STALEY NEWS

VOL 1—No. 10 | BY AND FOR STALEY PEOPLE | January 15, 1938

TAPIOCA TARIFF STALLED BY TREATY

PERTINENT TAPIOCA TOPICS PARAGRAPHICALLY PRESENTED

The tapioca imports for the year 1937 were the equivalent of 14,000,000 bushels of corn.

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If corn had been used in place of these imports and we had received one-third of the business, our grind would have been increased by 4,666,666 bushels. Since our grind for 1937 was 9,174,800 bushels, our operations would have been increased by 50.9% with a corresponding increase in the working days enjoyed by the men in the plant.

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Even 20% of the total would have equaled a 2,800,000 bushel increase in our grind and would have amounted to 70 additional working days for every man and woman in the plant.

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Exportations of tapioca flour from Java and Madura almost doubled between 1932 and 1936. Figures for 1937 will show them well over the doubling mark. United States received 150% more of these imports in 1936 than in 1932.

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85% of the exports from Java and Madura come to the United States.

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Like starches made from corn, tapioca starches are sold to textile manufacturers, (who are the largest purchasers of corn starch), paper manufacturers, makers of paste, asbestos, chemical manufacturers, makers of explosives, etc.

FIVE ELECTED TO CREDIT UNION BOARD

By Luther Hiser, Treasurer

At the annual meeting of the Staley Credit Union Shareholders January 10th, five members were elected to vacancies on the Board of Directors. Three of the Board Members, Luther Hiser, R. A. West and L. R. Brown were re-elected to succeed themselves with three year terms. A. S. Lukey, a new member on the Board was elected to fill an unexpired term and has one year to serve. The fifth position a three year term on the Board went to W. G. Reynolds, Personnel Director.

The following Officers and Committees were selected in a short organization meeting after the Board election:

President	H. J. Casley
Vice-president	A. S. Lukey
Treasurer	Luther Hiser
Secretary	Ruth Sexson

Credit Committee: C. W. Thornborough, R. A. West, L. R. Brown, H. A. Jagusch.

Supervisory Committee: R. S. Bass, C. V. Cox, R. V. Whitsitt.

Advisory Officer: W. G. Reynolds.

Price comparisons between pearl corn starch and medium grade tapioca starch for the last seven years show considerable difference in favor of medium grade tapioca starch during each year. The following figures, presented by the Corn Industries Research Foundation, give the average price of 100 pounds of each during the years shown.

Year	Tapioca	Pearl	Difference
1930	$2.68	$3.58	90c
1931	1.76	2.64	88
1932	1.54	2.34	80
1933	1.97	2.48	51
1934	2.23	3.05	82
1935	2.69	3.42	73
1936	2.44	3.39	95
1937	2.15	3.64	1.49
Jan. 1938	2.00	2.60	60

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CHANGE HOPED FOR IN 1939

The chief obstacle to the passage of the tapioca tariff bill at the present time is the perpetual trade treaty entered into between the United States and the Netherlands which went into effect February 1st., 1936. One of the regulations set forth in that treaty calls for the duty free importation of tapioca starches into this country. Since this treaty is operating on a three year renewal basis, it will not be possible to secure a change before February 1st., 1939. Proposed changes must be presented to the State Department before July 1st., 1938 when the State Department will consider the renewal terms.

At the present time the tariff struggle is resolved into an attempt on the part of the Company to present the facts to the State Department relative to the competitive damage that is being done to American Industry and the American Farmer by the huge imports that are coming into this country from Malay and Madura.

Conflicting Statements Cited

When Congressman Rigney recently asked the State Department for a report on the possibilities for a tapioca tariff, he was informed by that group that little if any damage was being done by these importations. The reasons set forth in their statement were highly conflicting and when Mr. A. E. Staley, Jr., was asked for a statement by the press on January 3rd., a number of these instances were pointed out. At that time he said, "The general tenor of the story is to the effect that tapioca is not competitive with corn starch and yet, at the same time, the rapid rise in imports is attributed (by the State Department) to the drouth of 1936 and the resulting high prices of corn. If the two are not competitive," he said, "why should high prices of corn have

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TAPIOCA TARIFF STALLED BY TREATY

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any bearing on the volume of imports."

"Again in the last paragraph, the State Department predicts that the lower prices of corn resulting from the large crop last year will put corn starch in a better competitive position. Again if they are not competitive, why should the lower prices have any effect on the imports?"

Mr. Staley pointed out that the Netherlands themselves had found it necessary to place a duty on these imports because they had found them competitive and that the experience of this Company and our sales records showed that one user of corn starch after another had changed over to tapioca.

In concluding, Mr. Staley said that it was the intention of the Company to present the full facts of the matter in detail to the State Department after having an opportunity to read its report.

PERTINENT TAPIOCA TOPICS

(Continued from Page 1)

A short glance at the figures above reveals that nearly all price raises on the part of corn starch have been followed by a raise on the part of tapioca and each drop has been followed by a drop on the part of tapioca. The price of corn starch is determined largely by the price of corn, labor and other costs. The prices of imports have been determined by how low prices needed to be to get the business.

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Competition between importers in the last two years is believed to be responsible for the sharp decrease in tapioca prices and accounts for the one year (1937) in which a raise in the price of pearl starch was not met with a corresponding increase on the part of tapioca. As a natural consequence of the lowered tapioca prices, there has been increased use made of tapioca by American buyers.

Important Notice to Employers and Employees

The following notice has been received from the Social Security Board Office in the Myers Building, Springfield, Illinois with the request that we provide this information to employees in the best possible way.

THE SOCIAL SECURITY BOARD

There are two types of benefits payable directly by the Federal Government under the Federal old-age benefits provisions of the Social Security Act.

1. **Monthly Retirement Payments to Workers After Age 65**
   (a) No monthly benefit is payable before January 1, 1942.
2. **Lump-Sum Payments Now Due**
   (a) To the worker who has reached age 65 since January 1, 1937, and who has been paid wages for work done as an employee in "Covered Employment" after December 31, 1936 and before attaining 65.
   (b) To the widow or widower, parent, child or grandchild, or to the estate of the worker who has died and who had been paid wages for work done as an employee in "Covered Employment" after December 31, 1936 and before attaining 65.

"Covered Employment," generally speaking, includes all work in commerce and industry; namely, factories, shops, mines, mills, stores, offices and other places of business.

BENEFIT PAYMENTS DEPEND UPON WORKER'S TOTAL WAGES

Lump-sum payments are equal to 3½ per cent of total wages between December 31, 1936 and prior to death or age 65, not counting wages in excess of $3,000 a year from any one employer.

IMPORTANCE OF SOCIAL SECURITY ACCOUNT NUMBERS

In order to keep a record of these wages and calculate the payments due each worker, the Government sets up a Social Security Account for him and gives that account a number. Therefore, Social Security Account Numbers are very important and should be carefully preserved. Each worker should have only one account number and should report his number to every employer for whom he works so that wages can be properly credited to the right account.

Any worker who has not yet obtained an account number can get an application from his local Postmaster. After the application has been filled in, it should be mailed to the nearest Social Security Board office.

A WRITTEN CLAIM MUST BE FILED BEFORE PAYMENT CAN BE MADE

The Social Security Board has established offices and through them furnishes the necessary simple claims forms and helps claimants fill them out. This service is free, and it is not necessary for the claimant to employ anyone to help him.

For further details or additional information, write or telephone to, or visit in person, your nearest Social Security Board Office.

YOUR NEAREST SOCIAL SECURITY BOARD FIELD OFFICE:

1011 Myers Building
Springfield, Illinois

IS SAFETY YOUR BUSINESS?

Roy Rollins, Director of Safety

If it is:

You may have wondered sometimes why your boss was so stupid or so obstinate that he did not accept your idea about guarding a machine or changing a work method to make your job or someone else's a little Safer. You are very sure that your idea was practical and that it would have been well worth all that it would cost but — it was not accepted or even tried and maybe the boss didn't even tell you why.

Is it really true that the boss is bull headed and doesn't want to give you credit for an idea or — could it be your fault? Could it be that you were a poor salesman who didn't present his product well? Could it be that you threw your plan at him with an air that gave him to understand that he would have had the idea himself a long time ago if he had been half smart? "Well," say you, "what if I did? He should have seen that the idea was good and he should have used it no matter how it came to his attention." That is all very well but it just leaves out one consideration. The boss is a human being and he likes to be treated as one. Effective salesmanship works just as well on him as it does on anyone else and it is very difficult to sell anything to a man when you make him angry first.

Suggestions are valuable to this company and to its supervisors and to you. They need to be made by everyone of us and our bosses need to listen and either use our ideas or tell us why they won't work but —we should do our part by thinking them through, being sure they are sound and practical and then selling them to the boss rather than throwing them at him.

Published Twice Each Month
By and For The Employees Of
THE A. E. STALEY
MANUFACTURING COMPANY
DECATUR, ILLINOIS

J. M. Richey Editor

All news and suggestions should be given the editor by the 10th and 25th of each month.

STALEY EMPLOYEES' GROUP INSURANCE TOTALS ALMOST $4,000,000

Policy Provisions Discussed

Big business is represented in the amount of insurance that is carried by Staley people, either through the group insurance non-contributory plan or the contributory plan. On December 1st, 1937, sixteen hundred and ten individuals were listed under the group non-contributory plan. All of this bought and paid for by the Staley Fellowship Club and the A. E. Staley Manufacturing Company. That insurance reached the grand total of $1,473,000 and individually, amounted to $500 on the life of each female employee protected and $1,000 on the life of each male. At an average cost of 98 cents per member, the total bill for the month of December was $1,443.54.

Additional insurance of the contributory type, (paid for jointly by the individual insured and the Company) $2,000 of which it is the opportunity of every employee under 60 to purchase, boosted the total insurance carried under these two plans to $3,926,000. Fourteen hundred and thirteen employees have taken advantage of this low rate insurance. Individually, it costs them 60 cents a month per thousand. Actually, it costs 91 cents a month per thousand. The difference is paid by the Staley Company.

Because this amount of insurance represents big business and because the benefits and provisions that go with it are not generally understood, the *"News"*, through the efforts of W. G. Reynolds, our Personnel Manager, and the Equitable Life Assurance Society of the U. S., is presenting the important facts which should be understood by every member. Perhaps it should find a place in that file of yours where you keep your *"Staley News."*

Two Policies in Effect

The two types of policies mentioned above have almost, but not quite, the same provisions. For that reason it is necessary to discuss each separately. The first type, (Non-Contributory Group Insurance), which is carried on every member of the Staley Fellowship Club, will be discussed in this issue of the *"News."* A discussion of the additional insurance, (Contributory Type), which you may be purchasing through the Company will be found on the pages of the next issue.

Group Insurance Plan

This insurance has been available to all employees since the first day of February, 1930. Among insurance companies it is what is called, "Yearly renewable term insurance on the self-accounting plan." All of which is meant to be a brief explanation that this type of insurance is purchased on the yearly basis, (is never fully paid up), and does not have paid up or loan values as do some other types of insurance. Being on the self-accounting plan, it means that the Staley Company, rather than the insurance company handles the collection of premiums, accounting, checking of ages of the subscribers, their change of status, (on or off the payroll), etc. An allowance of 3% is made for this by the Insurance company and added to the dividend check which goes to the Fellowship Club annually.

Eligibility For Insurance

The opportunity to subscribe for this insurance is automatic with membership in the Staley Fellowship Club and at no additional cost to members. The individual insured needs only to have been a member of the Fellowship Club for 30 days or more. A special physical examination is not necessary if membership in the *"Club"* is taken within 60 days after entering the Company's service. If the membership is taken out after that period, then a physical examination at the employee's own expense, ($1.00) is necessary and the individual must pass it to qualify.

Amount Of Insurance

The amount of insurance to which members are entitled is $1,000 in the case of males and $500 in the case of female members. This is the reason for the difference in the *"Club"* dues, the men paying $1.25 and the women 65 cents. The insurance item represents only a portion of the advantages offered and only a part of the dues are required to meet the cost of insurance. The annual amount that the Fellowship Club needs to pay for insurance varies according to the amount of the benefits paid Staley employees on insurance claims during the preceeding year and the average ages of the group.

No Dividends To Members

The yearly cash dividends which many types of insurance plans pay are not made out to Staley employees. These dividends are paid into the Fellowship Club funds and are used, as far as they will go, for paying the cost of keeping up the insurance on members.

Payment Of Claims After Death

When the holder of this insurance dies, the face of the policy is paid to the beneficiary. This amounts to $500 in the case of women and $1,000 to the beneficiaries of men. Proof of death must be supplied to qualify for the settlement.

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200,000 bushels of soybeans can be stored at Elevator B. This does not include the 3,000,000 bushel storage space at Elevator C available for the storage of both corn and soybeans.

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One of the troubles with motoring is that drivers don't decrease accidents nearly as fast as accidents decrease drivers.

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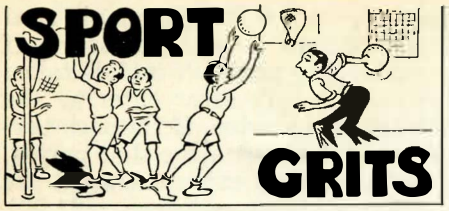
More soybean oil was used in America last year than any other native edible oil except cotton seed oil.



By Bill Brumaster

Here's the way the points have been rolling in for the Staley championship busters since their heart breaking loss to Oakes.

Staley's, 44; Mississippi Valley, 31; Staley's, 48; Waggoners, 32; Staley's, 51; Lincoln, 33 — Pim Goff, former All-Conference selection while at Ill. State Normal dropped in 23 points in this one to flash the form that made him the best in the conference.

Staley's, 41; Monticello, 28;—Cox banged the bell for 19 points to gather high point honors in spite of the fact that Combes, University of Illinois Flash of last year was wearing the Monticello colors.

Staley's, 54; Harlem Globe Trotters, 28.

Staleys 62, Wabash 20. Delmar Cox had a big night with 23 points.

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300 points in 6 games, pretty work which seems to illustrate the old adage that it's an ill wind for someone when a team averages 50 points a game.

FELLOWSHIP CLUB DANCE JANUARY 29th.

The first dance of the 1938 series will be given by the Staley Fellowship Club January 29th at the Orlando Hotel. The "Club" announces that Frank Hodalski's 10 piece orchestra has been signed for three hours of Swing, Big Apple or what have you beginning at 9 p. m.

FOR SALE:

1 heating stove, cheap.
1 almost new laundry stove.
1 porcelain top kitchen table.
R. Grunert, 2042 E. North St.

MORE INSURANCE

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When Totally And Permanently Disabled

This insurance is also paid in the event of total and permanent disability. This disability may be due to either bodily disease or physical injury. In order to receive this benefit, the holder of the policy must not be able to perform work of any kind for pay. The claim for permanent and total disability settlements must be presented within one year after the date on which the disability occurred. Disability of this type must have occurred before age 60 to qualify.

When insurance payments are made on this basis, the policy is matured. Monthly payments then begin. These amount to $42.03 for each $500 of insurance carried and continue for twelve months.

Face Amount Only

Because the policy is matured when disability payments begin, it is impossible to collect the insurance money more than once. If this were not the case, as much as $500 or $1,000, (the face of the policy) could be collected in disability benefits and then at the death of the insured, his beneficiary would also draw the face of the policy.

If disability payments have begun and been paid for less than 12 months when death steps in, then the unpaid balance is paid to the beneficiary.

Optional Settlement

When insurance companies offer several choices in the method of making settlement of their insurance claims, the choice is always up to the individual who is paying for the insurance. The non-contributory group insurance purchased for Staley Fellowship Club members offers one method in addition to the lump sum method. Under the terms of this insurance, the employer, (who pays the bill) can, upon written notice to the insurance company, have the amount for which the employee's life was insured, paid in installments. These payments may not be at intervals of less than one month apart and for a period of time not longer than one year.

When the deferred payment method is used, the face of the policy is paid before those payments stop. To this amount is added interest on the money withheld for the period of time that it was withheld.

Who Is Your Beneficiary

The importance of naming a beneficiary and keeping the Company informed as to whom you wish to receive your insurance money cannot be too strongly stressed. When your beneficiary is properly named, the money is paid directly to him or her. The person you name, however, need not have an insurable interest in your estate. That is; the money need not be paid to anyone to whom you owe a bill, or in payment for any other financial obligations you may have. The beneficiary need not be a relative or member of your immediate family. It is also possible to change your beneficiary without his knowledge or consent.

In case the beneficiary you name is not living at the time of your death, the money is paid to the National Bank of Decatur. The bank will, as your trustee, use the money by applying it to the benefit of such persons who, in its opinion, are or were your dependents at the time of your death. If they find no such persons, the money is used by them for charitable and educational purposes connected with the welfare of those employed by the A. E. Staley Manufacturing Company.

Termination

The insurance carried under this plan is terminated when an employee leaves the service of the Company. It is not terminated, however, in case of sick leave, leave of absence, or other cases when the name of the employee is still carried on the Company pay roll.

Conversion Privilege

In any case where individuals leave the employ of the Company, it is possible to have this insurance converted to any standard form of life insurance, except term, within a grace period of 31 days, without a physical examination (provided that the master contract between the Equitable Co. and the Staley Company is still in force at that time.) The expense of carrying this insurance is then the individual's own and depends on his age at the time the policy is converted. At that time he is given a policy stating the terms of his insurance which should be consulted for information governing the provisions under which he is then insured.