FYI BUSINESS

NEWS, TRENDS AND EVENTS IN TULSA BUSINESS

Chamber to detail political goals at event

The Tulsa Metro Chamber will outline its political agenda Jan. 19 at the group's annual Legislative Leadership Breakfast.

The event will be held from 7:30 to 9 a.m. at Embassy Suites Hotel, 3332 S. 79th East Ave.

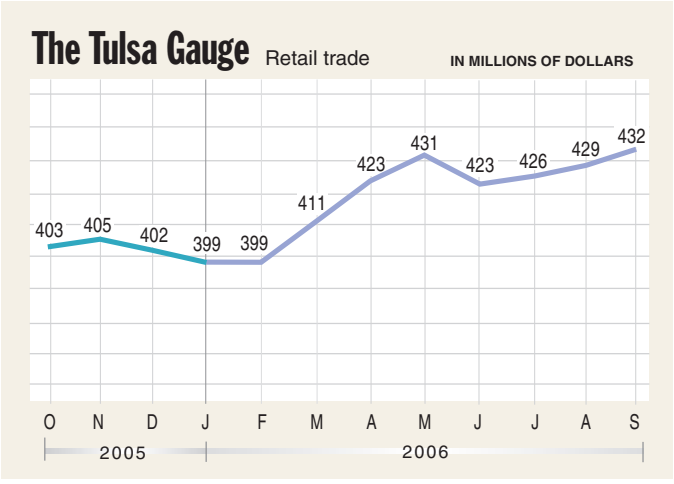
Attendees will be able to discuss common goals for creating a more successful business climate and community during a dialogue with state lawmakers.

The cost is $15 a person. Attendees also may host a legislator for an additional $15, which includes a seat together during breakfast.

The event is presented by Lamar Outdoor Advertising, AT&T, Cox Communications, SemGroup LP and Williams Cos. Inc.

Reservations are due by Jan. 12.

For more information or to sign up, contact Chelsea Harkins at 560-0278 or e-mail chelseaharkins@tulsachamber.com.



Source: Research Wizard, Tulsa City-County Library

Tulsa World

Select to continue adding staff

Tulsa-based Select Engineering Inc. announced that it plans to continue its staff expansion in 2007.

The company, which provides consulting, engineering, design and drafting to energy companies worldwide, added 22 employees in 2006 to reach a total employment of 31.

Select officials said they expect to hire 10 employees in the first quarter and an additional 10 in the remainder of the year.

The eight-year-old business also expanded its office space by 50 percent this year. It now occupies two floors in the Main Mall Plaza Building downtown.

Scott Hastings is the founder and president of Select.

New retail store offers items 'as seen on TV'

As Seen on TV & More, a retail store, opened recently in the Tulsa Promenade mall at 41st Street and Yale Avenue.

The store features more than 300 items, most of which have been advertised on television commercials or promoted in infomercials.

As Seen on TV & More offers shoppers the opportunity to buy the products without shipping and handling fees.

The store features television screens displaying some of the commercials and infomercials highlighting various items for sale on the shelves.

Employee benefits firm joins United Benefit Advisors

Benefit Plan Strategies, one of Oklahoma's largest employee benefits agencies, announced it has joined United Benefit Advisors.

Privately held UBA is an alliance of independent benefit advisory firms, with more than 1,500 benefits professionals in more than 130 offices across the United States and Canada.

Benefit Plan Strategies offers an array of employee benefit services, including hard-to-find and complex programs for a wide variety of industries.

"Becoming a UBA member presents our agency with the opportunity to enhance our services and better serve our clients' needs coast to coast, while providing us with the resources that help support and maintain our independence," said James Consedine, president of Benefit Plan Strategies.

2007: LOOKING AHEAD

Manufacturing strong; labor shortage a concern

By John Dobberstein
World Staff Writer

Oklahoma's manufacturing sector should continue to grow next year, but labor shortages will be an ongoing issue, experts said.

The state's aerospace and energy companies are booming — a big factor in the sector's growth, said Roy Peters, president of the Oklahoma Alliance for Manufacturing Excellence.

"Everybody I talk to is doing very well, and they don't see much of a slowdown in the near term," Peters said. "All indications are things will stay pretty strong through the calendar year."

Dragging down the state, statistically, is bad news in Oklahoma City, where the closing of the General Motors Corp. and Dayton Tire plants resulted in the loss of about 3,600 jobs in 2006. Researchers said GM's decision jeopardized another 13,300 jobs across the state.

If the GM and Dayton Tire losses are discounted, the picture in Oklahoma improves, said Mark Snead, director of Oklahoma State University's Center for Applied Economic Research.

"We're looking for very modest growth — nothing like a bounce," Snead said. "It's just that some of these large losses drive down the numbers. Tulsa is showing some signs of stronger manufacturing growth."

Dating back to last year, Oklahoma manufacturing was expected to grow by 0.63 percent through the second quarter of 2007, with a net gain of 920 jobs, according to the U.S. Bureau of Labor Statistics.

The bureau projected that Oklahoma will have 145,050 manufacturing jobs next year, with most of the gains in the food, beverage, wood and machinery sectors. Job losses are expected in the printing, apparel, metal fabricating and transportation equipment sectors.

Oklahoma had 176,000 manufacturing jobs in 1999.

In Tulsa, manufacturing has been strengthening. The metro area had 48,000 jobs in that sector last month, up from 45,700 in early 2005.

The long-term manufacturing outlook in Tulsa is promising, although the area's growth will be outpaced by almost every other employment category. Manufacturing jobs are expected to increase by 2.3 percent through 2012, the bureau said.

Snead said manufacturing is the hardest industry to predict, but its trends tend to go in long cycles and Oklahoma is in the early stages of a growth cycle.

"Hopefully, companies can get a foothold and start competing," he said.

Manpower is a major factor limiting manufacturers, Peters and Snead said.

A survey of Tulsa manufacturing companies this year revealed that 36 percent were constantly recruiting employees or always had jobs open — despite the fact that only about a quarter of those jobs required post-secondary education, and only 3.2 percent required a license or certificate.

The median wage offer was $16 an hour, higher than many other industries.

Peters said the state's Career-Tech program is offering more short-term programs to get workers into the employment funnel sooner. And some employers are reaching out to under-served populations such as welfare recipients and youth offenders, he said.

"That might be a population that manufacturers wouldn't have thought of, but several of them have been making pretty darn good workers," Peters said. "Some who are underemployed, with some training, can get into manufacturing jobs.

Peters said the alliance is also doing everything it can to recruit young people. He believes manufacturers are still grappling with image problems that, even if inaccurate, drive away job seekers and students.

"Manufacturing pays a higher wage, on average, than jobs in much of the service sector," Peters said. "They almost always have benefits with them. It can be a really great career. We need to tell that story."

Snead has a quicker solution to finding workers.

"Just pay higher wages," he said. "Companies tend to just pay what they can survive on.

"The problem, as it has always been, is foreign competition — very high-quality, low-cost foreign competition. It's not going to go away in 2007."

John Dobberstein 581-8413
john.dobberstein@tulsaworld.com

This year, spend more time learning

HARVEY MACKAY

Another year is upon us, and it's the most popular time to think about starting a diet. But I'd like to propose a different type of diet — a steady diet of learning.

I'm a big believer in lifelong learning. You don't go to school once for a lifetime; you are in school all of your life.

There is a famous story about Oliver Wendell Holmes. When he was over age 90, Holmes was in the hospital and President Theodore Roosevelt came to visit him. As the President was ushered into the room, there was Justice Holmes reading a book of Greek grammar.

Roosevelt asked, "Why are you reading about Greek grammar, Mr. Holmes?"

And Holmes replied, "To improve my mind, Mr. President." Ninety . . . and still trying to learn something new!

Why not make continuing education a new priority?

Increasingly, the wet-behind-the-ears freshmen are sharing their campuses with the not-so-young folk who want — and need — to further their educations, too.

Peter Drucker, the late, great management guru, wrote in the Harvard Business Review: "It is a safe prediction that, in the next 50 years, schools and universities will change more and more drastically than they have since they assumed their present form more than 300 years ago when they reorganized themselves around the printed book.

"What will force these changes is, in part, new technology . . . in part, the demands of a knowledge-based society in which organized learning must become a lifelong process . . ."

Individuals need to take stock and realize they're in school for their entire lives. Companies need to create a corporate culture that strives for continuous improvement. Human beings are not like a package of Jell-O. You can't add water and achieve a reformed human being.

When you talk about lifelong learning, someone who comes to mind is Charles Lindbergh, the famous aviation pioneer who was the first person to successfully fly solo over the Atlantic Ocean to Europe from the United States.

Early in his life, he taught himself to be a superb mechanic working with motorcycles. Then he became a gifted stunt and test pilot. He pretty much designed and masterminded construction of the Spirit of St. Louis, the plane he flew over the Atlantic.

After his history-making flight, he devoted himself to helping move aviation from an adventurous sport to common practicality. In a "welcome home" tour, he landed at precisely 2 p.m. at 81 airports scattered across the 48 states that made up the continental United States.

This was to demonstrate to skeptics that aviation could provide a safe and reliable means of transportation. Then he and his wife scouted out new airline routes around the world.

Later, in conjunction with a Nobel Prize-winning French scientist, he designed and built the first perfusion pump, which opened the way to heart bypass surgery. He was an avid conservationist and environmentalist, and he wrote a total of seven books.

We live in a sad time when you consider the following statistics, which I found recently:

▶ Only 14 percent of adults with a grade-school education read literature in 2002.

▶ 51 percent of the American population never reads a book over 400 pages after they complete their formal education.

▶ 73 percent of all books in libraries are never checked out.

▶ The average American watches 32 hours of TV every week.

▶ The average American reads only eight hours (books, newspapers, magazines, Yellow Pages, etc.) every week.

▶ The average American annually spends 10 times more on what he puts on his head than what puts into his head.

Consider the following:

▶ If you read just one book per month for 12 straight months, you will be in the top 25 percentile of all intellectuals in the world!

▶ If you read five books on one subject, you are one of the world's foremost leading authorities on that subject!

▶ If you read just 15 minutes a day — every day, for one year — you can complete 20 books!

As Benjamin Franklin said, "The doors of wisdom are never shut."

Mackay's Moral: Life is like riding a bicycle. You don't fall off unless you stop pedaling.

OOPS: In my Dec. 10, 2006, column ("Pay attention to the little things"), I referred to the Institute for Advanced Study as being at Princeton University. Although the institute is located in Princeton, N.J., the institute is not a part of the university.

Harvey Mackay is author of the New York Times best-seller "Pushing the Envelope" (Ballantine Books). He can be reached through his Web site: www.mackay.com; or Mackay Envelope Corp., 2100 Elm St., Minneapolis, MN 55414.

WEEK IN REVIEW

THE TOP STORIES AND A LOOK AHEAD

McBirney Mansion may become hotel

The historic McBirney Mansion, long operating as a bed and breakfast, could soon become a 112,000-square-foot, 80-suite boutique hotel if plans for a sale and renovation go forward.

Local investors George Warde, Jim Seawright and Jack Lee are under contract as WSL Properties LLC to purchase the mansion at 1414 Galveston Ave. from Caroline Cardin for an undisclosed sum, then spend $25 million to $30 million converting it.

The sale could close by the end of January, WSL officials said.

Warde, a former American Airlines executive and co-founder of Tulsa Community College, said WSL hopes to create a thriving business as well as preserve one of Tulsa's most notable structures.

The group's plans for McBirney call for adding about 100,000 square feet to the building, though Seawright said the group will use the existing architecture as a guide.

Vicki Hibbert, president of the Riverview Homeowners Association, said the plans received a favorable reception at a meeting of about 50 people earlier this month.

However, Robert Taylor, who lives across the street from the mansion, said the plans could damage the building's historic value as well as the character of the neighborhood.

The McBirney Mansion is under contract to a group that wants to make it a boutique hotel.

MIKE SIMONS / Tulsa World

American Airlines cites higher costs

Analysts who expected the parent of American Airlines to break even or earn money in the fourth quarter now forecast a loss for the period, following the carrier's disclosure just before Christmas that costs are rising and revenue isn't growing as fast as Wall Street had hoped.

AMR Corp. said recently that its costs were rising due to factors that included higher maintenance expenses and weather-related flight cancelations in November and December.

The update, in a filing with the Securities and Exchange Commission, indicated that costs as a ratio of capacity would be higher than many analysts expected.

The company employs about 7,000 people at its Maintenance & Engineering Center in Tulsa.

Jamie Baker, an analyst for J.P. Morgan, said in a note on Tuesday that AMR's recent filing prompted him to change from a break-even forecast to a fourth-quarter loss of 40 cents per share.

Before the SEC filing Friday, analysts had expected AMR to earn 50 cents per share in the fourth quarter, according to a survey by Thomson Financial.

Also last week, an Icelandic investment firm was reported to be seeking a meeting with managers of American Airlines after accumulating a 6 percent stake in AMR.

The investment makes FL Group hf, an Icelandic limited-liability company, the third-largest holder of shares in AMR. The investment comes as speculation increases about possible mergers in the U.S. airline industry.

Local retailers see post-holiday surge

Shoppers rushed back to the malls and big-box stores after Christmas to snap up post-holiday bargains.

The last week of December has become an important part of the Christmas buying season, with merchants banking on shoppers with gift cards looking for even lower prices on winter apparel and holiday-theme merchandise.

To entice people back into stores, Macy's opened at 6 a.m. Tuesday and offered discounts ranging from 50 percent to 75 percent. J.C. Penney stores opened at 6 a.m. with door-buster specials until noon and 70 percent off all holiday decor.

The Saturday before Christmas was the busiest of the final shopping days at Tulsa Promenade, said Sheila Cooper, general manager of the mall.

"For whatever reason," many shoppers waited until the last minute to make their purchases, she said.

Yet merchants at the mall said they were pleased, despite concerns some had expressed in mid-December.

"Most said they had a strong finish" to the season, Cooper said.

Tulsa's job growth sets another record

November proved to be another positive month for job growth in the Tulsa area, sending employment totals into record territory.

Not only did the seven-county metropolitan area add jobs during the month, but it also posted over-the-year job gains as well, according to preliminary data released Wednesday by the Oklahoma Employment Security Commission.

While the area added 1,600 jobs during the month, it recorded a gain of 10,400 jobs over November 2005. Total nonfarm employment for the area rose to 429,700, up from a revised 428,100 in October.

The Tulsa metro area earlier this year marked its recovery from a sharp economic downturn that saw it lose 28,000 jobs from 2001 to 2003. In May, the area surpassed its previous record employment total of 421,200, set in December 2000.

November's numbers continued a pattern in which the metro area has posted over-the-year job gains every month this year and in 2005.

The Tulsa area's unemployment rate held steady at 3.5 percent for the month. A year earlier, it was 3.9 percent.

"Going into the new year, it bodes well for a strong year that will surpass certainly the U.S. and the state economy," said Bob Ball, research manager for the Tulsa Metro Chamber.

Food from clones called safe to eat

The U.S. government declared Thursday that food from cloned animals is safe to eat, a decision that drew a mixed reaction in Oklahoma and nationwide.

After more than five years of study, the Food and Drug Administration concluded that cloned livestock is "virtually indistinguishable" from conventional livestock.

Final approval is still months away.

Oklahoma cattle industry groups say the more people know about cloning the more they will understand its benefits.

"From our perspective, this has been through an exhaustive review for several years," said Heather Buckmaster with the Oklahoma Beef Council, in a telephone interview.

But local organic grocery store co-owner Chris Emerson said she wouldn't dream of selling products from cloned animals in her two Tulsa locations.

"You're still messing with Mother Nature," Emerson said.

Upcoming this week

Tuesday — The New York Stock Exchange and the Nasdaq Stock Market will be closed as part of a national day of mourning to mark the funeral of President Gerald R. Ford. The day off will come after the markets also are closed for New Year's Day, creating a four-day break from trading.

From staff reports