

## Liquor wholesaler expanding

► Jarboe Sales Co. taps a growing market.

By **ROBERT EVATT**  
World Staff Writer

Decades ago, many beer drinkers would be content to kick back with a Budweiser or Coors.

But beer fans have become a lot more adventurous since then, and today they might keep space in their refrigerators for lesser-known brands or even obscure microbrews, said John Jarboe, a partner with Tul-

sa wine and spirits wholesaler Jarboe Sales Co. and its affiliate, International Beers.

"When we started out in 1959, we just had a few brands of beer," Jarboe said. "Now we have hundreds."

Oklahoma's taste for different types of beers, wines and spirits has helped the company grow by as much as 15 percent over the last two years and inspired its decision to build a \$2 million, 45,100-square-foot addition to a 100,000-square-foot warehouse in Tulsa, Jarboe said.

J.B. Jarboe, John Jarboe's son and partner — and a third-generation

member of the family business — said the company started out with just 1,000 stock items when it was founded.

Today, the supplier to grocery stores, liquor stores and restaurants stocks 7,600 items, with more added each month.

"The country's become more cosmopolitan and willing to try new things," J.B. Jarboe said.

Wine sales have exploded, and the category now occupies 60 percent of the company's warehouse.

Jarboe Sales was founded immediately after Prohibition was repealed

in Oklahoma in 1959. John Jarboe's father, Joe Jarboe, was a Kansas resident who saw an opportunity in the state to the south.

John Jarboe said Jarboe Sales Co. and Central Liquor Co. of Oklahoma City are the only distributors that have lasted the entire half-century.

"There have been over 40 wholesalers come and go over the last 48 years," he said.

The Jarboes say Oklahoma is a particularly competitive state for alcohol wholesalers, due in part to

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### MARKET WATCH

<b>DOW 30</b> 14,043.73 down 22.28	<b>S&amp;P 500</b> 1,552.58 down 5.01
<b>OKLA. SWEET</b> \$75.50 down \$0.25	<b>NAT. GAS</b> \$6.71 down \$0.03
<b>GOLD</b> \$732.80 down \$8.50	<b>YEN PER \$</b> ¥117.36 up ¥0.44

## Merger expands IT firm

► Tulsa-based Peak Methods acquires UpTime of Oklahoma City.

By **ROBERT EVATT**  
World Staff Writer

Tulsa-based Peak Methods Inc., a growing information technology specialist, has merged with Oklahoma City-based UpTime Ltd.

The combined company, Peak UpTime, will be headed by Gordon Martin, president of Peak Methods, and provide service in Kansas City, Mo., and Louisiana in addition to Oklahoma.

"The acquisition significantly expands our geography and our capability," Martin said Monday.

A purchase price was not disclosed.

Martin said all employees of both companies will be retained, but he declined to provide a combined employee count.

Martin said that in addition to the larger geographic territory, the merger combines key strengths of both companies. Peak Methods specialized in infrastructure, and managed services and applications, while UpTime focused on network security and storage.

"Storage and security are both hot-growth markets right now," he said.

The merger comes after a period of rapid acquisitions by Peak Methods earlier this year. In a year's time, the company purchased Capus Solutions Ltd., Tulmel, Spirit Technology, Farpointer and Clientele Solutions.

Recently, Peak Methods brought on board an applications development team in Oklahoma City working on digital human intelligence software, which will allow programmers to collaborate on applications via the Internet.

"The application team will be able to work on that opportunity as well as the IT needs we're seeing emerge in this state," Martin said.

Peak UpTime plans to continue to grow, he said, and will continue to seek strategic acquisitions.

"We've had a lot of discussions and opportunities in the state," Martin said. "There will emerge in this market a midsize IT company."

Peak UpTime provides IT services for small and medium-size businesses, government offices and educational systems.

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### FOR SALE: HARVEY YOUNG



SHERRY BROWN / Tulsa World

A Cessna 172M piloted by Robert Kimery lands Saturday at Harvey Young Airport in east Tulsa. Kimery, a Bixby industrial painting contractor, was practicing takeoffs and landings to keep his pilot's license current.

## Fans of airport fear shutdown

By **D.R. STEWART**  
World Staff Writer

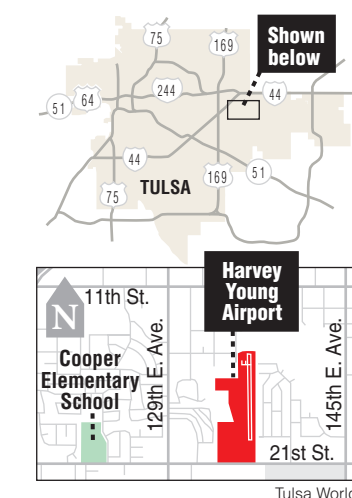
For months, east Tulsa residents and tenants at Harvey Young Airport have heard rumors that the 93-acre general aviation facility would be closed and converted to low-income residential housing.

"We had 66 tenants on Aug. 1," said airport Manager Mike Smith. "When people started surveying out here — measuring hangars — people started moving out, thinking everything was going south."

The only privately held general aviation airport in the Tulsa area, Harvey Young, 1419 S. 135th East Ave., occupies a special place in aviators' hearts. It was a pioneering late-1930s airfield, later a training ground for World War II pilots.

A Web site, found at [www.tulsaworld.com/saveharvey](http://www.tulsaworld.com/saveharvey), has been established to galvanize public opinion against the airport's demise — and, possibly, to shame the landowner from turning it into a subdivision, bloggers say.

"There are plenty of places to build houses, unfortunately new airports aren't as easy," says saveharveyyoung.com blogger Micah Briner. "Shame on anyone who is



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in an aviation business that could destroy an airport."

But Harvey Young's owner, David Guzman, said he has no plans to close the airport nor develop it into housing.

"The airport is for sale . . . for \$1.8 million," Guzman said. "The ideal situation would be for someone to step in and keep it as an airport, expand it."

Guzman is general manager of Southwest Aviation Specialties LLC, an aircraft charter, sales and maintenance operator at Jones Riverside Airport. He said Harvey

Young was for sale when he bought it two years ago.

"I left it on the market for sale," Guzman said. "I plan on selling it."

That's good news for tenants such as Ken Ruggiano, a crew chief at American Airlines' Tulsa Maintenance & Engineering Center, who suggests tenants might consider buying the airport.

"It's in an ideal spot," Ruggiano said. "It's close to the city where businessmen can come in, do their business for a few hours and leave."

"The airport itself can generate revenue. There are people right now, even with the possible closing of the airport, who are wanting to rent hangars."

With two north-south runways, Harvey Young has about 79 aircraft takeoffs and landings a day — 86 percent of them local general aviation, 14 percent transient general aviation.

Its main asphalt runway is 2,580 feet long by 40 feet wide. A second, grass runway is 2,380 feet long by 80 feet in width.

Jeff Mulder, airports director at Tulsa International Airport and Jones Riverside Airport, said the Tulsa Airport Authority will have

SEE **SAVE** E-2

## AEP-PSO case before regulators

By **JASON WOMACK**  
World Staff Writer

The Oklahoma Corporation Commission is expected to approve a final order that could affect electricity rates for more than half a million utility customers.

The three-member commission, which regulates utilities, is scheduled Tuesday to determine the outcome of the American Electric Power-Public Service Company of Oklahoma rate case.

The resulting order would likely contain provisions that require the Tulsa-based utility to institute a program encouraging customers to conserve electricity.

Under a proposed order, AEP-PSO would need to provide educational information to its customers, assistance to low-income customers to improve energy efficiency, and incentives to customers who use efficient appliances.

"This state is hungry for energy efficiency, and this commission is

taking the step . . . to require a utility to begin that journey," Commissioner Jim Roth said in August, following final deliberations in the case.

During those deliberations, the commission expressed unanimous support on several key issues.

Commissioners supported setting the utilities authorized rate of return at 10 percent. The rate, which is a measure of the compa-

SEE **RATE** E-2

### IN BUSINESS

#### GOING FOR GAS

Five basins in Montana, Wyoming, Utah, Colorado and New Mexico contain the nation's largest onshore reserves of natural gas.

And drilling companies are going after it. In fact, the Bureau of Land Management estimates that it approves about one of every four drilling applications it receives.

BLM Director **Jim Caswell** says he understands the public's demand that any drilling be environmentally responsible.

"I mean, how can we be as compatible as possible long-term? This is not some short-term thing; this is long-term. . . . We're talking 20, 30 years."



#### CHINESE FOOD

Fast-food giant **Yum Brands Inc.** said Monday that its third-quarter profit rose 17 percent on the strength of surging sales in its international and China divisions that offset sluggishness in the United States, led by slumping Taco Bell.

The Louisville, Ky.-based operator of KFC, Taco Bell and Pizza Hut reported 28 percent profit growth in its China division and 21 percent growth in its international division for the three months that ended Sept. 8. Yum's U.S. operation had a scant 1 percent profit growth for the period.

Overall, net income rose to \$270 million, or 50 cents per share, from \$230 million, or 42 cents per share, in the same quarter a year ago.

#### OUT of EGYPT

**Devon Energy Corp.** announced Monday that it has completed the sale of its Egyptian oil and gas operations to Dana Petroleum PLC of Aberdeen, Scotland.

The sale price of \$375 million included the purchase of \$67 million of net working capital, Oklahoma City-based Devon stated in a news release.

Sale of the Egyptian assets is the first step in a plan by Devon to divest all of its interests in Africa, Devon said in April, when the transaction was announced.

Devon is one of the world's leading independent oil and gas producers.

### BIZ QUICKS

#### Wall Street quiet ahead of earnings reports

Wall Street finished mostly lower Monday as investors cashed in some gains from last week's rally.

The Treasury bond market was closed for the Columbus Day holiday and there was no major economic news to guide investors, so Wall Street remained cautious ahead of the flood of third-quarter results. Aluminum producer Alcoa Inc., one of the 30 Dow Jones industrial average components, kicks off the earnings season Tuesday.

"There's room for a rally if third-quarter earnings come in stronger than expected, but they do want to see that the fourth quarter is going to be strong as well," said Ryan Detrick, senior technical strategist at Schaeffer's Investment Research.

The Dow fell 22.28, or 0.16 percent, to 14,043.73.

Broader stock indexes were mixed. The Standard & Poor's 500 index fell 5.01, or 0.32 percent, to 1,552.58, while the Nasdaq composite index rose 7.05, or 0.25 percent, to 2,787.37.

Trading volumes were low, with many investors on the sidelines for the holiday.



#### CURIOS

**Sarkozy:** Demands accurate information on insider trading allegations.

#### French president presses probe of Airbus parent

French President Nicolas Sarkozy said Monday that any wrongdoing uncovered at EADS, the parent company of Airbus at the center of a scandal over alleged insider trading, must be punished in full.

Any state misdeeds in the affair, which came to light a week ago, must be uncovered, Sarkozy said in his first remarks on the issue.

"I want to know the truth about what happened concerning the state," Sarkozy told reporters during a visit to Macon, a town on the edge of the Burgundy region south-east of Paris.

While a major shareholder, the French government does not sit on the EADS board.

The Finance Ministry is examining actions regarding EADS from the end of 2005 to June 2006. A report is due Thursday.

A preliminary report suggests there was "massive insider trading" at European Aeronautics Defence & Space Co. just as problems with the A380 superjumbo were becoming evident. The report cites share sales between November 2005 and March 2006 by 21 top managers.

Problems with the A380 and the midrange A350, plus a profit warning, were publicly announced in June 2006, sending the EADS stock price crashing 26 percent in one day.

#### Oneok Partners closes acquisition of pipeline

Oneok Partners LP said Monday that it has completed the purchase of an interstate pipeline from a subsidiary of Kinder Morgan Energy Partners LP for about \$300 million.

The pipeline system — extending from Bushton and Conway, Kan., to Chicago — transports, stores and delivers a full range of natural gas liquids and refined products.

The transaction had been announced July 2.

The pipeline will give Tulsa-based Oneok Partners access to markets in the Upper Midwest.

The acquisition represents the partnership's first step into the refined petroleum products market, building on its existing core capabilities of transporting, storing and marketing both natural gas and natural gas liquids.

Also included in the purchase is 50 percent ownership of Heartland Pipeline Co., which consists of three refined products terminals. Conoco-Phillips owns the other 50 percent of the Heartland joint venture and is the managing partner.

From Bloomberg, AP and staff reports