

# STALEY NEWS

Vol. 4—Page 1

January 1, 1941

## FIFTY-TWO ● PAYDAYS IN 1941

### Staley Pay Period Changed From Semi-Monthly To Weekly Basis

Starting this month, paydays for Staley hourly employees will be weekly rather than semi-monthly as in the past. This change is being made primarily to simplify the work of our Financial and Auditing Departments and to reduce the large amount of extra work which has been imposed upon them by compliance with the Fair Labor Standards Act and the laws relating to unemployment compensation and social security. An additional consideration was the thought that it should prove to be a convenience to the employees so paid by simplifying their timekeeping and their home bookkeeping and budgeting.

From the standpoint of our compliance with the Fair Labor Standards (or Wages and Hours) Act the advantages of a weekly payroll are as follows:

At present it is necessary for us to keep a complete and separate set of earnings records on a weekly basis in order to prove our compliance with this act. Posting and maintaining this set of records requires considerable additional work each week and is difficult to verify after it has been compiled. On a weekly pay basis compliance with the Act can be verified as the payroll is checked out and no extra record will be needed since the payroll sheet will be designed to show the information wanted by the Wages and Hours Division inspectors.

The advantages from the standpoint of our compliance with the Unemployment Compensation Act are even greater and farther reaching. Under our old system it was necessary to make up a special "low earnings report" each week for every employee who had earned less than the unemployment weekly benefit amount to which he was entitled. These reports had to be made up individually, checked, and signed and a

(Continued on Page 2)

## SO THE BOSS IS GONE

A. E. Staley was a man who made his dreams come true, was our link with a time when men were building industrial America. This plant and these men are here because a North Carolina farm boy dreamed that they would be. When you listened to his slow kindly voice you might have wondered how he could do it but when his eyes turned around and looked at you—you knew.

He wasn't a practical sort of a man. He imagined, when he came to Decatur and saw the junk pile he had purchased from a bankrupt starch company, that he saw a modern industrial plant growing from it and sending its products around the world.

Nice to think about but impractical. People don't invest money in dreams. Money was hard to get. It came because the man with the dream had the courage to sell that dream and the sort of earnestness that made folks think that maybe—well, it's crazy but I'll try it.

His dreams were always too big, too impossible. He wanted a 5,000,000 bushel elevator and answered the scoffers by saying that in ten year's time it wouldn't be big enough—and it wasn't. He built a power plant that was so far oversized it was funny — but we've had to add to its capacity. He wanted a soybean plant when soybeans were an agricultural curiosity in the United States and started an industry which he dreamed would some day be larger than corn processing. That dream is taking flesh before our eyes. He graded the land between the elevator and the viaduct and he would show you where a real factory would some day rise. Folks didn't laugh much by then. Too many dreams had come true.

But, of all these things, the best that he left us was proof that dreams can come true. His life was a challenge to us to dream new dreams and to fight them into reality: to see our business not as it is but as we want it to be: to have the raw courage to bet everything on our ability to make those dreams come true.

## SALES AND PROFITS

It is hard for anyone engaged in the packaged food business to tell what the score is at any time because in some products there is a lag of from one to two years between the time the product leaves the shipping platform and the time it lands on the consumer's pantry shelf. Maybe shipments are good but the product is not selling in the stores. Expanding your plant under those conditions may mean a date with the bankruptcy court some time later. Maybe you are shipping very little and you fall to wondering if you are in the right business after all. At that very moment your product may be moving off the grocer's shelves at a great rate. Our own lag is somewhere between four months and a year but, even in the face of its uncertainties, we can make a few judgments.

Government figures show that the amount of package starch shipped by the whole corn processing industry for the first eleven months of this year was only 81% of the amount shipped during the first eleven months of last year. Package syrups amounted to 83.3% of last year's eleven month figure. We suffered no more than the industry as a whole but even so, 17% lopped off your volume in any line is not funny.

Our new cube starch package, which is a better eye catcher than the old one, is going over well in the markets where it has been introduced and its future looks hopeful. A revision in our pouring spout which makes it easier to open should give us a lift in that direction. But not overnight. The lag mentioned above keeps our new ideas from hitting the market as soon as we think them up. For instance, one of our good jobbers just last month got his first shipment of pouring spout syrup cans. He had a large syrup inventory on hand when we started putting them out and has just gotten around to reordering. One other straw in the wind is the fact that inventories in the hands of

(Continued on Page 2)

(Continued from Page 1)

copy filed. After that the employees for whom they were made (mostly Extra Board men) had to be notified to come in and get them and had to make a special trip out to the plant for that purpose. On a weekly pay the check stub will show weekly earning and will serve as a "low earnings report".

Added to these disadvantages was the fact that the Unemployment Compensation Act is difficult to understand at best and employees affected by it were not sure whether they were entitled to benefits or not. With the new system the check stub itself will show weekly earnings and it will be easy to determine whether or not benefits are due.

A weekly pay period will also allow better planning of work in the Paymaster's office and in the Auditing Department because payday will always come on the same day of the week and the routine will be more uniform. The day, incidentally, will be Friday. The pay period will start at 7:00 A. M. on Sunday and will end at 7:00 A. M. the following Sunday. Checks for that period will be distributed the following Friday although the Paymaster will be at the Clockhouse at 11:00 P. M. on Thursday to pay the 3:00 o'clock shift as it leaves the plant. The following morning he will be in the Clockhouse by 6:15 A. M. and will pay men going on and off duty at 7 o'clock.

It is hoped, as an additional benefit to be derived from the new system, that it will help employees to budget their expenses more accurately. Groceries, rent and installment payments can be arranged on a weekly basis and every pay period will be comparable. There won't be the difficulty, as at present, of trying to budget expenses out of a 13 day pay one payday and a 10 day pay the next.

Altogether we feel that, once everyone gets used to it, the new system will prove satisfactory to all concerned. It will save time and duplication of work in the departments responsible for making up the payroll, it will make our compliance with new laws less burdensome, and it should be a help to employees. If you have a question on its operation, see the Timekeeper or the Paymaster or the News.

(Continued from Page 1)

our customers appear to be lower than they were at this time last year and ordering time shouldn't be too far away.

The soybean business is still a sick chicken and must be discussed in whispers. Two recent breaks in the price of beans look hopeful though and we're still hanging on.

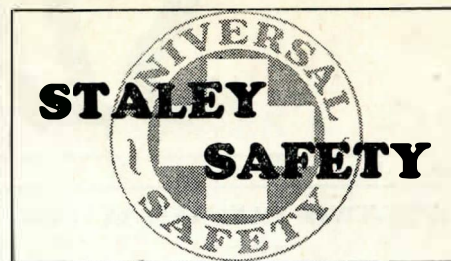
Industrial sales, the old reliable this year, still furnish our bread and butter. They have had their usual pre-holiday lull but should be on their way again by the end of this month.

Rodney Thomas, who formerly represented the Staley Company in England and on the continent, is now exploring South America to see what we might be able to sell to good neighbors. South America has never been much of a market for us but many things have changed in the world since we last took a good look at it and another investigation seemed justified. Part of our problem there, even if a market is discovered, will be the question of payment. Our government is now bolstering several South American countries with loans and credits but it is impossible to predict how we would be paid for our goods at present reading.

Our prediction, twice repeated, of a \$250,000.00 last quarter still seems in order but December is always a difficult month to predict because it calls for decisions on doubtful accounts receivable now on our books and on amounts charged off for replacement of machinery and inventory gains or losses. We'll give you that story next month.

### THE HONEST MAN

An upstanding young employee of this company came into the office the other day and asked us to put a note in the News for him. The note was to say that he had scraped a fender on a brown 1937 or 1938 Chevrolet parked in the plant parking lot and if the owner of the scraped fender would identify himself, he would be happy to pay for the damage. In order to protect this volunteer truth teller, we are asking the Chevrolet owner to identify himself to the Editor of the News. If more than one claimant appears, we'll be forced to think that—well, you know.



(Contributed)

"Did you fellows recently uncrate a piece of machinery outside the west door?"

"Yes."

"Did you throw the boards down without bending the nails over?"

"Yes, I guess so."

"Supposing I were to tell you that Fred just stepped on one of those nails and ran it into the ball of his foot about an inch and is up at the First Aid now having a drain put in it and getting an anti-tetanus shot so he doesn't wind up with lock jaw?"

"He *did*?"

"No, but he could have. He went out the west door just ahead of me in a hurry to shut off the pump, didn't see those nails sticking up from the boards you had thrown out without looking, and missed stepping on one by about a quarter of an inch. It isn't your fault that he didn't have a serious injury and if he had — you never would have passed a projecting nail again without wanting to bend it over right now, whether you or someone else had left it there. Let's learn this lesson without anyone's paying the price in suffering and loss of wages that one small nail can charge. Real safety is having the imagination to see what might happen *before* it happens. We have a saying that a smart man never makes the same mistake twice. You can add to that that a safe man never makes the same mistake *once*. How long will it take you to bend those nails over?"

"About two minutes."

"Can you afford to spend that much time to keep Fred from losing three months' work?"

"You bet."

So there's one department in the plant where you never need to fear projecting nails anymore. That gang is thinking about Fred and the accident he didn't have. He *won't* have it, either.

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**TOWARD A HAPPY NEW YEAR**

One of the hard facts of life, and one that some of us never quite learn to face is that no one ever gives us anything; everything we get must be earned. The exceptions which you may so glibly cite amply prove this rule.

Some of us just never get tough enough in our thinking to accept that old axiom, and we go on looking and waiting and hoping for Santa Claus. That sort of thinking keeps us from doing our best because we are keeping one eye out for the possibility of a hand-out from one direction or another.

Some of us accept the rule readily enough but are bitter because of it and attempt to fight with it rather than live with it. That sort of thinking, if not carried too far, has some value because occasionally it punches a hole in a rickety idea and replaces it with a better one. It doesn't bring success to the person who follows it, however, unless he has the brilliance to do some constructive thinking after he has punched a hole or tried to.

The man who makes a place for

himself and makes a real contribution to the community in which he lives accepts the rule and it suits him very well. He believes that his successes come as a result of hard careful work and straight thinking and the ability to sell his work to others and that his failures come from a lack of one or more of those things. He isn't worried about the "dirty tricks" that someone else may play on him because his experience has taught him that his own honesty will usually be repaid with honesty and that the occasional trickster



For new 1941 model goosefeather pillows see Kidwell Hinton, 338 W. Packard or Packing House.

Carl Gilbert, 2017 E. Main or Elevator B, would like to trade a double barreled hammerless #12 gauge shot gun in excellent condition for a 1/2 horse motor or power tools. No reasonable offer refused.

1937 four door four wheel Studebaker Sedan with overdrive, free-wheeling, radio, heater, defroster. Fram filter, hill holder, low mileage, good upholstery, windshield wiper, and hot and cold running water. Call Guy Goodwin, 829 W. Waggoner, phone 2-5308, for the best bargain of the new year.

See George Leonard for a 1934 Chevrolet long wheel base grain body with good 10 ply tires. The first man that says, "\$150.00" has bought a truck.

There are still a few shower sandals for sale in the Safety Office. Rush right in and have a pair for 70c. Liberal credit terms.

is either repaying a real or fancied injustice or is the sort of fellow whose cleverness will catch him up some day. When it seems like a long time since he had a raise or a long time since anyone recognized his good work, he remembers other times that seemed long, and other rewards that finally came, and a few rewards that came a little before they were due. He works to change things that don't seem to him to be just right or fair, but he doesn't try to do it all tomorrow, and he doesn't hope to change the whole of human nature in one lifetime. He doesn't believe in Santa Claus, but he does believe that he'll get about what is coming to him. And he will—and so will you.

**ABOUT YOUR INCOME TAX**

The Revenue Act of 1940 has made important changes with respect to the liability of individuals for the filing of personal income tax returns and many persons who have never before been required to make returns will have to do so this year.

You must make a return if you fit in either of the following classifications.

If you are single or married but not living with your husband or wife and have a *gross* income of \$800.00 or more.

If you are married and living with husband or wife and both of you have a combined *gross* income of \$2000.00 or more.

The *net* income is no longer to be used in determining the liability for the filing of a federal income tax return. Liability for this year is dependent upon your status as a single or married person and your *gross* or total income. A return must be filed, if you fit into either of the classifications mentioned above, even though your allowable deductions from gross income and your allowable credits against net income are large enough to exempt you from actual payment of a tax.

Just as soon as individual earnings reports for the calendar year ending December 31, 1940 are prepared they will be distributed with pay checks if the amount shows that you are liable for the filing of a return. While returns must be filed on or before March 15, 1941 with the Collector of Internal Revenue the paymaster's office will try to get earnings information to you on or before February 15th.



Even though business has been slack recently, total man-hours worked by Staley employees during 1940 ran about 2% above the total for 1939.

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A telephone booth may be defined as a sort of vertical coffin in which sweet dispositions are buried.

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Our refinery produces an average of about 750,000 lbs. of product per day, including glucose, "SWEETOSE" and sugar.

\* \* \*

If we do not impose discipline upon ourselves, there are others, crueler and more tyrannical, who some day will. Dr. Alexis Carrel.

\* \* \*

In 1939 and 1940 a world fell apart. It will take more than two years to put it back together, no matter what shape it may assume.

*Jan 31*



This year's edition of the Staley basketball team has been having a little difficulty staying on the right side of the ledger and would probably have had more if it had not been for a certain D. Cox who has averaged 12 points per game for the ten games played so far this year. The first four Industrial League games were put away in good shape with Blakeney & Plum going down 33 to 24, Tenney's 47 to 36, Mississippi Valley 48 to 30 and Archer-Daniels-Midland 47 to 35. Then Shelbyville showed up at the Third U. B. Gym with a strong team and beat the Staleys 43 to 29. Cox, who had averaged 18 points per game for the first four, fell to eight points only and was still high man. Muellers took them over 51 to 48 with Cox and Craig getting plenty of baskets but not enough. Caterpillar won 49 to 21 against a Staley team that was sadly off and they must have worn the boys out because three nights later Tom's Grill won 46 to 24 and seven nights later the United Grocers beat them 75 to 40. Fisher, Craig, Withrow, Rusk, Lighthall, McGill and the Smiths have been in the lineup for all Staley games with Fisher doing the best job of hitting the basket.

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Staley bowling interest slackened a bit this year and our two bowling leagues were telescoped into one ten team league. The Daubers, led by Chubby Brix and Underslinging Orv Hinton (both of whom have 162 averages) are setting the pace with 29 won and 19 lost. The Welders, with only one man, J. Anderson, in the high ten, are one game behind.

Clarence Koshinski, remembering the Koshinski bowling reputation, is leading the league with a 178 average including a high game of 232. Emmet Cunningham is in second place with 170 and the league's high series of 612. The Kilowatts, with 943, have team high game honors but even with such sterling bowlers as Hit-em-and-run Baker and Dynamite Bateman they remain in the cellar with 20 won and 28 lost.

## The Manufacturing Committee's Job

Some years ago a prominent industrial executive's wife was commenting on Lindbergh's flight across the Atlantic. "Just to think," she said, "that he did it *all alone.*" "It would have been even more wonderful," said her husband, "if he had done it with a committee."

Which is a good way of saying that a committee does a poor job where decisions and action are demanded. But a committee can have great utility if its job is to explore and investigate and examine all angles of a new idea. It was with that thought in mind that the Manufacturing Committee was established in 1935. There was a successful precedent in the Technical Committee whose job was to coordinate the activities of the Laboratory and the Manufacturing Committee was set up to do the same sort of job for the whole plant.

Its purpose is to discuss plant problems informally, to coordinate action on major developments and to encourage group planning and group ideas on the technical phases of such developments. It attempts to shed light on every side of a new idea and to find out what its affect will be on all parts of the plant. It merely discusses problems and, although executive decisions made on matters discussed by the group often follow the thinking expressed by the majority they do not necessarily do so. Executive action remains in the hands of the proper executive officers.

The committee came into being because our plant had grown to a size where it was possible to have conflicts of interest between two departments; conflicts difficult to adjust if left only to the people involved. General discussion was needed. In a group which includes the General Superintendent and his assistant, the Plant Superintendent, the chief chemist, the power and mechanical engineers, the mechanical superintendent and, occasionally, the President, Comptroller and Personnel Manager, a broad view can be taken of

any problem and an answer worked out which will take all interests into account.

The committee made a good start. Its first problem was how and where new primary Merco machines should be installed and discussion of this problem led to a decision which almost halved the money spent on the job and accomplished the desired results very nicely. The committee's biggest job was the Painesville plant which it discussed endlessly before and during construction. Many of the "bugs" which show up in any new plant or process didn't appear at Painesville because the committee had foreseen and forestalled them.

When the war came to France it shut off our supply of silk for shakers and reels. That had the making of a really ugly problem because just any old silk won't do. The committee, after discussing the possibilities of the new synthetic silks and finding their manufacturers uninterested, finally unearthed a domestic supply in New York state and it looks as though our supply is assured now for some time to come.

Two heads are better than one — 'till it comes time to make a decision. Since our committee isn't charged with making decisions but merely with investigating problems and exploring new possibilities we have added the advantages of multiple thinking to the advantage of quick and certain decisions.

### NEW BAND TO GIVE CONCERT

The new Staley band, which only began practicing on September 10th of last year, has already progressed far enough, under the leadership of Mark Ackerman, to give its first concert. The date will be January 12, the time, 2:30 P. M. and the place, the Auditorium at Johns Hill Junior High School. The band, which has twenty-five pieces, will play two numbers and most of the new students will play either a solo or a duet.