

Bill Cors, technician/refinery, Lafayette, displays a historic bottle--it's filled with the first syrup produced at Lafayette, the most ambitious capital expenditure in Staley history. The plant is now going through its final shakedown phases, producing corn oil and regular corn sweeteners, with production of high fructose IsoSweet scheduled within 90 days.



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New sugar legislation could spur fructose use

Events within the sugar industry in recent years have had a great impact upon markets for high fructose corn syrup. Now, new sugar legislation coming from Congress should provide a base for eventual expansion of high fructose corn syrup markets.

The legislation is contained in the farm bill expected to be signed by President Carter in September. It calls for a price support program of $52\frac{1}{2}$ percent parity or $13\frac{1}{2}$ cents a pound, raw sugar equivalent, whichever is greater.

The legislative relief was prompted by the sugar industry seeking some solution to depressed sugar prices and a continuing grim outlook. From a high of 55 cents, raw sugar equivalent in 1975, sugar prices have plummeted to the 7 to 8 cents level most of this year.

Since high fructose corn syrup is priced in relation to sugar, companies such as Staley also have been adversely affected by low sugar prices.

On May 4, the Carter Administration announced plans for a subsidy of up to two cents a pound to be paid directly to sugar growers when the price dropped below $13\frac{1}{2}$ cents.

The proposal, which would have cost \$250 million from the U. S. Treasury, was assailed, however, in some sugar interests, and the Corn Refiners Association, of which Staley is a member. Opponents of the plan labeled it illegal, and noted it would not support prices but tend to keep them artifically depressed at or below 11 cents.

The Corn Refiners Association took a position favoring a free and open market, saying that it was willing to depend upon the natural forces of supply and demand.

Pacific Northwest survey targets markets

The Staley Company has moved aggressively to gain new interests for its corn sweeteners in the past year. An outstanding example of the type of attitude which exemplifies this strong marketing stance is in the company's efforts to gain new corn sweetener markets in the Pacific Northwest.

For the past nine months, an extensive survey of the sweetener needs of potential customers in the area has been conducted. The survey has three objectives: (1) identifying potential

New protein block from specialty

Staley specialty feeds is introducing a new high-protein Sweetlix block for cattlemen seeking a nutritious yet reasonably priced protein supplement for their herds.

The new block--Sweetlix 37 percent protein block is now available since production started August 19. It is being produced in 47 building at Decatur. customers (2) determining the best ways to serve new accounts and (3) selling the customer on the advantages of using Staley corn sweeteners.

Most of the survey work has fallen to Greg Huebner, management trainee, who explains that Staley is out to sell its entire sweetener line to customers wherever they may be. Greg adds, however, that the highest attraction for prospects is high fructose IsoSweet.

"There are a lot of independent bottlers and canners in the area," he explains. "High fructose syrup from our competitors as well as from us is only now beginning to make penetrations into

now beginning to make penetrations into this geographic area, so there is a vast potential."

Why has high fructose, which is widely used in the rest of the nation, only recently made inroads in the Pacific Northwest?

"For a time, the demand for high fructose exceeded the industry capacity," explains Greg. "Now, though, capacity has caught up with demand. When customers were being placed on allocation of high fructose syrup, it was not economical for Staley to ship Iso-Sweet as far as the Pacific Northwest. salesmen, the other from Amalgamated's sales force."

The first shipment of high fructose syrup to Amalgamated was made in April.

How has Greg gone about compiling his prospect list? "I spent much of the first month on the phone, introducing myself, Staley and high fructose, and setting up appointments," he recalls.

"I've leafed through thousands of Yellow Pages, and studied old customer reports."

Greg quickly realized that it would be futile to merely list prospects, so he developed a coding system. "A" customers were those with a potential need of a million pounds or more of corn sweeteners; "B" prospects were those with requirements of between 120,000 and a million pounds of sweetener. Anything less than 120,000 pounds was classified as a "C" prospect.

Greg is quick to point out, however, that the classification system is used primarily to identify customers' needs, and inclusion in the C or B list doesn't mean that the prospect isn't a good one. He adds that the Pacific Northwest is sparsely populated, though, and that the majority of the larger accounts are located in Seattle and Portland. The CRA mounted an extensive campaign in opposition to the Carter proposal, and its efforts were largely responsible for Sen. Robert Dole, R-Kan., sponsoring legislation which would have put a \$50,000 lid on payments to individual growers. While this measure was defeated it, in effect, signaled the beginning of the end for the Carter proposal.

On the House side, Democratic Rep. Floyd Fithian of Lafayette, Ind., sponsored a similar proposal which was defeated. But the momentum was picked up by Rep. Tica de la Garza, D-Texas, who represents a sugar growing area of Texas. He offered an amendment calling for a price support program at 55 percent parity, which was passed by the House.

At a House-Senate conference, a compromise figure of 52½ percent parity was reached. The result will be relief to domestic sugar growers and refiners who suffer from low cost sugar subsidized by foreign governments being dumped on U. S. markets.

Another result should be accelerated interest and growth for high fructose corn syrup, since food and beverage processors faced with sugar prices will be motivated to maximize their use of the corn sweetener. This new interest may take the direction of increased percentages of high fructose being used by existing customers, first time use by new customers, and additional interest in the second generation of high fructose products such as IsoSweet 5500.

IsoSweet 5500 is a 55 percent fructose product compared to IsoSweet 100 which is a 42 percent fructose product. The higher fructose product requires less of it to be used for greater sweetening.

That's the positive side. But these considerations are tempered by the corn sweetener industry's current overcapacity.

While demand for high fructose products (Continued on Page 2)

Natural ingredients for Staley Syrup offer difference

What's the excitement about consumer products' new 100 percent natural syrup? "A better tasting syrup that reflects popular interest in 'all natural' products, and provides Staley with a significant point of difference compared with other brands," says Ben Bartolini, product manager.

Ben explains that natural maple flavor, such as used by Staley, is the result of removing most of the water and sugar from maple syrup, creating a highly concentrated flavor extract.

"Three percent maple syrup would cause us to rely on artificial maple flavoring to carry the maple flavor throughout the product. We use natural flavors instead, which don't

fore the introduction of the new block, eetlix H.E.P. was the highest Staley protein block available with a protein content of 25 percent. The new block consists of half-natural protein which is from highly digestible corn feeds (DSLC) and half of the protein from urea, a synthetic protein source. Specialty feeds spokesmen say that many cattlemen prefer the natural protein block, but the 37 percent block is designed for those who want a less expensive source of high protein.

"As our capacity has increased, however, the economics have become much more favorable. Also, we entered into an agreement with Amalgamated Sugar to build blending stations in Washington and Oregon. That gives us the advantage of a double-barreled sales effort for IsoSweet--one barrel from our "The point is that the Pacific Northwest is a major region of the country with hundreds of prospects which could use Staley sweeteners," he concludes. "And, the area is representative of a Staley attitude--we're facing aggressive competition not only from other corn sweeteners but from sugar refiners--and we're meeting them head on." require artificial ingredients."

The three percent figure used by many Staley competitors is an ineffectual level and is used primarily because of tradition. At one time, nearly all brands contained at least 15 percent maple syrup, but with the introduction of artificial flavors, most companies decreased that amount.

All natural syrup is being introduced east of the Rocky Mountains, its main distribution area, and the company has converted all its retail syrup production to the natural ingredients formula.

Staley is the only major brand with an allnatural formula.

Barry Holmer, manager, food product research, and Bob Nelson, associate project leader, worked on the formula for nearly two years.

The syrup was tested by consumer's research and development panel throughout the two years. Other tests to insure product stability were also conducted by both consumer quality control and an outside independent laboratory under the direction of research.



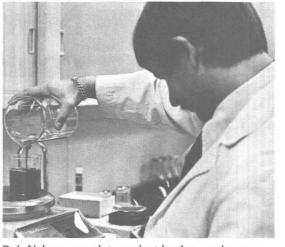


Staley Day/P3





Women's liberation may have freed some career women from doing laundry, but it's been just the reverse for Diane Yeakey, who works in consumer research at Broadview. Diane does as many as 200 loads of laundry weekly and then relies on a four person panel to compare the softening qualities of Sta-Puf blue and pink with other fabric softeners.



Bob Nelson, associate project leader, works on a formula for Wagner concentrated grape drink.

Broadview adds line

The new line for production of Sno-Bol at Broadview was being completed during the last week of August and will undergo shakedown in early September. Production of Sno-Bol is expected to begin by mid-September at the new regional manufacturing and distribution center for consumer products.

The Broadview Plant is now up to more than 40 employees. It has produced Sta-Puf pink and blue for several months and has been storing and distributing a host of other Staley consumer products.

The Pontiac Plant, which formerly produced Sno-Bol, has closed.

Frank Alexander, Broadview plant



Frank Alexander, plant manager, left, and Roger Gustafson, shift supervisor, at the Sta-Puf packaging line at Broadview.

manager, says the plant eventually will employ 50.

The Broadview Plant features a Foxboro continuous blending system for production of Sno-Bol, rather than utilizing the batch system of Pontiac. Also, a special packaging room will remove all odors from the area, adding to the comfort and protection of employees.

The plant also has a greater capacity than Pontiac; Broadview has six 6,000 gallon tanks--two for holding and four for mixing--while Pontiac had only four 6,000-gallon tanks.

The plant, located in an industrial park, also houses consumer's research and development and engineering groups.

Legislation impact seen

(Continued from Page 1) has grown steadily, the industry has nearly doubled its capacity in the past year. Also, some competitors have delayed or deferred expansions or start-up of high fructose plants until prices were more favorable, and some sugar sompanies even have announced plans to enter the high fructose market. This increased competition could continue to keep high fructose prices depressed. But, Wayne Martin, director, industrial sales and marketing, cites advantages he believes the Staley Company has.

"We've been a leader in the applications of new uses of high fructose, due in large part to the excellence of our market-oriented research people who are recognized as tops in the industry. And, we're the leader in technological advances of second and third generation high fructose syrups."

"That, plus our strong customer allegiance, product quality, application support and service provides the base for us to make new gains in high fructose markets," he concludes.

In a near repeat of their 1976 tourney winning performance, the Staley Super-Stars rebounded from a 6-5 loss to struggle through the loser's bracket and win the Illinois Industrial Slow Pitch softball championship held in August at Danville.

Last year, the Stars lost their first game in the double elimination meet before winning nine straight to take honors. However, a protest regarding uniforms was upheld and although they were allowed to keep their championship trophy, the Stars were barred from further competition.

There won't be any similar problems this year, though. Resplendent in bright blue and grey uniforms emblazoned with the name "Staley's", the Stars overcame their loss to win seven straight in a single day and repeat as state champs.

In the championship tilts, the Stars ripped WABCO of Peoria, the same team which filed last year's protest after losing two to Staley. The two losses this year make it four straight to Staley for the former kingpins of Illinois slow pitch softball.

In the first of the championship tilts this year, the Stars rebounded from a 5-0 deficit to nip WABCO 9-5. There was no need for nail-biting in the final game, however, as the Stars used their traditional "rock and roll" formula of superior hitting and top fielding to surge to an 18-3 victory.

The title represented a total team effort which was reflected in the number of all tourney selections from Staley. Dick Benton, who won eight games without a loss in the meet, was named all tourney pitcher and most valuable player. Joining him on the all tourney selections were Rick Stuart, first base; Lyle Clark, second base; Larry Auton, outfield; Bill Barter, outfield; Jerry Coon, catcher and

Terry Johnson, outfield.

For the large following which watched all of the final day's action, there were several memorable moments. . . Terry Johnson hitting a homer that flew more than 350 feet. . .Terry Crowell at short-stop starting off a triple play which stopped an opponent's rally. . .Bill Barter tumbling over a fence to catch a long fly and prevent a sure homer. . . Dave Stuart not flinching at third despite the oncoming rush of men several inches taller and heavier. . . Denny Ritchhart with a badly cut knee still fielding smoothly in pressure-packed situations. . . Mick Stewart, looking like a still-young Mickey Mantle, reaching down for one more inning after playing seven games in a day.

To some, the Stars might seem a boastful name for a team. . .but the repeat victory at Danville showed that's what they were, a fact recognized by the huge following they attracted, including players from teams they had just defeated.

SuperStars repeat as state slow pitch champs



New product from chemical specialties

A primerless, aqueous polyvinylidene chloride (PVDC) copolymer emulsion has been introduced by chemical specialties.

Designed primarily as a laminating barrier adhesive and used to bond plastic film to paper and film to film, Polidene P-542 offers excellent, crystal-clear, dry film clarity for transparent laminating providing an economical barrier adhesive for meat, cheese and coffee wrap applications.

Staley News

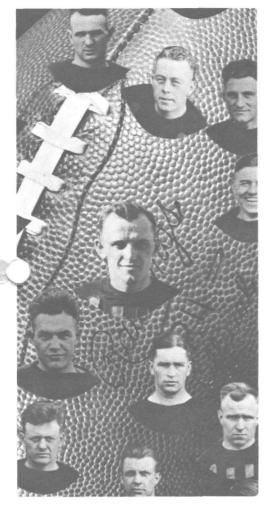
The Staley News is published monthly for Staley employees by Corporate Public Relations, Decatur.

Manager, Employee Communications Dan Hines

Manager, Visual Communications Lee Jeske

The Staley Superstars, repeat champs in the State Industrial Slow Pitch softball tourney. Front row, left to right, Mick Stewart, Doug Smith, Curly Carter, Lauren Incarnato, Dave Stuart, batboy Tony Incarnato, Lyle Clark. Back row, left to right, Bill Barter, Rick Stuart, Jerry Coon, Terry Crowell, Denny Ritchhart, Gene Nixon, Terry Johnson, Larry Auton and Dick Benton.

'Papa Bear' honored at **Staley Day festivities**



Nearly 2,000 Staley employees and dependents are expected to be on hand when the company marks Staley Day activities at the University of Illinois.

The day will feature The World's Largest Tailgate Party at the Round Barn in Champaign, followed by the Illinois-Michigan game. Employees from Decatur, Livergood Grain Co., consumer products in Oak Brook, Champaign, Lafayette and Frankfort will be on hand.

A highlight of the day will be the visit to the party of George Halas, founder of the Decatur Staleys and the Chicago Bears. He will be joined in a nostalgic reunion with two other Decatur Staley's, Leo Johnson and Harry Shoemake.

Mr. Halas will also be recognized at halftime ceremonies of the game as "I Man of the Year." The Staley Company is honoring "Papa Bear" by contributing towards a funded scholarship in Mr. Halas' name.

Full details and pictures will appear in the September Staley News.

"Papa Bear" Halas with some of his 1920 team from an early Staley Journal photograph. Mr. Halas is in the center of the ball.



Staley Morrisville employees help launch a safety spirit with helium-filled balloons. Left to right, Bill Brewer, Jim Miller, Donna Toth and Bill Baker.

On the move CORPORATE

PETE EMERY from staff chemical engineer to analytical instrumental supervisor, quality assurance

EE MILLER from assistant treasurer/ irector, corporate planning to treasurer JOHN CREEKMUR from manager, cash management to manager, treasury operations, financial

BILL ROBERTSON from director, risk management to assistant treasurer,

financial RANDALL COOK from computer programmer to senior computer programmer

AGRIPRODUCTS

HASMUKH PATEL from chemist-Vico products to plant supervisor-Vico



L. Miller







H. Patel

Morrisville looks to the skies for safety promo

For Morrisville employees, a safety payoff may come from somewhere over the rainbow.

The plant is in the midst of a unique safety program that is gaining attention not only from employees, but the surrounding area communities which are being brought into the act by mini-ballooning.

During the plant picnic in August, helium-filled balloons with a return addressed postcard attached were released--one balloon for each employee.

The cards carried a request that if the balloon and card were found, the finder was to send the card back to Morrisville. Each card also carried a different coded number, for each Staley Morrisville employee.

To be eligible for a safety award, an employee has to work safely and not suffer a reportable or lost time injury in the final quarter of fiscal 1977, and they have to be a little lucky because someone has to send their card back to the plant.

H. Doddek

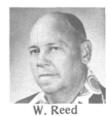
Top prize is a \$100 savings bond to an employee for the card sent from the greatest distance away and bearing the number of an employee who has met the safety requirement. The second prize of a \$75 savings bond goes for the first card returned and bearing an eligible em-ployee's number. A \$50 bond is for the employee whose card is the last received, and who has met the safety requirement.

The promotion is the latest in a series of intensive safety efforts by the plant which has shown the greatest safety improvement of any Staley location for fiscal 1977.

Marie Roche, personnel manager, explains that the goal is "to keep safety uppermost in people's minds.

She points to the extensive employee participation in the plant's safety efforts. An example is Judy Reed, secretary to plant manager John Homan, who did much of the art work, including posters and development of a safety cartoon character--Sunny Staley--for the last quarter push.





R. Justice

25 Years

ROBERT BAKER, development engineer helper, 59 building HARLEY LIENTZ, tank farm tender,

45 celebrate anniversaries

29 building



. Creekmur





35 Years

round house

40 Years

HAROLD DODDEK, manager, corporate office services CHARLES SCHMITT, JR., planning & scheduling coordinator, maintenance

NED JOHNSON, senior mechanic, pipe NORMAN SCHULTZ, senior mechanic,

30 Years

JOHNIE DANIELS, senior painter-roofer ELDRID HASSINGER, grain unloading operator, 28 building ROBERT JUSTICE, senior mechanic, pipe VERNON MCCALL, senior mechanic, millwright KENNETH WITTIG, process support,

5 & 10 building

WILBER REED, starch bulk loader, 20 building

IOHN WALLER, mechanic, garage

BROWDER BUTLER, senior mechanic, pipe

HAROLD FORCE, development engineer

helper, 59 building VIRGIL KAHLER, lead operator,

6 building

HUGH MCMULLEN, quality assurance chemist, quality assurance ROL GOODMAN, industrial oils sales manager, agriproducts

WILLIAM ASHLEY, grain cleaner, operator and weigher, 6 building LESLIE KRAFT, 7th floor drier operator, 12 building CHARLES WENDEL, flash drier-grind operator, 12 building WILLIAM DAVIS, junior painter-roofer LESLIE FORBES, shift foreman, 9 building, industrial manufacturing OTHER SUMMERLOTT, controller, industrial products JIM DIAL, technician, corporate, R & D

20 Years

TOM RICHBOURG, southern regional manager, paper & textile, industrial sales

MARILYN COOLEY, secretary to European & Latin America regional manager

ERNIE WITTKE, senior rate analyst, administration, industrial

CHARLES STRINGER, bacteriologist, quality assurance

J. G. DROLL, extraction operator, Fostoria plant

10 Years

LARRY AVERY, applications chemist, industrial products, R & D



V. Kahler



C. Wendel

FRANK EDWARDS, associate research chemist, engineering, R & D LAVONNE MCCORD, production shipping clerk, corporate engineering GARY SPYRES, analytical chemist, engineering R & D MARTHA POGUE, secretary, treasurer, corporate financial ROBERT KELLY, rigger leadman, riggers PATRICK JANNINK, office janitor, 62 building LARRY MILLER, apprentice first year, electric J. MORENO, preparation operator, **Des Moines operator**



H. McMullen



W. Davis



O. Summerlott

D. R. SCHERGER, labor meal section, Fostoria plant

5 Years

LILLIE TRUNEK, order service clerk, consumer products distribution ELAINE BEAUMONT, administrative secretary, Langhorne, industrial sales ARCHIE WILLIAMS, reactor operator A, Kearny

SCOTT TRECARTIN, unloading, Houlton

T. MASON, 1st class engineer, Des Moines plant



Seminar tells protein story

The protein division is setting out to strengthen the Staley claim to being "The Protein People" with a new program presented to customers and potential customers around the country.

So far the seminar has been presented to such well-known names as Kroger, Morton Foods, RJR Foods, Heinz and General Foods. It consists of a slide program and presentations by Bill Robinson, director of product management, who speaks on uses of Procon soy concentrate, Grant Smith, manager, Vico Products, who discusses uses of Vico hydrolized vegetable proteins, and Dick Lockmiller, product manager, Gunther Products, who examines uses of Gunther whipping proteins.

Barry James, director of marketing, protein division, says the seminar has been well received, a reflection of the emphasis put upon specific customer applications of products from the Staley protein line.

"Our research people work closely with marketing to determine ways our products can serve prospects," Barry explains. "Mike Campbell, Steve Moore and Gayle Williams each has made presentations at one or more of the seminars." Mike is group leader, soy products development. Steve is a food technologist, R&D and Gayle is a technician, R&D.

Barry points out that requests for a seminar to be held are made by protein district managers. The involvement of the district manager helps marketing tailor its presentations to the customers product line.

"Competition among producers of protein products is intense," Barry continues. "We can't be wasting the time of clients with information that will have no value for them."

Barry says that at each seminar "new ideas for new foods are suggested." Or, the Staley group may suggest modifications of existing foods and products incorporating Staley protein products.

Barry believes the effort, combined with the intensive field support of Staley research and marketing, is succeeding in strengthening Staley's role as a supplier of quality protein products.

"I think we and Ralston Purina are recognized as the leaders," he explains. "The protein division is on the brink of a bright future. In addition to the reputation we've gained with our products, recent months have seen stepped-up production of quality products from the soy protein complex at Decatur.

"Demand for our products is strong. We've got the facilities to make them. Our research is tops in the field, and our marketing efforts are going to reflect those advantages.'

The audio-visual portion of the seminar will be presented at the protein division's sales meeting, Sept. 26 - 28, Barry says. It is anticipated that plans for further showings to customers will be made at that time.

Demand for Nutra-Mate for school district use reported strong

Demand for Nutra-Mate textured protein to be used as an extender by school districts across the nation is reported to be strong. Nutra-Mate is sold by the food service division of consumer products.

The increased interest in Nutra-Mate is prompted by a government decision which would end free supplies of ground beef to schools. Instead, following the pattern of a successful program in Kansas City, the government would give whole beef to the schools or cash grants to make purchases of ground beef. The schools then would do their own blending of ground beef with textured protein.





1977 HOLIDAY PROMOTION



Consumer offers ornaments

Staley consumer products has the Christmas spirit, even though it's only fall.

In October, the group will carry an advertisement in TV Guide offering Christmas tree ornament kits at a special price of \$2.00 for a six-ornament kit and a name portion of the label from either Sno-Bol, Sta-Flo liquid starch, Wagner fruit drink, Staley 100 percent natural syrup, or Sta-Puf pink or blue.

In addition to the Christmas tree ornament kit, the purchaser will receive the added value of coupons good for \$1 off on his or her next purchase of an assortment of Staley consumer products.

The Christmas tree ornament offer is a repeat of a promotion in 1970. At that time, more than 200,000 kits were sold.

The Christmas promotion is the climax of a flurry of end-of-the-calendar year promotions for Staley consumer products. In September, several areas across the country will feature 15 cents off the 64-ounce size of Sta-Puf concentrate, and there will be a 25 cents on pack store redemption coupon. In October, the top 100 market papers with a combined circulation of 33 million will carry coupon ads good for 15 cents off on Sta-Puf concentrate. Other areas of the nation will feature the 96-ounce size of Sta-Puf blue with a 25 cents off label offer.

Also in October, newspapers with a combined circulation of 20 million will feature ads good for a dime off Sno-Bol liquid cleaner. The 24-ounce size of Staley syrup will carry a 15 cents on pack store redemption coupon.

Moving grain through Staley. Bottom picture, Judy Widick, junior grain buyer, Decatur, deals daily with elevators and grain merchandisers in central Illinois. Upper left, George Christensen is floor manager for Lincoln-Staley Commodities at the Board of Trade in Chicago. Upper right, Gordon Linn holds one of the Lincoln-

In November, a newspaper coupon ad good for 15 cents off will be run in newspapers with 14 million circulation, the 33-ounce size of Sta-Puf blue will carry a 10 cents off label coupon in specified areas, and Sta-Puf pink will feature a consumer mail-in premium offer. The 24ounce Staley syrup will carry a 15 cents on pack store redemption coupon.

Ellison to head state commission

Bob Ellison, compensation manager, has been named executive director of the Illinois Commission for Economic Development.

He will be on leave of absence from Staley for approximately two years beginning September 15.

The commission, a bipartisan, permanent advisory group, was established in 1965 by the Illinois General Assembly. It makes recommendations to the General Assembly on legislative action need to improve the economic climate in the state. It also makes recommendations to the Department of Business and Economic Development.

The 17-member commission is composed of five state senators, five state representatives, and seven prominent business and professional leaders appointed by the governor.

The chairman of the commission is State Senator Don A. Moore of Midlothian.

As executive director, Ellison will administer the commission's activities. He will be responsible for organizing studies and public hearings, and acting as liaison between government and local officials to provide the commission with a basis for its recommendations.

Ellison, 34, has been a Staley employee since 1967. He has both a B.S. and a M.S. from Millikin University and is a lifelong resident of Decatur. His twin orother, Tom, is the Decatur safety director, and another brother, John, is a drier operator in 16 building at Decatur.

Staley seats on the Board. Here, he is in contact with a client via telephone.

The compensation function will temporarily report to Bruce Raak, employment supervisor.

A. E. Staley Mfg. Co. 2200 E. Eldorado St. Decatur, III. 62521 Address Correction Requested

