

STALEY NEWS

STALEY EMPLOYMENT COSTS FOR 1939 TO REACH \$3,613,500 MARK IT IS ESTIMATED

Semi-Direct and Indirect Costs To Be \$213,500 Of This Amount

The cost of employing the skill and intelligence of 1 out of every 35 persons in Decatur will amount to an estimated \$3,613,500 this year.

The figure is one which reflects the growth of the Staley company during the past quarter century. A growth, based upon confidence in the Staley name, that will attract almost 26½ millions into local channels for distribution among farmers, railroads and miscellaneous other groups.

These figures are based upon estimates which embody the usual number of IF'S respecting our business during the remainder of the year. IF, these if's are realized, as present factors give hope that they will be, the gross income from Staley operations this year will amount to about 7 percent more than during 1938.

This income will be reflected in payments to Staley employees amounting to over \$10,000 a day, including direct salary and wage payments as well as semi-direct and indirect payments.

The above figures are taken for the Decatur operations only. The new plant at Painsville, however, is expected to materially add to these figures.

How \$10,000 A Day Will Be Paid Out For Services

The better than 10,000 dollars a day which the Staley company is paying as payroll costs will be received in three ways. As direct salary and wage payments; as semi-direct payments made through company support of various employee and Personnel activities; and through payroll taxes for old age and social security benefits and workman's compensation. All of which are included as employment costs since they arise out of employment.

The Direct Payments

The direct total cost for wages and salaries during 1939, will amount to \$3,400,000. \$3,300,000 of this figure is directly for services rendered while the remaining \$100,000 is the amount required for vacation wages and salaries.

Semi-Direct Employment Costs

The semi-direct payments which our company will meet this year will total \$71,500 as follows:

In payments to the Fellowship Club, through the Personnel Department	\$22,500
For Contributory insurance through the Personnel Department	9,500
(A portion of this expense is returned to the Company as a dividend payment by the Insurance company. The exact amount cannot be calculated in advance since it depends upon the death experience of the Staley group.)	
For Cafeterias	\$10,000
For Staley Garden expense	1,500

For group Personnel activities managed by the Personnel Department 28,000 (These include First Aid, Drug supplies, medical examinations for old and new employees, X-Rays, Laboratory fees, Safety Bulletins, Safety Supplies, expense in computing service rights, compiling personnel records, accounting and settling group life insurance business, First Aid not otherwise provided, counseling, payroll deductions, pay advances, budget payments, and the Staley News.)

Indirect Payments \$142,000

The amount required for Workman's compensation and Public-Liability Insurance will be \$22,000. (This is an insurance payment and, as in the case of employee insurance, a portion of this amount will be returned to our company at the end of the year. The amount will depend upon our accident experience and cannot be computed in advance.)

For meeting Old Age and Social Security taxes, and Unemployment Compensation payments to the state and national governments, \$120,000 will be needed.

While these are payroll taxes applied by the government at the request of the people at voter's booths, actual funds for this purpose must come from the customer who "99 times out of 100" is an employee somewhere. The people who are the employees pay for it in the cost of the things they buy. In the final analysis, some increase in the gross income of industry results and is directly reflected in payroll costs. Hence these payments are actually employment costs and entitled to be included in the amount of a company's income needed to carry on its manufacturing activities.

As it works out, the government, through business, becomes the custodian of the peoples savings or insurance interests to the extent provided by law.

"IF"

The task of securing the money, which will meet these payroll costs as well as the numerous other expenses to be met by our company is no small undertaking. The Sales departments' work in selling our products is one half of the problem.

The other half remains with the workers, and the supervisors who "are Staley's". Their care in meeting the high standards recognized in our products is one of our greatest assets. Without that care, costly re-selling of customers would be necessary. Without that care, there would be rejected shipments, loss of orders and loss of work. With it, the spirit that built Staley's and the confidence that Staley's enjoy today will be preserved for tomorrow, and next year. So, IF the customers for corn and soybean products continue to want corn and soybean products during the remainder of the year in the volume expected, and IF the House of Staley, which is the entire Staley organization, continues to merit the confidence it enjoys, well, then this year, and next and next will continue the progress that those identified with Staley's hope for.

FELLOWSHIP CLUB MINUTES
 June 8th and June 15th Meetings
 By Dan Dayton, Secretary

At a special meeting of the Board of Governors of the Staley Fellowship Club held June 8, 1939, the following business was transacted:

Resolved: that anyone having a claim for sick benefits to adjust must plead his own case before the Board of Governors.

The claim of an individual for Sick Benefits was then heard by the Board. Following the hearing, the Board *resolved:* that the Sick Benefits Committee reconsider the case and report back to the first regular meeting of the Board of Governors.

The matter of sending delegates to the Chicago Conference on Industrial Recreation was discussed and the suggestion was made that the question of sending representatives to the Chicago Conference on Industrial Recreation be referred to the Athletic and Social Committee.

The meeting adjourned at 4:00 p. m.

June 15th, 1939

The financial report was distributed by Mr. Anderson and approved.

The Sick Benefits Committee reported that the decision of that committee is that it stands as orig-

inally ruled in the instance of the Sick Benefits case which had been treated in a special hearing of the Board of Governors on June 8.

Resolved: that the action of the President of the Fellowship Club be approved in sending the Chairman of the Social and Athletic committees to the Industrial Conference on Recreation on June 14th and 15th, but that in the future, all such authorizations must be approved by the Board of Governors in writing.

Resolved: that every member of the Board of Governors be furnished with a copy of the minutes of each meeting.

Resolved: that all ex-officio members of the Board of Governors, as well as the members, be sent notices of each meeting of the Board of Governors.

Resolved: that the Personnel Manager be invited to attend all meetings of the Board of Governors.

It was suggested that questions of eligibility to play baseball be referred to the Athletic Chairman.

Resolved: that the President contact Dr. Kutsch in regard to having future meetings in the room across from the Standards Department.

The explanatory notes on the back of the membership dues card were read and a few minor changes were suggested.

Resolved: that Glenn Moran be declared Vice-Chairman of the Board of Governors by acclamation.

Resolved: that the Chairman of the Board call all regular and special meetings of the Board of Governors and in the absence of the Chairman, the Vice-Chairman will call them.

Resolved: that the Business Manager be instructed to check personally on any sick benefit cases after the Visiting Nurse has called and not been able to find them.

The meeting adjourned at 3:45 p. m.



You are not paying any attention to the fingers that hold this page in reading position. That's a tribute to how perfectly they work for you. Long before you were conscious of them they learned to do your bidding; to pick up toys, to hold spoons, to throw balls, to feed you.

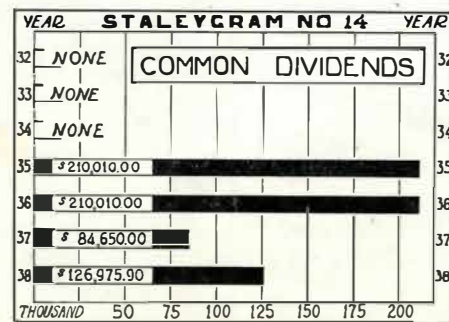
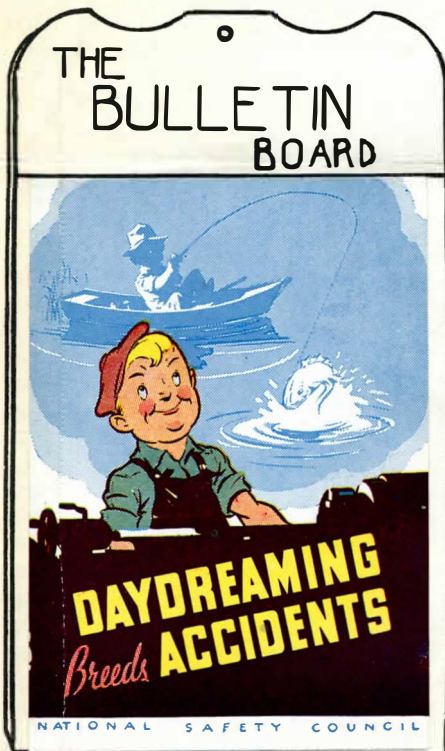
We've made a marvelous amount of progress in designing and building automatic machinery in the last twenty-five years. We have machines so intricate that they will sort colors, add figures or bore a cylinder block if you'll just touch a button. "Finger-tip control" is the last word in praise of a machine or a process but even finger-tip control needs fingers.

Staley people have lost eleven fingers in the past four years and they have injured four more so severely that there is little use left in them. *Fifteen fingers in all.* Enough to equip three hands with the strong quick little machines that work better than any that man has been able to devise. *Fifteen fingers.* You never will know just how well they work unless you lose one. You never will lose one unless you try to make it do an impossible job or unless you forget, for just an instant, that steel is harder than flesh and bone.

Keep your fingers. Keep them out of moving machines. Keep gloves off of them when you are handling a tool or machine that can catch the glove and pull the finger in. Keep rings off of them all of the time you are in this plant. If you wonder why rings are dangerous come to the Staley Office. We have one that had to be sawed off of a finger after it caught in a valve wheel and almost pulled the finger out by the root.



We have some new men on the Extra Board. Look out for them. Teach them all of the Safety tricks in your trade. You owe them a better training than you got when you started to work.



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THE A. E. STALEY
MANUFACTURING COMPANY
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 W. G. Reynolds, Manager of Personnel
 J. M. Richey, Editor

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

ADD UP THE SCORE

One thousand, nine hundred and thirty-nine years have passed since the birth of Christ. In all that time, the world has not produced another perfect man.

Most of the people in the world are pretty good people but every man makes some mistakes. Obviously, if there are no perfect people, there cannot be any perfect society. A society is only what the people make it. So the problem of all people is to do the best they can, with imperfect material, to develop a reasonably good society and government. The two systems of society and government that are most generally in use today are the "Paternalistic" system and the "Democratic" or "Competitive" system.

The Paternalistic system is based on the effort of one imperfect man (or a small group of imperfect men) to combine millions of imperfect people into a perfect society.

The Competitive democratic system is founded on the belief that because there are no perfect men, no man is qualified to hold complete control over the lives of the people of a nation. The United States was founded on this belief.

The Quick Way

The Paternalistic system of society has some advantages and some disadvantages. The man who runs such a society can get things done quickly because he doesn't have to argue with anybody. He can make reforms quickly merely by announcing new rules.

The disadvantage of the Paternalistic system of government is that the man who runs it dare not permit anyone to disagree with his views. It is impossible for one man to run the complicated affairs of a nation unless he can force everybody to do exactly as he orders them to do. If they refuse, he must take control of their af-

fairs so that he can fit those affairs into his general plan.

Industries must be controlled to fit the production of one to another. Employees must be controlled to prevent them from changing from one job to another and thereby threatening the work program of the government. Farms must be controlled to balance the various crops and the government's trade plans.

Everybody must come completely under the power of one man if the Paternalistic system is to function. That one man may be a good man, but he is merely human and he can make mistakes. And he must grant powers to hundreds of thousands of assistants who, at best, are only ordinary people. They may, in some instances, use the absolute power of the government to rob those who are helpless, and to persecute those who complain.

Slower and Surer

The Competitive democratic system of society, as it has been applied in America, is comparatively cumbersome. It gets things done slowly and permits of considerable inefficiency. Yet it gives every man and woman the freedom to say what they please, to work where they please, or not to work at all if they like, and to do all of these things without fear of

political persecution, concentration camps or firing squads.

With all of its imperfections, the competitive democratic system has given Americans more necessities, and more luxuries, than are enjoyed by the people of any other nation in the world.

The Score

130 million Americans receive more wages each year than the 550 million people who live in Europe.

The United States owns 178 radios for every 1,000 people. Germany has 108, Russia has 17, and Italy has only 2 radios for every 1,000 people.

America has enough automobiles to carry the entire population at one time. Actually, America has one automobile for every 4½ people. Germany has one automobile for every 49 people. Russia has one automobile for every 479 people.

The average American wage is three times the German wage and five times the Italian wage. And a dollar of the American wage will buy more and better conveniences than a dollar will buy in Europe.

When the score is added up, it is apparent that the imperfect, competitive system that exists in the United States has given the American people definite advantages that are not enjoyed by the citizens of the Paternalistic governments.



Insurance on Staley Fellowship Club members cost an average of \$1.00 per member per month during the last fiscal year of the Club. This was an increase of 2c per member over the preceding year due to advancing ages of members.

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The Fellowship Club Relief expense dropped from 17c to 3c per member during the same period.

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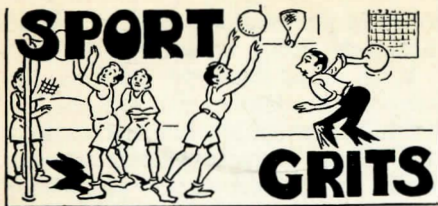
It isn't that marriage makes men meek, but that the meek ones are so easily caught.

* * *

It requires 14 to 20 tons of water to produce a bushel of corn according to the Grain Exchange Institute, Inc., of Chicago. (L. E. Tipsword)

* *

Measured in tons, the largest crop in the world is hay and forage. The second is potatoes and corn is third. Based upon farm value, corn is first.



The Fellowship Club softball league, king pin sports program of the summer, got off to its second start June 28th. The first start was made the first week in June but so many players desired to get into the league after play began that the committee decided to re-organize the league.

A total of 151 players are now listed on 10 departmental teams including: Laboratory, Pipe Shop, Tanners, Boiler Room, Electricians, #20 Building, #17 Building, Office, Standards and Extra Board.

★ ★ ★

The Staley hard and softball teams placed on the field by the Fellowship Club have been displaying the usual Staley supremacy. The hard ball players have lost but one contest, that to the Caterpillar Tractors by a 7-0 score. Craig allowed only 7 hits but costly errors in the pinches broke up the winning chances. June 18th, Staley's beat the Redbirds of Shelbyville, 6-4, behind the relief pitching of Max Craig and timely hitting that netted 15 safe placements. Craig hurling for Staley's again chalked up his fourth victory against Altamont with a four-hit performance that ended 5-0 for the Staley Company's favorites.

★ ★ ★

Incidentally, Red Thornborough who drives the team on all their trips, says we have one real player that is worth anyone's time to watch. You can quote me on that, he says, and that is Albert Smith, Ed Smith's brother—he made all five of the runs Staley's scored in that Altamont game.

★ ★ ★

The softball team has enjoyed the same degree of success in the local Industrial league. Their first victory was at the expense of their old rivals, Oakes Products. Schultz did the flinging while Artze caught his offerings. Since then the boys have defeated the strong YMCA outfit, composed mostly of Staley employees, the Headquarters team and the Green Food Market. The Purity Bakers slipped them their only loss of the season in the Industrial League.

FOREMEN ELECT NEW OFFICERS

L. R. Brown Heads Group—Casley
Re-elected Treasurer

Lisle Brown was elected president of the Foremen's Club at a regular business meeting held at the Staley Club House June 19th. The staff of officers elected in the remaining offices were as follows: Chas. Fitch, vice-president; Merle Finson, secretary; and H. Casley, treasurer.

Directors of the organization chosen by the group for the coming year are M. Durkee, Gene Roberts, and L. Doxie.

The remainder of the evening was given to refreshments and the usual social hour during which a number of those present were shot by the Staley Journal photographer while their guard was down.

BRUMASTER AND SIMS ATTEND INDUSTRIAL RECREATION CONFERENCE IN CHICAGO

JUNE 14, 15

Bill Brumaster and Henry Sims acted as representatives of the Staley Fellowship Club at the Industrial Recreation Conference in Chicago at two all-day sessions recently.

A large portion of the representatives in attendance were from the playground parks of Chicago, however, 250 industrial groups employing upwards from 500,000 people were represented.

Two general conclusions were reported by Sims and Brumaster. The first: that the sponsorship of athletics and social affairs are good business because they offer an opportunity for employees, management and departments to know each other better, develop a group spirit of value to the individual and the company.

In this connection, it was reported that the major difficulty experienced elsewhere was to secure funds for these activities.

Impressed with Success of Fellowship Program

The second observation the boys were glad to report was, "The Staley program, under the Fellowship Club, has a higher percentage of Staley people engaged in sports and social affairs than is found in most companies."

Last Chance to Join Group Hospitalization Plan

The Board of Directors of the Decatur Hospital Service Corporation has asked me to announce that after JULY 15, 1939, membership of the Staley group in the Plan will be closed for a period of six months. After this date, no more applications will be accepted until the next re-enrollment date of January 15, 1940. This action was taken by the Board at its monthly meeting held on Thursday, May 18, 1939.

This rule was adopted in order to improve the actuarial soundness of the Plan. The Board of Directors think that sufficient opportunity has been offered to each Staley employee who wishes to join the group plan as it has been in operation for a period of 18 months.

The only exception to the above rule will be made in the case of new employees who may enroll in the Plan within 60 days after entering service.

If you wish to enroll between now and July 15, 1939, please see Mrs. Ruth Sexson Paczak at the Credit Union Office, any Director of the Credit Union, or Gerry Horton or Lovell Bafford in the Extra Board Office.

W. G. REYNOLDS,
Manager of Personnel.

IMPORTANT NOTICE

Effective July 1, 1939, checks for advances requested from the account of the Personnel Department will be issued only in the afternoons from 1:00 p. m. to 4:00 p. m.

Exceptions to this rule will be granted in cases of emergency. Your cooperation in following the new schedule will be appreciated as it will permit the department to devote its mornings to other employee services.

The Trading Post

FOR SALE:

Garden tractor with attachments including disc, harrow and plow. Tod Riley, Yard.

2 male and 2 female thorough-bred Cocker Spaniels 2 months old. Selection of all black or white and black. Mack Ackerman, Jr., Staley Exchange 259.

4 room house on a 2 lot property at 2475 N. Monroe Street. Contact Merle Walters through the Time Office.

Three burner "Kitchen-Kook" pressure gas stove. 2 years old but just as good as new. \$6.00 takes it at 2537 E. Division.

Girl's Elgin bicycle. Practically new. Very reasonable at \$20.00. Virginia King. Call, phone 2-0346 after 4 p. m.