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A. E. Staley Manufacturing Co.

Decatur, Ill.

Staley NEWS

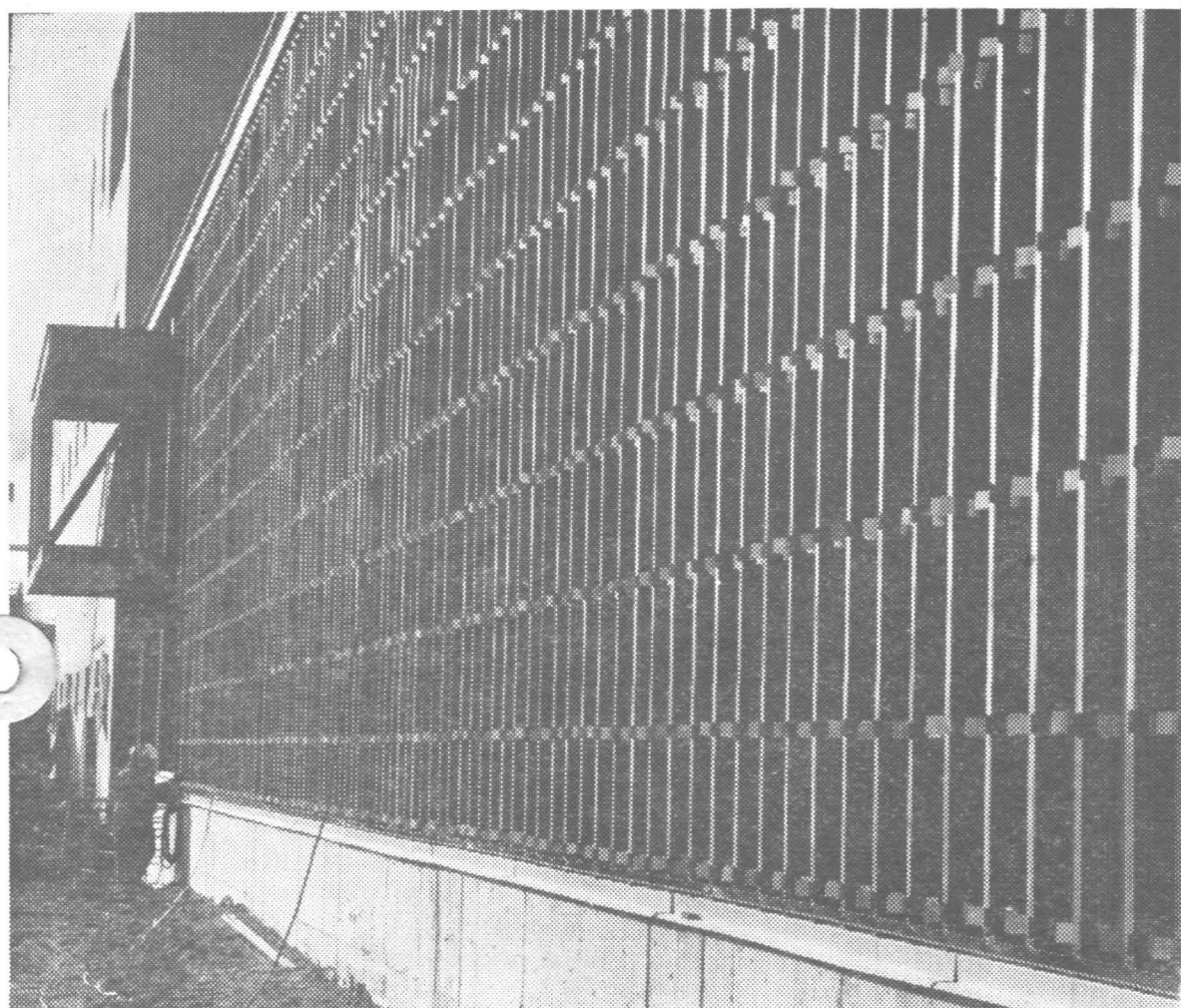
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A. E. Staley Manufacturing Co.

Vol X, No. 2

Decatur, Illinois

February, 1968

Construction Work Shows Progress On Key Plant Projects



PANELING PATTERNS—The ribbing and interior sheets of insulated steel paneling on the south wall of the Dextrose Plant Warehouse addition form modernistic patterns. Outside sheets of buff-yellow steel paneling are being installed over this material, bringing the exterior construction of the addition near completion. The entire expansion is over half completed.

Pietsch, Pritts First To Complete Company-Sponsored Systems Course

Wesley Pietsch and Tom Pritts are the first two employees to complete a Company-sponsored course, designed to newer Corporate Information Systems Division people and other employees in key areas of the Company a basic knowledge of the systems function.

W. R. Boyer, vice president, Finance, presented certificates to Pietsch and Pritts at a brief ceremony recently in recognition of their having completed the year-long course. Pietsch is a systems analyst in the Systems Division and Pritts is a junior industrial engineer.

H. Lee Crouse, Corporate Information Systems Division manager, said 16 other employees are currently enrolled in the course, given by correspondence under the direction of the Foundation for Administrative Research.

He added that there are openings for nine more employees to enroll. Enrollment is limited to those employees in the Systems Division and those whose jobs involve systems-oriented work.

Company Sales, Earnings Drop

Company sales and earnings declined in the first quarter ended Dec. 31 as prices for our main industrial products continued at abnormally low levels.

For the first three months of fiscal 1968, net income totaled \$1,106,000, or 50 cents a share, compared to net earnings of \$2,019,000, or 87 cents a share, in the first quarter last year.

Company sales of \$58,056,000 were down \$5,340,000 from the year-ago period when sales of \$63,393,000 established a Company first quarter record.

The decline in sales and earnings was attributed to an extension of the price war in the corn refining industry and continued low soybean milling margins.

Interested employees should contact Crouse to discuss enrollment.

Crouse said the course involves from 12 to 16 hours of off-the-job study per week, including the preparation of weekly work assignments. The weeks of Christmas and Thanksgiving are the only two in which course participants do not receive work assignments during the entire year.

"It's a tough course, and only those who are willing to study hard are able to complete it satisfactorily," Crouse said. "Wes Pietsch and Tom Pritts are to be commended for their diligence. I know they put in a

great deal of time and effort on this course."

The course progresses from the simple to the complex, covering more than 50 projects relating to the systems function. Periodic, closed-book tests are given by the Foundation for Administrative Research and are monitored by Crouse.

As monitor, he goes over the graded tests with the participants and is available to advise each participant on problems and where improvement may be needed.

First offered just over a year ago, the course is being given in cooperation with the Company's Training Section.

Exterior construction of the new process building and warehouse additions to the Dextrose Plant is nearing completion, according to Duane Chicoine, manager of Instrument Engineering, who is in charge of the project.

Chicoine said the only large area remaining to be enclosed is the addition to the screening area on the fifth floor level of the existing process building. New equipment in the screening area will separate dry dextrose into different particle sizes, allowing the production of all sizes of "Staleydex" dextrose to be accomplished simultaneously.

Some exterior work on installation of insulated steel paneling for the warehouse addition remains to be completed, but this was expected to be finished in a few days.

Chicoine said the entire expansion project, inside and out, is well over half completed. All centrifuges and most other major pieces of equipment for the process addition have been set in place, and work is progressing on installation of auxiliary equipment, piping and wiring, he said.

Partitions have been erected and equipment, wiring and plumbing installation are also moving ahead in the new quality control laboratory and employee locker room facilities in the process building addition.

In the warehouse addition, the truck scale was recently set in place for the new indoor bulk truck loading facility. This facility will feature on-scale loading to insure accurate shipment weights consistent with customer orders.

In another area of the plant, steel has been erected for a five-story dry starch blending station just east of 34 Building-Warehouse. Construction of the blending station, which will contain equipment to be moved from the west end of 16 Building to make room for additional starch processing facilities there, is part of a long-range improvement project.

A new dryer to be installed in 26 Building and a number of other equipment and process changes are involved in the overall project, which will generally be an expansion and improvement of our modified starch plant.

The long-range improvement is scheduled to make facilities available for the manufacture of new types of starch coming out of the Research and Development Division, and to meet the demands for precise quality control on these products.

Circle These Dates

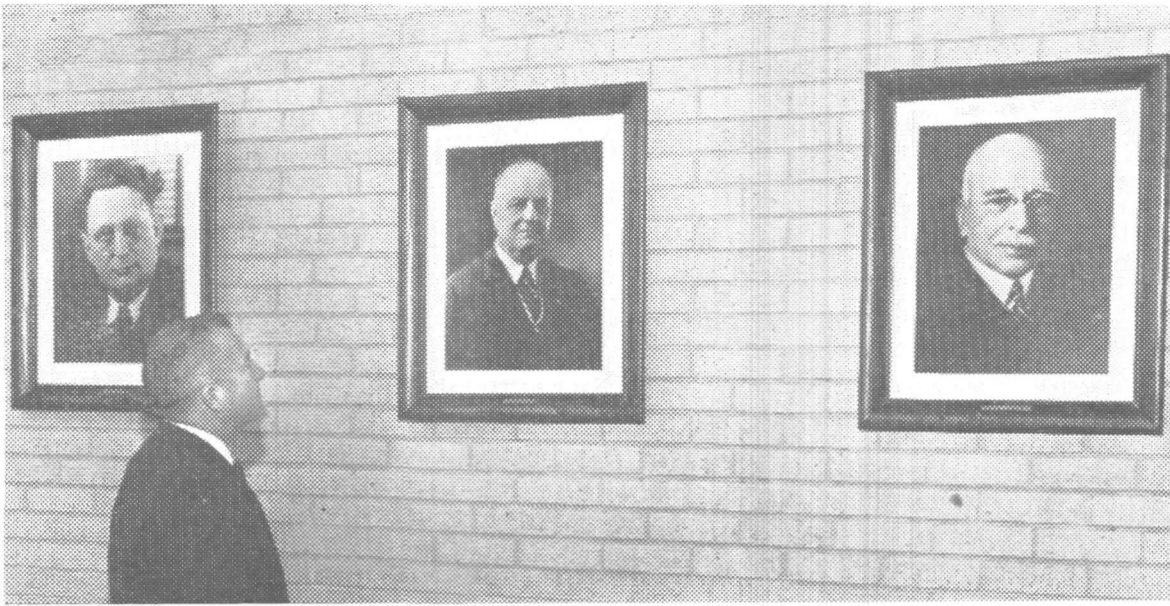
Dates for Staley employees to circle on their calendars are April 18 and 19.

That's when the Red Cross Bloodmobile will make its 15th annual visit to the Staley Company to collect blood donations.

Last year, employees contributed 637 pints of blood during the two-day Bloodmobile visit, the highest total in the previous nine years. It was only exceeded by the record 666 pints collected in 1958.



CERTIFICATES AWARDED—W. R. Boyer, vice president, Finance, congratulates Tom Pritts during presentation of certificates to Pritts and Wes Pietsch, left, who are the first two employees to complete a year-long, Company-sponsored systems course. Sixteen other employees are currently enrolled in the correspondence course.



FOUNDERS' PORTRAITS—Cecil Taylor, Credit Union treasurer, admires portraits recently hung in the Credit Union office building in honor of, left to right, Andrew J. (Andy) Percival, the Company's first personnel manager and founder of the Staley Employees Credit Union; Company founder A. E. Staley, Sr.; and Edward J. Filene, founder of the credit union movement.

Credit Union Reports New Highs Posted in '67

Increased membership, more savings, record assets and a boost in the dividend rate highlighted the 1967 Staley Employees Credit Union annual report.

In the report mailed to shareholders following the annual meeting in January, C. V. Cox, Credit Union president, said dividends were increased to an annual rate of 4½ per cent "not because of the need of additional capital to meet loans, but to recognize conditions in the general money market."

Cox also announced the acquisition of a Burroughs electronic accounting system to replace equipment nearly 11 years old. He said the system will be installed in the current year and will provide an up-to-date record of individual payments as made. It will also "provide computer economies, freeing time of our staff for other work," Cox said.

All officers and directors were re-elected at the organization's annual meeting. Officers are:

- C. V. Cox, president
- R. Gehl Tucker, vice president
- Paul L. Breyfogle, secretary
- C. W. Taylor, treasurer and assistant secretary
- C. Dean DeVore, assistant treasurer.

The Credit Union's membership increased from 4,243 to 4,312 during the year. They held shares totaling \$6,026,225, an increase of \$367,425 over the previous year.

A total of 4,106 loans were issued to 2,720 members, who borrowed a record \$6,052,593. Dividends paid to shareholders amounted to \$248,324, up from \$213,526 paid out in 1966.

Total Credit Union assets reached a record high of \$7,011,654, an increase of \$474,854 over the previous year.

Staley Singles Bowling Event Set, Entries Now Being Taken

Entries are now being taken for the 7th annual Staley Singles Bowling Tournament to be held Sunday, March 17, at the Bowl, 655 E. Pershing Road.

The tournament will be a three-game singles handicap event, open to both men and women. Prizes will also be awarded for the top scratch scores. All Staley employees are eligible.

Individual handicaps for determining the three-game series handicap scores will be based on the bowler's average as of the week of Feb. 25.

Cash prizes, ranging from \$35 for the top score down to \$5 for scores ranking in the vicinity of 25th to 30th place (depending upon number of entries) will be awarded in the handicap competition. Trophies and \$20 cash prizes will be presented to scratch score winners in the men's and women's divisions, with lesser cash prizes being awarded through fifth place in each division.

An added feature this year will be the presentation of a \$5 prize for the highest single game scratch score in each division. Entrants are eligible to win both the handicap and scratch events.

Entry fee is \$4.50 per bowler. Entries may be turned in to Russ

Dash, tournament chairman, and Vivian Belcher, 3-E, Office Building; Sam Jones and Everett Leisner, 77 Building; Bonnie Jess, 4-E, Office Building; Roy Finney, 59 Building; and at the Extra Board Office.

In last year's tournament, 151 employees participated. Winning the top prizes were Carl Grant, high men's scratch score (617); Richard Bodine, high men's handicap score (687); and Ruth Hise, high women's handicap and scratch scores (685 and 541).

In addition to the 1967 winners, tournament title winners for the past three years include the following persons, with scores in parenthesis:

- 1966**
- Maurice Brumaster, scratch (647)
- David Clark, handicap (690)
- Melba Stockdale, scratch (582) and handicap (672)
- 1965**
- Don Adcock, scratch (687) and handicap (687)
- Jo Ann Taylor, scratch (508)
- Ruth Hise, handicap (624)
- 1964**
- Carl Grant, scratch (677)
- Wendell Bryant, handicap (704)
- Mabel Nemecek, scratch (602) and handicap 685



Trowbridge Gipson

Three Veteran Employees Retire To Leisure Life

Three veteran Staley employees, with 102 years service among them, have retired in recent weeks.

Heading the trio in number of years with the Company is Russell B. Trowbridge, a senior mechanic in the Sheetmetal Shop since 1942, who retired after nearly 44 years at Staley. He joined the Company in 1924 as a helper in the Sheetmetal Shop, moved up to tinner in 1933, mechanic in 1941 and senior mechanic in 1942.

William H. Gipson, a weighmaster at Elevators C & D, retired after more than 35 years service. His entire Staley career was spent at the Terminal Elevators, where he held a number of positions including shoveler, spouter, car mover operator and weighmaster.

Robert L. Lipsky, Special Products sales representative for the past five years, retired with nearly 23 years service. His entire career has been in sales work for the Company.

Jones Elected President Of Sta-Square Club

Samuel H. Jones was recently elected president of the Staley Sta-Square Club, a group of employees who are all active in the Masons.

Officers elected for the current year include:

- Samuel H. Jones, president, Store Room
- Carl Gaitros, vice president, Millwrights
- Phillip Bateman, secretary, Control Lab
- George Rainey, treasurer, Electricians
- Herb Harless, chaplain, Electricians
- John Guysinger, sergeant-at-arms, Electricians
- Ernest Allen, Acacia manager, Control Lab.

15 Employees Promoted To Plant, Office Posts

Fifteen employees have received promotions in recent weeks.

Gerald F. Bramel has moved up to applications chemist in the applications Research Department. He had been an associate applications chemist for the past year and has been in the Application Research Department since joining the Company in 1961. He is a graduate of Milikin University.

Lynn W. Elder has been promoted to sales service engineer in the Engineering and Maintenance Department. He had been an area maintenance engineer within the department for the past year. A graduate of the University of Illinois, he joined the Company in 1964.

Louis J. Feriozzi has been promoted from shift foreman of packing and loading in 20 Building to shift foreman-processing in 20 Building. He held a number of positions in 20 Building before being named a foreman in May, 1966. He joined the Company in 1951.

Samuel E. Gibbons, an engineering draftsman in the Design Engineering Group for the past five years, has been promoted to Production Department relief foreman. He joined the Company as a draftsman in the Engineering and Maintenance Department in 1961. He attended Southern Illinois University.

Robert L. Kelly has been promoted to plant sanitation assistant. A 24-year Staley veteran, he has held a number of posts in the Yard Department, where he was rigger leadman for the past six years. He joined Staley in 1943, starting on the Extra Board.

Charles Lake, Jr., has been promoted to shift foreman of packing and loading in 20 Building. He had been plant sanitation assistant for the past four years. Before that, he was an inspector in the Shipping Inspectors Group. A 22-year Staley employee, he started on the Extra Board.

Thomas B. Petty III has moved up to Industrial Sales representative. He had been an Industrial Sales trainee since joining the Company a year ago. A native of Texas, he is a graduate of Texas Christian University. He also attended the University of Texas.

William R. Richards has been promoted to Oil Refinery foreman. A 22-year Staley veteran, he had been a shift foreman in the Oil Refinery and Chemical Section for the past 14 years. This included a stint in 44 Building, but most of that time was spent in the Oil Refinery, where he worked for six years before being named a shift foreman. He started his career on the Extra Board.

Bill B. Whelchel, an Industrial Sales representative working out of the Company's Atlanta District office for the past four years, has been named a technical representative-textile industry products. Before joining the Industrial Sales Department in 1963, he was a sales service engineer for three years. A native of Georgia, he joined the Company in 1960.

Other promotions:

Betty A. Camden, from junior technician, Chemical Research,



Bramel Elder



Feriozzi Gibbons



Kelly Lake



Petty Richards



Whelchel

to technician, Applications Research.

D. Ronald Ellison, from messenger to paper cutter and 705 machine operator, Office Services

Mervin D. Gillenwater, from utility lab man to utility technician alternate, Research Staff and Services.

Nick L. Murray, from paper cutter and 705 machine operator, Office Services, to teletype-quotation ticker operator, Grain Division

Billy J. Perkins, from teletype-quotation ticker operator, to junior buyer-inbound grain clerk, Grain Division

Philip J. Slusser, from truck driver, Office Services, to pricing clerk, Purchasing.

Chairman Staley Views Challenges of the Future

Challenges of the future were viewed against a background of past Company accomplishments in a talk by **Chairman A. E. Staley, Jr.**, before more than 550 long-time employees at the Company's 21st annual Service Awards Dinner.

Mr. Staley, who will observe his 43rd anniversary with the Company Aug. 1, recalled some of the vast physical changes which have marked the plant's growth since he took his first job.

"During this span of time so much has happened that it staggers one when we look back at record over that long a period of time. Virtually nothing in this Company has remained unchanged," he pointed out.

"In our Boiler House, there is not a single boiler in existence which was there in 1925. The Power Plant had not yet been built. The Mill House has been completely revised. The two Table Houses, which were an important part of our operations, are gone or converted to other uses. Starch paddling and shoveling are only memories. The starch kilns have long since been abandoned and most of them torn down," Mr. Staley noted.

"The Packing House of 1925 is no longer in existence. The space it occupied is now the south 30 feet of the Mill House. The Refinery and 17 Building look very much the same from the outside, but there are few souvenirs of 1925 still in existence in either building. I am sure we will never again see the day of bone kilns and filters, the eternal problem of bone dust filtering through entire building. The old oil refinery has been demolished," he added.

"Soybean solvent extraction was unknown in those years. Our large elevators, our Office Building, laboratories, First Aid Building, mechanical shops—all were simply dreams at that time, and the land which they now occupy was filled with residences. Actually, the only physical remnants which remain almost as they were are Elevator A and the three steel tanks of Elevator B, and even they have been greatly altered."

Dynamic Spirit

Mr. Staley said his brief review of the past was made "only to point out the dynamic, driving spirit which has motivated this Company and which has been responsible for these changes and for our progress. I also wish to point out that had not these changes been made, this Company could not compete in the modern age and would have closed its doors long ago."

Changes in plant, in methods, and in our thinking are simply milestones on the road of progress. Time never stands still, and as it moves, life will always present new challenges. We have not, and never will reach the point where we can be content to rest on what we have done in the past," he said.

"You of younger years, and especially those of you who tonight are attending your first Service Awards Dinner, must be the ones who will have to carry the burdens and meet the challenges of the future. Neither I nor anyone else can predict the precise nature of these problems and these challenges except to say that they will take a different form than those we have faced in the past—and probably come faster."

Mr. Staley said that despite the different nature of these challenges, certain fundamental concepts for progress will continue unchanged.

"The future will always demand the determination to move forward. It will require initiative, energetic drive, open-mindedness, an intolerance of complacency, and a realization that changes must come. To stand still in one's thinking and in one's actions is to slip downhill. To quote an expression of my father's, 'an individual and a business are both like trees in the forest. They must grow or they inevitably decay.'"

New Technology

Mr. Staley noted that the advent of new science and new developments will bring many changes, and how well the Company meets the challenge of change depends on every employee's attitudes and determination.

"I think this Company has the basic requisite to success, and that is an organization of competent, fair-minded, and I believe, forward-thinking people. We must always maintain these qualities. We must always be willing to alter past rules and procedures and past practices when the need arises. We must continue to grasp the opportunity for constructive change,

with the realization that failure to do so jeopardizes the future of all," he said.

Mr. Staley then saluted those employees who accomplished much in the past and those who will lead in the future.

"In you who are here tonight, we have a group of those who have been responsible for the success of the past, but we also have many who will shoulder the burdens of the future and bring this Company into the years ahead with the same or greater success that we have achieved in the past.

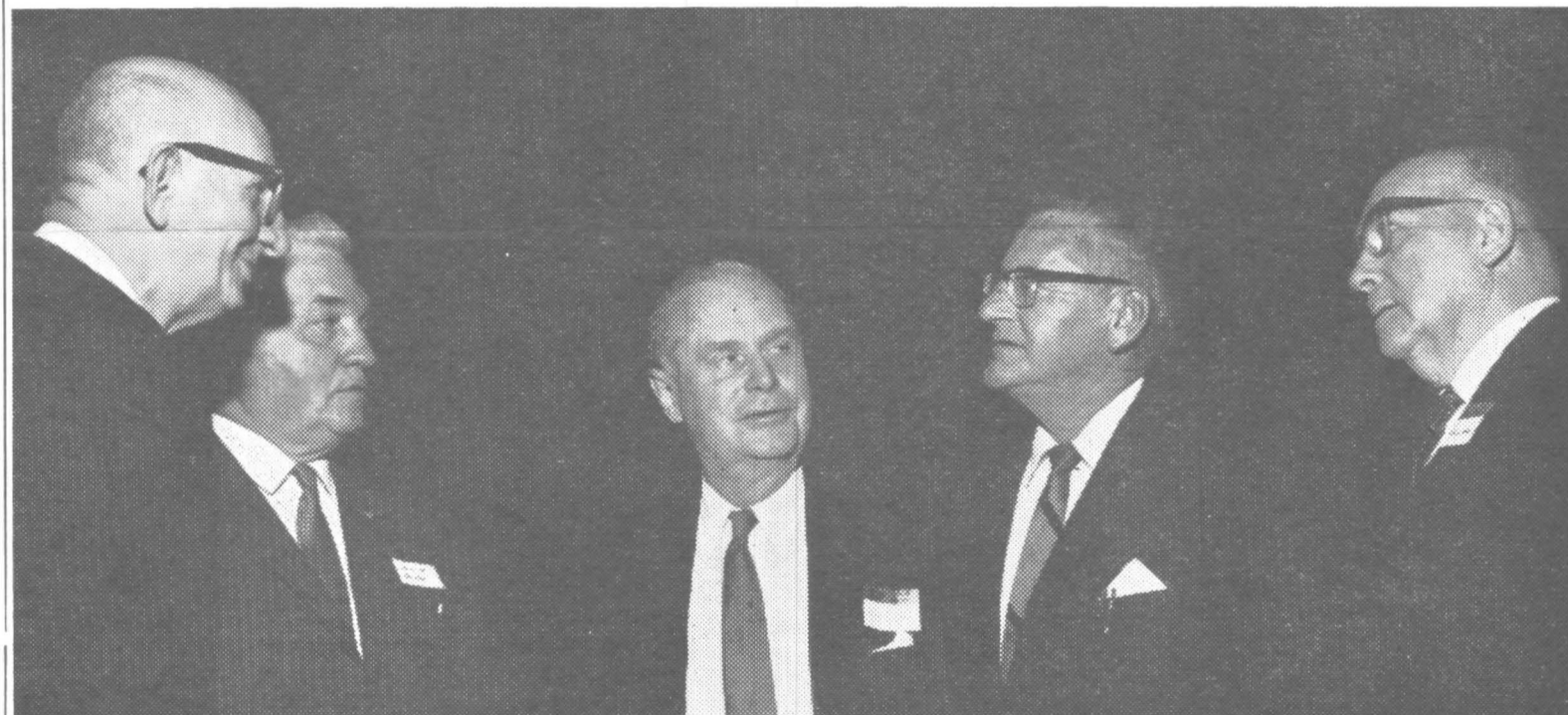
"To you who have done so much and accomplished so much in years gone by, I again express my thanks and the gratitude not only of myself but of all those who have a stake in the Company. I know that you now have one of the greatest satisfactions that can come in life, the satisfaction of a job well done.

"To you who have many years ahead, I express my confidence. I am sure that you will lead us to a future even brighter than we have enjoyed heretofore," Mr. Staley concluded.

Following the dinner program, Mr. Staley was joined by **President Donald E. Nordlund** to distribute gold watches to the 135 employees who marked 25 years service during 1967.

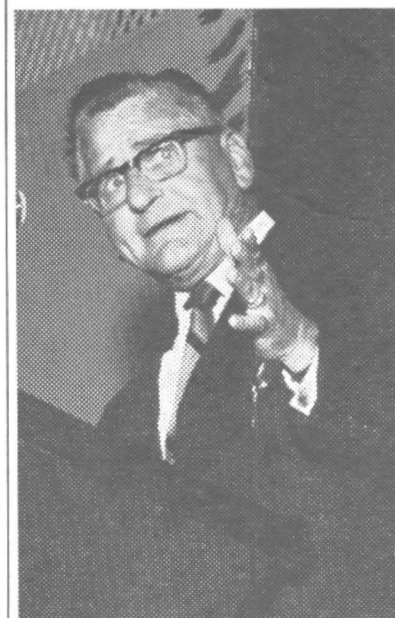


CENTER OF ATTENTION—All eyes are focused on Chairman A. E. Staley, Jr., during his address to more than 550 employees gathered at the Company's 21st Annual Service Awards Dinner in the Masonic Temple.



PRE-DINNER TALK—Two of the longest active employees in Company history—both now retired—Paul Simroth, left, and John Shyer, second from left, talk with Chairman A. E. Staley, Jr., center; Dr. Charles E. Irvin, guest program speaker, next to Mr. Staley; and Roy Roller, who was master of ceremonies for

the evening. The conversation preceded the parade of service which formally opened the annual Awards Dinner. Shyer and Simroth both retired last year, Shyer after 50 years of service and Simroth after 49 years. Mr. Staley's address marked the 12th time he has spoken at an Awards Dinner.



GUEST SPEAKER — Dr. Charles E. (Chuck) Irvin gestures from the rostrum during his thought-provoking talk on "The Near Look and The Far Vision." His address was warmly received by the audience.

Employee Service Spotlighted At 21st Annual Awards Dinner

Unseasonably good weather, a large group of awardees, and the opportunity to gather for their yearly reunion combined to bring out approximately 550 active and retired employees for the Company's 21st annual Service Awards Dinner Jan. 25 at the Masonic Temple.

In the spotlight for the evening were 273 employees who marked service anniversaries of 10, 25, 30, 35, 40 and 45 years with the Company during 1967.

Receiving top recognition for 45 years service were **Eric O. Augustine**, senior mechanic in the Instrument and Control Shop; **Earl L. Bray**, pumping station operator in the Power House; **Lynn S. Hettinger**, plant

bacteriologist, Control Laboratory; **Elmer Lashenski**, repairman in the Mill House; and **Otto D. Sutter**, New York Industrial Sales District manager.

Attending the dinner in addition to the awardees were active and retired employees with 35 or more years service and representatives of various service categories between 25 and 35 years.

The program, led by the humor of 35-year-man **Roy Roller** as master of ceremonies, featured addresses by **Chairman A. E. Staley, Jr.**, speaking for the 12th time at a Company Service Awards Dinner, and **Charles E. (Chuck) Irvin**, lecturer and consultant to more than 50 companies in sales, management

development and communications.

Dr. Irvin's inspirational and thought-provoking talk on "The Near Look and the Far Vision" was enthusiastically received by the capacity crowd of employees.

One of the largest groups of 25-year awardees in Staley history, 135, received gold watches commemorating their silver anniversaries, while 56 employees attending their first Service Awards Dinner were awarded 10-year pins.

Additional awardees received a choice of jewelry to mark advanced service anniversaries.

More than 2,000 men and women, over 60 per cent of all active Staley employees, have been with the Company 10 or more years.



Scenes From Twenty-First Annual Service Awards Dinner



CHAIRMAN A. E. STALEY, JR., speaks from the rostrum of flower-bedecked head table during program portion of the Awards Dinner. At his right seated at the table are two veteran re-

tired employees, Paul Simroth and John Shyer. On Mr. Staley's left are Roy Roller, master of ceremonies for the evening, and Dr. Charles E. Irvin, guest speaker.



ROY ROLLER, after his stint as Master of Ceremonies for the dinner program, stopped by the awards room to pick up his 35-year award. Carol Disbrow does the honors.



ENJOYING before-dinner talk were these award-ees. At left is Wayne Rodgers. On the other side of table, from right, are Alice Owens, Lucille

Fain, Oma Scribner, Hylia Hoyt, Ada Highley, Opal Doore and Mae Hinderliter. Others are unidentifiable.



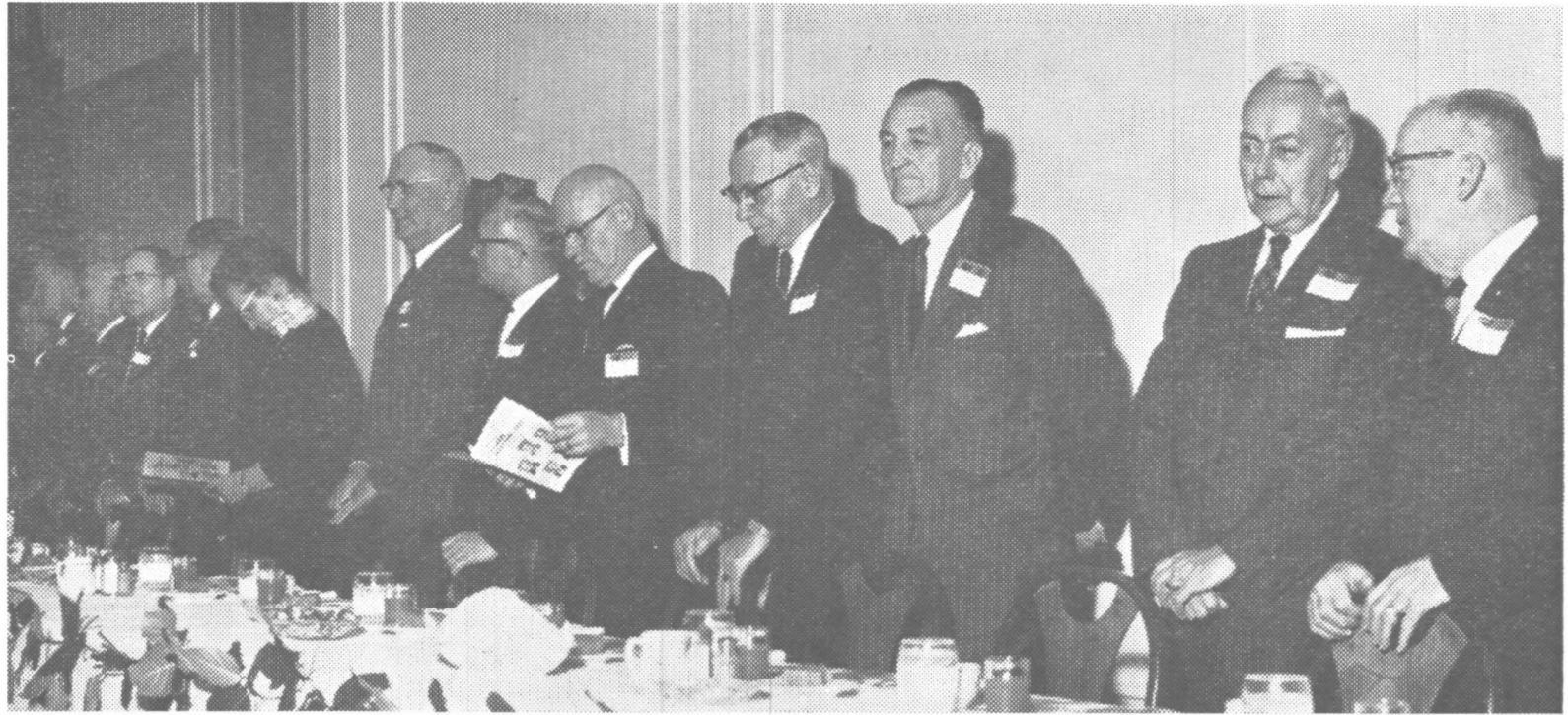
HUSBAND-AND-WIFE TEAM, Alice and George Owens, arrive for the Awards Dinner. Alice received an award for 30 years service. George is a 43-year veteran.



RALPH DOMBROSKI, Chicago Industrial Sales District manager, receives a gold watch, hearty handshake and congratulations of Mr. Staley during presentation of 25-year awards following

the dinner. Dombroski was one of a banner group of 135 employees who were honored for marking their silver service anniversaries, while 138 more were recognized for other anniversaries.

LINED UP at the speakers table following the parade of service are veteran employees, both active and retired, from right, Russell Trowbridge, Norval Smith, George Owens, John Durcholz, Boyd Cornthwaite, Henry Colbert, Frank Watkins, Doris Murphy, Dwight James, Ira Cox, Elmer Lashenski and Lynn Hettinger.



PRESIDENT DONALD E. NORDLUND presents gold watch to Wayne Rodgers and congratulates him on his 25th service anniversary with the Company. Mr. Nordlund assisted Chairman A. E. Staley, Jr., in handing out awards to

the 135 employees eligible to receive 25-year watches following the dinner. Employees celebrating service anniversaries beyond 25 years received awards of diamond-bearing jewelry. In all, 273 awards were presented.



SCOTTY CHEYNE, a familiar figure at Staley Awards Dinners, is welcomed by Charles Schmitt, Jr., right, during before-dinner reunion of active and retired employees.



ROY HORNBACK shows off his 25-year watch as Don Carroll leans over to get a closer look. Others admiring the gold timepiece are Charles

Schmitt, Jr., right, and Carol Disbrow, left, and Helen Friesner, middle. Carol and Helen assisted at the awards tables.



OLDTIMERS, left to right, Brad Mintun, Hiram Ballance and Herbert Beilsmith were on the lookout for other old buddies to talk with.



AWARDS DINNER SCENES

ACTIVE AND RETIRED Mill House employees were assembled by Henry Colbert for this photo. From left are Makies Boyd, Homer Allen, Elmer Lashenski, Harold Kibler, Henry Colbert, Perry Conley and Tom Barbee. Among this group, 40 years of service is the rule rather than the exception.



MANY LETTERS were probably typed and re-typed by this group of Staley gals. From left are Doris Murphy, Bessie Neyhard, Gertrude Hebert

and Marge White. More than 125 years of Staley service are included among this quartet who were gathered for parade of service.



HARRY ATKINS displays his 25-year watch for Gladys Mier, left, and Pauline Turner. Harry is foreman of the Grocery Products Packing and Shipping Department.

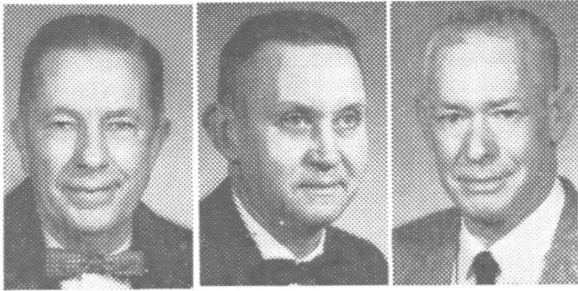


STALEY GALS who helped make the awards program run smoothly were, from left, Helen Friesner, Barbara Sheay, Shannon Kirk, Mary Christerson, Carol Disbrow, Norma Guysinger,

Jane Ernst, Marjorie Schroeder, Margie Vest, Velva Morrison, Alice Towne, Eula Mae Metzger, Janice Petzel and Kathleen Poe, who coordinated the gals' efforts.



CHAIRMAN A. E. STALEY, JR. congratulates Maxwell Anderson after presenting him with a gold watch in recognition of his 25th year of service.



Bowman Carter Osborn

18 Employees Observe Service Anniversaries

Eighteen employees observe service anniversaries in February, ranging from five to 45 years. They account for 205 years service with the Company.

Heading the list is **Sylvester C. Bowman**, senior product inspector in the Control Laboratory Section, who marks his 45th anniversary at Staley on Feb. 1. He has been a senior product inspector since 1944, and has held positions in the Control Lab for more than 40 years. Prior to that, he worked in Reclamation.

Employees marking service anniversaries of five to 25 years in February include:

25 Years

Basil H. Carter, Feed Packing Department, Feb. 3

Malcolm C. Osborn, Plant Cleanup, Feb. 3

20 Years

Alfred W. Roedmann, Grocery Products, Feb. 2

10 Years

E. E. Fisher, Chemical Research Director, Feb. 18

Ione M. Garver, Telephone Operators Group, Feb. 13

Raymond E. Massie, Machine Shop, Feb. 3

Raymond R. Reschetz, Industrial Marketing, Feb. 10

5 Years

Paul Baughman, Yard Department, Feb. 25

Frederick D. Boliek, 118 Building, Feb. 25

Urban T. Donovan, Feed Marketing, Feb. 28

Joan K. Gosnell, Maintenance Section, Feb. 15

Mary E. Leisner, Financial, Feb. 13

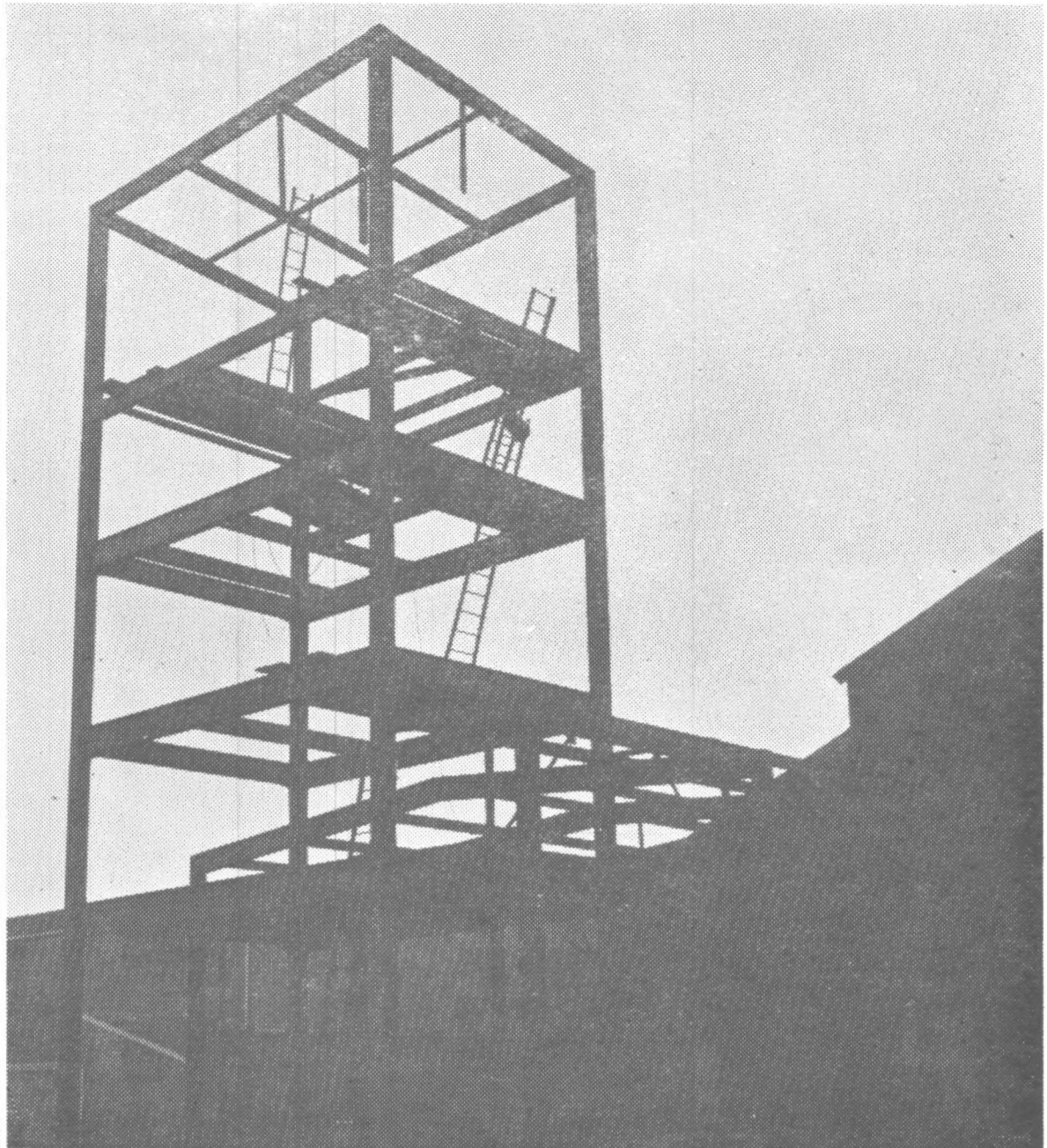
Isabelle G. McNamara, International, Feb. 20

Arlone Ritter, Purchasing, Feb. 11

Dale R. Seiber, Electrical & Mechanical Engineering, Feb. 15

Jerry B. Shaw, 34 Building, Feb. 25

Welman B. Tanner, Grocery Products, Feb. 1.



SOARING STEEL—Steel structure for five-story starch blending station under construction looms against the late afternoon sky and the east end of 34 Building-Warehouse in background. When completed, the building will contain starch blending equipment now in the west end of 16 Building which will be vacated for other machinery. (Related story on Page 1.)

Social Security Changes Mean Higher Taxes in '68

The new amendments to the Social Security law mean higher taxes for most Staley employees and for the Company in 1968 and thereafter.

The tax contributions for Social Security purposes will be deducted from your paychecks on up to \$7,800 of an annual taxable wage or salary rather than the \$6,600 amount that was used as the tax base last year.

Thus, if you earn \$7,800 or more in 1968, your Social Security tax contribution will be \$343.20. This is an increase of \$52.80 over the maximum deduction made last year.

The Social Security tax rate, however, remains at 4.4 percent. As a result, those whose annual wage or salary is less than \$6,600 will not pay higher Social Security taxes this year.

The new amendments, though, call for the tax contribution rate to be increased from 4.4 percent to 4.8 percent in 1969. Thereafter, the rate will continue to be increased gradually until 1987 when it will be 5.9 percent.

The Company will have to pay more Social Security taxes, too. In addition to turning over to the U. S. Government the amounts deducted from the paychecks of employees, the Company has to match these amounts from its own funds.

On the bright side of the picture is increased Social Security benefits for eligible persons. All those now receiving benefits will get an increase of approximately 13 percent, effective in checks to be received in March.

The maximum monthly benefit has been increased from \$138 to \$156 for a person retiring this year at age 65 whose earnings have been high enough to result in the maximum annual Social Security deduction.

Information explaining these and other changes in detail may be obtained from your local Social Security office.

Engine Room and Water Treatment Department Gets Cleanup Trophy

The Engine Room and Water Treatment Department has been awarded the traveling trophy for having produced the most improved results in sanitation during January compared to inspection ratings the previous month.

Foreman **Irvin Cox's** crew showed a 56.3 percent average improvement over par for the month, edging 6 & 8A Buildings-Merco Department by two percentage points. The Small Machine Shop-17 Building had the third best results with 50 per-

cent improvement over par.

In all, 19 departments bettered par during January. In addition to the top three, they included:

- 111 Building-Inositol
- Paint, Roof, Cleanup & Brick-masons
- Pipe Shop
- 34 Building-Warehouse No 3
- 12 & 26 Buildings
- 32, 33, 17 & 20 Buildings-Packaging and Warehouse
- 16, 116, & 16A Buildings-Modified Starch
- Dextrose Plant
- 19A Building-Special Products
- 20P & 16E Buildings-Starch Processing
- Boiler Room
- Mill House, Steep & Elevator A
- 17 Building-Bulk Syrup
- 22, 47, 48 & 49 Building-Soy Flour
- Yard Department
- 41 & 42 Buildings-Oil Storage.

During February, particular emphasis in the sanitation inspections was on maintenance materials left in work areas after repair jobs or maintenance changes. This includes pipe, tools, damaged wood, bolts, valves, fittings, lagging, ladders, welding rods and the like.

Employees Appointed

John E. Stehr, assistant treasurer, was recently appointed a member of the Decatur and Macon County United Fund Budget Committee. Among those reappointed to the committee was **David T. Mitchell**, Oil Refinery Section superintendent.



TROPHY PRESENTED—Nat Kessler, vice president, Manufacturing, second from left, presents cleanup traveling trophy to John Durcholz while **H. J. (Jim) Cozad**, Utilities and Specialty Feeds

Section superintendent, left, congratulates **Howard Brumley**, shift foreman, on the Engine Room's performance in posting top sanitation inspection improvement for January.



TRAINING TABLE—Barbara Hall Ellis, standing, asks sensory evaluation panel members to identify characteristics of a sample food product during a training session to help panelists become efficient judges at product testing. Left to right around table are research panelists Bill Robinson, Dick Bond, Cythia Grigsby, Jim Ball and Carl Moore.

Sensory Evaluation Panel

New Research Team To Have Role In 'Sweet Smell of Success' Tests

There has yet to be developed a piece of scientific equipment able to match completely the ability of human senses—taste, smell, feel and sight—in gauging the subtle differences in food flavors and textures.

That's why, if you happen to be walking along a second-floor corridor of the Research Center, you may see in a particular room a group of research employees seated around a table with plates in front of them. Contrary to appearances, they won't be waiting for lunch or having a coffee break.

They are a new research team who will soon be using their natural abilities to taste, smell, see and feel (identifying texture of a food product by how it feels in the mouth) as analytical techniques to assure enthusiastic customer acceptance of new Staley products.

The reason for organizing a sensory evaluation panel, as it is called, is simple: products that don't smell or taste so good don't sell so good.

Product Standards

The "right" taste and odor must be established by consumer tests, or in the case of industrial starches and syrups by comparison with established "acceptable standards." Then as a new product proceeds through development and scaleup the panel will help to assure that these standards are being met.

A relatively new concept in product testing, sensory evaluation panels are being used by a growing number of companies in analyzing new food, beverage, cosmetics, packaging materials and industrial products to help get them off to market on the right foot.

The 12 volunteer research employees on the panel were selected last fall following screening tests in which they and 16 of their co-workers were given unidentified substances and asked to rate and identify them where possible according to their characteristics of flavor, odor, looks and texture.

The panelists selected are not the most expert in the Research Center at being able to identify the sensory characteristics of a product, however. Unlike the expert tasters used by wine, coffee and tea-producing companies, the Staley panelists were picked for having a normal sense of taste and smell.

Training Period

The panel is currently undergoing a training period in which the members are being familiarized with a wide variety of test products and their particular characteristics. The training is designed to prepare the panelists to be efficient judges when they are later called on to use their knowledge against a development problem.

Barbara Hall Ellis, a consultant to various companies and institutes on sensory evaluation techniques, is training the panel. Author of many articles, she is an associate editor of "Food Product Development" magazine and an instructor at the Illinois Institute of Technology.

The training sessions are being conducted in a room with controlled temperature and humidity, where noise and distracting odors from nearby laboratories are practically eliminated.

After the training has been completed, the panelists will be asked to judge products being

reformulated or new products under development.

If most of the panelists find an unusual or unexpected flavor, odor, or mouth feel in a new food starch, the test results will be forwarded to the appropriate product-development group for guidance. If the panelists agree that the product gives off an unpleasant odor, for example, and are able to classify it, this information helps the researchers identify the offending ingredient in the formulation.

Progress Tests

When compared with initial test findings, the results of later tests will indicate the progress made in eliminating the unpleasant odor.

To assure the validity of test results, each panelist will be tested independently. This is to keep him from being influenced by the suggestions of other panelists.

It is also understood that the panelists will disqualify themselves if they have a cold, allergy or other ailment which might affect their sense of taste or smell. On the average, the independent tests will be held to approximately 10 minutes.

While the time and costs involved in this kind of evaluation are relatively small, the benefits can be great, our researchers feel.

Each year, American industry turns out hundreds of unsuccessful products which looked "good" because of ineffective evaluation. By organizing a sensory evaluation panel at Staley, the scope of our product evaluation program will be expanded and so will our chances of turning out products that will sell well because they are appealing to the consumer.

Staley Profiles

Earl Bailey Retires After 41-Year Career

The Staley Company's position in international markets has been firmly established through the know-how and development efforts of men like Earl M. Bailey, who retired Jan. 31 after 41 years service.

Bailey, who has been Overseas Division manager since 1961 and Export Division manager for 33 years before that, has probably been more actively involved in the Company's growth internationally than any other person at Staley.

C. C. Jensch, vice president, International, in announcing Bailey's retirement, said:

"Earl has concentrated in recent years in liaison activities with our overseas partners, in working on new foreign projects, and in the staffing and training of the division. His involvement in all phases of the Company's operations has made him one of the most knowledgeable Staley executives.

"The Company's reputation in international business is due in large measure to the groundwork laid by Earl Bailey," Jensch said, adding that this had been attested to many times by the personal experiences of other employees in our international operations.

"He leaves a record that both he and the Company can be proud of," Jensch said.

'Remarkable Growth'

Bailey said that during his 41 years at Staley, "the Company's growth has been remarkable and it is no more evident than in the international side of our business. This has been particularly true in recent years with the establishment of Staley ventures in a number of countries abroad, including a chemical plant in West Germany, a soybean processing plant in Spain and a corn processing plant in Honduras."

He said when he joined the Export Division in 1928, the majority of our sales abroad were handled through New York exporting firms. "We sold our industrial starches and syrups to these firms and they resold our products to foreign buyers.

"The export side of our business was a relatively small contributor to the Company's financial performance until just be-

fore World War II when it really picked up. European countries began buying tremendous quantities of starch and syrup from us. England, in particular, was a heavy buyer as it geared up for the war," Bailey said.

It was during this time that the Staley Company became the first to export soybean meal in large volumes. "Today, the soybean meal export market is talked of in terms of millions of pounds a year industry-wide," he said.

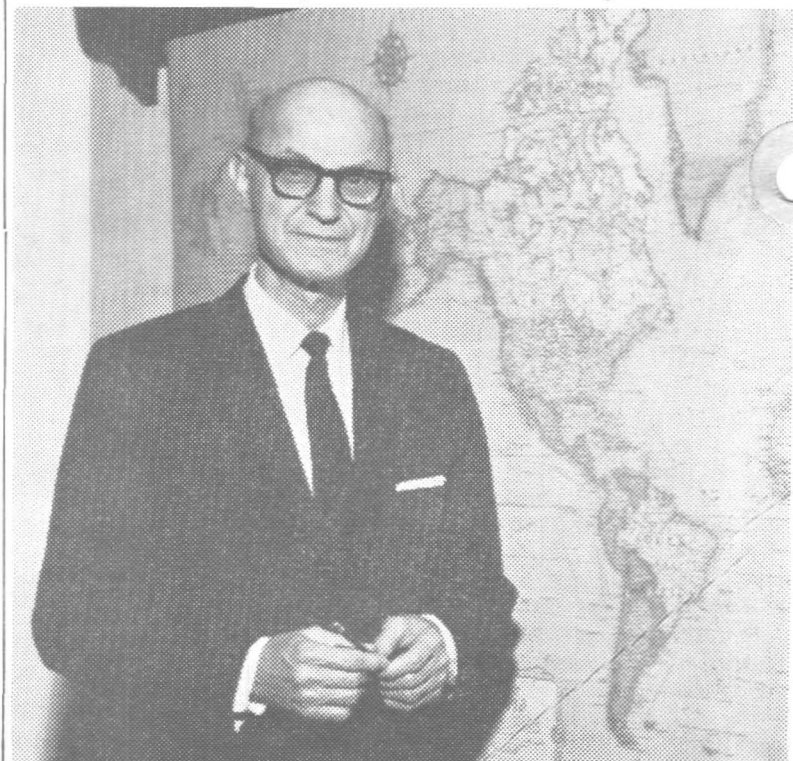
Bailey noted that some of the most interesting experiences at Staley were during the war when our export business was reduced to a trickle because of war-time limitations. Because of this reduction, he was placed in charge of obtaining priority ratings from the government on supplies and materials the Company needed to keep running effectively.

Change in Approach

"For several years after the war, we did no exporting because our business in this country was so good, we didn't have anything left to sell abroad. Following the Korean War, the EEC (European Economic Community, a six-nation trading group) was formed and that changed our approach to doing business with European countries.

"This had a tremendous impact on every American company that had been or intended to do business in Europe, cause of the high duties on imports going into those countries from the United States. The Staley Company acquired interests in manufacturing plants in Belgium and England so we could stay in those markets. The Company also decided to start building plants overseas because it was more economically feasible to do business from within the various countries," Bailey said.

About the Company's future in international business, Bailey said, "Because of the Company's foresight, we are well entrenched in European markets. South America and the Far East still offer good opportunities for Company expansion into markets there. Staley has the talent and know-how to make good progress in its international business in the years ahead."



LONG JOURNEY—In his 41 years at Staley, Earl Bailey has been to many countries and traveled an estimated 500,000 miles in his work.