

## BUSINESS & INVESTING

# Defying The Odds

A Walnut Street Icon Tells A Story Of Survival

By JENNY DEHUFF  
THE BULLETIN

**PHILADELPHIA** — The story of Ralph Berarducci could make an author rich, but the humble Walnut Street restaurateur is not interested in boasting of his successes.

Cradled between Philadelphia Home Art Garden (PHAG) and Modern Eye, Portofino, at 1227 Walnut Street, has survived the ever-changing Philadelphia restaurant scene for about 35 years.

The owner, Mr. Berarducci, said he has been lucky in his business. Hailing from Abruzzi, Italy, he came to the U.S. in 1963 in search of new experiences, love and exploration. What he found made him out to be one of the best-known Italian restaurateurs in Philadelphia.

While some of the restaurants of famous Center City chefs like Susanna Foo and Georges Perrier are falling by the wayside, Portofino has been consistently successful through the economic quagmire.

"It's all about detail," Mr. Berarducci said one recent evening. "Food has to be fresh, waiters have to be friendly and the dining room has to be clean."

Mr. Berarducci can relate to a self-made notion. Coming from a wealthy Italian family, he declined to take over the family farm. Instead, he wanted to earn a living on his own. Upon arrival to the states when he was in his mid-20s, he took a serving job at the Barclay Hotel, with no restaurant experience at all.

He studied the customs, trends and service details, practically overnight, and began earning his wages. By 1967, he opened Pinocchio's at 15th and Latimer streets — one of a few Philadelphia restaurants serving only authentic Italian cuisine.

His critics told him he would never survive the cutthroat restaurant business, having little knowledge of the industry or the have-no-mercy Center City



Shown are Portofino's shrimp frittata, \$12, (above) and the restaurant's filet mignon over potato gratin, \$24 (below). Portofino's owner, Ralph Berarducci, attributes his restaurant's longtime success to attention to detail. "Food has to be fresh, waiters have to be friendly and the dining room has to be clean," Mr. Berarducci said one recent evening.

clientèle.

After a raving restaurant review, Mr. Berarducci witnessed the line to Pinocchio's snake around the corner as people waited to get in.

He had made it.

Mr. Berarducci soon realized his tiny, checkered-tablecloth Pinocchio's was busting at the seams and his business required more space. He sold Pinocchio's in 1971 and reopened four blocks away in a building that once housed a brothel. He gave it a new name — Portofino, a location in Italy that gave him fond memories.

The romantically-lit Portofino buzzes with Walnut Street excitement. The keys to success he said, are buying fresh and locally, catering to diners' needs and making the impossible, possible.

"I buy fresh, everyday from Esposito's," he said. "If something is not listed on the menu, it is because it comes in new, daily."

An example of this is the shrimp frittata, a traditional Italian baked egg dish, stuffed with peppers, mushrooms, onions and mozzarella cheese. It is a bargain for \$12. Wine, unlike most other restaurants, is not marked up 400 to 500 percent, but rather sold at just above cost, like a bottle of the Riserva Ducale Chianti Classico for \$45.



A banner dessert is the house-made tiramisu — perhaps the best in the city. Served with raspberry and chocolate sauces, the sweet, savory mascarpone melts away softly leaving the diner wanting more.

In addition to the hospitality he shows his diners at Portofino, Mr. Berarducci delivers meals to the homeless every Christmas and Thanksgiving. He absorbs the cost of scores of turkeys for needy families and said he gets to know each family, year after year.

In the last 35 years, Mr. Berarducci has rubbed elbows with Frank Sinatra, witnessed Liza Minelli slap her boyfriend at a table and shared expensive

wine with Elizabeth Taylor. These days, he sees more local notables like athletes from the Philadelphia sports teams.

The feeling of old world hospitality reigns supreme at Portofino, where the owner and wait staff treat guests like family. The restaurant also is capable of accommodating larger parties for events, like wedding receptions.

Mr. Berarducci also has a deal with the Central Park system at 12th and Sansom streets, which offers diners a parking discount of \$6.50 with a stamped ticket from Portofino.

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# Stocks Soar On Confidence Data

Continued From Page 1

iPhones. Exxon Mobil Corp. led an advance in energy shares as crude oil climbed to a six-month high.

"Consumer confidence was materially better," said David Sowerby, who helps oversee about \$100 billion at Loomis Sayles & Co. in Bloomfield Hills, Mich. "That allows the market to fight through an expected pause after a rally from March lows."

The S&P 500 added 2.6 percent to 910.33 at 4:11 p.m. in New York as all 10 industry groups advanced. The Dow Jones Industrial Average increased 196.17 points, or 2.4 percent, to 8,473.49. Eleven stocks gained for each that fell on the New York Stock Exchange, the broadest rally since May 18. The Russell 2000 Index of small companies rose 4.8 percent for the steepest advance since April 9.

The S&P 500 has surged 35 percent from a 12-year low on March 9 on speculation the global recession is easing and as earnings at companies from Ford Motor Co. to Wells Fargo & Co. beat analyst estimates. The index must rise another 37 percent to reach its last closing price before Sept. 15, when Lehman Brothers Holdings Inc. filed for the biggest bankruptcy in history, freezing financial markets.

The S&P 500 gained 0.5 percent last week, with all of the advance coming on the week's first day, as companies from Lowe's Cos. to Sears Holdings Corp. beat earnings projections and Deutsche Bank AG advised buying shares of McDonald's Corp. The index fell on the last four days on concern a recession may deepen and the government's creditworthiness is deteriorating.

Home Depot, the world's largest home-improvement retailer, rose 4.1 percent to \$23.80 and helped lead an index of consumer discretionary stocks up 3.8 percent for the biggest advance among 10 groups after financials. The Conference Board's confidence gauge climbed to 54.9 in May, topping economists' estimates for a reading of 42.6, as recent jumps in the stock market, low mortgage rates and smaller job losses brightened consumers'

outlook.

Apple gained 6.8 percent to \$130.78 after being upgraded from "equal weight" at Morgan Stanley, which said the iPhone will cause company profit to beat estimates for the next two years.

Qualcomm Inc. rallied 4.8 percent to \$43.29. The world's biggest maker of mobile-phone chips had its 2010 earnings estimates raised at Barclays Plc, which said Qualcomm and Broadcom Corp. are likely to win more market share next year. Broadcom added 2.9 percent to \$22.89.

Qwest Communications International Inc. advanced 8 percent to \$4.33. The local phone-service provider in 14 U.S. states was raised to "overweight" at JPMorgan, which cited "strong" revenue from business customers and an "attractive" valuation.

"We're seeing signs of improvement in consumer confidence," said David Heupel, who helps manage \$60 billion at Thrivent Financial in Minneapolis. "Investors are looking for early cycle plays, like technology, betting on an economic recovery."

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### Market watch

May 26, 2009

<b>Dow Jones Industrials</b>	<b>+196.17</b>
	8,473.49
<b>Nasdaq composite</b>	<b>+58.42</b>
	1,750.43
<b>Standard &amp; Poor's 500</b>	<b>+23.33</b>
	910.33
<b>Russell 2000</b>	<b>+22.69</b>
	500.31

### NYSE diary

<b>Advanced:</b>	2,536
<b>Declined:</b>	517
<b>Unchanged:</b>	79
<b>Volume:</b>	5.67 b
<b>Nasdaq diary</b>	
<b>Advanced:</b>	1,922
<b>Declined:</b>	448
<b>Unchanged:</b>	69
<b>Volume:</b>	2.05 b

SOURCE: SunGard

AP

## BUSINESS BULLETINS

### Facebook's \$200M Investment Values Company At \$10B

**NEW YORK** — Facebook is getting a \$200 million investment from a Russian Internet investor that values the social networking company at \$10 billion even though it has yet to turn a profit.

The investment gives Digital Sky Technologies a nearly 2 percent stake in Palo Alto, Calif.-based Facebook's preferred stock. Digital Sky won't get a board seat.

### GM Majority Equity Stake To Be Held By Treasury

General Motors Corp.'s equity would be majority owned by the Treasury once the automaker's restructuring plan is in place, said a person familiar with the government discussions.

A restructured Chrysler LLC is close to emerging from bankruptcy and will come out on the short end of earlier estimates of 30 to 60 days, said the person, who asked not to be identified describing the private discussions. Chrysler, which filed for bankruptcy protection on April 30, isn't likely to emerge this week, the person said.

GM, faced with a June 1 bankruptcy deadline by President Barack Obama, tapped \$4 billion more in U.S. aid last week to push its total to \$19.4 billion. GM also won a union agreement to cut the payment of stock to a United Auto Workers health-care trust by 55 percent, giving the biggest U.S. automaker more equity to spread among creditors.

The person wouldn't estimate the government's ownership percentage for GM. The Canadian government also will have an equity stake, the person said.

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NICK UT/Associated Press

Shoppers browse through a shoe store in Santa Monica, Calif., yesterday. Consumer confidence extended its rebound in May.

## Consumer Confidence Jumps By Most In Six Years

By SHOBHANA CHANDRA

**WASHINGTON** — Confidence among U.S. consumers jumped in May by the most in six years, fueling speculation the economy will recover later this year.

The Conference Board's sentiment index surged to 54.9, higher than forecast, according to figures from the New York-based research group yesterday. A report from S&P/Case-Shiller showed home prices continued to plunge.

Stocks climbed for the first time in five days on speculation a lifting of the gloom surrounding the worst recession in half a century may spur consumers, who account for 70 percent of the economy, to spend. Still, rising unemployment and falling real estate values underscore that it will take time to establish a sustained rebound.

"Pent-up demand is increasing each passing day as reflected in these confidence numbers," said Nariman Behravesh, chief economist at IHS Global

Insight in Lexington, Mass. "But there is a funny dynamic going on as people are waiting. The turn will come when there is a sense that we have passed the bottom," which Mr. Behravesh said may happen as early as August.

The Standard & Poor's 500 index increased 2.1 percent, to 905.88 at 12:28 p.m. in New York. Treasury securities fell, pushing the yield on the 10-year note up to 3.48 percent from 3.45 percent late on Friday.

The 28-point jump in confidence over April and May is the biggest two-month rally since records began in 1967. The measure reached its lowest point ever in February, with a reading of 25.3.

Consumer confidence was projected to rise to 42.6, according to the median estimate in a Bloomberg News survey of 70 economists. Forecasts ranged from 38.5 to 47.

The Conference Board revised the April reading to 40.8, from an originally reported 39.2.

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## AREA STOCKS BULLETIN

Ticker Symbol	Company Name	Last Price	Today's Change	Today's % Change	Listings As Of May 26, 2009
ABBC	Abington Bancorp Inc.	8.78	0.74	9.20%	Would you like to see a local, publicly traded company in the Area Stocks Bulletin? Send us an e-mail with the name of the company to editor @thebulletin.us or call us at (215) 735-9150.
ABC	Amerisource Bergen Corp.	37.38	0.80	2.19%	
ADVNB	Advanta Corp	0.89	-0.04	-4.30%	
ALU	Alcatel-Lucent	2.43	-0.01	-0.41%	
APU	Amerigas	31.73	0.45	1.44%	
ARG	Airgas	42.55	0.46	1.09%	
BMTC	Bryn Mawr Trust Company	19.15	0.78	4.25%	
BNCL	Beneficial Mutual Bancorp Inc.	9.24	0.52	5.96%	
CCK	Crown Holdings Inc	24.77	1.19	5.05%	
CDI	CDI Corp.	12.43	1.22	10.88%	
CEPH	Cephalon Inc	57.96	-0.38	-0.65%	
CMCSA	Comcast Corp New	14.68	0.46	3.23%	
CPB	Campbell Soup Co.	28.24	0.89	3.25%	
DD	E.I. du Pont	28.31	0.54	1.94%	
DEST	Destination Maternity Corp	13.33	1.36	11.36%	
DFG	Delphi Financial Group	20.38	1.29	6.76%	
DOW	Dow Chemical Co.	16.94	-0.34	-1.97%	
EXC	Exelon Corp	47.87	1.23	2.64%	
FULT	Fulton Financial	5.88	0.27	4.81%	
GM	General Motors Corp.	1.44	0.01	0.70%	
GSK	GlaxoSmithKline plc	33.77	0.64	1.93%	
HCSG	Healthcare Services Group	17.95	1.02	6.02%	
HNZ	H.J. Heinz	36.27	0.30	0.83%	
HSY	Hershey Foods Corp.	35.29	0.41	1.18%	
JJSF	J & J Snack Foods	38.06	1.17	3.17%	
KLIC	Kulicke & Soffa Industries	4.75	0.07	1.50%	
KNL	Knoll Inc	7.18	0.37	5.43%	
KWR	Quaker Chemical	14.70	1.94	15.20%	
LNC	Lincoln National Corp.	17.70	0.67	3.93%	
LRY	Liberty Property Trust	24.06	1.44	6.37%	
MRK	Merck & Co., Inc.	26.56	0.39	1.49%	
MRT	Mortons Restaurant	3.94	0.17	4.51%	
NTRI	Nutri Sys Inc New	14.13	0.24	1.73%	
PBY	Pep Boys	7.64	0.81	11.86%	
PEG	Public Service Enterprise Group	32.30	0.68	2.15%	
PNC	PNC Financial Services	43.25	2.07	5.03%	
POM	Pepco Holdings, Inc.	12.81	0.39	3.14%	
PPL	PPL Corp	32.15	1.02	3.28%	
RAD	Rite Aid Corporation	1.03	0.03	3.00%	
STD	Banco Santander Sa	10.46	0.34	3.36%	
SUN	Sunoco Inc.	27.17	-0.21	-0.77%	
SUSQ	Susquehanna Bancshares Inc.	7.53	0.52	7.42%	
TOL	Toll Brothers, Inc.	18.55	0.42	2.32%	
TSTY	Tasty Baking Company	6.03	0.05	0.84%	
UGI	UGI Corporation	23.98	0.74	3.18%	
UHS	Universal Health Services	55.49	1.39	2.57%	
UIS	Unisys Corporation	1.31	-0.03	-2.24%	
URBN	Urban Outfitters Inc	20.36	0.72	3.67%	
VZ	Verizon Communications	29.63	0.82	2.85%	
WFC	Wells Fargo & Company	25.65	1.34	5.51%	
WTR	Aqua America Inc	17.00	0.63	3.85%	
WYE	Wyeth	44.30	0.16	0.36%	