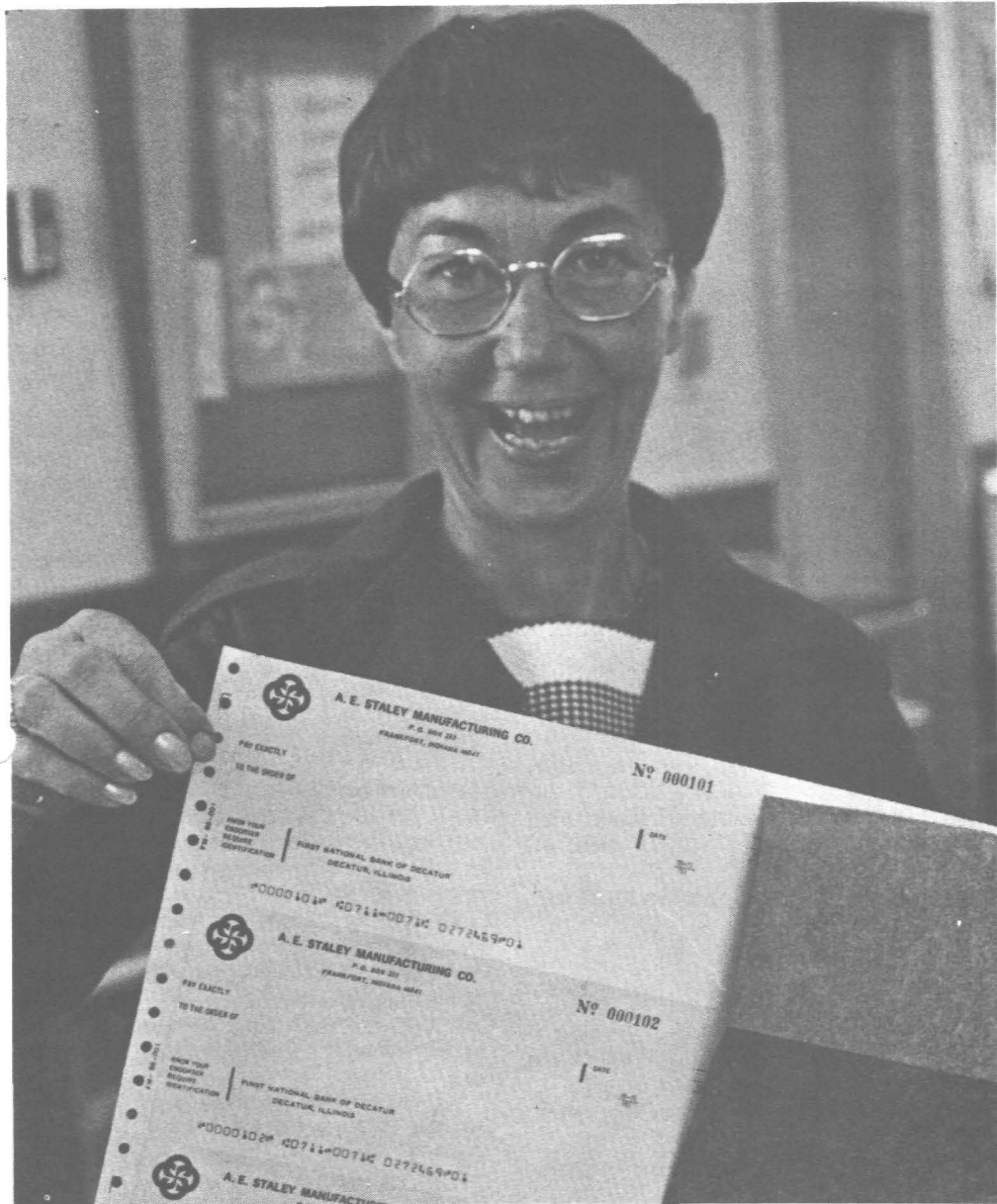




Bonnie Brown, assistant controller, Frankfort plant, is obviously pleased at receiving the first paychecks for Frankfort employees bearing both the Staley logo and the Frankfort address. It was one of several moves that indicated the transition of the plants from Swift to Staley was progressing smoothly. For more pictures and story on the four new Staley plants, turn to page 3...and a big welcome to all our new employees.

StaleyNews

Volume XVIII/No. 4

Decatur, Illinois/April, 1976

Sweetener, starch volumes up; dollar sales, earnings lower

Strong sales volumes for corn sweeteners and starches were recorded by Staley in the first six months of fiscal 1976, although dollar sales and earnings reflected lower year-to-year sugar prices.

For the six months, net earnings stand at \$20.5 million of \$1.91 a share, compared to \$24.6 million or \$2.32 per share for the first half of the prior year.

Sales for the six months total \$337.4 million versus \$401.5 million for the same period a year ago.

Net earnings for the second quarter ended March 31 were \$10.3 million or 96 cents per share on sales of \$172 million.

This compares with net earnings of \$14.2 million or \$1.33 per share on sales of \$197.4 million.

Per share figures for the prior year are restated to reflect 2-for-1 splits of the company's common shares on May 27, 1975, and March 22, 1976.

Chairman Donald E. Nordlund noted that lower sales dollars resulted primarily from reduced corn sweetener prices which last year reflected a record rise in sugar prices. Mr. Nordlund observed that sugar prices peaked during the company's second quarter of fiscal 1975, then sharply declined.

In the context of lower sugar prices, he described the six-month results as

indicative of the company's ability to compete effectively in a price-competitive sweetener market.

The Staley chief executive credited increased corn sweetener sales volume to expanded manufacturing capability and continued success with high fructose corn syrup, an economical alternative to sugar in processed foods and beverages.

He said the company's corn refining plants at Decatur and Morrisville, Pa., ran at capacity throughout the second quarter, reflecting growing seasonal demand for sweeteners.

Mr. Nordlund reported substantial sales gains for the company's numerous starch products, especially modified varieties for the paper industry.

Regarding the company's soybean operations, Mr. Nordlund said meal demand had increased during the past six months but margins had shown only slight improvement. He added that second quarter totals did not include operations of four soybean mills recently acquired by Staley from Swift & Company.

Mr. Nordlund said the company's consumer products group continued to perform positively and ahead of the prior year's results.

Morrisville gift aids senior citizens

The problems of aging and how to provide services for the aged are not insurmountable when communities work together. Staley Morrisville provides an example.

Senior citizens in Lower Bucks County were seeking a center to serve their needs, so the Morrisville borough government made arrangements for the people to lease the back portion of an old school which had been destroyed by fire. The front portion, to be used by the Bucks County district justice office, was to be renovated by a \$375,000 bond issue.

Another \$18,000 was required for the senior citizens renovation. Half that amount was pledged by a local foundation if the remainder could be raised locally by voluntary contributions.

A community appeal was made and Staley quickly contributed five percent of the goal for the project. In only a short time, the other necessary funds were raised and the renovation completed—a lasting example of civic pride by individual and business citizens of the area.

The gift is one of several similar contributions made each year to community welfare projects where Staley plants are located. A wide range of activities is supported, including United Way, Heart Fund, Cancer Society, scouting, hospitals and educational institutions.

Staley purchases elevator operations

Staley has agreed to acquire for cash the assets of Livergood Grain Co., a grain storage, conditioning and merchandising firm.

Livergood, which will be operated as a wholly-owned subsidiary of Staley, has three grain elevators in central Illinois. They are located at Findlay, Chippis and Coles. Livergood's home offices are at Bethany, Ill.

Staley described the acquisition as an effort to broaden the company's agribusiness base. No significant changes in operating procedures of Livergood are expected.

Principals in the firm are Ober Livergood, president, and Edmund J. Livergood, secretary and treasurer.

Low loan rates boost palm oil imports

The question is as old as the nation—age hasn't lessened its perplexities. How does a government reconcile the concept of "free" trade with "fair trade" as it attempts to balance its exports and imports to the greatest advantage of all its citizens?

The most recent example of the difficulties the question presents is the influx of palm oil imports which has been making an alarming presence in this nation in the past year.

How does American agriculture, which is the leading producer of soybeans in the world, find itself threatened by palm oil imports which come primarily from so-called "developing" or "third world" nations?

In the mind of the general public, the problem is compounded by the adoption of a United States trade policy which has openly promoted both the concept of free flow of goods and ideas between nations (although import quotas have been placed on such items as steel, and government assistance has been made available to U. S. workers who lose their jobs because of sales of competitive foreign goods.) Further, the United States has adopted a policy of aiding the economic development of the palm oil-producing nations through endorsement of a series of international loans at rates which give the palm oil nations financing advantages which help keep the cost of their product below that of U.S.-produced soy, cotton and peanut oil.

And there lies the rub. American soybean growers and processors have moved to alert the American public to the consequences of what is, in effect, a subsidy of palm oil production...a subsidy which, it is claimed, places U.S. producers at an economic disadvantage, and which presents long-range prospects that could prove costly to American consumers.

What are the facts? There can be no doubt that palm oil production has showed a dramatic increase, from about 1.3 mil. tonnes in 1965...2.9 mil. tonnes in 1975...to 4.7 mil. tonnes in 1980. Significantly, nearly half of that increased production will occur because of international loans endorsed by the U. S. government.

Imports into this country are also increasing, from under 200 million pounds annually in 1969-70 and mid-1971 to nearly 900 million pounds in 1975. The increase of imports coincides not only with the greater production but with the increase in international loans to palm oil producing nations.

The complexities of international finance are often difficult to untangle. But, a recent loan made by the Asian Development Bank to Indonesia for \$11.3 million had terms for a four-year grace period which is equivalent to a 3½ percent interest rate for the life of the loan. Currently, interest rates on a 20-year loan of more than \$11 million from private sources would be 10 percent.

Another way of comparing the figures is that if the palm oil were produced with financing comparable to that available from private sources and not a government, the oil would cost as much as a nickle more per pound to produce.

Added to such attractive financing is the fact that the United States is the only major nation that imposes no duties or restrictions on palm oil imports. This has caused even more palm oil imports to find their way to this country.

The claim has been made in support of palm oil imports that their use has caused lower consumer prices, and therefore should be supported by the public as a means of

reducing the cost of food.

It is true that 96 percent of the palm oil imported to the United States was used in food products. And there undoubtedly was some immediate lessening of food prices. But such calculations ignore the long-range consequences of palm oil imports which likely will prompt decreased soybean plantings in the United States.

Decreasing market for the beans will be caused by a fact of soy processing—soy oil and soy meal are derived from the same manufacturing process. They go hand-in-hand, and processors will not look with relish upon the prospect of being burdened with unsaleable soy oil.

The American farmer, faced with the lower yield per acre of soybeans as compared to corn, and the possibility of no market for his beans, will, of necessity, turn to other crops.

Since nearly two-thirds of the high protein animal feed in the U. S. consists of soy meal, the forces for a succession of events are now unleashed: (1) less beans planted (2) fewer beans processed (3) less meal available as a high protein animal feed (4) higher prices for available soy meal to be used in feeds (5) a passing along of those higher meal prices to the American consumer who will see increases in the cost of meat, pork, dairy products, chicken and turkey.

Based upon figures supplied by the National Soybean Processors Association, which used a calculation of palm oil import trends, reduced soy oil consumption and subsequent meal price increases, the American public could be required to pay an extra \$8 billion annually by 1980 if the cost of animal feeding standards is as good as those in 1975.

The \$8 billion in increased costs is (Continued on Page 4)

In the News...



Baker's man P/2



Ladies' turn P/2



Safety's man P/4

Pennsylvania baker turns 100 percent to IsoSweet

Often, pace setters are not the larger companies, but the smaller ones which exemplify the textbook advantages touted for a free enterprise system in which the touchstone is the innovative entrepreneur.

An example of such leadership has been provided by the Harris-Boyer Company in Johnstown, Pa., a bakery which has announced that it will turn to high fructose IsoSweet for 100 percent of its sweetener needs. Although IsoSweet has gained widespread acceptance in other foods and drinks, it is only recently that it has gained increased attention from bakers.

Located approximately 80 miles southwest of Pittsburgh, Harris-Boyer, which is now under its third generation of management by the Harris family, thus becomes one of the first bakeries in the country to recognize the economic and handling advantages of high fructose.

Previously, Harris-Boyer, which was formed in 1888 when Clement H. Harris began deliveries of homemade bread in a horse-drawn wagon, had used corn syrup and granulated sugar in 100-pound bags. The corn syrup, of which 50 percent was supplied by Staley and the remainder by a competitor, was used in breads, while the granulated sugar was used in rolls.

Clement F. Harris, current president of the bakery, says that he had been aware of the developing uses of high fructose syrup. At the same time, Staley salesman Mike Prosser was familiar with the bakery's interest from calls he had made while selling corn syrup. Mike suggested that a drum of IsoSweet be sent to the bakery and that Al Morgan, Staley baker, run tests "on the spot" at Harris-Boyer.

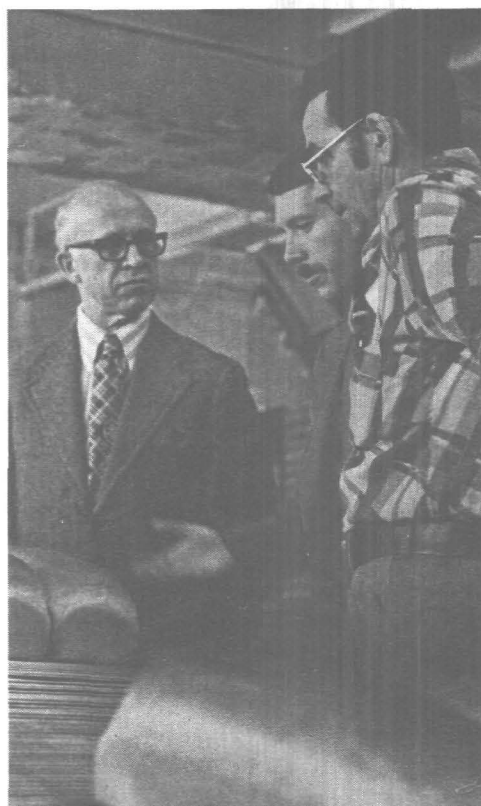
The arrangements were made and Al and Mike worked with Harris-Boyer personnel baking the products in which the high fructose would be used.

The tests were successful, and it was discovered that high fructose not only performed satisfactorily but imparted more uniform browning than corn syrups or sugar.

The clincher came when Mike prepared figures which showed that the IsoSweet could be used as a pound-for-pound replacement for the previously used sweeteners, resulting in even lower sweetening costs than when corn syrups were used.

Although baking has become highly automated, it remains an art encompassing many of the basic techniques of bread-making which were originated thousands of years ago.

At Harris-Boyer, for example, the baking of its products incorporates the latest advances in sweetener technology as represented by IsoSweet and automatic pumping and metering systems, all which increase the time-tested methods of dough making, kneading, waiting for the yeast to cause the bread to raise and then finally popping the products into a 75-foot long oven through which bread and rolls move on a conveyor belt, emerging 17 to 19 minutes later as a finished product.



Clement F. Harris, left, Mike Prosser, center, and Chuck O'Neal discuss production requirements of the Harris-Boyer Bakery in Johnstown, Pa. Mr. Harris heads the firm, while Mr. O'Neal is plant manager of the southwestern Pennsylvania bakery.

The IsoSweet used by Harris will be delivered by trucks from Morrisville. It will be unloaded by a pumping system into a 50,000 gal. holding tank, which formerly had been used to store regular corn syrups. A system of stainless steel tubing will pump the sweetener into fermentation tanks, after which the dough is pumped into kneading machines. Flour and additional sweetener are added to the liquid mix automatically until it assumes a familiar doughy texture.

While corn syrups had been added via the pumping system to the fermenting liquid when bread was being made, rolls had required that a Harris Boyer employee dump 100-pound bags of granulated sugar into the fermentation tanks, a time-consuming process which can now be eliminated, resulting in increased efficiency.

The dough, which is kept cool by coolant enshrouded tanks, next is portioned and taken to a room heated at slightly more than 100 degrees Fahrenheit. In this room the dough raises before being placed into the oven for baking.

The loaves and rolls are placed in trays and start their movement through the conveyor-belt fed oven. When they emerge, the basic baking process is completed. Yeast, flour, kneading and heat remain the primary ingredients and steps of a staple of human existence.

First shipments of IsoSweet to Harris-Boyer will begin soon.

Anniversaries

40 Years

JERRY O'RILEY, night superintendent, industrial manufacturing
RAYMOND MCGLADE, senior mechanic, millwright



J. O'Riley



R. McGlade



A. Peterson

35 Years

ART PETERSON, night superintendent, industrial manufacturing
DONALD DUGAN, shift foreman, corn milling, industrial
CLYDE CRAWFORD, senior mechanic, sheetmetal



C. Crawford



C. Rader



W. Waller

DALE DURNIL, senior mechanic, millwright

BARTON GHARRETT, turbine operator, 2 building

EUGENE KALER, evaporator operator, 9 building

EMERSON LAWHORN, senior mechanic, pipe

CLARENCE RADER, senior mechanic, millwright

WOODROW WALLER, steam drier operator, 9 building

EARL ESCHBAUGH, JR., crane operator, riggers

HAROLD GARNER, senior mechanic, pipe

WILLIAM MOOREHEAD, utility man, 40 building

JAMES MCLAUGHLIN, senior mechanic, C & D extraction plant

CHARLES SAMPSON, senior mechanic, pipe



B. Moorehead



J. McLaughlin



J. McGee

30 Years

GEORGE HENSON, JR., grain unloading operator, 28 building

DAVE ROSENTHAL, properties supervisor, corporate control

GEORGE PEACOCK, supervisor, Champaign plant

25 Years

JIM MATTHEWS, engineering design draftsman, corporate engineering

HAROLD SAYRS, office manager, agri protein, Gunther

JIM MCGEE, controller, Champaign plant

20 Years

HENRY STALEY, vice president, treasurer & assistant secretary, corporate financial

RUSSELL FOSTER, deodorizer operator, 29 building

HAROLD MARTIN, senior mechanic, I&C

DAVID BANFIELD, senior mechanic, round house

JON HOSLER, 2nd yr. apprentice, I&C

GERALD FREEMAN, laborer relief, Columbus plant

15 Years

WILLIAM HEBENSTREIT, technologist, corporate research

SAUL ROGOLS, manager, process development and quality control, Columbus plant

RICHARD WINKLEBLACK, director, accounting, corporate control

10 Years

JAMES EASTMAN, research chemist, food products research

HAROLD KRAUS, research chemist, food products research

SHARON REYNOLDS, data control clerk, corporate information systems

SAM SHANKLIN, manager, specialty feeds, agriproducts

LINDA CALDERONE, clerk-steno tax department, corporate control

SHERYLE KUIZINAS, assistant analytical chemist, corporate research

GEORGE SMITH, JR., territory manager, specialty foods, San Francisco, industrial sales

T. PALA, shipping clerk, Cicero

HELEN TOLMASOFF, secretary, area manager, Los Angeles, industrial sales

CHARLES PHEGLEY, staff management accountant, industrial products control

ALBERT RICHESON, utility loader, 75 building

ROBERT SCHEIBLY, pack/load operator, 17 building

LYLE HASTINGS, development engineer helper, 59 building

JERRY ISAACS, apprentice 1st year, electric

CLIFFORD BRAGG, soyflake process, 99 building

HENRY DAVIDSON, soyflake process, 99 building

KENNETH LAWHORN, packer/palletizer 47 building

WILLIAM SZACHNITOWSKI, block-packing operator, 47 building

WILLIE DAVIS, material handling, Chicago warehouse

5 Years

MARVIN HILTON, gateman, 40 building

LEONARD WOODS, corporate quality assurance technician

MARK LEONI, production control specialties consumer products distribution

MAHENDRAKUMAR PATEL, operator A, Vico-Chicago

ROBERT SELLE, elevator operator, Champaign plant

JOHN DUNCAN, laborer, Champaign plant

Cliff-hanger, but teamwork 'saves day' for customer

Here's a suspense story with all the elements of a cliff-hanger: missed and delayed shipments of Sta-O-Paque starch, a major meat manufacturer faced with the prospect of having to destroy 5,000 pounds of meat, two secretaries dashing frantically about O'Hare Airport with three 100-pound bags of starch and a frantic last minute drive nearly 300 miles by a salesman coming to the rescue only to get a \$40 speeding ticket.

But the story has a happy ending—namely, a satisfied Staley customer.

It started when Peter Eckrich in Quincy, Mich., a leading meat processor ordered dextrose and 25 bags of Sta-O-Paque from Decatur. But the driver picking up the order failed to notice it was a split order and left with only the dextrose.

Quickly arrangements were made for the starch to be shipped from a Chicago distributor. But the trucking company that was to make the pickup was delayed for unknown reasons.

The result—a phone call on the morning of March 31 from Quincy to the Chicago sales office with the news that unless three bags of Sta-O-Paque were delivered that evening, 5,000 pounds of meat would spoil and have to be destroyed. Eckrich uses the Sta-O-Paque as a binder.

Since Ken Swanson, territory manager, specialties/Chicago, was out of town, into

action flew Bernie Panocha, clerk/receptionist, and Barb Pangle, office manager. They drove to the Chicago distributor and picked up the three bags, rushed to O'Hare Airport, where they had already called to make arrangements for air express, only to find upon arrival that the airline refused to ship the starch because it was bagged and not in a box.

That started a frantic search by the secretaries as they went to seven airlines trying to find a box. No luck. It looked like the Eckrich Company was faced with destruction of the meat.

But, upon calling the office, the gals found that Dan Lawhorn, territory manager, sweeteners/Chicago, had arrived on the scene with dramatic timing. Although Dan does not sell starches, he recognized the importance of getting the starch to Eckrich and the bags were switched to his car for a speedy drive to Quincy, nearly 300 miles away.

But adversity struck again as in Coldwater, Mich., Dan was stopped by the local authorities and given a reminder of his drive through the town—a \$40 speeding ticket.

By now, ordinary individuals might have been ready to throw in the towel. But Dan rushed on and arrived at the Eckrich plant just 20 minutes before the meat could have been destroyed.

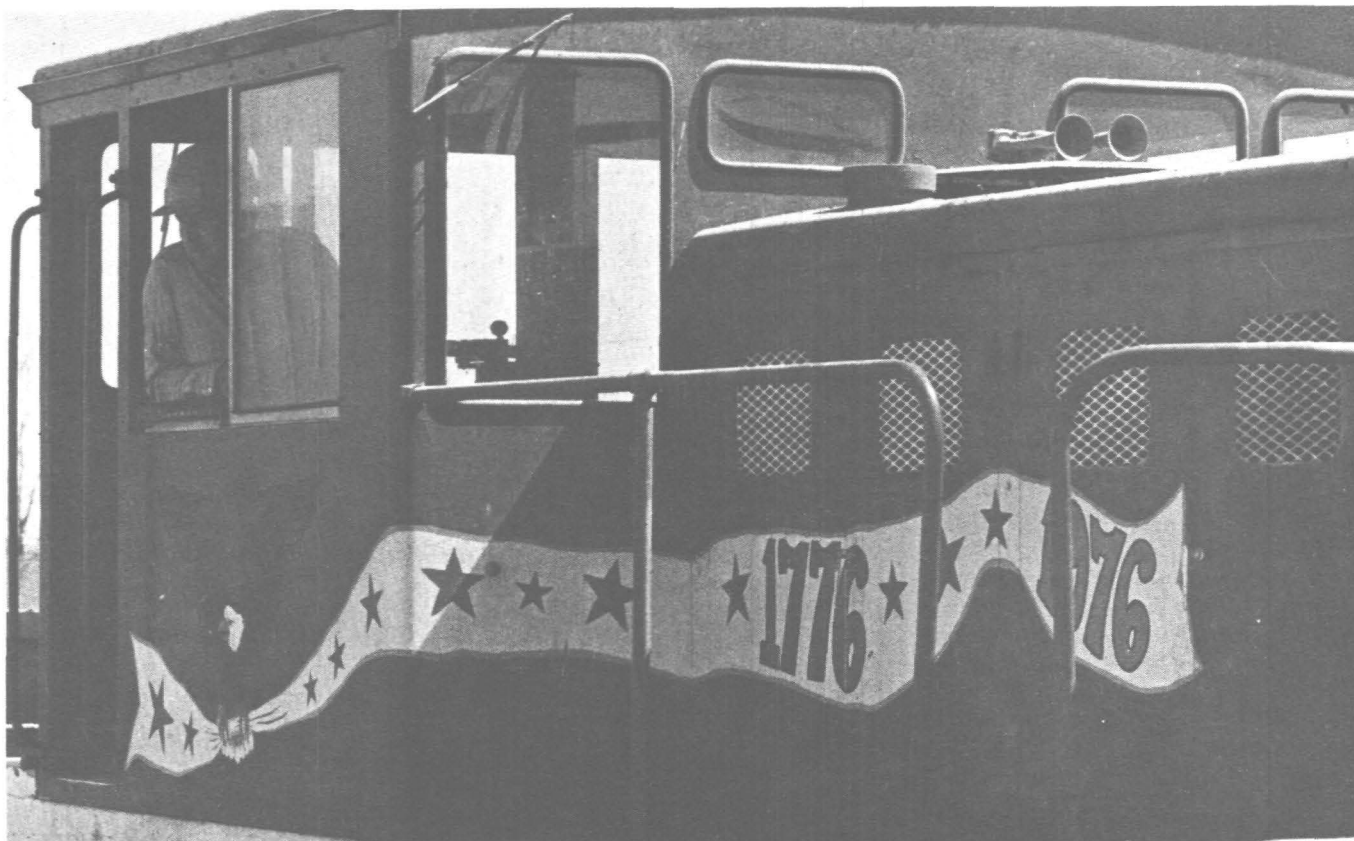
The next day, the trucking company was on hand at the Chicago distributor to take the remaining starch to Eckrich.

What would have happened if Barb, Bernie and Dan had shrugged their shoulders

and said, "Ain't my job, man." Thankfully, we'll never know as the three rolled up their sleeves to do the extra that gives Staley a competitive edge.

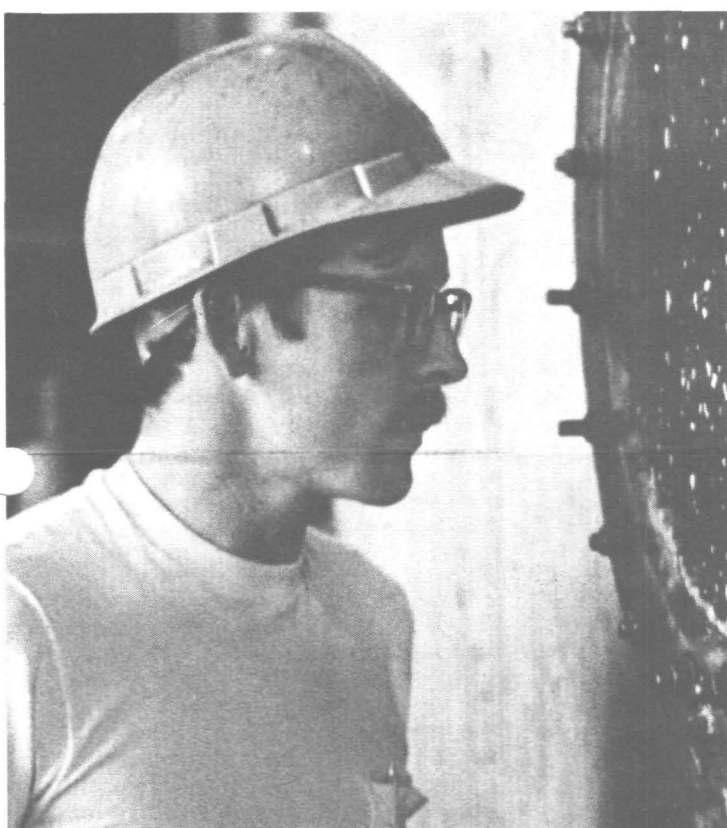


For Barb Pangle, left, and Bernie Panocha, right, March 31 was a day they will never forget as they scurried through Chicago traffic and O'Hare airport with three 100-pound bags of starch—all to keep a Staley customer satisfied.

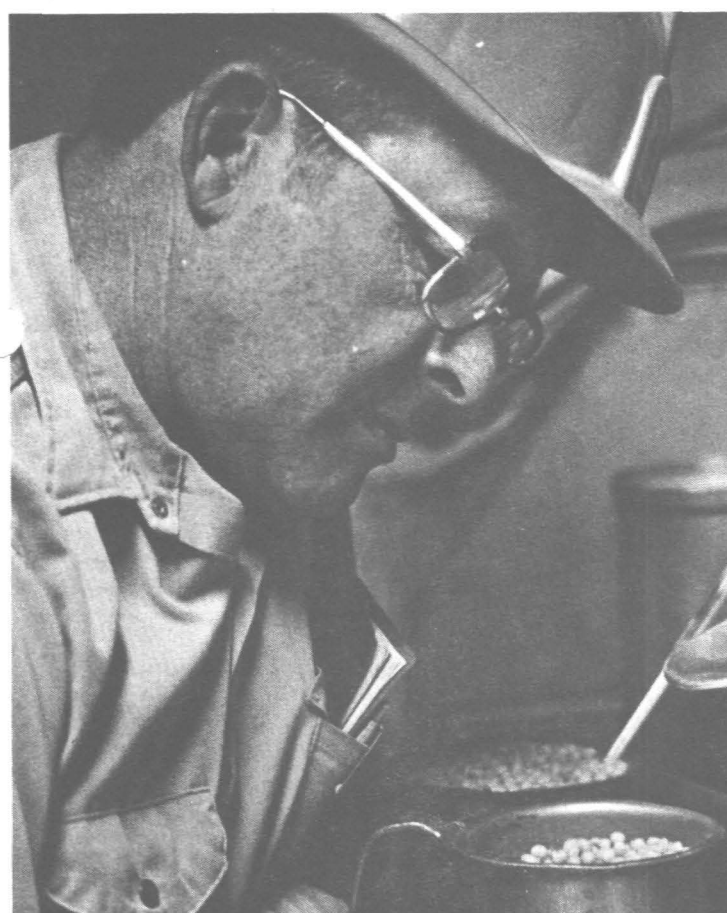


The Frankfort Plant picked up on a Bicentennial theme when it painted this engine used in the yards a bright red and emblazoned it with an American eagle and a banner, "1776-1976", Jerry Cory, a 21-year employee, is the driver.

New plants gain Staley atmosphere



Doran Feters, extraction operator, Des Moines plant, makes a check on processes. When construction at the Des Moines plant is completed the operations will be moved into the new part of the plant.



F. T. Sommers, elevator operator, checks the quality of a shipment of incoming beans. Champaign plant is located in central Illinois, only 45 miles east of Decatur.

Although in some locations, the tall grain silos still bear the Swift name (or as in the case of Champaign, even though the name has been sandblasted, its traces are still recognizable), the plants at Champaign, Fostoria, Frankfort and Des Moines have acquired a distinctively Staley flavor.

Hard hats are decorated with Staley stickers, many of them with the "Safety First" theme. At least two of the plants—Des Moines and Fostoria—quickly placed their own signs at plant entrances identifying for all to see that the plant was now a part of Staley. Localized paychecks, bearing the Staley name and logo were ready for plant use within two weeks of the closing of the deal.

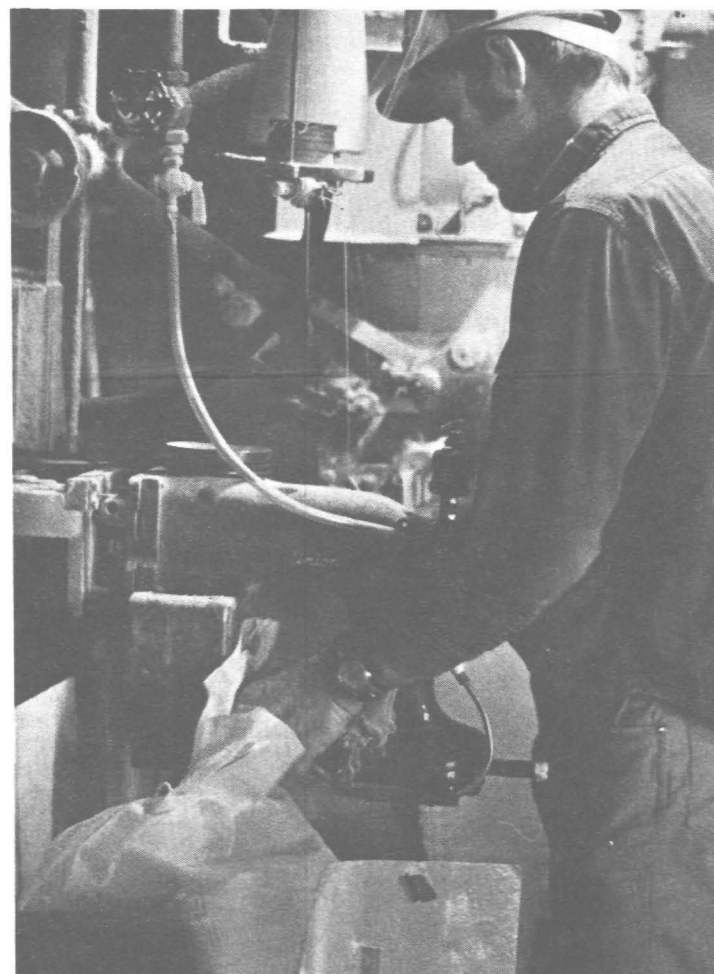
There were new names for Decatur people to learn. And new locations and facts about each plant. As visitors returned to Decatur from the newly-acquired facilities, they find themselves asked questions about each by Decatur-based employees who were curious about and interested in their new fellow employees.

Each of the locations is similar in layout, a reflection of the ten-year span in which they were built. Weighing of trucks takes place on scales beside the red brick offices and each facility boasts a planned landscaping which proves that industries can contribute to the overall appearance of a community.

The traditional red brick office is replaced at Des Moines, however, with a new facility as part of the expansion.

It is impossible for each Staley employee to visit the plants, but through the Staley News, the plants can be brought into employees' homes. Here, then, is your armchair tour of the newest part of Staley.

(Continued on Page 4)



Bernie Brose bags soymeal at Fostoria. Fostoria is the only plant that sells a bagged meal product.



John Billington, preparation operator, Champaign plant, makes a test on cracked beans. John's "safety first" sticker is a visible sign of the transition of the plant to Staley.

Transition at new soy plants

(Continued from Page 3)

Fostoria—Located approximately 45 miles southeast of Toledo in northwestern Ohio, the Fostoria plant is the smallest of the four facilities in manufacturing capacity and employees (54). Like the other plants, it produces a 44 percent protein content soy meal and high protein soy meal for shipment throughout Ohio, Pennsylvania, New England and Canada. Other products are crude oil and soy hulls. Biggest customer is the Ohio Farmer's Grain and Supply. Built in 1940, the facility boasts a grassy setting that would be the envy of many homemakers. Quality and top-notch housekeeping are rigid standards made possible by the work force which boasts several employees with 20 or more years of service. The plant has a million bushel storage capacity, receiving incoming shipments of beans from local sources, primarily by truck. A rail siding into the product unloading area makes possible shipment of finished products by rail as well as truck. Eight of the plant's 20 acres are used with the other 12 being planted in soybeans. Paul Niehaus is plant manager.

Frankfort—The Frankfort plant marks the second entry of Staley into Indiana agri-business. Located in north central Indiana, Frankfort is within a 30-minute drive of Lafayette, site of the construction of the company's new \$85 million corn sweetener plant. Frankfort has 80 employees and a product mix identical to that of Fostoria. Although some of the market territories overlap with Fostoria (Western Ohio and Pennsylvania primarily) Frankfort's biggest market is in its home state with 50 percent of its soy meal staying in Hoosierland. The biggest customer is the Indiana Farm Bureau. The Frankfort plant has a 3 million bushel storage capacity, one million bushels of the figure represented by cement silos and the other coming from more recently constructed steel storage bins.

Again, many of the employees are "long-service." An example of esprit de corps was provided with a bicentennial theme when employees painted a small locomotive used in the plant area a bright red and emblazoned it with the American eagle and a banner that reads "1776-1976."

Mike Kerber is plant manager.

Champaign—The Champaign plant, located 45 miles east of Decatur was the first of four plants, being constructed in 1936. It has undergone several expansions since then. In addition to its meal and oil operations, the plant also produces textured vegetable protein, soy flour and soy protein concentrate. It has 115 employees, making it the largest in number of people.

The plant has a 1.6 million bushel storage capacity. Primary meal markets include Illinois, Georgia, Alabama and the Carolinas with the largest single customer, Pillsbury. The plant site consists of 27 acres and is visible from Interstate 74.

Champaign is the home of the University of Illinois, and the plant works closely with the School of Agriculture and the University providing an exchange of information between industry and the academic world. Hank Parker is plant manager.

Des Moines—There's an atmosphere of excitement at Des Moines, and with great reason. When its expansion is completed, the plant will equal the Decatur plant in soy

crushing capacity. The old portion of the plant is rapidly falling in the shadow of the newly constructed buildings. The difference is striking with the new buildings brightly colored, reflecting the latest trends in industrial design. Included in the expansion are new storage facilities, extraction tower and grain receiving and processing operations.

Des Moines, the state capital of Iowa, is located in the central part of the state. Iowa boasts the largest population of high protein consuming animals in the country, so the state by itself represents an important market for the plant's products. But Des Moines also serves the largest geographic area of any of the four plants with markets as far west as California and dipping into Arkansas and Texas, as well as the important Kansas City beef market.

Des Moines employs 85. Dick Rypkema is plant manager.

On the move



S. Finch



D. Cox



G. Griffith



M. Birkhead



H. Graves



T. Hurst

INDUSTRIAL

STEVEN FINCH from hourly to production department relief foreman, industrial manufacturing

DEAN COX from stores technician to maintenance equipment specialist

GENE GRIFFITH from manager, starch engineering & production to production manager, dry starch

VIRGINIA GORDER from messenger to billing clerk, industrial administration

CORPORATE

MORRIS BIRKHEAD from project engineer to senior project engineer, corporate engineering

MARGARET BOYCE from data input operator to comp operator trainee, corporate information systems

CAMERON FERGUSON from associate development engineer to development engineer, corporate research

HAROLD GRAVES from project engineer to senior project engineer, corporate engineering

PAULETTE HOWARD from research technician to associate research chemist, corporate research

TOM HURST from senior food technologist to research associate, corporate research

YOLANDA POWELL from data input trainee to data input operator, corporate information systems

for international financing arrangements that subsidize the production of oilseeds and other oil-bearing materials exported in competition with U.S. oilseed crops (2) Adoption as policy of a plan which would lead to the negotiation by the U.S. of a mandatory import quota of 1.152 billion pounds of palm oil, effective in 1978 and (3) adoption of a plan which would lead to the establishment of an import duty on palm oil in excess of a duty-free base of 572 million pounds, also effective in 1978.

The elimination of the U. S. support for the loans would place the producers of palm oil on an equal footing with soy producers. The import quota proposed is higher than the current figure and allows for a 10 percent increase yearly. And the import duty, which would allow 572 million pounds of palm oil to be imported duty free, is similar to the stance adopted by other nations, including the European Economic Community.

Palm oil import problem

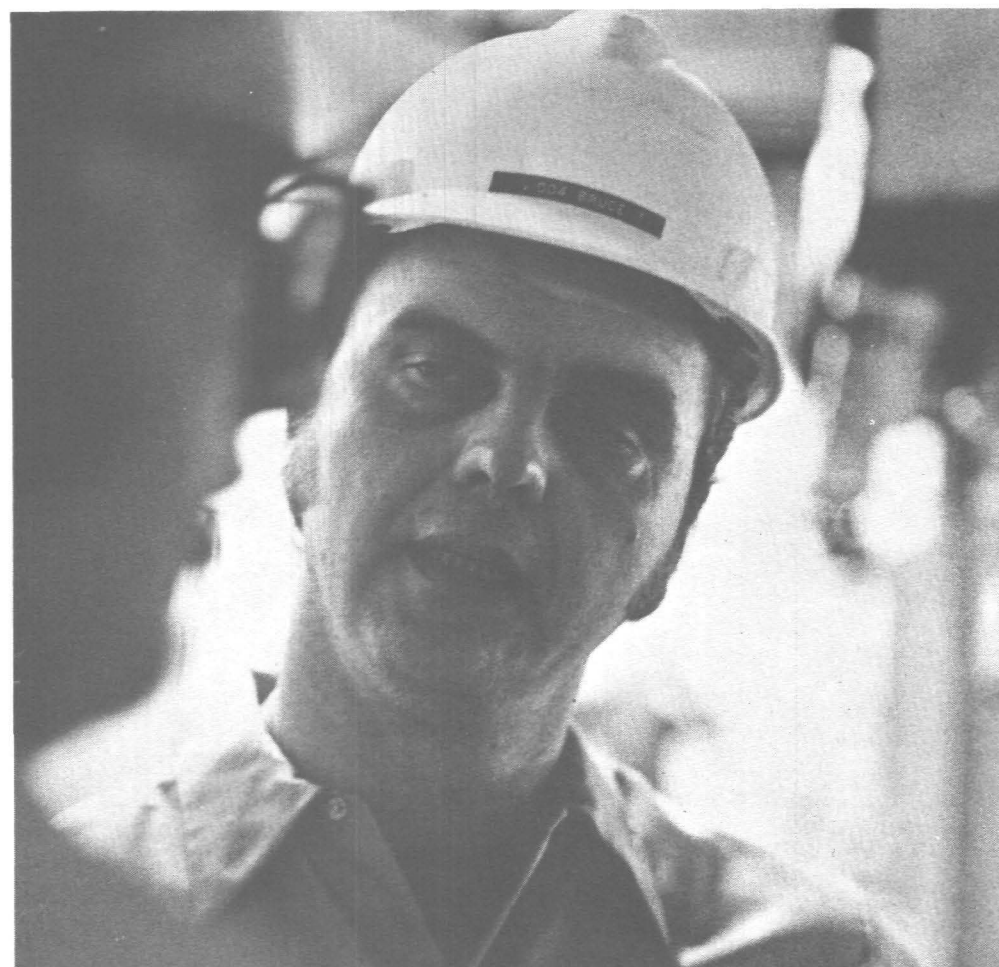
(Continued from Page 1)

only slightly offset by the \$200 million savings in oil costs as the result of palm oil usage. This is because while the soybean has versatility as an oil-protein source, palms produce only oil and no protein.

The claim is made by some that if this nation were to impose trade restrictions, it would be an artificial tampering of commerce by the government.

A counter argument may be made since the granting of international loans endorsed by the U. S. government at rates not available from or to private sources, already represents an intrusion into the free marketplace by government sources. What is sought by U. S. growers and processors is an equalization of the conditions under which they must compete with palm oil producers.

How might this be done? The National Soybean Processors Association suggests (1) the elimination of U. S. support



Bruce Tucker represents hourly employees on the Gunther safety committee. In his role, Bruce relies on regular conversations with other employees to spot potential safety problems and find a solution for them.

Communications, attention to detail have safety payoff

The little things kept bothering Pat Simms, production manager, at Galesburg as he examined the Gunther Products safety record.

And now, another incident had occurred which proved troublesome to Pat. An employee had suffered fractured toes after dropping a filter housing on his foot.

Safety shoes which would have prevented the injury, could not withstand the constant washing of floors which takes place at Gunther, so employees were wearing dairy boots.

That might have been enough of an answer to some, but Pat recognized that some new approaches to safety had to be taken. For example, was there a rubber boot that would offer foot protection, and what other aspects of the program needed examining?

That was July 29, 1974. Since then Gunther employees have compiled a string of 22 consecutive months without a lost time accident and had only four reportables in the last 16 months.

Several elements are involved in the successful program. Communications—both upward and downward—are emphasized, and Pat organized a safety committee consisting of himself, hourly employee representation and production and maintenance supervisors.

The group, which currently consists of Pat, Bruce Tucker, Dick Fennig, and Dick Gorham, meets regularly to discuss potential

safety problems ranging from frayed wires to inadequate rubber on fork lift truck wheels.

In its earlier meetings, held monthly, the safety group would have as many as 15 topics to discuss. But as safety hazards were corrected, the list dwindled. Importantly, no delays are allowed in correcting hazards. If an employee discovers a hazard, he is urged to notify his supervisor immediately and on the day of meetings Bruce visits each work area to see if there are any other items that should be placed on the agenda.

For example, the meetings revealed potentially hazardous situations existed in handling of caustic and other acids. To reduce the danger of accidents, bulk handling systems were installed to replace the former methods of handling by hand. Today, an employee never touches the acid or caustic used in the Gunther operations. Also, goggles, shields and rubber gloves are required for areas where splashes present dangers to the skin and eyes.

Hard hat wear was made mandatory in 1975, and employees who wore prescription glasses were required to wear safety glasses. The company provided a pair at no cost to each affected employee.

The results were soon evident in improved performance but Pat wasn't satisfied. The old problem, of safety footwear was still present, and Pat feared someone would suffer a foot injury any time.

But then a safety shoe salesman visited and Pat described the problem. The salesman had a solution in a rubber boot with a lightweight steel toe. Noting a higher initial cost for the boot than the company had been paying, Pat was willing to bet that it could be recovered by savings in safety costs and longer life of the boot itself. He's been proven right on both counts.

How long can the safety string continue? "It's not a matter of luck or beating the averages," says Pat. "It just takes work."

Bruce, a 1½ year employee, agrees. "My former employer wasn't nearly so concerned about safety, but constant communications and cooperation are helping us at Gunther," he adds.



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