



Expansion work continues on several major projects around Staley. One is the new 99 building—a part of the protein complex at Decatur—for which pre-cast concrete walls are now going up.

First quarter sales, profit up

Staley reports net income of \$10.4 million or \$3.95 a share on sales of \$204.1 million for the first quarter ended December 31, 1974.

This compares with net income of \$1.9 million or 74 cents a share on sales of \$121.9 million for the first quarter the prior year.

President Donald E. Nordlund said the gains reflect continued strong demand for all corn sweeteners, particularly Iso-Sweet high fructose syrup, which is being widely used as a partial or complete replacement for liquid sugar in a variety of prepared foods, baked goods and beverages.

Mr. Nordlund noted that expanded output of high fructose syrup came on incrementally during the first quarter, contributing significantly to the earnings gain. He said the expanded output is entirely committed, and additional moves are planned to serve market needs.

Among other major divisions, Mr. Nordlund indicated that soybean processing margins were

somewhat lower, as expected, on weak demand for animal feeds. International operations were up on the same factors which favorably influenced domestic results.

Looking ahead, he indicated that the company expected continued strong performance, although future results could be restricted somewhat by general economic conditions.

First Quarter Ended

	Dec. 31, 1974	Dec. 31, 1973
Net Sales	\$204,123,000	\$121,906,000
Depreciation and Non-Cash Charges	3,605,000	3,120,000
Earnings before Taxes	21,059,000	4,038,000
Income Taxes - Estimated	10,630,000	2,077,000
Net Earnings	10,429,000	1,961,000
Net Earnings Per Common Share	3.95	.74
Shares of Common Stock	2,642,464	2,640,878

Corn milling 4 takes TEAM-of-year honors

Corn milling TEAM #4 took TEAM-of-the-year honors for calendar 1974 by contributing 33 ideas with total savings of \$583,000—tops for any TEAM.

The award was made at the annual TEAM banquet, January 28 at the Decatur Club. It is based

on goal performance, dollars saved, ideas submitted and performance in the special categories.

Corn milling #4 also took honors in two special categories—safety and quality—and was second in the special competition for sanitation.

TEAM members for corn milling #4, composed of employees from 11-18-75 building, were George Williams, Cecil Beel, Lloyd Blankenship, Leck Carter, Herb Cochran, Lee Delhaute, Lauren Incarnato, Richard Jackson, Hugh McMullen, Dale Seiber, Roger Lester, Henry White.

TEAM awards were also presented for section TEAM of the year, and for top performance in environmental and energy conservation ideas.

The top section of the year, based on highest average goal points per team was syrup-dextrose, which also won the come-back award with an improvement of 11.9 percent over last year.

This was the last year for the TEAM program. Since its introduction in 1967, the program has seen 2,389 cost reduction ideas completed.

In 1974, 94 percent of the TEAMS made their goal. There were 343 ideas installed.

The winning TEAMS in each section and categories:

Syrup-dextrose—TEAM #9—Warren Wollrab, Ralph Clark, (Continued on Page 4)

National roll-out of Sta-Puf blue begins in March

Backed by the most extensive advertising and promotional campaign in Staley consumer history, Sta-Puf blue concentrated fabric softener will go national this March.

Group product manager Tom Russell said the first shipments of Sta-Puf blue will be made Mar. 3 to national expansion markets in the east, south and west...the only areas not previously involved in the introduction of Sta-Puf blue. Broker meetings were held at major cities in January to explain plans for the roll-out. The softener had already been introduced in other parts of the country.

The concentrated fabric softener will be backed by a multi-million expenditure over the next 24 months for advertising and promotions. Brokers who attended the national roll-out meetings described the support of the softener as the "most complete" they had seen for a new product.

The roll-out also marks the most extensive effort backing a fabric softener since the introduction of Downy. Sta-Puf blue competes with Downy, but offers a softening value at less cost.

As part of the plans to gear up for the national roll-out, Sta-Puf blue production began recently at consumer products' Arlington, Texas, plant. The concentrated fabric softener is also produced at Pontiac plant and several co-packers.

The national roll-out of Sta-Puf blue gives consumer products two "national" entries—Sta-Puf and Wagner drinks. Wagner is being backed also by an extensive advertising and promotional campaign.

When Sta-Puf blue was introduced in August 1973, it was touted as offering the equivalent of 10 free washloads through its greater softening power at a lower cost when compared to other brands.

For example, five extra loads of wash may be softened by (Continued on Page 4)

STALEY NEWS

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DECATUR, ILLINOIS

JANUARY, 1975

Benefits help John whip adversity

Who says miracles don't happen anymore? Certainly not John Rice, mechanic, machine shop, for whom miracles of love, friendship and good neighbors are an everyday reality.

And now, the latest miracle has arrived in the shape of an 8 pound, 6 ounce baby named Adam born Jan. 14.

John counts all these things as blessings in spite of adversities.

His first son, Teddy, was born prematurely five years ago and weighed little more than 2 pounds at birth. And now he suffers from cancer of lymph glands, requiring chemotherapy regularly.

And Adam, who was 23 days past due, was delivered by a caesarean section after an attempt to induce labor on Mrs. Rice failed.

But for John each circumstance has convinced him that he is fortunate to have such good friends at Staley and to enjoy the protection of Staley benefits.

"After Teddy was born, I had to pay only \$87 for his hospitalization after delivery. The company paid more than \$3,000," he recollects.

"And the expenses incurred through his chemotherapy would have placed me in so much debt,

IsoSweet expansion nears completion

The expansion of IsoSweet production facilities at Morrisville is virtually completed, says John Homan, plant manager.

John says the only projects remaining are the installation of one more wet mill and of a new fiber screen which were due for completion in January.

The 50 percent increase in production made possible by the expansion is already "on stream" and demand for IsoSweet is such that even the new production is totally committed to food processors.

I'd never get out," he muses.

"It's only when you use your benefits that you realize how much they mean to you."

Also, the company has paid more than \$6,000 for Teddy's treatment.

John explains that Teddy

takes a series of high potency drugs to arrest the spread of cancer—not cure it. Also, he has undergone 34 cobalt treatments.

But Teddy has spunk and one of the biggest moments of his young life came when he got to

(Continued on Page 4)



It was a happy day for the John Rice family when new arrival Adam was allowed to come home from the hospital. John made sure Teddy was on hand to greet his new brother.

In the News...



Dressing up... P. 2



The builders... P. 3



A new look... P. 4

Soy oil helps Marzetti deliver quality dressings



Quality is the key to the continuing success of Marzetti Salad dressings. Staley has been a supplier of the company since it began producing its dressings from the top floor of a restaurant it owned.

To the people at Marzetti Salad Dressings, quality is more than a word—it's a creed which has enabled the Columbus, Ohio, company to become one of the most respected names in the food industry.

And the fact that Staley has been a supplier of oils to the firm since it began commercial production of dressings in 1946 is an endorsement of Staley quality.

There are similarities in the Marzetti and Staley story—both began near the turn of the century as the result of a family's dream, and both reflect a continuing concern with quality and service.

The Marzetti saga started in 1896 with a small restaurant across the street from the Ohio State campus. Joe and Teresa Marzetti, immigrants from Italy, were owners of the small establishment which gained immediate popularity.

Larger quarters were demanded and after a move in 1919, the Marzetti restaurant settled in its current downtown Columbus location in 1940.

Tragedy struck the Marzetti family early, however. Joe Marzetti died at an early age, leaving his young widow, Teresa, and two daughters.

Teresa was to remarry. Her new husband, Carl Schaufele, took over the management of the restaurant.

Mr. Schaufele guided the company through some of its most momentous history. A man who would not sacrifice quality at any price, even when it cost him more to operate his business, he soon had established a nationwide reputation for the Marzetti Restaurant.

He also believed in doing as much of the preparation as he could himself, and made the restaurant a self-contained unit with its own bakery, laundry and kitchens as a step to guarantee the quality he so highly valued.

Among the restaurant's most popular offerings were salads and

a special cole slaw topped with the Marzetti's specially-prepared dressings.

Soon, people began requesting pails of the dressings to take home, and for years, it was only possible to purchase Marzetti dressings at the restaurant in small buckets.

One of the satisfied customers of Marzetti was the owner of a large Columbus grocery chain. He made arrangements to have Marzetti start commercial production of its line for his store. The rest is food industry history as Marzetti dressings grew rapidly in popularity.

As the interest increased in commercial bottled dressings Gansy Johnston, a son-in-law of Teresa Marzetti, came into the business to head the sales marketing department. He was later made president and served in this capacity until his retirement June 30, 1974.

Three lines

Originally, three lines were offered, and all used a Staley oil.

Today, Marzetti offers 37 different retail items, and Staley remains a major supplier of soy oil.

Current President Larry Noble explains, "We continue the tradition of quality of earlier

officers of the company. We believe our success is based on good relations with customers and suppliers. Staley has always provided us with quality products, and we value our relation with them."

As Marzetti has stepped up its production, it has had to leave the familiar downtown location. Today, production facilities consist of a sparkling clean and modern building on the edge of Columbus and the restaurant has since been sold.

But one thing has not changed—the demand for quality which Larry says will never be sacrificed.

"This is especially pertinent to our experience with Staley," he reflects. "Soy oil provides the base for our dressings and some contain as much as 80 percent oil."

"The integrity of our products is important to us," he concludes. "We would rather have a quality product to offer to a smaller market than trying to grow too fast and sacrifice our quality."

"We expect that same integrity and quality orientation from others. And the experience of nearly 30 years has shown us that Staley lives up to those expectations."



Larry Noble is current Marzetti president.

On the move

CONSUMER

ANNE EAGLE from hourly roll to office manager, Sno Bol
LEONA HILBORN from shipment clerk to order services clerk, distribution
TERRY WOOD from manager, promotions and planning, to accounting manager, control
JANE BOHR from clerk typist, manufacturing, to order services, distribution
GUS ROUHAS from quality assurance technician to process technologist

AGRIPRODUCTS

GERALD MILLER from assistant labor relations supervisor to superintendent, soybean extraction plant

ROGER RENTSHLER from phone settlement clerk to house broker, commodity futures office

KATHY SMITH from car detention clerk, industrial administration, to crude oil scheduling clerk, marketing

INDUSTRIAL

LOUIS VON HATTEN from hourly roll to shift foreman, engine room, manufacturing utilities and plant services

RICHARD WILLIAMS from chemical engineer, corn milling, to production superintendent

LINDA McCOY from messenger, office, to flexo-writer operator

KENNETH SCHUMAN from production department relief foreman to technical director, dry starch

JAMES VOGEL from plant loss engineer to chemical engineer, corn milling

CORPORATE

CAROL MOOMEY from bookkeeper, employee benefits association, to medical secretary, industrial relations

BARBARA BELLOWES to messenger, office services, corporate information systems
DENNIS PEYTON to bookkeeper, employee benefits association, industrial relations
CAROL WITHROW to secretary, technical services, international
JANET CRAWLEY from data processing trainee to computer console operator, corporate information systems
DEELENE HENSON from keyed data equipment operator trainee to keyed equipment operator, corporate information systems



M. Brandon



J. Flenniken



K. Bundy



J. Cordray

27 employees mark January anniversaries

40 years

KENNETH BUECHLER, chief grain samples, agriproducts

35 years

JOHN JENKINS, shift foreman, 34 building, dry starch, industrial

MERLE SIMMONS, shift foreman, 16-116 building, dry starch, industrial

WALTER BATSON, senior mechanic, electric

MELVIN BRANDON, grain mixer, 28 building

30 years

LOIS JEAN FLENNIKEN, stock record clerk, administration, industrial

JOHN AUSTIN, cleaner, 11 building

KENNETH BUNDY, air compressor operator, 2 building

JOHN CORDRAY, cleaner, 52 building

20 years

BEVERLY HOOTS, billing clerk, international

WILLIAM SCHWESIG, plant engineer, industrial products

FRANCES NOLAND, secretary vice president industrial products

15 years

JOHN BOND, plant engineer, Keever

WILLIAM LYON, area manager, industrial sales

JOHN HOMAN, plant manager, Morrisville

JAMES LUCAS, senior analyst, 60 building

ROBERT RIEDLINGER, senior mechanic, I & C

10 years

MARLENE HICKS, chief clerk, industrial products, control

WILLIAM ANDERSON, purchasing agent, purchasing

5 years

RAY SCHOOLEY, systems research engineer, corporate information systems

NANCY BORN, secretary, industrial products controller

ROBERT SCHAPMIRE, combustion engineer, utilities and plant services, industrial

ROBERT DODDEK, engineer draftsman, corporate engineering

KEITH ALLEN, senior rate analyst, agriproducts administration

DARLENE OWENS, secretary, director economic research, agriproducts

ANNA LYONS, payroll clerk, Staley Chemical

ROGER SMITH, drum dryers



R. Rentshler



L. Von Hatten



R. Williams



J. Vogel

President Nordlund:

Employees Staley strength

The talent of employees will be one of the strengths of Staley as it faces increased competition for major markets, President Donald E. Nordlund told the January meeting of the Staley Technical Society in Decatur.

President Nordlund noted that Staley can expect larger companies such as ADM, CPC and Cargill to step up their bid for a share of markets now held by Staley.

But he predicted that as in the past the expertise provided by the skills of Staley people will give the

company an advantage which will offset the larger financial resources of some competitors.

He noted that the marketing orientation of Staley research and development has been instrumental in the company's continued growth.

Mr. Nordlund said that 1970 marked a turning point in the evolution of research and development from a discipline orientation to a "marketing orientation."

"Group leaders became key figures in seeing projects through to completion. . . Staley research and development was involved with a product from bench to plant to customer and was actually in the field with great frequency meeting customers and learning firsthand about its successes and failures."

He continued that the enthusiastic response to the new direction of research made the change successful. As a result, he said, "Never in the Staley Company's history have we had a more marketing-motivated, business-oriented research group than we do today." Mr. Nordlund pointed to the significant number of product developments in every major market for Staley as proof for his contention.

He said that Staley is "in the right place at the right time" and emphasis will continue on corn sweeteners, vegetable proteins and genetic and regular starches with primary orientation towards food.

Dale's heads up approach prevents machine damage

A "heads up" attitude can make a difference says Dale Deibert, rigger leadman, 31 building.

Recently while working in the Satellite IV area, Dale noticed that the north heel dryer in 9 building had a bad guide roll which was in need of repair.

Although such a task did not fall in his normally assigned duties, Dale recognized that if the roll had broken down, extensive damage would have occurred to the dryer, so he reported it immediately. As a result, what could have been a serious problem was averted by only a simple repair job.



An evening with the builders of a company

There is, in every era, a group of men and women who can be called "the builders."

They are the people whose efforts build cities, roads, and industries.

On January 23, more than 600 of the builders of Staley were honored in the 28th annual service awards dinner at the Masonic Temple in Decatur.

They represented different generations, and their years of service ran from 10 to 50. But even the slow walk of many of the older ones could not disguise the

pride... the bond they shared with the others attending the dinner... the knowledge that they had played an important role in building the rich tradition of the Staley company.

There were 193 awardees, including 67 who marked 25 years of service. Centuries of talent, knowledge and devotion to a company were represented. It's the type of spirit that laid the foundation for our company... that is today making its unprecedented growth possible. It's the spirit of the builders.



It was a time of renewing friendships at the dinner. Top left, empty chairs contrast with full ones showing the importance of people; upper right, head table scene; other pictures illustrate emotions of guests--making it an evening to remember.



It's a 'new look' in '75 for Wagner

A new year... a new "face"... and a new approach. That's the picture for Wagner fruit drinks which in January began its first television commercials.

The commercials boost the "natural" drink theme which has been spearheaded by the development of a new wrap-around label and the dropping of the "breakfast" designation from the product name.

One of the commercials describes people's reaction to the natural flavor of Wagner drinks. In two others, a spokesman compares the quality of Wagner drinks to that of freshly picked fruit. The final spot employs comedy at a roadside drink stand where a farmer is selling Wagner drinks.

The theme is the result of a test advertising program conducted last year in four cities. The test ads positioned Wagner as the drink that was good "anytime," not just for breakfast. The results of the ad push enabled Wagner to become the leader in the fruit drink category in each of the cities, with an average increase of 33 percent, and led to the decision for the national ad campaign now underway.

Baton Rouge, Ft. Wayne, Peoria and Springfield, Mo., were selected as test areas for the advertising push. Each represented a unique situation for Wagner ranging from a small share of the market to a leadership position. The different sales positions provided an effective gauge on the impact of the advertising effort.

Equally important, the designation of Wagner as a "breakfast drink" has been dropped, and the



This scene from a Wagner commercial will be a familiar sight on the nation's television screens as the popular fruit drink starts its first national advertising campaign. Be looking for it.

line will be positioned as the complete line of natural fruit drinks that taste so good, "it's like eating fresh fruit."

Additionally, Wagner will begin in February a national mass couponing effort reaching 28 million households designed to attract new users to the Wagner brand. The coupons will be distributed in the top 75 U.S. markets.

The entry into network television marks a significant shift in marketing of Wagner drinks.

For years, Wagner has enjoyed a reputation as a quality drink and achieved its success without the benefit of advertising—a unique claim in the highly volatile consumer marketplace.

Bob Corman, product manager for Wagner, says time is currently being purchased for both daytime and prime time network television exposure.

The first commercial appeared in mid-January on NBC's "Wonderful World of Disney."



The holidays marked a double celebration for **Mr. and Mrs. Frank Russell**. Frank, who retired in March 1973 from the yard department, and his wife celebrated their 35th wedding anniversary on Dec. 14.

Bobby Fields sends a thank you to **Kenneth Higdon** for his Christmas card, noting "it was much appreciated." Bobby, who retired in May 1962 from 17 building is a patient in Danville Veterans Hospital and would like to hear from his friends at Staley.

There's no doubting it... Staley is a tradition with many families. The **Carters** are our latest example. **William N. Carter**, who worked in 5 & 10 building, was followed by son **Cager** who worked here 42 years. Cager's son **Delmar** is now a rigger with 18 years service and **Delmar's** son **Terry** works in 101 building. Additionally, once there were five **Carter** brothers working at Staley at the same time.

Joining the ranks of **The Golden Years** this month are **Francis Haskell**, technical foreman, Monte Vista; **David T. Mitchell**, technical director, Redd Labs; **Charles D. Weever**, chemical engineer helper, 60 building; **Clifford R. Wilson**, senior mechanic, boilermakers; **Robert D. Finley**, senior mechanic, boilermakers; **William O. Frydener**, mechanic leadman, garage.

The holidays really were the happiest time of the year for **George Raney** and his wife. George, who retired in 1972 from the electric shop, and wife **Alice** celebrated their 45th anniversary with a dinner at the Blue Mill in Decatur on Dec. 22. The **Raneys** have three children.

We close this month's **Golden Years** with an entry that almost defies belief. **Walt Koshinski**, who retired after 36 years in 1969, challenges any other Staley family to top his for service with the company. In addition to **Walt**, there is **Clarence**, senior mechanic, millwrights, with 39 years; **Frank Koshinski**, who retired with 36 years; **Robert**, who retired with 40; **Elsie**, keyed data equipment operator, with 16 years; and **August**, **Herman**, **Charles** and **Edwin**, all deceased, who put in a total of several years each. **Walt** claims it totals more than three centuries for the **Koshinski** family with Staley... an enviable record.

Energy conservation program set

A new energy conservation competition has been started for hourly employees of manufacturing departments and their supervisors at Decatur.

The program has a goal of \$300,000 in energy savings at Decatur. Currently, energy costs at Decatur are more than \$1 million monthly.

The energy competition, labeled **saveEnergy**, is open to hourly and salaried employees in corn milling, syrup-dextrose, dry

starch, agriproduction. Satellite I (agriproduction), utilities, stores and reclamation and mechanical shops, quality control, plant protection and pilot plant.

A total of 33 teams—one for each department—will participate.

Standing will be determined by two criteria. One will be for the number of ideas accepted (based upon a percentage formula of the employees in a department). The other will be for the dollar savings from an idea (based upon a

percentage of the amount of energy used in a building).

Forms for submitting ideas were given early in January to all building foremen. Suggestions are to be returned to either shift or building foremen.

Dick Hanson, industrial engineer, points out that each idea submitted will receive full consideration and employees will be kept informed on the status of their suggestion.

The ideas will be evaluated monthly by a review committee consisting of building foremen and energy conservation advisors selected from management.

Employees whose department team reaches its idea or dollar goal will receive a token award yet to be determined.

National roll-out of Sta-Puf blue begins in March

(Continued from Page 1) Sta-Puf blue in the 33 ounce bottle compared to Downy, the category leader. For the 64-ounce bottle, the Sta-Puf blue advantage jumps to 10 extra loads.

The national roll-out of Sta-Puf blue gives Staley the only national offering of both a single strength softener (Sta-Puf pink) and a concentrated softener.

The softener category, for years the fastest growing on supermarket shelves, was created nearly 20 years ago by the introduction of Sta-Puf pink.

The category growth rate has slowed recently as consumers react to recessionary pressures, but the long-term prospects are bright, says Tom.

Consumer acceptance of Sta-Puf blue has been enthusiastic and all marketing goals have been attained.

TEAM awards

(Continued from Page 1)

Harry Force, **Jim Hayes**, **David Hite**, **Leonard Knox**, **Steve Lockhart**, **Charles Michels**, **George Scanlon**, **Bob West**, **Randy Whicker**, **Russ York**. (Also won sanitation award.)

Agriproduction-TEAM #11--Charles Frey, **Lyle Bauman**, **Robert Bean**, **Solomon Briggs**, **Paul Carder**, **Steve Dickman**, **Don Jones**, **Paul Jones**, **John Rutherford**, **Carl Simroth**, **Raymond VanScyoc**. (Also a joint winner of environmental award.)

Dry Starch-TEAM #16--Larry McLaughlin, **Otis Chenoweth**, **Joe Grinestaff**, **Henry Hack**, **Ken Moser**, **Leo Pressley**, **Harold Richards**, **Chester Sharp**, **Darrell Spicer**, **Mylo Roberts**, **Mike Stratman**, **Marvin Zinn**.

Energy conservation--Corn Milling #2--Rich Williams, **Rich Agans**, **Boyd Allen**, **Bob Cowgill**, **Willie Dale**, **Ron Kornewald**, **Bob McNulty**, **Mike Rosebraugh**, **Bob Sanders**, **Ray Scrimpsner**, **Jack Wilcox**, **Stu Wolken**.

Joint winner, environmental-Agriproduction #14--Don Etling, **Bob Cooley**, **Charles Crowell**, **Bill Dresback**, **Leo Edwards**, **Max Fultz**, **Richard Haun**, **Leo Johnson**, **Bob Richards**, **Jim Warnick**.

Environmental control costs top \$17 million

The new \$1 million waste pretreatment facility announced last month will bring Staley's total expenditures for environmental controls to more than \$17 million since 1961.

That includes expenditures from 1971-74 of \$4.5 million for plant and equipment for air, water, solid waste and noise abatement.

Additionally, the efforts of more than 22 people go into environmental control, and the annual cost of operating and maintaining control facilities is more than \$2 million yearly.



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**

Assist. Photographer... **Roy Enloe**

Benefits help John

(Continued from Page 1) help John bring Adam and his mother home from the hospital.

John says that the arrival of Adam was especially welcome since Mrs. Rice had suffered a miscarriage only last year.

"Our concern was that a healthy baby be born," he says. "When the doctors attempted to induce labor, irregularities were noted in the baby's heartbeat, so it was decided to attempt the caesarean."

John says the extensive coverage of his Staley benefits will cover a great part of even such extraordinary expenses.

The kindness of his fellow employees is described by John as "beautiful."

"The guys I work with have

pitched in and helped in many ways," he explains. "Last year, when the money I was saving for snow tires had to be used for auto repairs after an accident, the guys chipped in and bought me snow tires so I could take Teddy to St. Louis in spite of a 14-inch snowfall.

"It might be a corny saying to some, but the people who work at Staley really do make the company...your friends and co-workers turn out to be considerate, beautiful people who want to do what they can to help."

And a significant part of that help lies in the protection of John's Staley benefits for him and each member of his family—even the youngest, Adam.

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