iti2009. Source Code: 20090430c2d
OTHER EVENTS

WEDNESDAY, MAY 6 - PROGRAM
THE GREAT DEBATE: DOES THE MARKET REWARD GOOD GOVERNANCE?
DO GOVERNANCE RATINGS MATTER?

Two of the leading corporate governance authorities in the United States will square off in a debate about the true value of corporate governance. Participants are Sanjai Bhagat, professor of finance at the University of Colorado at Boulder, and Patrick McGurnand, special counsel at RiskMetrics Group, ISS Governance Services. Debate is moderated by Cynthia Richson, president of Richson Consulting Group, member of the PCAOB Advisory Group, and former head of governance at OPERS and SWIB. More info: www.directorsforum.com Organization: Corporate Directors Forum Information: 858-455-7830 cdforum@directorsforum.com Cost: $55.00 - $75.00 When: Hours: 5:30 PM - 8:00 PM Where: Hyatt Regency La Jolla, 3777 La Jolla Village Drive, San Diego, 92122

THURSDAY, MAY 7 - SUMMIT
FIRST SAN DIEGO MICROFINANCE SUMMIT

This summit will highlight the San Diego area's contribution to local and global microfinance and foster new partnerships to expand microfinance initiatives. Organization: San Diego Microfinance Summit Information: www.sdmicrofinancesummit.org Cost: $10.00 - $25.00 When: Hours: 8:00 AM - 2:00 PM Where: Joan B. Kroc Institute of Peace and Justice, USD, 5998 Alcala Park, San Diego, 92110

MONDAY, MAY 11 - DISCUSSION
SHOW ME THE MONEY!
Finding Hidden Cash In Your Operations. Come join us for a discussion on how companies are finding hidden savings through good times and bad. Event will feature speakers from Qualcomm, PricewaterhouseCoopers and Cushman & Wakefield. Students, military, press and mentor sponsors are FREE. Organization: CommNexus Information: www.commnexus.org Cost: $20.00 - $30.00 When: Hours: 5:30 PM - 7:30 PM Where: Offices, 12531 High Bluff Drive, San Diego, 92130
EVENTOS LATINOS

SAN DIEGO

MOVIES

"Rudo y Cursi": This Mexican film about two brothers who become soccer rivals is showing in various theaters across the county. With Gael Garcia Bernal and Diego Luna; directed by Carlos Cuaron.

LIVE SHOWS

"Daddy Diaries": San Diego-born comedian Rick Majera presents this monologue on paternity. Lyceum Theatre, 79 Horton Plaza, San Diego. Different times. $20 adults, $15 students, military and seniors. Tomorrow through Sunday. (619) 544-1000 or sdvieg.org.

EXHIBITIONS


"Gods & Gold": Pre-Columbian treasures from Mexico to Peru. San Diego Museum of Man, Balboa Park. (619) 239-2001 or museumofman.org.

LOOKING AHEAD

"Mano, ay Pequeño...!": May 28. Wisconsin cultural critic Carlos Monsivais will give this conference on Mexican popular poetry as part of the series Los Rostros de México at the Peace & Justice Institute, University of San Diego. Sponsored by the Mexican Consulate. 7 p.m. for rostrodemexico.com.

Emmanuel: May 30. The ballad singer performs with son Alexander Ache. Playas de Tijuana building, 8 p.m. 230 to 1,530 pesos. ticketmaster.com.

Julio Iglesias: June 7. The Spanish singer performs at Valley View Casino, Valley Parkway East, Valley Center. 8 p.m. $55 to $75. ticketmaster.com.

Los Tucanes de Tijuana: June 14. Moreno, San Diego County Fair, Del Mar. 7:30 p.m. Free with paid ticket to the fair; reserved tickets, $27-$33 for adults, $22-$28 for children and seniors. ticketmaster.com.

Vicente Fernández: June 20. Charle sings with Shaila Durcal. Cricket Wireless Amphitheatre, Chula Vista. 8 p.m. $56.85 to $136.85. ticketmaster.com.


Intocable and Petrolera 81: June 28. Norteña and Duranguense. San Diego County Fair, Del Mar. 7:30 p.m. Free with paid ticket to the fair; reserved tickets, $27-$33 for adults, $22-$28 for children and seniors. ticketmaster.com.

To have your event listed, fax material at least two weeks in advance to (619) 260-5088 or e-mail the information to eventos@uniontribune.com. Comments or questions? (619) 293-2027.
Daddy Diaries
Del viernes 22 al domingo 24

Mamá, soy Paquito...
El escritor Carlos Monsiváis hablará de la poesía popular mexicana en la serie Los Rostros de México; Instituto de Paz y Justicia, en la Universidad de San Diego. Patrocinada por el Consulado General de México en San Diego. 7 p.m.; losrostrosdemexico.com.
EVENTOS LATINOS

SAN DIEGO

MOVIES

"Rudo y Corle" This Mexican film about two brothers that become soccer rivals is showing across the county. With Gael Garcia Bernal and Diego Luna, directed by Carlos Guedes.

LIVE SHOWS

"Manía, say Pasquite..." Writer and cultural critic Carlos Monsiváis will give this lecture on Mexican popular poetry as part of the series Los Rostros de México at the Peace & Justice Institute, University of San Diego. Sponsored by the Mexican Consulate. 7 p.m. today. eastrostrsdemexico.com.

"Ritmo Caribe": Salsa and other Latin rhythms, performed by musician Manny Capote. Skies Lounge, Four Points by Sheraton, 8110 Aero Drive. 8 p.m. Every Wednesday. $10 includes buffet. sd-dancebeats.com.

EXHIBITIONS


LOOKING AHEAD

Julio Iglesias: June 7. The singer performs at Valley View Casino, Valley Parkway East, Valley Center. 8 p.m. 395-775, ticketmaster.com.

Los Tucanes de Tijuana: June 14. Norteño. San Diego County Fair, Del Mar. 7:30 p.m. Free with paid ticket to the fair; reserved tickets, $27-$33 for adults, $22-$28 for children and seniors. ticketmaster.com.

Vicente Fernández: June 20. Chente shares the stage with Sheila E. at Cricket Wireless Amphitheatre, Chula Vista. 8 p.m. 619-935-5325. ticketmaster.com.


To have your event listed, fax material at least two weeks in advance to (619) 260-5088 or email the information to eventos@mienlace.com. Comments or questions, (619) 293-2027.
Athletics
LOCAL BRIEFS

USD's Ching finishes for 13th at NCAAs

USD's Ching of the University of San Diego finished tied for 13th in the individual tournament, and the Toreros missed out on qualifying for the match-play portion of the team tournament at the NCAA Division I golf championships at Inverness Club in Toledo, Ohio.

Ching, a second-round co-leader, shot a 5-over-par 76 in the third and final round, to finish at 1-over 214.

North Carolina State's Matt Hill made three birdies on the homeward nine holes and held off his closest pursuers to win the individual title with a 6-under 207.

Rickie Fowler of Murrieta closed with a 3-under 68 to tie for third at 210. His Oklahoma State team posted the low score through 54 holes and easily qualified for the eight-team playoff to determine the team champion.

For the first time this year, the NCAA team title will be decided by three rounds of match play, which will be contested on Friday and Saturday. USD shot 877 as a team, good for 13th place, and missed the team playoff by 8 strokes.

The second round was suspended for 4½ hours by a thunderstorm, requiring almost half the field to come back Thursday morning to pick up where they left off when darkness fell Wednesday night. The third round began at mid-morning, but the rain held off, although the deep rough was particularly thick and troublesome because it was so wet.

USC, playing without Jamie Lovemark (Torrey Pines), who has a cracked rib, started the round tied for 12th but climbed all the way into a tie for third with Arkansas and Washington, going 5 under on the day.
LOCAL COLLEGES

Toreros fare well on fairway

UNION-TRIBUNE

The teams in the NCAA Men's Division I Golf Championship recorded more than 850 shots over 54 holes, and only eight strokes yesterday that kept USD from furthering its improbable run toward a national title.

The 63rd-ranked Toreros, in their first appearance in the finals, shot their best score of the tournament in the third round, 291, but lost ground and finished in 13th after 54 holes in Toledo, Ohio. The top eight teams out of 30 advanced into today's first round of match play, and USD was eight shots behind the teams that tied for seventh — No. 2 Georgia and No. 14 Texas A&M.

Top-ranked Oklahoma State, led by Murrieta product Rickie Fowler, scored 281 in the third round, shot 3-under overall and finished six shots better than runner-up Arizona State. Fowler tied for third at 3-under, three strokes behind North Carolina State's Matt Hill, the individual champion who shot three 69s at the Inverness Club.

USD freshman Alex Ching was tied for the lead after he finished his rain-delayed second round yesterday morning, shooting a 68 after he'd scored 30 on the front nine. But Ching, 19, couldn't make a birdie against five bogeys in the third round, shot 76 and tied for 13th.

Sophomore Gunner Wiebe led the Toreros in the third round, scoring 69. Senior Blake Trimble (Torrey Pines) scored 71, Jason Shano 75 and Ian Coffman 80.

— TOD LEONARD
Punahou alum Alex Ching shoots 76, finishes tied for 13th at NCAA

University of San Diego freshman Alex Ching, a 2008 Punahou School graduate who was tied for the lead after completing a second round 3-under 68 this morning, shot 5-over 76 in the final round to finish 13th in the NCAA Division I men's golf championships in Toledo, Ohio.

Matt Hill of North Carolina State shot his third consecutive 69 to finish at 6-under 207 for a two-stroke victory.

Ching, whose second round was halted because of darkness Wednesday, returned today to finish at 4-under 138, tied with Russell Henley of Georgia (67) and Hill (69), a stroke ahead of Bronson Burgoon (67) of Texas A&M.

But Ching started the third and final round with four bogeys on his front nine to make the turn at 4-over 39, even overall. He had another bogey to finish 1-over overall at 214, tied for 13th with a few golfers still playing.

Hill is golfing as an individual as his North Carolina State team is not entered.

Kyle Stanley of Clemson finished two shots back at 4-under overall 209.

Ching, who shot a 1-under 70 on Tuesday, was 5-under through 11 holes and the on-course leader Wednesday when darkness halted his round following a four-hour-plus rain delay.

He tore up the front nine with three birdies and an eagle to shoot 5-under 30 and get to 6-under for the tournament. But consecutive bogeys on Nos. 12 and 13 and another bogy on No. 15 dropped him to 2 under before a birdie on the par-4 18th.

Because of the rain delay, nearly half the field had to complete the second round today before the final round of medal play.

In a new format, an individual champion was determined after 54 holes. Those 54 holes also will cut the field to a final eight teams for match play to determine the team title.

Arizona State's Chan Kim, a former state champion from Kaimuki High School who moved to the Mainland while an undergraduate, shot a 1-under 70 today to finish at 3-over 216. He shot 75-71 in his earlier rounds.

USD's Ching in contention

North Carolina State's Matt Hill eagled his next-to-last hole to tie Georgia's Russell Henley for the medal lead in the weather-delayed second round of the NCAA Division I men's golf championship at Inverness Club in Toledo, Ohio.

Hill, a co-leader after the opening 18 holes, shot a second consecutive 2-under 69 and was at 4-under 138. Georgia had a 1-over 573 total through 36 holes, five shots back of Oklahoma State. The top eight teams through 54 holes of medal play advance to match-play quarterfinals. The individual winner will be decided through 54 holes.

Threatening weather suspended play for 4½ hours, leaving almost half the field still on the course when darkness fell. Play will resume early this morning, with the third round to follow.

Still on the course, University of San Diego freshman Alex Ching got off to a torrid start on his round before darkness suspended play. With three birdies and an eagle at No. 8, he was 5 under through 10 holes to get to 6 under for the tournament.
Titans colliding for national title

- Check out Golfweek’s complete 2009 NCAA postseason coverage
- Golfweek’s NCAA Championship blog

By SEAN MARTIN
Assistant Editor

TOLEDO, Ohio – If a golf course is measured by its ability to identify the best players, then Inverness Club had the most successful day during the first round of the NCAA Division I Men’s Championship.

No teams and only eight individuals broke par Tuesday at the four-time U.S. Open site, but the fortunate few who found success were also the best the country has to offer.

No. 1 Oklahoma State and second-ranked Georgia finished the first round tied for the lead at 4-over 288, four shots better than Chattanooga, the team that started the season ranked No. 1.

North Carolina State’s Matt Hill, the leading candidate to be named this year’s player of the year, shot 2-under 69 to tie for Northwestern’s Jonathan Bowers and Illinois’ Scott Langley. Five players shot 70, including Washington’s Nick Taylor, another player of the year candidate, and UCLA’s Philip Francis.

It’s no coincidence that Georgia and Oklahoma State were atop the leaderboard. Georgia seems to win every year at a course tough enough for Tiger Woods to call home. Oklahoma State’s home course, Karsten Creek, is one of the toughest in the country as evidenced by the Cowboys’ winning score of 17-over-par 881 at the NCAA South Central Regional two weeks ago.

“We like the challenge of hard courses,” said Georgia’s Russell Henley, who tied for low score on the team with an even-par 71. Neither team had a player shoot a sub-par round, but 73 was the highest score either team had to use.

The surprise of the day was San Diego, the last team to earn an at-large bid for the postseason. The Toreros shot 293 and are tied for fourth with Washington, another one of the pretournament favorites.

Chattanooga is starting to play more like the team that won its first two tournaments of the season, including the prestigious Carpet Capital Collegiate, than the one that finished 10th or worse in four of five stroke-play events in the middle of the season.

Chattanooga is starting to play more like the team that won its first two tournaments of the season, including the prestigious Carpet Capital Collegiate, than the one that finished 10th or worse in four of five stroke-play events in the middle of the season.

The Moes have gone 2-1-3 in their past three starts, including a win at the Southern Conference Championship and third-place finish at the NCAA South Central Regional.

“We talked about getting off to a good start (at NCAAs),” head coach Mark Guhne said. “That’s one thing we didn’t do during that stretch in the middle of the year. We were always battling uphill.”

Chattanooga’s Fredrik Qvicker led the team with an even-par 71. Derek Rende shot 73, while Jonathan Hodge and Jaeger shot 74s.

Rende and Hodge are entering their third consecutive week of competition, having played the Tennessee Open in the week between regionals and the finals. Rende tied for 15th, while Hodge was 36th. Former Moc Bryce Ledford won the event.

The Moes used one interesting tactic to take the early lead in the first round of the NCAA Division I Men’s Championship. They laid up on a par 3.

Stephan Jaeger, Rende and Hodge purposely hit short of the green on the par-3 third hole, which played 186 yards Tuesday, in order to avoid the lake right of the green. Jaeger and Rende got up-and-down for pars.

The third hole is the start of a brutal five-hole stretch. The Moes’ four scorers played Nos. 3-7 in 10 over par en route to their 8-over 292, the low score of the morning wave.

“I think the key for anybody this week is playing Nos. 3-7 pretty well,” Chattanooga head coach Mark Guhne said. “You’re going to make bogeys there, but you have to avoid the big numbers.”

Oklahoma State played those holes 9 over, while Georgia was only 1 over on the stretch.

“Those are definitely going to be the deciding factor this week,” Henley said. “Those holes are so long and the greens are not that big. Once you hit the fairway, you still have a lot of work to do.”

The same can be said for the eventual champion, whoever it may be. They still have to face two more rounds of stroke play before embarking on three rounds of match play.

...
Scores with relation to par from the first round of the NCAA Men's Championship, played May 26 at the par-71, 7,255-yard Inverness Club in Toledo, Ohio (Note: y-played as individual):

**TEAMS**

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**INDIVIDUALS**

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http://www.golfweek.com/print/ncaa-men-rd1-052609
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93. Travis Woolf, TCU 77 + 6
93. Bo Hour, Ohio St. 77 + 6
93. Dustin Groves, Wake Forest 77 + 6
93. Johan de Beer, TCU 77 + 6
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http://www.golfweek.com/print/ncaa-men-rd1-052609

5/27/2009
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Punahou alum Ching tied for NCAA golf lead after second round

Advertiser Staff and News Services

University of San Diego freshman Alex Ching, a 2008 Punahou School graduate, was tied for the lead after completing a second round 3-under 68 this morning in the NCAA Division I men's golf championships in Toledo, Ohio.

Ching was at 4-under 138 with Russell Henley of Georgia (67) and Matt Hill of North Carolina State (69), a stroke ahead of Bronson Burgoon (67) of Texas A&M. Five golfers are at 140. The third and final round is scheduled for this afternoon.

Ching, who shot a 1-under 70 on Tuesday, was 5-under through 11 holes and the on-course leader yesterday when darkness halted his round following a rain delay. But consecutive bogeys on Nos. 12 and 13 and another bogey on No. 15 dropped him to 2 under before a birdie on the par-4 18th.

Rain delayed play for slightly more than four hours yesterday and nearly half the field had to complete the second round today before the final round of medal play.

In a new format, an individual champion will be determined after 54 holes. Those 54 holes also will cut the field to a final eight teams for match play to determine the team title.

Ching yesterday tore up the front nine with three birdies and an eagle to shoot 5-under 30 and get to 5-under for the tournament.

Arizona State's Chan Kim, a former state champion from Kaimuki High School, shot 71—146.
Freshman Alex Ching has given the upstart USD men's golf team a chance to make a run at the Elite Eight.

Ching was one of only eight players in a 156-man field to break par yesterday, shooting a 1-under 70 at the Inverness Club in Toledo, Ohio, to get into a tie for fourth after the first round of the 112th NCAA Division I Championships.

The surprising Toreros, ranked 63rd in the country by Golfweek, scored 9-over as a team to tie for fourth place in the 30-team field. They need to be in the top eight after 54 holes are completed tomorrow to land in the match play portion of the team championship.

Top-ranked Georgia and No. 2 Oklahoma State were tied for the lead at 4-over par, course that has hosted four U.S. Opens. They were followed by Chattanooga at 8-over. USD was tied with No. 6 Washington.

Ching, the WCC Freshman of the Year, was tied with four others, only one shot off the lead of a trio of players – Northwestern’s Jonathan Bowers, Illinois’ Scott Langley and North Carolina State’s Matt Hill. Ching went into the tournament as the 139th-ranked player in the country. Ian Coffman and Jason Shano scored 74 for the Toreros, while Blake Trimble shot 75 and Gunner Wiebe 78.

— TOD LEONARD
Toreros are on the rise

Tim Mickelson has been talking about a national golf championship for the USD men's team since he arrived on campus six years ago. It has always seemed over the top optimistic, given the Toreros' track record:

Before Mickelson got there, USD was rarely noticed. USD's sixth-place finish in the 2006 Pac-10 Championships as a junior. Still, he sometimes acts and talks as if he is a USD alumnus.

Near the campus, you might see a guy driving a huge Ford Excursion with a massive Toreros sign on the side. That's Tim Mickelson in the town "just a booster bought for the team. The vehicle is rather conspicuous in a country club parking lot when Mickelson takes it to tournaments.

Mickelson said he feels a close association to USD because he went to high school across the street at USDHS and wrestler, Tina, graduated from USD in 1991.

Support for Amy

In the aftermath of the announcement last week that Amy Mickelson has breast cancer, there was a flood of support offered to the family. One of the most touching efforts came from Darren Clarke, the European Ryder Cupper who lost his wife, Heather, to breast cancer in August 2008.

Clarke spoke to Phil Mickelson on the phone and recalled to reporters the support the Mickelsons gave him during the 2008 Ryder Cup.

"Phil and Amy helped me through that Ryder Cup, walking on and off with me at the opening ceremony and closing ceremony," Clarke said. "They Amy took my arm and they took me to the other side, which was supposed to be for players and their wives. Amy got involved in that. They have been very kind to me.

"I've been through the whole thing," Clarke said. "I know how the system works for some of the things they say, and I'm only too happy and keen to pass on whatever little skills I can -- what's coming, ups and downs, what to expect."

"Friendship is more than just golf. You try to help in any way at all. Hopefully, they have caught it early."

For this week's Crowne Plaza Invitational at Colonial, a "pink out" is planned for Saturday. Competitors and fans are being asked to don pink clothes or ribbons to show support for Amy Mickelson.

Senior ratings update

For a meeting last week of the city's Park and Recreation Board, Golf Manager John Maddu prepared a report that recommended that senior rates for golfers at Torrey Pines, Balboa and Mission Bay should be retained, rather than establishing a low-income fee.

City staff had been asked to look into a low-income rate for Mayor Bob Filner's five-year golf plan approved in 2006.

Maddu said in the report his belief that seniors (65 and older) would benefit from the 30 percent discount they now receive than if they were required to qualify for a low-income waiver, which would have a threshold of $14,000 for one person or $28,000 for two people.

Maddu's report said 17 percent of city courses were played by members in fiscal year 2008, resulting in $296,000 in discounts. The Park and Recreation Board postponed consideration of the item.

Tod Leonard (858) 293-1859; tod.levin@uts.com
Early interest key to USD's signing Ching

By Ted Leonard

If Alex Ching had not been surrounded by a gaggle of teenage girls one year in the Callaway Junior World Championships at Torrey Pines, USD men's golf coach Tim Mickelson might not have noticed him.

Mickelson had never seen the then-15-year-old Hawaiian swivel a golf club, but he figured there must be something special about the kid to attract such a crowd from the females on his team.

"If I figured he was either quite the ladies man or a great golfer," Mickelson says now with a chuckle.

It turned out Ching could be a charmer both on and off the course, and that one chance spotting by Mickelson has been a boon to both the player and USD.

Appreciative of Mickelson showing interest in him long before he'd worked his game into college-level shape, Ching chose USD, and he has been an instrumental part of the Toreros reaching this week's NCAA Division I Golf Championships for the first time in school history.

The only Torero to play in every event this season, Ching led USD in scoring average (71.75) and was chosen as the Freshman of the Year by the coaches in the West Coast Conference.

Ching, 19, laughed when reminded about the girls at the Junior World. He said they were all friends of his because the Hawaiians were such a close-knit team. He had no idea what the attention would mean to him.

Soon after Junior World, Mickelson watched Ching play a tournament in Temecula and was encouraged enough to write his name down as a future recruit.

"He was me at the right time, so I'm pretty stoked," Ching said.

He loved fishing and surfing while growing up in eastern Oahu, Ching desired to go to college near the ocean, and he said he ultimately had to choose between Pepperdine and USD. That was significant, because Pepperdine has been the perennial powerhouse in the WCC, and Mickelson said he hadn't won a recruiting battle against the Waves in his six years as head coach.

"I honestly thought he was going to go to Pepperdine," Mickelson said. "It was a big thing for him to come to USD. To be able to win one, I was quite thrilled."

Ching said it was all about Mickelson's confidence in him. "I really felt like I could spend the next four years with Tim as my coach," he said. "I couldn't have asked for a better coach."

A multi-sport athlete growing up, Ching didn't draw a lot of attention from college golf coaches because he didn't play high school golf until his senior season. Before that, he was part of a state championship doubles tennis team. His partner, Erik Shoji, also was a two-sport star who is now playing volleyball at Stanford.

Both boys decided to play two spring sports their senior season, and their respective coaches worked out their schedules. When the golf season came around, Ching had become one of the top young players in Hawaii. He won several prestigious events in the islands, including the state high school title and the 100th Manoa Cup, and he captured the Optimist title in Florida.

"In the Optimist tournament, I hit a ball on the first tee, and I told myself how lucky I was to be playing golf," Ching said. "It had nothing to worry about but getting the bull in the hole. That was one of the biggest things for me, and I've kept that attitude. I'll lie to myself as I walk down the fairway. I try to keep a smile on my face."

One of Ching's career highlights is winning a qualifier to play in the PGA Tour's 2008 Sony Open in Hawaii. He shot back-to-back 72s to miss the cut by three shots, but the experience was priceless.

"Everything about the week dazzled him, and he came away with some great stories," Mickelson said. "Those include slipping a large golf into the chest of Billy Mayfair on the practice range."

This college season has had a fatal twist to it for Ching. He said his best friend growing up was his grandfather, Francis Ching, whom he called Gong Gong — Chinese for grandpa. Ching's grandfather badly missed him when he went off to college, but they talked on the phone several times a week.

Francis Ching and the rest of Alex's family were thrilled to watch him in person last November as he finished fourth and USD won its only team title of the season, the Kahalawawe. Three months later, USD was on Oahu for another tournament, but Francis Ching was in the hospital, battling the final stages of cancer. After a practice round, Alex drove to the hospital. "It was awesome," Ching said. "I told Gong Gong about all that we were going to do when he got out of the hospital. He was the most selfless guy. He had this oxygen mask on, and he said, 'Don't worry about me. Alex, just focus. Focus. Focus.'"

Francis Ching died the next day while Alex was playing his first round in the tournament. "That was tough," Ching said, "but it was amazing that I got one last chance to be with him."
Point Loma Nazarene earned an at-large spot and is one of 36 teams that will play in the NAIA Championships that start Tuesday at the TPC Deere Run in Silvis, Ill.

The University of San Diego placed fourth at the western regional tournament to advance to the NCAA championships on May 26-30 at Inverness Club in Toledo, Ohio. Three Toreros finished in the top 30, led by Ian Coffrun's 12th place finish at 5-under-par 211. Alex Caffing was three strokes back at 2-under 214, while teammate Jason Shano finished a 2-over 216.

San Diego State placed seventh at the western regional tournament in Daly City, missing a berth in the NCAA championships.

Jeanette Washburn, who helped Palomar College to third place in the community college state championships last fall, has committed to Jamestown College. Washburn, who has been accepted into Jamestown's nursing program, is the first four-year college scholarship recipient for Palomar's two-year-old women's golf team. She had a season-best round of 76 at El Prado Golf Club in Chino Hills.

Cal State San Marcos finished its season, taking 10th place at the NAIA championships. Sophomores Roxanne Mejia and Linnet de Villa led the way, tying for 22nd and 26th, respectively.

Point Loma Nazarene is seeded third in the eight-team, double-elimination NAIA World Series that opens Friday at Lewis-Clark College in Lewiston, Idaho.

UC San Diego captured the NCAA west regional title, beating Sonoma State 12-4 on Sunday afternoon in Kelso, Oregon. The Tritons sent the Tritons to their sixth national championships for the first time in school history. Vance Albitz was named tournament Most Valuable Player.

Four Cal State San Marcos players were named to the Cascade Conference and regional grouping all-conference team. Catcher Scott Clement (La Costa Canyon), designated hitter Dane Pasciaco, third basemen Austin Coleman, and outfielder James Scott were all recognized.

UC San Diego sophomore outfielder Kristyn Lesovsky was voted the 2009 NCAA Division II west region player of the year. Freshman pitcher Camille Gaito was second team. Lesovsky hit a conference-high .416 with 42 runs, 17 doubles, eight homers, 32 RBIs, and 44 walks.

Palomar College's Adriana Paz finished ninth in the 400-meter intermediate hurdles at Saturday's community college state championships, running 1 minute, 7.80 seconds.

San Diego State's Nicole Stone won the 400 (52.81) and Karoline Koehler took the triple jump (43 feet, 4¾ inches) at the 2009 Mountain West Conference championships at Wyoming. Koehler was named the High Point Performer.

— John Maffei
USD is heading to its first NCAA championships after finishing fourth in the West Regional at Lake Merced Golf Club in Daly City. The Toreros, seeded 11th in the 13-team regional, shot 283 in the final round and finished at 15-under for 54 holes, 21 shots behind winner Arizona State. The championship will be played May 26-30 in Toledo, Ohio.

With the top five teams advancing, Oregon was second, Texas A&M third, and No. 2-ranked USC was fifth. Fourth-seeded San Diego State finished alone in seventh, four shots behind the Trojans. USD had three golfers finish in the top 25, led by senior Ian Coffman (St. Augustine), who tied for 12th. Blake Trimble (Torrey Pines) tied for 18th, and Alex Ching tied for 24th. Rounding out USD's effort, Jason Shano tied for 43rd and Gunner Wiebe tied for 66th.

Johan Carlsson was SDSU's top player, tying for 18th. Oregon freshman Daniel Miernicki (Cathedral Catholic) tied for seventh, five shots behind medalist Jesper Kennegard of Arizona State.
LOCAL COLLEGES

24 hits catapult UCSD to win over W. Oregon

UNION-TRIBUNE

No. 2 UCSD crushed No. 18 Western Oregon 18-3 last night in the winner's bracket game at the NCAA West Regionals in Keizer, Ore.
The Tritons (38-12) out-hit Western Oregon (34-13) 24-13 as Vance Albitz and Josh Tanner had four hits apiece with Garrett Imeson, Robert Sedin and Kellen Lee contributing three hits apiece to back up Trevor Decker (9-2), who allowed just one earned run over seven innings.

More baseball
Host Utah cranked out 16 hits in a 15-5 win over SDSU in Mountain West Conference action. The loss for SDSU (36-19, 14-9) guarantees that the Aztecs won't get a first-round bye into the MWC Tournament next week.
SDSU starter Ryan O'Keefe was roughed up for two earned runs over 11 innings. The Aztecs had 12 hits against the Utes (21-21, 15-15).

Men's golf
The USD men's golf team is poised to reach the NCAA Championships for the first time in school history. The Toreros shot 10-under par in the second round and moved up to third heading into today's final round of the West Regional at Lake Merced Golf Club in Daly City.

The top five teams from the 13-team regional reach the championship tournament May 26-30 in Toledo, and at 10-under overall, 11th-seeded USD is five shots ahead of sixth-place USF. Fourth-seeded SDSU is struggling in eighth place at 3-under.
USD freshman Alex Ching (69) and senior Ian Coffman (70) are tied for 13th at 3-under along with SDSU's Alex Kang (69). Gunner Wiebe shot a team-best 68 for USD after an opening 76.

Women's golf
Cal State San Marcos took 10th place at the NAIA National Championships. Roxanne Mejia and Linnel de Villa led the way, finishing tied for 21st and 26th, respectively, at Meadowbrook Country Club in South Dakota.

Track and field
SDSU's Karoline Koehler won the long jump at the MWC Outdoor Championships at Wyoming with a leap of 20 feet, 9 ¾ inches.

PLNU's Tyler Lent threw a three-hitter and was 3-for-3 as PLNU beat McKendree (Ill.) 4-0 at the NAIA national championships in Decatur, Ala. PLNU (46-11) needs a win today over Madonna (Mich.) to advance to the championship bracket.
The UC San Diego baseball team recovered from a rare poor start by Tim Shibuya to get off to a flying start in the NCAA Division II Western Regionals.

Shibuya lasted just 4 1/3 innings as the second-ranked Tritons (37-12) fell behind 10-5 before rallying for an 11-10 victory over Cal State Dominguez Hills (34-22) in Keizer, Ore.

“This was Shibuya’s first bad start all season.... And as we have done all year, when someone struggles, we have been able to pick them up,” UCSD head coach Dan O’Brien said in a news release.

Shibuya, who came in with a 1.81 ERA, gave up six runs on nine hits against the Toros, who built their 10-5 lead with a four-run seventh.
Spurred by rejection

USD's Coffman worked to prove that he belongs

By Tod Leonard

Letters of rejection are a way of life for college coaches. They send them with compassion, no doubt, because there are teenagers with big dreams on the receiving end. Yet in the time it takes to lick a stamp, the letters become just another piece of the recruiting game, and far more important than make it.

That's why USD head coach Tim Mickelson had to laugh a month ago when Ian Coffman pulled out from his golf bag a dog-eared piece of paper as they stood on the putting green at San Diego Country Club.

In the letter Coffman saved for six years, Mickelson matter-of-factly told the San Diego native from St. Augustine High that he wasn't good enough to play for the Toreros. It was an assessment that deeply wounded a kid whose passion for golf seemed to run deeper than the soil for it.

"Oh man, do I remember how it felt when I got that bad boy," Coffman recalls.

The letter has significantly different meaning now. Coffman shared it with Mickelson not to boast or embarrass, but to enjoy its symbol of pride and perseverance, for both men.

In a remarkable twist, Coffman is one of five starters on the Torero team that is heading into this week's 18-hole NCAA Daly City Regional, which begins Thursday at Lake Merced Golf Club.

Coffman's road was as circuitous as a trip to Los Angeles via Turna. Coffman played three seasons as a backup goalie for the USD soccer team, underwent back surgery, got his accounting degree, and walked onto the golf team last spring as a grad student with absolutely no promise he'd ever play in a tournament.

In his first year of eligibility, he has become one of Mickelson's most consistent performers, capping his rise with a tie for eighth in the recent West Coast Conference Championship.

"Every single thing he's done this spring, he's earned," Mickelson said. "It's exactly what you ask for as a coach, to see someone earn their way onto the team and take advantage of it."

As for that letter? Mickelson wouldn't mind a mulligan.

"Obviously, I was wrong," the coach said. "I would have loved to have had him for the last four years. I'm happy to have had him the last year and a half."
Coffman, 23, is a former Union-Tribune Scholar Athlete of the Year who played varsity golf and soccer for all four years at St. Augustine. A student athlete, he was named the top scorer as the Saints won two CIF titles.

Growing up in St. Louis, he took up golf at 13, and from that time on it captured his devotion much more than soccer ever could.

"I loved golf. There's just something about it," Coffman said. "If I have to get up at 6:30 in the morning, I want to play golf, not do other things, and I love the challenge of it. You have to work hard at it and you're never perfect. I'm looking for more every time."

Simply put, though, Coffman did not stack up to some of the other local junior golf standouts against whom he competed. He didn't win a tournament of consequence, and so he wasn't surprised when he failed to impress Mickelson. But he was still terribly disappointed not to be playing college golf somewhere.

The consolation came when Coffman was offered a spot on the USD soccer team by the head coach of 20 years, Zeama McFadden. Coffman was a backup, but he wasn't bad and had a good program that regularly climbed high into the national rankings.

The goalkeeping became a problem when Coffman suffered a herniated disc in his back that eventually required surgery. When he returned, Coffman hit the driving range, and soccer became a nice memory.

Mickelson let Coffman try out last spring, but in a group qualifier he missed the cut-off number by one shot. Coffman begged for another chance, and Mickelson — and Coffman's persevering teammates — couldn't resist.

"He had an extremely good work ethic, and the guys want ed him on the team," Mickelson said.

Coffman would prove his value as a teammate. He finally earned a starting spot in March for a tournament in Fresno. But was sick right before the event and was told by his doctor he was contagious. After waiting weeks for his shot, he called Mickelson to withdraw from the trip.

"It was not the best possible thing anybody's ever done on my team in six years," Mickelson said.

Coffman made the roster for the Barona Collegiate Cup a week later, and he has been in the starting lineup ever since. He shot 75-69-76 in the WCC tourney in Vallejo to finish as the No. 2 Tower.

"There are guys who step up and play when it matters, and that's him," Mickelson said. "If we're coming down to the last four holes in a match, and I need him to play at his best or even, I know he can do it."

What changed for the kid who wasn't good enough?

"Honestly, my dad," Coffman said. "Golf is such a mental game, it's a joke."

Everything, he's learned, can become a cause for motivation, including a piece of painful reflection.

"I know it's a little cheesy," Coffman said, "but it reminds me of where I was at. Any ath-

**NCAA MEN'S GOLF**

**Daily City Redshaw**

**Where**: Thursday-Saturday, 54 holes

**Where**: Lake Merced Golf Club

All eight of six regional, 13 teams, including San Diego State and USD, compete to earn five spots in the NCAA Championship, to be held May 22-30 at the Inverness Club in Toledo, Ohio. There are 88 schools combined in the regionals.

**EDSU outlasts The Aztecs**: First round, ranked 22nd and seeded fourth after earning their 16th straight regional bid. Last year, USD played in the finals for the fourth time and placed 13th. The Aztecs have five second-place tournament finishes in the nation; sophomore John Carson leads his season scoring average (72.50).

**USD outlasts The 12th-seeded Trojans**: Seeking their first berth in the finals, are making their third appearance in the regionals in the past four years. They tied for third place in the 1972 NCAA Division I national semifinals and won the 1976 NCAA Division II national championship.

**182**
INSIDE SPORTS

Rejection motivated golfer to succeed

USD golf coach Tim Mickelson once told Ian Coffman (above) he wasn't good enough to play for the Toreros. "Obviously, I was wrong," Mickelson says. D4
The San Diego State and USD men's golf teams yesterday were selected to play in the NCAA Tournament regional at Lake Merced Golf Club May 14-16. The Aztecs are seeded fourth and the Toreros 12th in the 15-team event that is part of six regionals that will send teams to the national championship tournament.

USD's Alex Ching, who had a team-best scoring average of 71.73 this season, was selected by West Coast Conference coaches as the Freshman of the Year. Ching tied for 15th in the recent WCC Championship. Toreros senior Blake Trimble tied for third in the tournament and was named to the conference first team. Senior Ian Coffman was honorable mention.
LOCAL COLLEGES

USD junior outfielder James Meador has been named the West Coast Conference's Player of the Year. Meador, who led the league in batting (.438), hits (39) and total bases (60) during conference play, is the fourth Toreros player to win the WCC's top award. Meador was joined on the All-WCC First Team by USD pitcher AJ Griffin, shortstop Sean Nielson and utility player Zach Walters. Catcher Nick McCoy got honorable mention honors, and Bryan Haar was named to the All-WCC Freshman Team.

* PLNU's Sam Cyr fired a tournament-best 4-under 67 to move in front of the 151-player field with a two-under 212 total in the third round of the 58th annual NAIA Men's Golf National Championships in Silvis, Ill. PLNU is in 14th place after shooting a 296 third-round score for a three-day total of 920. Oklahoma Christian is leading with a score of 862.

* USD sophomore Dean Jackson upset No. 7 seed Michael Venus of LSU 7-6 (9-7), 6-3 in the second round of the NCAA Division I Men's Tennis Championships in College Station, Texas. Jackson, who has assured himself ITA All-America honors, will face No. 9 Han Conger Pellock of Texas A&M in today's round of 16.
Meador is WCC's best

University of San Diego outfielder James Meador was named the West Coast Conference player of the year, even though the Toreros (29-25, 11-10 WCC) finished fifth in the conference standings and have only a slim chance to gain an at-large berth to play in the NCAA tournament for the fourth straight year.

Meador batted .438 with 39 hits and 60 total bases in WCC games to lead the conference in all three categories.

Joining Meador on the All-WCC first team were junior right-handed pitcher A.J. Griffin (Grossmont High), senior shortstop Sean Nicol and sophomore infielder/outfielder Zach Walters.

-- Tom Shanahan
TOREROS TOPPLE NO. 1

USD baseball team scores seven runs in the
ninth to upset top-ranked UC Irvine 9-2
in the final game of the regular season /D3
'Eaters let USD end well
Top-ranked UCI ties it in the eighth, but Toreros' big ninth in their season finale, ends hosts' winning streak.

By Barry Faulkner

IRVINE — The UC Irvine baseball brain trust will meet with administrators today to mull whether the top-ranked Anteaters will bid to play host to an NCAA Regional in a little more than two weeks.

Some 90 miles to the south, the players and coaches from the University of San Diego will mull banquet speeches.

The latter got a lot more entertaining after the visiting Toreros scored seven runs in the ninth to break a 2-2 tie and claim a 9-2 nonconference triumph Tuesday at Anteater Ballpark.

The win, the fourth in USD's last four games against No. 1-ranked teams, gave the West Coast Conference squad (29-25) a two-game sweep against UCI (37-12) this season. USD swept then-top-ranked Texas to open the 2006 season.

"Thank God we're done with them," said UCI Coach Mike Gillespie, who had a spirited speech of his own for his players after UCI's seven-game winning streak came to an end. UCI, which has clinched at least a share of the program's first Big West Conference championship and can clinch outright with a win in any of its six remaining conference games, had won 14 of its last 15 and 17 of its previous 20.

"I think we all should agree that it's pretty embarrassing that you could have that variety of mistakes in the 49th game," said Gillespie, who was more than mildly disappointed with breakdowns he cited in the bunting game, base running, defense and execution of pitch.

"We always want to win, but the goal to that end is to play the game right and play it well," Gillespie said. "I think you're going to screw up a few times and that can happen. But I don't think this was acceptable."

That being said, UCI scored two in the eighth to erase a 2-0 deficit.

Ronnie Shaeffer led off with a single, then a walk, and two hit batters, the latter absorbed by Cory Olson with the bases loaded and one out, put UCI on the board after USD starter AJ Griffin had blanked the hosts on five hits before exiting after the seventh.

Senior shortstop Ben Orloff plated the tying run with a safety squeeze bunt single on a 2-2 pitch.

But San Diego junior reliever Matt Hauser, a product of Corona del Mar High and Orange Coast College, got the visitors out of the inning and picked up his fifth win of the season, his second against UCI.

Griffin, who threw a complete game Friday, struck out seven and walked five. He threw 117 pitches to help USD end its season on a high note.

"I admire his toughness and he was good tonight," Gillespie said of Griffin, who entered with an 8-3 record and a 3.45 earned-run average.

After junior All-American closer Eric Pettis got the first out of the ninth, a single and walk set the table for Bryan Haar, who launched a 2-2 pitch over the fence in left for a three-run homer, his fifth of the season.

A three-run double by pinch-hitter Mike Lugo helped add to the lead, as UCI needed three pitchers to get out of the inning.

Senior Eric Deragisch was two for five, while Olson was one for one and reached all four plate appearances (two walks and the aforementioned pitch off his back).

UCI starter Brock Bardeen allowed one run in four innings, but UCI's offense struggled against Griffin.

UCI left 13 men on base, including five in scoring position in the first four innings.

"We'll just try to get over our embarrassment and our inability to do some things and try to get back out there [today]," Gillespie said.

UCI freshman third baseman DJ Crumlich returned after being out 16 days due to an appendectomy.

UCI plays host to a three-game Big West series beginning Friday at 6 p.m.
May 12, 2009

Rankings are from CBI Composite Poll
click here for complete list of scores

Around the Bases

Poythress scores game-winner in ninth for Georgia
USD scores seven in ninth at UCI, Mahtook homers for LSU vs. Centenary

In Atlanta, Rich Poythress (left) doubled and scored in the top of the ninth to snap a 5-5 tie and lead No. 19 Georgia past No. 8 Georgia Tech 7-5 Tuesday in front of 24,665 fans at Turner Field, the sixth-largest regular-season crowd in college baseball history and the second-largest crowd in the seven-year Spring Baseball Classic for Kids. Bryce Massanari drew an intentional walk after the one-out double by Poythress in the ninth for the Bulldogs (35-17). Lyle Allen singled to plate Poythress and a throwing error on the play brought in Verdin with an insurance run. Allen finished with three hits, while Massanari and Matt Cerione added a two-run single to cap a three-run seventh and the Yellow Jackets (20-13) tied it at 5.

San Diego 9, No. 1 UC Irvine 2
In Irvine, Calif., Bryan Haar’s three-run homer highlighted a seven-run ninth as USD topped UCI at Anteater Ballpark. Haar’s blast snapped a 2-2 tie, and Michael Lugo added a three-run pinch-hit double later in the frame for the Toreros (29-25). The Anteaters (37-12) scored twice in the eighth to tie it at 2. Chris Engell had four hits and Sean Nicol added three hits for USD. Eric Deragisch had two hits for UCI.

No. 2 LSU 12, Centenary 4
In Baton Rouge, La., Mikie Mahtook had a three-run homer and knocked in four as LSU topped Centenary at Alex Box Stadium. Leon Landry went 3 for 3 with two runs for the Tigers (39-14). Mahtook’s blast in the second gave LSU a 5-0 lead. Thomas Deering homered in a three-run fifth for the Gents (31-15) before the Tigers put the game away with a seven-run seventh.

No. 4 North Carolina 4, Charlotte 1
In Charlotte, N.C., Dustin Ackley went 2 for 3 with two RBI as UNC edged Charlotte at Hayes Stadium. Brian Moran (6-1) retired the nine batters he faced over three innings with six strikeouts. Greg Holt pitched the final 2.2 innings with one hit and two strikeouts for his first save. Ackley had a two-run single in the fifth to break a scoreless tie. Kyle Seager drew a bases-loaded walk in the seventh to make it 3-0. Alan Parks had an RBI single in the bottom of the frame for the 49ers (30-19). Park and Rob Lyerly both had two hits for Charlotte. Levi Michael walked and scored an insurance run in the ninth for the Tar Heels (39-13).

No. 6 Rice 7, Louisiana-Lafayette 2
In Houston, Brock Holt had two hits and six RBI to lead Rice past ULL at Reckling Park. Holt had an RBI groundout in the third and his three-run homer in the fifth gave the Owls (34-13) a 4-1 lead. Holt added a two-run single in a three-run sixth. Matt Hicks had two hits and one RBI for the Ragin’ Cajuns (22-28-1).
USD falls in WCC finale

USD dropped its final West Coast Conference baseball game of the season 9-1 to the University of San Francisco at Cunningham Stadium.

The Toreros fall to 28-25 overall and 11-10 in the WCC. Sean Nicol led USD, going 3-for-4 with two doubles.
More baseball

USF had 18 hits, including two home runs by outfielder Drew Johnson, and crushed host USD 14-5 in a WCC game. USF scored 10 runs in the top of the sixth against the Toreros (28-24, 11-9) to put things away. The Toreros' bats weren't silent as they had 11 hits, including two apiece from James Meador, Zach Walters, Bryan Haar and Austin Green. The Dons are 25-26, 9-8.

After losing a three-run ninth-inning lead, UCSD rallied for an 8-7 win over Sonoma State on Garrett Imeson's one-out walk-off RBI single to center as the Tritons (36-12) captured the 2009 California Collegiate Athletic Association Tournament Championship at Palm Springs Stadium.

"It was a gutsy win for us as we kept punching back," said head coach Dan O'Brien. Closer Daniel Simmons (1-0) pitched the final one-third of an inning against SSU (32-14) to get the victory. The victory gives UCSD the CCAA's automatic berth into the Division II NCAA Tournament.
COLLEGE BASEBALL

Junior All-American and Griffin tossed a one-run, complete game to pace USD to a 10-1 victory over the University of San Francisco in a West Coast Conference game at Cunningham Stadium. With the win, the Toreros snap a six-game losing streak and improve to 28-23 overall, 11-6 in the WCC. UCSD pounded out 20 hits in a 16-1 win over Sonoma State to advance to the California Collegiate Athletic Association title game at noon today in Palm Springs, where the Tritons (35-12) will face Sonoma State again.
COLLEGE BASEBALL TODAY

AIR FORCE at SDSU
When: 6 p.m.
Where: Tony Gwynn Stadium.
Live coverage: goaztecs.com
Outlook: The final regular-season start of Stephen Strasburg's career at Tony Gwynn Stadium sold out early this week. Strasburg is 10-0 with a 1.38 ERA and 147 strikeouts in 78 1/3 innings this season. The Aztecs are 31-18 overall and 10-5 in conference (fourth place). Air Force is 14-31 overall and 3-12. Catcher Erik Castro (.378, 7 HR, 39 RBI) and outfielder Cory Vaughn (.337, 10 HR, 44 RBI) pace the SDSU offense.

SAN FRANCISCO at USD
When: 3 p.m.
Where: Cunningham Stadium.
Live coverage: usdtoreros.com
Outlook: The Toreros (27-23, 10-6) are third in the West Coast Conference, with the Dons (24-25, 8-7) one spot back. USD has lost six straight, including a three-game sweep last weekend at the hands of Loyola Marymount. James Meador (.386, 6 HR, 44 RBI) leads the Toreros' attack.
Arizona State defeated the University of San Diego baseball team 8-7 in 11 innings last night in a nonconference game at Packard Stadium.

With the game tied at 7-7 in the bottom of the 11th, ASU pushed across the winning run on a Zack MacPhee RBI single.

Darrin Campbell (3-5) was saddled with the loss for the Toreros (27-22).

More baseball

NAIA No. 3-ranked Point Loma Nazarene blanked The Master's 4-0 in the GSAC Tournament yesterday. Andrew Bovich (11-0) gave up just two hits over eight strong innings to notch the win, while center fielder Kurt Steinhauer (3-for-4 with two home runs and three RBI) provided the offense. First baseman Steven Winnick added a solo shot for PLNU, which faces Fresno Pacific today at noon.

• Cal State San Marcos advanced to the finals of the NAIA West Regional Tournament in Vancouver, B.C., defeating Oregon Tech 7-6. The winner of the tournament gets an automatic bid to the National Championship tournament.
May 6, 2009

Rankings are from CBI Composite Poll

Click here for complete list of scores

Around the Bases

Maxfield drives in five as FGCU wins at No. 11 Florida

ASU completes sweep of USD, Fullerton wins second straight against Arizona

In Gainesville, Fla., Zach Maxfield had three hits, including a home run and five RBI as Florida Gulf Coast thumped No. 11 Florida 17-5 at McKethan Stadium. Tim Roberson belted a grand slam in the third inning scoring for the Eagles (31-16). Maxfield’s two-run double in the fifth as FGCU took a 9-0 lead. The Gators (34-15) scored three runs in the fifth. Maxfield added a three-run homer in the seventh. James Egott drove in two for UF.

No. 5 Arizona State 7, San Diego 6

In Tempe, Ariz., Matt Newman had two hits and two RBI to lead ASU to a two-game sweep of USD in front of 2,237 fans at Winkles Field-Packard Stadium at Brock Ballpark. Newman also started on the mound and allowed three earned runs in five innings with four strikeouts in a no-decision. Newman had an RBI groundout in a two-run first for the Sun Devils (35-11). Chris Engell went deep in the second for the Toreros (27-23). Drew Maggi scored from third on a wild pitch in the sixth to snap a 6-6 tie and give ASU the lead for good. Maggi finished with two hits and three runs. Engell went 4 for 5 with two runs for USD. James Meador and Zach Walters both had three hits for the Toreros.

No. 6 Cal State Fullerton 8, Arizona 4

In Fullerton, Calif., Joe Scott drove in three as Cal State Fullerton swept a two-game series from Arizona. Nick Ramirez added two RBI doubles for the Titans (34-12), who have won 11 of their past 12 contests. Gary Brown had four hits for Fullerton. Bobby Coyle had an RBI triple and scored in the second for the Wildcats (22-23). Ramirez had a run-scoring double to key a three-run second for the Titans. Scott added a two-run single in the third as Fullerton took a 5-2 lead. Steve Selsky had two hits and two runs for UA.

No. 7 Texas 7, Texas Southern 3

In Austin, Texas, Brandon Belt had two hits and two RBI as Texas topped Texas Southern at UFCU Disch-Falk Field. Stayton Thomas (3-0) allowed three runs on seven hits with one walk and two strikeouts. Kendal Carrillo pitched three scoreless innings with two strikeouts, while Austin Dicharry tossed a perfect ninth with one punchout. Belt had an RBI single to spark a three-run third for the Longhorns (34-11-1). Belt’s RBI double capped a three-run fourth as Texas took a 6-0 lead. Jeff Nelms singled, Michael Norris doubled and both scored in a three-run sixth for the Tigers (20-26). Ray Hernandez had two hits, one run and one RBI for TSU.

No. 10 Florida State 15, FIU 5

In Tallahassee, Fla., Tommy Oravetz had three hits for the second straight day as FSU defeated FIU at Mike Martin Field inside Dick Howser Stadium. Oravetz had a double, a homer, two runs and two RBI. The Seminoles (35-12) scored 11 in the first three innings to extend their win streak to 14. Tyler Holt had two hits and two RBI for FSU. Stephen Cardullo had one hit, three walks and three runs for the Seminoles. Tyler Townsend had three hits and two runs for the Golden Panthers (30-19). Mike Martinez added two hits and three RBI for FIU.
is in that territory.

• UCLA. I wouldn’t put the Bruins into an updated field of 64, but they’re at least back into the discussion. At 22-22, UCLA is finally back to .500 for the first time since Feb. 24 (when it was 2-2). The Bruins are also in second place in the Pac-10 at 13-8, three games behind first-place Arizona State. With two weeks to play, that means the Bruins still have a chance to make a run at the Pac-10’s automatic bid, and they control their own destiny since they finish the season at ASU. I still think UCLA will have its work cut out for it over the final two weekends against Cal State Fullerton and the Sun Devils, but we must at least resurrect its at-large chances (which we buried after the Bruins dropped their second straight conference series on April 12).

Stock Down

• Southern California. The Trojans were swept at Washington, their second straight Pac-10 series loss, dropping them to 22-19 overall and 10-11 in conference play. USC’s path to regionals looked favorable, but the Trojans have failed to take advantage. They’re out.

• Washington State. Right now, the Cougars still have the inside track at a regional bid, with looming home series against Oregon and Washington. But losing a home series to Stanford this weekend pushed them from the good side of the bubble to a far more precarious position.

• San Diego. The Toreros have done a great job holding this season together with duct tape and baling wire in the face of a plethora of key injuries, but their regional chances took a huge blow this weekend, as USD was swept at Loyola Marymount. The Lions are now tied with Gonzaga for first in the West Coast Conference, leaving the Toreros two games back with one conference weekend to play. If San Diego fails to make the best-of-three WCC championship series, its at-large hopes are extremely slim. LMU, meanwhile, has at least put itself in position to play for the league’s automatic bid, but it probably isn’t strong enough in the RPI (72nd) to garner an at-large bid. Gonzaga (50th in the RPI) is the lone WCC team in real strong position right now.

• Boston College. I thought the Eagles needed to win one of their final two series, both at home against Miami and North Carolina, to get an at-large bid. I figured Miami was their best shot, and they lost two of three to the Hurricanes this weekend. I don’t expect BC to beat the Tar Heels that final weekend. BC has now lost three straight ACC series; if that slump reaches four against UNC, the Eagles are done.

• Baylor. The Bears are in free fall, having been swept in back-to-back series by Oklahoma and Texas. They’re off next weekend for exams before finishing with three games at Nebraska. That’s a sweepable series, and Baylor probably needs to sweep it to preserve its at-large hopes. Right now, the Bears are 10-13 in the league and just 26-20 overall. They do have a strong enough RPI (20th) to get a bid with a solid finish, but their hosting chances are kaput, and they would fall from a solid No. 2 seed to a shaky No. 3 if we were to update last week’s projection today.

Strike Three: Golden Spikes Spotlight on Alex Wimmers

Ohio State pitching coach Eric Parker said last week that Buckeyes sophomore righthander Alex Wimmers can be dominant when he commands all three of his pitches.

Wimmers made Parker look like a wise man Friday. Effectively mixing his 88-91 mph fastball, quality curveball and changeup, Wimmers fired the first nine-inning no-hitter in Ohio State history in a 6-0 win against rival Michigan.
May 5, 2009

Rankings are from CBI Composite Poll
click here for complete list of scores

Around the Bases

**Ackley, Fleury both drove in three for UNC against Elon**

*Texas State knocks off Rice, Arizona State nips San Diego in 11*

In Chapel Hill, N.C., Dustin Ackley and Mark Fleury both drove in three as No. 2 North Carolina outscored Elon 15-6 Tuesday at Boshamer Stadium. The Tar Heels (36-11) scored five in the first and six in the fourth to take control. Ackley had three hits, two walks and two runs, while Fleury added two hits and two runs. Levi Michael had a two-run homer in the five-run first for UNC. Mike Melillo went 3 for 4 with a homer for the Phoenix (33-14). Cory Harrilchak had three hits, including two doubles, for Elon.

**Texas State, No. 4, No. 4 Rice 1**

In Houston, Garret Carruth and Tyler Brundidge combined to hold Rice to one run as Texas State won at Reckling Park. Carruth (4-2) allowed one run in six innings with one strikeout. Brundidge tossed three gs with three strikeouts to earn his third save. Keith Prestridge had an hit in double and scored in a two-run first for the Bobcats (34-12). Ryan Lewis had a run-scoring single in the fourth for the Owls (31-12). Prestridge singled and scored in a two-run fifth as TSU took a 4-1 lead. Prestridge and Spencer Dennis both had three hits for the Bobcats.

**No. 5 Arizona State, San Diego 7 (11)**

In Tempe, Ariz., Matt Newman knocked in the game-winner in the bottom of the 11th and pitched the final two innings to earn the victory as ASU edged USD in front of 2,923 fans at Winkles Field-Packard Stadium at Brock Ballpark. Newman (2-1) allowed one hit and no runs with one strikeout. Newman had two hits and three RBI at the plate. The Sun Devils (34-11) trailed 7-3 before scoring one in the seventh, two in the eighth and one in the ninth to force extra innings. Zack MacPhee homered in the eighth and added an RBI single in the ninth for ASU. Carlos Ramirez had three hits and a run for the Sun Devils. Sean Nicol and Zach Walters both had three hits and two runs for the Toreros (27-22). Nick McCoy homered and drove in three for USD.

**No. 6 Cal State Fullerton, Arizona 2**

In Fullerton, Calif., Josh Fellhauer homered and doubled to help Cal State Fullerton beat Arizona at Goodwin Field. Fellhauer doubled and scored to break a 2-2 tie in the third, and belted a two-run homer in the fifth for the Titans (33-12). Kevin Ruth (3-1) fanned five in five innings to earn the victory. Nick Ramirez pitched a perfect ninth with two strikeouts for his third save. Dillon Baird had two hits, including a double, and scored for the Wildcats (22-22). Brad Glenn added two hits and one RBI for UA.

**No. 10 Florida State, Jacksonville 2**

In Tallahassee, Fla., Tommy Oravetz had three hits, including two homers, as FSU defeated JU at Mike Martin Field inside Dick Howser Stadium to stretch its win streak to 13. Mike McGee and Jason Stidham both had two hits for the Seminoles (34-12). Thomas Myers, Kevin Lehane and Chris Connelly each had two hits for the Dolphins (30-16).
LOCAL COLLEGES

Toreros surprise top-ranked UC Irvine

Grossmont High alum Bryan Haar hit a three-run homer as part of USD's seven-run ninth inning as the Toreros stunned No. 1-ranked UC Irvine 9-2 last night at Anteater Ballpark.

The score was tied 2-2 in the ninth when USD (29-25) got to work. Chris Engell singled up the middle, then went to second when James Meador walked. A wild pitch preceded Haar's homer over the left-field fence.

USD then scored four more runs, with Michael Lugo's pinch-hit, three-run double the big blow against the Anteaters (37-12).

Engell was 4-for-5 with a double and Sean Nicol was 3-for-5 with two RBI as USD out-hit UC Irvine 14-7. On just three days' rest, USD starter A.J. Griffin turned in a dominating performance, tossing seven complete shutout innings, allowing five hits and striking out seven batters.

Matt Hauser (5-2) got the win, allowing no runs on one hit over 1 2/3 innings.
USD at LOYOLA MARYMOUNT
When: 3 p.m.
Where: Page Stadium, Loyola Marymount
Live coverage: usdtoreros.com
Outlook: The Toreros (27-18, 10-5 in West Coast Conference) visit LMU (26-21, 9-6) for a three-game series that continues tomorrow and Sunday (1 p.m. each day). USD, which is tied for first with Gonzaga, leads the WCC in hitting (.319) and is third in pitching (4.81 ERA).
LOCAL COLLEGES

MWC title just eludes SDSU golfers

UNION-TRIBUNE NEWS SERVICES

The No. 22-ranked San Diego State men's golf team carded a final round-best 281 (3-under par) and was the only team to break par on the final day, but the Aztecs dropped a team playoff to No. 16 TCU to finish second at the MWC Championships at the par-71, 7,136-yard OMNI Tucson (Ariz.) National Golf Club.

The Aztecs started the day seven strokes behind the Horned Frogs, but had all five players shoot 72 or better to make a dramatic run. SDSU, which was looking for its first MWC men's golf championship, has finished second in the event four times in the 10-year history of the conference.

SDSU had four top-seven finishes: Ryan Martin tied for third with a 4-under 208; Johan Carlsson, a sophomore who was named to the all-MWC team, shot a 2-under 211, good for sixth place; and both Alex Kang and J.J. Spaun tied for seventh with a 1-under 212.

Baseball

USD pitcher A.J. Griffin threw a complete game, but the Toreros fell to host Loyola Marymount 7-3 in a WCC game. Griffin (7-3) allowed 13 hits to the Lions (28-21, 11-6), who led 2-0 after one inning and never looked back. James Meader had three hits and Chris Engell added two for the Toreros (27-20, 10-7) ... SDSU split a doubleheader with host Santa Clara, winning the opener 7-5 before dropping the second 7-2. Starter Ryan O'Sullivan (3-2) got the win in the first game as the Aztecs (30-18) backed him up with 10 hits, including two apiece by Brandon Meredith and Guy Willford. In the nightcap, the Broncos (16-27) beat up five Aztec pitchers, with Kyle Van Dusen homering and Alex Rivers (4-4) going the distance for Santa Clara ... UCSD won the California Collegiate Athletic Association regular-season title by sweeping visiting Cal Poly Pomona 7-3 and 11-9. In the first game, Josh Tanner had a two-RBI double and Kirby St. John (2-2) earned the win. In the second game, Matt Cantele hit his school-record 54th career home run for the Tritons (33-12, 27-9). The Broncos are 26-23, 16-20.

Rowing

The USD women's team finished second at Friday's 2009 WCC Championships at Lake Natoma. Gonzaga totaled 29 points to edge the Toreros, who had 25. USD won the Varsity Four race, and were second in the Second Varsity Eights and the Varsity Eight races. USD's Kim Cupini was named the 2009 WCC Coach of the Year, while senior Elizabeth Spanenberg and freshman Hannah Patrick were both named to the All-WCC Rowing team.
Twelve women and three men will represent UC San Diego at the NCAA Division II championships beginning Thursday in San Antonio, Texas. Junior Christine Menill will compete in three events for the Tritons. She is the top seed in the 400 hurdles with a qualifying time of 58.86 and will also compete as part of the 400 and 1,600 relay teams. Senior Lalah Blue will also represent UCSD in three events — 100 and 400 meter hurdles, and 1,600 relay. Sophomore Kelly Fogarty qualified in both the 100 and 200 and will also run a leg on the 4x100 relay team. In distance events, sophomore Brie Schofield (Carlsbad) is seeded seventh in the 1,600 meters after setting the school record with a time of 4:29.67 in the event. Senior Linda Rainwater will look to repeat as national champion in the heptathlon, while also competing in the high jump. UCSD record holder Danielle Thu claimed the top seed in the hammer throw.

USD sophomore Nichole Buck won the 800 at the Occidental College Invitational in a school-record time of 2:21.71.

Women's Tennis

Palomar College's Arina Polovnikova and Shoko Hachiya won the community college state doubles title in straight sets. Polovnikova lost to Ventura's Ashley Libby in the singles finals at the Southern California championships.

Point Loma Nazarene's run at the NAIA championships came to an end after a 5-4 quarterfinal loss to Concordia. NAIA No. 12-ranked Point Loma Nazarene finished the year with a 14-11 record. The Sea Lions, led by Kristin Strimple (Santa Fe Christian), won twice at the NAIA championships, beating Ohio Dominican 8-1 and upsetting Savannah College of Art and Design 5-3.

Men's Tennis

Point Loma Nazarene went 1-1 at the NAIA national championships in Mobile, Ala., beating the University of Mobile before losing to Azusa Pacific.

Dean Jackson is ranked No. 52 in the country and will take a seven-match winning streak into the NCAA championships beginning Wednesday at the College Station, Texas. Jackson brings a 17-7 singles record — including 12-4 in the spring — into the tournament.

Swimming

Palomar College freshman Rachel Lutz won the women's 100 individual medley finals in 58.51 seconds at the community college state championships. Teammate Ryan Krause won the men's 100 butterfly (49.19) at the same meet.

Honor Corps

Palomar College coaches Buck Taylor and Mark Eldridge were voted Pacific Coast Conference men's and women's sports coaches of the year, respectively, for the current school year. Balloting was conducted among PCC athletic directors. Taylor's baseball team won the conference championship, finished the regular season ranked No. 1 in Southern California and West Coast polls. Eldridge coached the women's golf team to the Foothill Conference championship and No. 3 ranking in the state finals. He also directed the Comets' softball team to a PCC title.

— John Maffei
LOCAL COLLEGES

Cougars star Williams 2nd at NAIA meet

Cal State San Marcos runner Dallon Williams finished second in the 3,000-meter steeplechase yesterday with a time of 10 minutes, 24.70 seconds at the NAIA Track & Field National Championships at Ralph Korte Stadium in Edwardsville, Ill.

Williams is the reigning national champion in the event, and earned All-America status for her finish this year.

CSUSM's Tony Guadagnini earned All-America status as well, finishing fifth in the 1,500-meter run with a time of 3:49.84 while freshman Caitlin Villarreal is an All-American after a sixth-place finish in the 5,000-meter run with a time of 17:17.77.

They join CSUSM All-American Morgan Sjogren, who was fourth in Thursday's 10,000-meter run at 36:16.54.

Baseball

Top-ranked UC San Diego (39-13) opens play today at the eight-team NCAA Division II College World Series in Cary, N.C.

The Tritons take on Dowling (34-16), a New York college that won the East Regional, at 10 a.m.

Both teams are making their first trips to the series at the D-II level ...

Men's tennis

USD's Dean Jackson, an ITA All-America selection, lost 4-6, 5-3, 6-4 on Friday to Texas A&M's Conor Pollock in the round of 16 at the NCAA Division I Men's Tennis Championships.
RBV grad Csaszl finds volleyball balance between gym and beach

By Zach Jones

SAN DIEGO — For Andrea Csaszl, the beach is more than the edge of the ocean. It's her playground. Her gym. Her group therapy. Her spa.

A junior on the University of San Diego volleyball team, Csaszl says the transition to a college program wasn't easy. After an All-CIF career as an outside hitter at Rancho Buena Vista High, she discovered what so many top high school hitters do: 5-foor-10 isn't as tall as it used to be.

Her legs still had their old spring, but her frame didn't fit the 6-foot-plus Division I hitter prototype. So she changed positions, became a defensive specialist, and helped lead the Toreros to a West Coast Conference championship as a freshman.

Life was good. Csaszl was named to the league's all-freshman team. USD was the No. 14 team in the land. But Csaszl wanted more. It had started in second grade, taking lessons from Tri-City Christian coach and former Olympic beach volleyball player Gayl Malone, and more than 10 years later, even the photos in Csaszl's bedroom were mocking her.

"It was hard to accept; only playing defense," she said. "I have pictures in my room (from high school) and I look back at those, and I loved hitting!"

When her first college season ended in December, Csaszl knew what she had to do. It was the same thing she'd been doing every summer since she picked up the sport: head to the beach.

"I never had a doubt in my mind that I would keep playing on the beach," she said. "Once spring and summer come around, the beach comes around."

If the Division I template for the "ideal" outside hitter required Csaszl to keep the ball low and serve as a two-on-two format of beach volleyball, she leveled the playing field once again.

On the beach, her height doesn't matter. On the beach, her skills on defense (and experience as a hitter) help her stifle opponents' attacks. On the beach, versatility — not specialization — is her greatest asset.

"It's a completely different sport," Csaszl said. "You've got so many more elements in play."

During her first competitive summer on the sand, Csaszl and teammate Heather Hughes (a former standout at Fallbrook High) earned a "A" ranking in California Beach Volleyball Association play. Competing in the CBVA, with a variety of partners, has been a spring and summer ritual ever since.

"When there's only one other person on the court, you have to work well together," said Csaszl, who most recently finished fourth at the College Beach Volleyball Championships with teammate Colleen Carlson.

Csaszl hasn't lost her love for the indoor game she grew up playing. Far from it.

With one more college season remaining, she will return to the court in the fall as part of an elite program with a chance to return to the NCAA championships.

But next week, she may be at Moonlight Beach in Encinitas, just a few minutes' drive from her Consulina home. Or at Mission Beach in San Diego, playing what amounts to a pickup game with others like herself.

She wouldn't want to be anywhere else.

"You're bound to find somebody (to play with)," she said. "It's a little community, and everybody knows everybody." That community — former high school standouts, college players, even touring professionals — is what gets Csaszl up early in the morning on a summer weekday and heading to Moonlight Beach to catch the best competition.

"There's no writing on the (net) post or anything, but people kind of know," she said. "The highest court is for the better players, and the lower courts are for the people who just want to have fun."

Csaszl doesn't plan on making a run at a professional beach career, but then, her love for the sand was never about money.

"It re-energizes me for the indoor season," she said. "Summer is a great time to play and just enjoy competing."

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Grier optimistic after USD's slide

By Mark Wesch
STAFF WRITER

A season that started with the greatest possibilities in USD men's basketball history ended with a record (15-16) that epitomized mediocrity when head coach Bill Grier reflected back, and ahead, after the season.

"This team has been through more this year than any team I've been around in a number of years," Grier said.

"Hopefully these guys have learned some things from this year. I certainly know I have. I think part of the process is to learn and grow and accept the things that we expect of them and on and off the floor."

"I think they will. I don't think these guys have to go through again the problems that we had this year."

The ending of the 2007-08 campaign, Grier's first season, included a victory in the West Coast Conference Tournament and the first NCAA Tournament win ever for a San Diego County men's Division I program. With everyone returning from that 22-14 team expectations were high.

But from the beginning, things went wrong.

Disciplinary suspensions Grier hosted for breaches of team rules sidelined senior Gyno Pecare for the season opener, sophomore forward Chemion Houston for most of November/December and sophomore pole guard Tristan Johnson for eight games to start the season and was more in February.

Johnson's USD career ended with two games left in the regular season with the mutual agreement between he and Grier that he would transfer to an unaided university school. Grier conceded in a recent interview that the prolonged distraction of the conflict between the head coach and a key player in the previous season's glory run had an adverse affect on the team.

"It dragged on too long," Grier said. "That was a case of me trying to help someone out and give them a second chance. I remember I was when I was 18-20 years old, and I'm always going to be some consequences."

"Looking back, I don't know if I would have done anything differently. But I think I've learned not to let something like that drag on in the future."

In December, eight games into the season, star senior guard Brandon Johnson suffered a season-ending ruptured Achilles tendon against San Diego State. Two months earlier, becoming freshman guard, Desiord Brown had been lost for the season with a similar injury in a preseason conditioning workout.

"I had seen one Achilles injury in my previous 16 years of coaching," Grier said. "We had two in the space of about six weeks and obviously the loss of Brandon was a big hit for us to take."

Brown is well along the road to recovery and Johnson is "ahead of where we thought he would be at this point," Grier said. The process by which Johnson will be granted a medical redshirt and afforded an additional year of eligibility for the coming season has been followed. Approval is expected to be more formal.

"Only time will tell how effective Johnson and Brown will be after returning from injury. If they succeed, the 2008-09 Toreros will have the kind of quality and depth in the backcourt that was expected, but never realized last year."

Pomare, USD's career scoring and rebounding leader, and reserve guard Danny Brown will be lost to graduation. The 2009-10 roster will also be missing Rob Jones, a two-year starter at forward who is transferring to be closer to his San Francisco Bay Area home to support his father's fight with a kidney disorder.

USD signed three high school players in November: Chris Marceus, a 6-4, 245-pound forward from Tesoro High in Mission Viejo; Ron Rancifer, a 6-7, 235-pound forward from El Centro High in El Centro; and Cameron Collins, a 6-1, 195-pound point guard from Skyline High in Dallas.

All three had productive senior seasons in high school and have potential to be impact players as freshmen, Grier said.

"We could wind up relying heavily on Chris Marceus," Grier said. "He's got good skill levels and a high understanding of the game for a big man."

"Ron Rancifer was as good a rebounding wing as I saw all season and I also think he's got a good chance to be a borderline defender."

Last month, the Toreros also signed Rafael Crescono a 6-9, 230-pound forward-center from Brazil and Arizona Western College in Yuma, Arizona.

"His length, athleticism and skill will have an immediate impact on our program," Grier said. "He is very intelligent and will be a great ambassador for the university."

After the 2007-08 season, Grier was interviewed for an opening at Oregon State that was eventually filled by Craig Robinson, brother-in-law of President Barack Obama. Despite last season, Grier said he has no second thoughts over what might have been.

"I think Oregon State hired the right guy," Grier said. "Because he runs a different system (Pac-10 influenced) than any other program in the Pac-10 and because the year they had showed he can be successful with it."

"The President's brother-in-law has a lot of experience and a lot of knowledge that I want to bring into this program."

"I made the decision (to stay at USD) that I thought was best for my family. And even though last season didn't go like anybody wanted, I look forward to next season because of the group we have coming back."

On a personal level, even more reason to look to the future came April 15 when Grier, his wife Nicole and daughter Giselle welcomed daughter Ashley June — 8 pounds, 12 ounces, and 19 inches tall — to the family.

USD coach Bill Grier hopes his team learned much from its struggles this past season.
“Today is an important day for me. Every day is an important day for me,” said Chargers Linebacker Eric Bakhtiari after he finished an intense workout in preparation for Training Camp which is still over two months away. These preparations began for Bakhtiari as last season concluded.

Last year Bakhtiari attended the Chargers Training Camp undrafted free agent out of the University of San Diego and he nearly made the team. Impressive, considering USD is a non-scholarship football school and that one of his own college coaches claims Bakhtiari begged to get on USD’s team as a scrawny freshman.

With hard work Bakhtiari developed into something special for USD. In his senior year he led the nation with 20 sacks. Also, Bakhtiari was twice named the Pioneer Football League’s Defender of the Year.

Even with those achievements Bakhtiari admits that his NFL opportunity came because his USD teammate Quarterback Josh Johnson was attracting NFL scouts. Chargers General Manager A.J. Smith was among those that were interested in Johnson and then became captivated by the play of Bakhtiari. Smith gave Bakhtiari a chance as free-agent with the Chargers.

Twice within only three weeks it appeared that Bakhtiari’s dream of playing in the NFL may fall short. On August 30, 2008 he was released by the Chargers in the final round of cuts and was not offered a spot on the practice squad. Reflecting back, Bakhtiari said, “I didn’t want to give up on the dream. I felt like I was so close.”

Just over a week later on September 10 Shawn Merriman elected to have season-ending knee ligament surgery. To replace Merriman,
Antwan Applewhite was elevated from the practice squad making room for Bakhtiari to join the practice squad. Unfortunately, Bakhtiari’s stay with the Chargers was short lived. Bakhtiari said, “They had to re-shuffle the roster again and I was the odd man out, two weeks later.”

This was because on September 23 the Chargers signed Ian Scott to a two-year deal and placed Scott on the active roster. This in turn forced DeJuan Tribble from the active roster down to the practice squad, leaving no room for Bakhtiari.

Having been cut twice in a three week period would be a blow to most egos. Bakhtiari however kept his head up and turned to friends and family for support. He commented, “I’ve got two brothers who look up to me, my sister, and I’ve got my mom and dad. They are always telling me, ‘You can do this. We are right here behind you.’”

With the support of his family Bakhtiari was determined to get another opportunity and he kept a positive attitude. He thought, “If I stay in shape and do the right things, good things will happen.”

Two weeks later, on October 7, he had another shot. This time it was with the San Francisco 49ers who signed him to their practice squad. San Francisco was impressed with Bakhtiari when they faced the Chargers in their final pre-season game.

Bakhtiari was determined to make the most of his opportunity with San Francisco. He remembered, “I went up there and every day I acted like it was my last day, like they were going to cut me after. So, I wanted to give it everything I had in every practice. Guys would be yelling at me to slow down, but I didn’t care anymore and I stopped trying to make friends. They ended up respecting me for it and the coaches really warmed up to me.”

Bakhtiari’s hard work paid off and he remained on San Francisco’s practice squad for the rest of the year. Bakhtiari is appreciative of his time with San Francisco and how he was treated by the coaching staff. “I wasn’t just a body there. They actually wanted to improve my skill set.” Commenting on his opportunity to play regularly with NFL players, Bakhtiari noted, “My confidence went through the roof.”

At the conclusion of the season, A.J. Smith saw an opportunity to capitalize on Bakhtiari’s growth as a player. He promptly signed Bakhtiari to the Chargers with a two-year developmental squad contract. With the added confidence boost of having already been through a Charger Training Camp, Bakhtiari said, “I know what is expected of me now. It gives me such an advantage over last year.”

Bakhtiari is preparing to meet those expectations. “I have been cut twice. If I am going to get cut again, I want to know that I actually wasn’t good enough, that I gave it everything I could. So, in order to sleep well at night with that sentiment, I need to do everything that I can.”

Bakhtiari’s challenge to make this Chargers team this year will be monumental. Merriman is returning and the Chargers drafted a new linebacker, Larry English, in the first round. However, a rule change in kickoff returns that prohibits more than two players forming wedges may aid Bakhtiari’s chances. With this new rule, there will be a need for faster, fitter players on special teams rather than more bulky players who create and break up wedges.
When meeting Bakhtiari it appeared that his lean, yet large physique would be ideal for a special teams player under these new rules. Bakhtiari agreed, “The rule change will help me. I think that is where I will have to prove myself worthy to make this team. It’s a third of the game and it just as important as offense or defense.”

In the meantime, he continues to prepare himself for any opportunity to secure his spot on the Chargers 53-man squad. He said, “When I come out here I want to run as hard as I can, I want to lift as much as I possibly can, and to do things to the best of my ability.” With this commitment he claims, “I’ve never been stronger.”

Bakhtiari added, “You can give it a hundred and ten percent, but if you go into battle without a sword and a shield, you are not going to make it. Out here, when I am learning the playbook and I go home to review it, that is me getting my shield. Out here, when I am working as hard as I am, that is me getting my sword. So, when I do go into battle, I will succeed.”

Bakhtiari remains appreciative of his second San Diego opportunity. “Look what I get to do. Look at who I am hanging out with. We are in San Diego. We are outside for a living. We are playing the greatest game in the history of the world and I couldn’t be happier.”

Sports Category : Chargers Players
Sports Subject : Football NFL

About the author: Dan McLellan is a San Diego native and Charger season ticket holder since 1993. He also has a weekly Charger podcast at www.DanMcLellan.com.

More by this author.