

# BUSINESS

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THE HARTFORD COURANT SECTION E

▼ Dow Jones -44.13, 12,832.18	▲ Nasdaq composite +6.63, 2,495.12	▼ S&P 500 -0.54, 1,403.04	▲ Courant-Bloomberg CT +0.23, 384.01	▲ Russell 2000 +3.62, 736.85	▲ 10-Year T-Note Yield +0.11%, 3.91%	▼ Gold, cash price -\$18.50, \$865.00	▲ Oil +\$1.57, \$125.80.
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## Some Seniors To Pay More

### Genworth Health Premiums To Rise

By DIANE LEVICK  
COURANT STAFF WRITER

A 30 percent rate increase for some senior citizens' health insurance, approved by the state Tuesday to take effect July 1, ignited sharp criticism and a call for legislation to alert customers to such premium jumps before they're final.

Connecticut Insurance Commissioner Thomas R. Sullivan approved the 30 percent increase for Medicare supplement policies A through G sold by Genworth Life and Annuity Co., except for "High Deductible Plan F." No increase was allowed for that policy.

Genworth had only 2,049 Medicare supplements in force in Connecticut at the end of 2007, but consumer advocates fought the new increase because it comes after a 30 percent rate increase in 2007 and about 25 percent the previous year.

"The consumers of Genworth's plans have been burdened by outrageous increases over the last few years and now Genworth is back for more," said Kevin Lembo, state health care advocate. "If Genworth is unable to stabilize their Connecticut program, the commissioner should have denied the increase and referred [the

PLEASE SEE GENWORTH, PAGE E4

## Imminent Airline Fare Hike Predicted

By DAVE MONTGOMERY  
MCLATCHY NEWSPAPERS

WASHINGTON — Higher airfares are "inevitable" this summer to help airlines absorb soaring fuel costs, the head of the trade association that represents the nation's leading air carriers predicted Tuesday.

James C. May, the president and chief executive officer of the Air Transport Association, declined to speculate on the size of fare increases, but he said that rising ticket prices are unavoidable as airlines struggle with unprecedented increases in the cost of fuel.

Jet fuel prices, he said, are approaching \$170 a barrel, which he called "absolutely uncharted territory."

As airlines prepare for the summer travel season, May's organization predicted that

PLEASE SEE FARES, PAGE E3

THE CORNER SHOP: BARONET COFFEE INC.

## SUCCESS BLEND

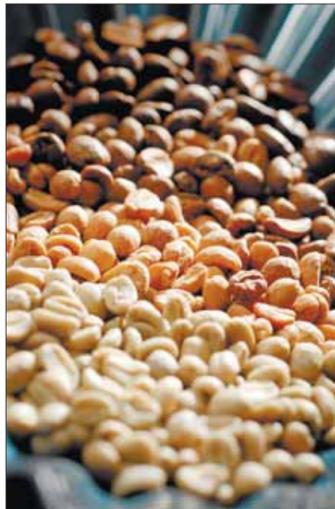


MICHAEL KODAS / THE HARTFORD COURANT

LEON GOLDSMITH, left, and his son, Bruce, are the second and third generations to run Baronet Coffee in Hartford, which has survived and prospered amid growing competition and changing technology. Below, coffee beans ranging in color from light to dark, are show at three stages of preparation in the roasting process.

### Hartford Roasting Company Protects Its Hot Commodity

BY JANICE PODSADA | COURANT STAFF WRITER



Like his father and grandfather before him, Bruce Goldsmith, president of Baronet Coffee Inc., knows his company can't be content to sit still.

The 78-year-old coffee roasting and supply company in Hartford has had to constantly reinvent itself to remain competitive, Goldsmith said.

"It's a very mature industry, but changing very rapidly," said Goldsmith, 43.

While the basic formula for turning a 150-pound bag of pea-green coffee beans into a steaming cup of Joe hasn't changed much since the 1930s, the business side of coffee has been transformed in the past 10 years.

Companies like Starbucks and Dunkin' Donuts have introduced coffee and coffee-based drinks to a wider range of people, Goldsmith said, and technology has altered the way we turn our beans into brew. The old stove-top percolators and countertop drip machines are being replaced by feature-laden, single-serving coffee machines and espresso makers that have infiltrated both the home and commercial markets. That's been reflected at Baronet.

PLEASE SEE SHOP, PAGE E4

## HP Taking \$13.2B Risk

### Deal For Tech Services Firm Has Doubters

By MICHAEL LIEDTKE  
ASSOCIATED PRESS

SAN FRANCISCO — Riding a hot streak that has doubled its stock price in the past three years, Hewlett-Packard Co. is rolling the dice on a \$13.2 billion acquisition of technology services provider Electronic Data Systems Corp.

The all-cash deal announced Tuesday represents HP's biggest gamble under the leadership of Mark Hurd, who was hired as chief executive in March 2005 to turn around the Palo Alto-based maker of personal computers and printers.

As Hurd relentlessly cut costs while demanding better execution from the company's remaining workers, HP recovered from a nagging financial hangover that was exacerbated by the biggest acquisition in its 69-year history — the \$19 billion purchase of Compaq Computer Corp., completed in 2002 over strident shareholder objections.

Now HP will try to show it learned from its mistakes by making the second largest deal in its history pay off faster.

Investors already are worried that HP is taking an unnecessary risk on EDS, whose disappointing profit margins had caused its stock to drop by about 30 percent over the past year. HP shares sagged \$2.56, or 5.5 percent, to finish Tuesday at \$44.27.

"It appears to be a very daunting deal," American

PLEASE SEE HP, PAGE E4

### IN CONNECTICUT Route 2 Hullabaloo

The UAW isn't having much luck getting a permit to protest the grand opening of the new MGM Grand casino. **Page B1**

### INSIDE Foreclosures Continue

More U.S. homeowners fell behind on mortgage payments last month, a new report says. **Page E3**

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