

The sprawling Nihon plant sets on reclaimed land in Kinuura Bay.

## Staley, Nihon combine talents

Japan. An island nation of mystery, glamour and millions of people with extreme vitality.

One might question if east, as represented by Japan, and west, as represented by the prairies of central Illinois, could meet. But they have at least in the instance of two companies—Staley and Nihon Corn Starch Co., Ltd.—which are fulfilling world roles in the production of goods from agricultural commodities.

Staley technology for the production of modified starches for the food, paper and textile industries is being incorporated in a new plant of Nihon, headquartered in Nagoya, Japan, as part of a licensing agreement for use of the technology. The arrangement was part of the continuing efforts by Staley's international division to promote the use of company-developed technology around the world.

The modified corn starch plant was designed and built according to Staley specifications. The design team, under the direction of Al Koleff, manager, technical services, international, included George Wack, assistant manager, technical services, international; Mylo Roberts, process engineering supervisor/starch; Chris Greanias, project engineer and Bob Popma, senior environmental engineer.

As part of the agreement, in addition to assistance throughout the design and construction phase, and training of Nihon personnel in Decatur, Staley sent George Wack

and Gene Woodby, senior chemist, quality assurance, to Japan to assist in starting the process.

While in Japan, George and Gene lived in Nagoya, a city of two million. They commuted on the world-famous Japanese rail system to Kinuura, where the plant is located. Nagoya is south of Tokyo, midway to Osaka. Kinuura is located on the Kinuura Bay, 40 miles southeast of Nagoya.

Before it began using the modified starch technology developed by Staley, Nihon had been producing only basic pearl starch and syrups.

In addition to starches, the Nihon plant produces a variety of corn syrups and has a process for limited production of high fructose syrup.

The Japanese market for modified food starches is still being developed, says George, and offers great potential.

### "Unforgettable"

What was it like for two employees of Staley to live and work for 30 days in a country such as Japan. Both describe it as an "unforgettable" experience which enabled them to enlarge their knowledge.

George notes that the newly constructed plant is located on land reclaimed from the ocean and is approximately the size of Staley's Morrisville plant. Corn is received in large ships from the United States or Africa and is stored in modern silo installations.

The technology for which Nihon has entered into a license

agreement with Staley includes dextrins, and a complete line of corn, potato, tapioca and genetic starches for the food, paper and textile industries.

The potential for modified starches is great since the Japanese consume large volumes of food starches in sauces, desserts and pastas.

As the second largest corn processor in Japan, the Nihon Company is in a unique position to capitalize on market opportunities for the modified starches. And, like Staley, Nihon will rely greatly upon the skills of its employees to produce a quality product.

### Tremendous drive

"Nihon is a family-controlled operation," explains George. "The tremendous drive of the company's president, Mr. Hideo Kurachi, is evident throughout."

For example, employees participate in a regular exercise program and every two weeks they start the morning with a company song, a tradition at many Japanese companies.

The Japanese concern for quality is famous world-wide. George found the reputation to be well-earned. "We were there to assist them in acquiring the knowledge needed to make a top product," he explains. "If we did our job, you can bet that the Nihon people will produce a quality product."

In addition to starch production, another common concern surfaced—environmental controls. The Japanese government has

(Continued on Page 4)

## Sweetener demand spurs quarterly gains

Continued strong demand for corn sweeteners, coupled with higher unit output, has contributed to third quarter earnings of \$14.1 million or \$2.65 a share for Staley.

Sales for the period ended June 30 were \$185.2 million. Figures for the same quarter last year showed sales of \$159.9 million and earnings of \$7.9 million or \$1.49 a share.

For the nine months, sales were \$586.7 million and earnings were \$38.7 million or \$7.30 a share. Nine months figures a year ago were \$434.9 million in sales and \$7.9 million in earnings of \$1.49 a share.

President Donald E. Nordlund said that although prices for high fructose IsoSweet and dextrose had been reduced to meet lower sugar prices, increased output and somewhat more favorable raw material costs were off-setting factors.

During the quarter, the company exercised its option on a parcel of land for construction of a new \$85 million corn sweetener plant in Lafayette, Ind. Also, structural work was completed on a new facility for IsoSweet production at Decatur scheduled to begin operation in January.

	Nine Months Ended	
	June 30, 1975	June 30, 1974
Net Sales	\$586,752,000	\$434,918,000
Net Earnings	38,773,000	7,901,000
Net Earnings per Common Share	7.30	1.49
Average Shares of Common Stock	5,310,036	5,285,964

	Three Months Ended	
	June 30, 1975	June 30, 1974
Net Sales	\$185,217,000	\$159,966,000
Net Earnings	14,129,000	3,551,000
Net Earnings per Common Share	2.65	.67

Prior year's data adjusted to reflect the 2-for-1 split of the Company's common stock effective May 27, 1975.

## Staley offers Bernie chance to meet goals



Bernie Steele

From Ben Franklin's kite to Thomas Edison's light, to today's complex world of electronics, the magic of electricity has woven its spell on generations of young people.

Bernie Steele was no different. He admits to an early interest in electricity and now, thanks to a special electrical maintenance training program at Staley Morrisville, Bernie is, in his own words, "doing exactly what I always wanted to do."

Being first graduate of a Morrisville-based training program adds some luster to Bernie's accomplishment. But more important is the initiative Bernie displayed in first seeking, and then acting, on opportunity.

"I had never even heard of Staley when it started operations at Morrisville. But Jim Bennett (then personnel assistant at Morrisville, now employment manager at Oak Brook) described the training program offered by Staley in Decatur, and I realized that similar opportunities would someday exist at Morrisville."

The die was cast. Bernie joined the company on December 13, 1971, as a wet mill operator.

Soon he had an opportunity to enter the electrical maintenance training course developed by Technical Publishing Company, and approved by the company.

The course consisted of 3½ years of on-the-job training in electrical maintenance plus a scheduled two year home-study program of 100 lessons in subjects ranging from circuitry, wiring, electrical controls, motors and repairs, lighting, differing types of currents, and other electrical-related subjects. Tests of his progress were conducted either by his foreman, Lou Raics or Theron Tinker, maintenance superintendent.

Lou and "Tink" selected the subjects from a list of texts offered by TPC. The material was directly related to the on-job situations Bernie would encounter.

Three and 1/2 years of on-the-job preparation, plus hundreds of hours of homework might have discouraged many people. But

(Continued on Page 4)

## Expenditures help Staley meet market demand

Sales and earnings figures are only one indication of Staley's growth. Another is the increasing capital expenditures which allow the company to increase production to aggressively meet demand for our products.

For the period 1962-67, average annual construction expenditures were \$8 million. This average figure jumped to \$16 million for the period 1968 through 1974 including a high of \$32 million in 1971.

Annualized capital expenditures for 1975, excluding the \$85 million Lafayette plant, are expected to be in the \$40-45 million range.

Capital expenditures for the next 5-6 years could reach \$300 million.

The increased capital expenditures are indicative of an accelerated pace of business and the heavy construction costs required to capitalize on market opportunities for Staley products.

## In the News...



Grid hero... P. 2



Heroic bite... P. 3

# Brian Sottile--quiet football hero

Modern football has been compared to the pageantry of the struggling gladiators in ancient Rome.

If such comparisons are true, one cannot help wondering how much better the Christian martyrs might have fared facing the lions had Brian Sottile been on their side.

Brian, the son of Tony Sottile, buyer, equipment and maintenance, Morrisville, has garnered prep football honors in much the same fashion as the ancient Roman heroes gathered garland wreaths. And this fall when Villanova University (Philadelphia) takes the gridiron, don't be surprised if one of the defensive starters is Brian who had football scholarship offers from more than 60 major universities.

To add to the interest in Brian's career among Morrisville employees are brothers Mike, who works as lead man, syrup load and storage, and Mark, who is warehouseman, packer, palletizer.

Brian, who is a broad-shouldered, narrow-hipped 6 foot 2, 195 pounder, specializes in defense, and his role as defensive cornerback for Bishop Egan High School in suburban Philadelphia earned him a score of honors. In 1974, for example, he was first team defensive back, Philadelphia All Catholic League; radio station WIBG "player of the week"; All Delaware Valley first team defensive back; All Lower Bucks County first team defensive back; All Philadelphia first team defensive back; picked as player of the year by radio station WBCB; Philadelphia Daily New People newspaper first team defensive back, and most valuable player at Bishop Egan, a honor bestowed by his teammates.

And Brian wasn't limited, playing offensive guard and earning honors for his play there. Recall also, that Pennsylvania prep football is among the nation's best.

## Soft-spoken hero

What were his biggest honors? "Being selected to the All Catholic League team for two successive years," he replies. Then he is still, actually quiet to the point of modesty about his accomplishments. He prefers the action of the gridiron--especially the speed and challenge of defensive play--to talking.

Undoubtedly, much of the reason for Brian's soft-spoken manner about his accomplishments can be found in his family background.

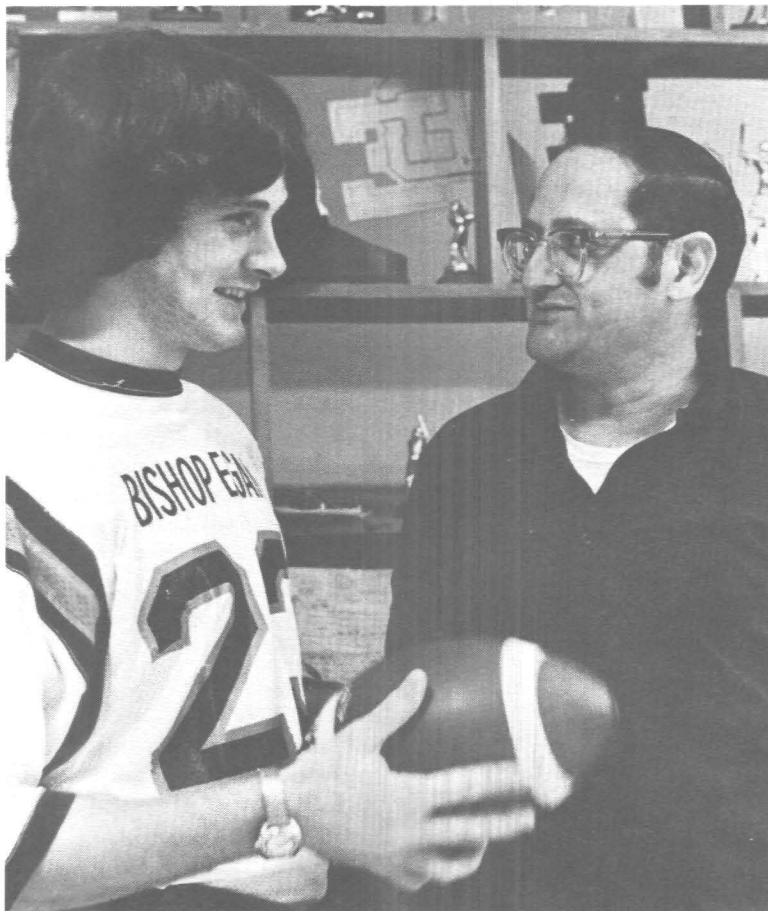
Tony Sottile exemplifies characteristics of family life that many people believe is slipping away.

"I have six children, and I'm proud of all of them. Kids are what make everything worthwhile," Tony reflects. "We're an athletic family. My brother recently coached a state championship basketball team. And each of the boys has been competitive." One need look no further than the living room shelf that holds the rows of trophies and athletic letter awards that the boys have won for verification of Tony's statement.

But there's another element. "We're a close family," Tony continues. "Brian followed his older brothers into sports. (Brian is the youngest son. Mike's twin brother still plays semi-pro football.) And we believe in helping each other, so all of us have shared in the pride of Brian's accomplishments."

Tony adds that he teaches his children to do the job given them, to help others and to gain their satisfaction from a job well done.

Such philosophy also exemplifies what is good about sports--teamwork, cooperation and accomplishment, so it would seem that Brian had successfully carried



Father and son...the pride Tony Sottile has in Brian's gridiron accomplishments are shared by the entire family, including brothers Mark and Mike who along with Tony work at Staley Morrisville.

the Sottile family approach to life onto the football field.

For example, he knows the value of studies and was named to the Philadelphia Bulletin All Scholastic team as a defensive back.

Didn't the pressure of recruiting bother him? "You have to set priorities," Brian explains. "I set aside my time for study and books, and kept that separate from football."

The calibre of Brian's play and the scholastic ability he displayed are reflected in the schools which offered him scholarships. Some of the major ones included Notre Dame; Michigan; Michigan State; West Virginia; Northwestern; Miami; Colgate; Baylor; Clemson; Kansas State; Syracuse; Wake

Forest; Boston College; Maryland; Kentucky; Minnesota; Texas Christian and Cincinnati.

What prompted the decision to attend Villanova? A former coach at Bishop Egan--for whom Brian never played, but who was an "institution" in local Catholic football--has been charged with the responsibility of rebuilding the Villanova football program. He has selected Brian to be an element in the effort, and for Brian, who started to play football in the seventh grade, it's the dream of a lifetime come true.

The Sottile family, their friends at Staley Morrisville and millions of others know sports can represent the best of American life, and Brian is a prime example. So... "CREAM 'EM BRIAN!"

# Bright future for high fructose predicted

This is the second installment of an article on high fructose syrups by Dr. Sidney Cantor, which first appeared in the Agri/industry News, the publication of the Corn Refiners Association. The first installment of the article by the well-known consultant appeared in last month's News.

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## Enzyme Isomerization

Early work on the feasibility of enzymatic isomerization of glucose to fructose was reported first by American investigators, but work of even greater sophistication was carried out by Japanese biochemists. Japan is a major importer of sugar and the growing affluence of the country, manifested in part by increased demand for sweeteners by its citizens, led the Japanese government to subsidize a major search for a self-sufficient sweetener process which could utilize its domestic starch crop, sweet potatoes.

Japanese interest coincided with corn refining industry interest and led to exclusive licensing of one member company under Japanese government patents. Subsequent work provided this company with its own unique process and it is now no longer dependent upon the Japanese license. Development of new isomerization processes is progressing not only in the U.S. but in other areas of the world, notably Europe, and plans to construct facilities to produce fructose syrups have already been announced in both Britain and West

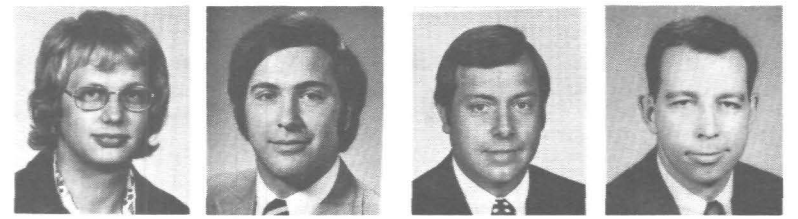
Germany. Moreover, appropriate enzyme systems are becoming more freely available from enzyme manufacturers so worldwide proliferation of the new sweetener is confidently anticipated.

## Immobilized enzymes

Enzymes are proteins and therefore sensitive in their activity to temperature and other environmental changes. Enzymes are the products of controlled fermentation and are expensive to produce, isolate and purify. As a result, means for reuse of enzymes has been a major research goal of industrial technology for a long time. The development of immobilized enzymes--enzymes physically or chemically attached to inert substrates such as diatomaceous earth--was an achievement which, coincident with the discovery of effective isomerizing enzymes, made the production of fructose from glucose commercially feasible. An outstanding achievement of what is now called biochemical engineering, the new sweetener process represents the first major industrial application of immobilized enzymes.

## Revolution in delivery

The success of glucose to fructose isomerization required another coincident development to insure commercial success. This was provided by the major shift in food processing from household to factory which has occurred in the U.S. since World War II. In sweetener terms this is revealed by the following statistics. Household use of sugar in 1925 was 64 pounds annually out of a total of over 104 pounds distributed per

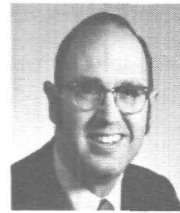


R. Anderson

D. Grider

D. Kaylor

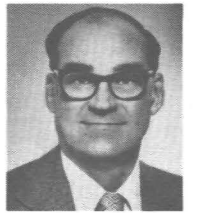
C. O. Moore



J. Rasche



K. Ashby



O. Brennecke



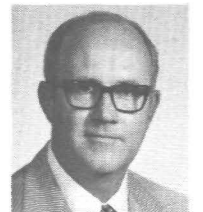
T. Lesyna



B. Schwesig



R. Etherton



Wm. Robinson

# On the move

## CORPORATE

**RICHARD ANDERSON** from technician to associate food technologist

**CAROL HOCKER** from accounts receivable clerk, corporate financial to purchasing clerk, purchasing

**DAVE GRIDER** from buyer, equipment & maintenance to assistant purchasing agent-construction equipment

**DAVE KAYLOR** from assistant purchasing agent to purchasing agent, manufacturing supplies

**CARL MOORE** from senior food technologist, research & development, to lab head, food technical services

**DENNIS PEYTON** from bookkeeper, employee benefits association, to claims clerk, employee benefits association

**JOHN RASCHE** from research associate to group leader, pilot plant, research & development

**ELIZABETH STALLINGS** from messenger, office, to accounts receivable clerk, financial

## INDUSTRIAL

**SUE WOODARD** from hourly roll to refinery process clerk, syrup refinery & dextrose, industrial manufacturing

**JAMES BLAKEMAN** from hourly roll to plant protection shift foreman

**LOUIS FERIOZZI** from shift foreman process to processing foreman, dry starch

**KEITH ASHBY** from staff chemical engineer, dry starch to chemical engineer, dry starch

**OSCAR BRENNER** from plant superintendent, Morrisville, to plant manager, Lafayette

**LINDA JESS** from messenger, office, to satellite shop clerk

**TOM LESYNA** from shift foreman, plant protection, to plant protection director

**WILLIAM SCHWESIG** to plant engineer to senior plant engineer, maintenance

**AGRIPRODUCTS** **ROBERT ETHERTON** from processing foreman to superintendent, soy protein

**J. WILLIAM ROBINSON** from group leader, food technical services, to director, product management, proteins

**INTERNATIONAL** **GENE HYLAND** from purchasing agent construction/equipment to project manager

capita. In 1973, however, household use was only 24 pounds of a total of nearly 104 pounds per capita distribution. This well over doubled food industry use of sugar, an expanded usage of corn syrups and the accompanying enlarged distribution of sugar dissolved in water--so called "liquid sugars"--established an experienced market for custom blended sweeteners. This market provided ready acceptance of the new corn sweetener--high fructose corn syrup--when it appeared.

## Expanding use

The use of corn sweeteners, corn syrups and dextrose, in foods has increased regularly and this use has accelerated in recent years keeping pace with the noted shift of food preparation from household to factory and expanding technology. The approximately 104 pounds per capita disappearance of sugar in both 1925 and 1973 was accompanied in 1925 by nearly 12 pounds of corn sweeteners for a total nutritive sweetener use per capita is about 124 pounds. However, the difference from 1973 also reflects decreased consumption of sugar due to price. This decrease is estimated to be only about 4%, and the average per capita sucrose figure was 96.5 pounds in 1974. Of the 124 pounds of total sweetener, 55.8% was cane sugar, 22.7 was beet sugar and 21.5% was corn derived sweeteners. Twenty-five years earlier, in 1950 the same figures were respectively 65.5, 21.4 and 13.1%. The added corn dependency reflected in 1974 figures includes the more than 4 pounds

per capita of high fructose corn syrup distributed this past year.

## What's ahead

Projections of sweetener usage are difficult because of so many competing influences--technological plans of corn refiners for adding capacity to produce the new sweetener through 1979, and assuming total nutritive sweetener consumption remains at approximately 125 pounds per capita, corn derived sweeteners would represent almost 26% of total sweetener usage by 1979. If expansion at current rates continues in the corn sweetener field beyond 1979, some sugar statisticians confidently predict that most population growth requirement of sweeteners will be filled by corn derived products. A major influence is expected to be sugar prices continuing higher than 1972 figures but lower than 1974 figures. Such a development would put per capita consumption of corn sweeteners over 35 pounds annually and their share of market well over 30% by 1985.

The technological change resulting from isomerization has turned corn into a full-fledged sweetener source partner of sugar cane and sugar beets. A most interesting feature of the degree of change described above is that it would require less than an additional 4% of the corn crop. Moreover, based on expected sugar costs and assuming stabilization of current corn prices and processing credits, corn sweetener production of the noted magnitude appears to be a less costly option than providing the equivalent amount of sugar.

# Kingsford lends leisure to life styles

Observe the charcoal briquet. The small, pillow-shaped product traces its ancestry thousands of years to charcoal found in pyramids.

Charcoal was even used during the American Revolution as weapons were fashioned from charcoal iron. The past two decades have witnessed the evolution of charcoal into the briquet which, in its own way, has played a role in a changing American life-style of increased leisure time and the growing pastime of outdoor cooking.

Leading the parade of more than 30 brands of charcoal briquets sold is Kingsford Charcoal Briquets, the only brand with nationwide distribution.

Kingsford was in the forefront of the "cookout" revolution which began its tremendous spurt in 1953-54. Helping Kingsford offer the quality which has made such a record possible is Staley corn starch, produced in 20 building at Decatur.

Starch acts as the binding agent which enables the briquet to be formed. A briquet is manufactured by sizing charcoal to a granular form. Ignition aids are added and starch is prepared for mixing with the charcoal granules. A mixing process occurs and the slurry-like mixture is formed into briquet shape for molding on a rotary press.

After drying and packaging, the briquets are ready for distribution.

The apparent simplicity of the process belies Kingsford's emphasis upon quality, however.

"We are determined to make the best briquet possible," explains Herbert Howe, director of manufacturing and operations.

"There are other brands that are cheaper, but we don't try to beat their prices—only their quality."

## Easy lighting

Herb explains that the main characteristics of a quality briquet are easy lighting and uniform heat over a sufficient period of time for adequate cooking.

Jim Greanias, vice president, engineering, points out that starch quality can affect a briquet.

"Some starches can give off a bad odor," explains Jim, who once worked at Staley and whose brother, Chris, is a Staley engineer. "Others can retard the flame or not bind properly. We could probably use cheaper starches, but the quality of our briquet would suffer."

The stress upon quality has paid off for Kingsford. It is estimated there are more than 150 million Kingsford cookouts annually across the country and that half of the nation's population has cooked with Kingsford briquets. The company has six production facilities and in 1973 became a division of The Clorox Company.

Bill White, national accounts executive, nonfood industrial sales and marketing division, handles the Kingsford account. He describes Kingsford, which has its manufacturing headquarters in Louisville, Ky., as the standard bearer of the industry. Bill Turner, group leader, technical services, research and development, has done extensive research and technical work with Kingsford.

## Good performance

Staley is, as are other suppliers, subject to close scrutiny by Kingsford. Incoming shipments of starch are carefully checked for purity and moisture content. The record of on-time deliveries and

meeting commitments is used as a gauge of reliability.

"Overall, Staley has performed well," says Jim, a point with which Herb concurs. "We have had some problems, but Staley has always responded quickly to solve them."

One problem which Jim recalls involved an incoming shipment of starch which contained too much moisture. To gain the desired binding effect, additional amounts of starch would have had to be used, driving up the costs to Kingsford.

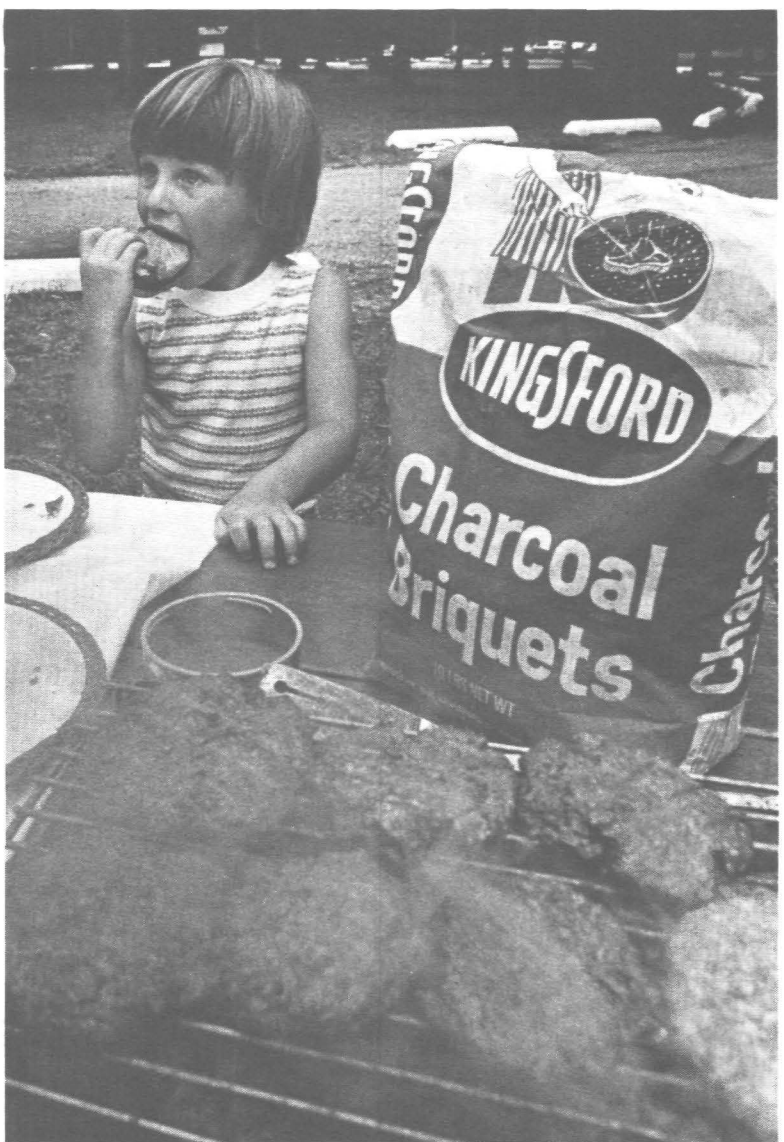
How did the mishap occur? The answer emphasizes the role every employee plays in making sure Staley maintains product quality.

"It was a period of peak production," recalls Bill. "In the rush to move product, insufficient drying time was allowed for one shipment."

Bill continues, however, that such instances are rare and that Staley starches have an important built-in advantage over competitor's products—the skill of Staley employees.

"The guys who make our non-food starches in 20 building are the best in the industry. We don't have to apologize for our product quality, a tribute to the skills of those employees. Some companies can't make that kind of claim."

Charcoal has been with us from the pyramids to a suburban backyard. Now, thanks to the stress upon quality by two companies which are leaders in their field—Kingsford and Staley—an entire nation is able to enjoy the taste advantages of outdoor cooking.



David Fonner, son of Sue Fonner, secretary, training and salary administration, follows the example of millions of Americans and bites heartily into a hamburger cooked over a Kingsford fire.

# Construction projects take spotlight

Construction on the new million dollar waste treatment facility northeast of the research center in Decatur is proceeding on schedule with an early fall startup planned.

Several parts of the project are now clearly visible including the surge equalization tank which will be the initial holding area for waste; the main aeration base, and the final clarifier, where organic solids will be removed. North of these structures is the lab and the housing for blowers to generate the air for the aeration process.

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Site preparation is underway on the new Lafayette plant. Work began in mid-July for the \$85 million project, the largest single capital expenditure in Staley history. Foundation work at the site is expected to be underway by

the end of August. Site preparation work is being done by the Russell G. Davis Co. of Lafayette.

Duane Chicoine, director of project engineering, is heading the site preparation work. Dick Barnett is supervising the project engineering. Terry Greene is assisting field supervision.

Earthmoving will be done throughout the 100-acre site to bring the areas where the process buildings are located to the proper grade, and to prepare the grade for roadways and railroad tracks.

The site preparation will also provide proper drainage.

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The first phase of the soy protein complex in Decatur will be underway this fall. Soy flour grinding is expected to start in 99

building at that time with production of textured soy protein expected by early November.

Soy protein concentrate, to be produced in 108a building, will be underway by this winter.

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Construction will begin Aug. 1 at Monte Vista on a new spray irrigation system for disposal of the plant's liquid wastes.

The plant, which processes potato based starches, has used a holding lagoon as part of its system for disposal previously. The lagoon will be drained and covered as part of the revised waste treatment project.

The new system not only makes the waste a useful fertilizer for a nearby 57-acre field of hay and pasture land, but will also eliminate odors associated with the holding lagoon. A similar irrigation method is currently being used successfully by Staley at starch facilities in Houlton, Me., and Murtaugh, Id. The plan has received approval from the Colorado division of air pollution, and is the first spray irrigation system for liquid wastes to be constructed in the state.

## Business Week article features Staley growth

Recommended reading is found in the Aug. 4 issue of Business Week. The publication features an article on Staley, detailing the company sales and earnings growth sparked by high fructose IsoSweet and other corn sweeteners.

Other highlights—the ambitious capital expenditure program; Lafayette construction; expected growth in soy concentrate; a well-earned compliment for Staley research from a New York analyst and plans for building the consumer products line.



S. Williams, Jr.



W. Swindle



G. Moore



R. Bean



C. Greanias

**30 Years**  
HELEN JANE SUMPTER, senior cashier clerk, corporate financial  
ELDON ALLISON, utility lubricator, 42 building  
DONALD CAMP, senior mechanic, I & C  
SIDNEY WILLIAMS, JR., fireman, west end, 1 building  
HUBERT JOHNSON, fireman, west end, 1 building  
WILLIE SWINDLE, extractor operator, 101 building

**25 Years**  
GEORGE MOORE, manager, paper/textile sales, industrial  
ROBERT BEAN, shift foreman, extraction & process, agri-products  
CHRIS GREANIAS, project engineer, corporate engineering

**20 Years**  
JAMES BEAUMONT, vice president, industrial sales  
REX BAUER, senior mechanic, pipe shop  
WILLIAM DOTY, dryer operator, 9 building  
JAMES HAMMER, ion exchange operator, 10 building  
BILLIE BELL, senior mechanic, pipe  
KENNETH SCHRISHUHN, senior mechanic, pipe  
GARY SHEETS, mechanic, I & C  
MARILYN CLINE, blender 2, Columbus  
HASKELL MAYNARD, weigher and packer, Columbus

**15 Years**  
TIMOTHY NEWTON, engineering draftsman, corporate engineering

# Anniversaries

**10 Years**  
VERN MORGAN, foreman, extra board, manufacturing industrial  
ROMAN MARTIN, JR., project leader, technical systems service, corporate information systems

**10 Years**  
CHARLES GROVES, coordinator satellite V, dry starch, industrial  
CHARLES MILLER, director of administration, industrial  
TOM PRITTS, chief inspector, corporate quality assurance  
KENNETH CARNAHAN, research technician, corporate engineering, R & D  
DENNIS FORBES, technical supervisor, industrial dry starch  
RICHARD NYBOER, assistant analytical chemist, corporate R & D

THOMAS RAY, shift foreman, extraction & process, agri-products  
RALPH G. SMITH, territory manager, specialties, eastern region, industrial sales

LARRY HALE, production department relief foreman  
TERRY THULL, mechanic, sheet-metal

WILBUR MAUS, mechanic, sheet-metal  
ROLAND MILLER, helper, 29 building

DELBERT RHYMES, utility, 118 building  
LESTER ELAM, 2nd yr. apprentice, sheetmetal

MICHAEL GURLEY, JR., rigger  
MURRELL HAGUE, fumigator, plant clean-up

GARY NAVE, apprentice analyst, 60 building  
JOHN DOTY, apprentice 1st year, millwrights

DOUGLAS SMITH, rigger leadman, 31 building  
BYRON PERRY, utility labor, 118 building

JOHNNY LEHEW, 2nd yr. apprentice, pipe shop  
DANNY PRATT, lead loader, 34 building

WILLIAM LEROY FULLER, helper, 29 building  
JOHN B. NAPIER, truck driver, 59 building

GORDON BAILEY, dryer operator, Houlton

**5 Years**  
PAUL HENDRICKSON, senior patent attorney, patent & food law, research & development

TOM FORCE, roof equipment operator, 9 building  
ROBERT LUKA, JR., process support man, 6 building

R.T. MCGLOTHEN, production utility D, Chattanooga  
E. VARGAS, assistant sanitation supervisor, Cicero

# Sta-Puf commercials tops

Excitement is running high over the extensive marketing efforts for Sta-Puf blue, and the results of a study of fabric softener commercials by an independent testing company have added to the expectations for the product.

That's because Sta-Puf blue's dramatic comparison of superior absorbency against the leading brand not only scored the highest of six fabric softener commercials tested, but registered the highest score ever for a commercial in the fabric softener category.

The Sta-Puf blue commercial was shown under controlled conditions along with five other commercials of different product types. Viewers were not told anything about the products or companies involved, but instead were asked questions about the commercials they had just seen. Scores were then measured and

evaluated against responses gathered through years of testing of many brands of fabric softener.

Three measures of the effectiveness of the commercials were used—clutter awareness (the ability to be recognizable above other commercials); main idea playback (the ability of the viewer to "playback" the content of the commercial, including brand name and key selling points); and motivation (the ability to arouse the intent on the part of the viewer to buy the product.)

The Sta-Puf blue spot set a record in the playback measure for a fabric softener as a record number of persons viewing the spot were able to recall the theme of softening, fresh scent and superior absorbency. The motivational scores and the clutter awareness were well above the average for fabric softeners.

# SUPER MARKE



Drawing by Richter; (c) 1975  
The New Yorker Magazine, Inc.

Although this cartoon from The New Yorker Magazine might seem somewhat extreme, one can't blame shoppers if they feel a little confused as the Universal Product Code becomes a reality.

## Ready or not, here comes UPC

Have you noticed the series of bars which are appearing on more and more labels of products you buy at the local grocery store?

As minuscule as they might seem, the bars are a part of a revolution in the grocery business—the introduction of the Universal Product Code. And it's a revolution which is creating labeling problems for manufacturers across the nation.

Staley consumer products, however, has met the challenge and today all its products are identified with a code, far ahead of the December date for compliance set by grocery chains, says Gary DeGraff, senior buyer, consumer.

Gary, who has been working with Staley product managers, spearheaded the compliance effort by consumer.

Here's how the system works:  
Major grocery stores, acting

### Staley, Nihon

(Continued from Page 1)

strict restrictions on air and water emissions, but the Nihon plant has met those adequately, and, in fact, sends its effluent back into the bay cleaner than the incoming water at the start of the process.

Although George and Gene recall their contacts with Nihon employees in a business sense, the month in Japan was also a time for garnering personal memories.

One was the extreme kindness of the people.

"Everywhere we went, people were hospitable and friendly," recalls Gene. "We had to memorize the symbols for our train, and one day when the train was late because of a workers' slow-down, the yardmaster at the station used extensive sign language to indicate to us that our particular train would be late. This is important when trains arrive and leave every few minutes, and they have a well-earned reputation for always being on time."

George recalls the extreme cleanliness of the land. "It reflects a pride which carries over into everything they do," he reflects.

Trains that run on time... a plant standing where once there was ocean... a nation of people that has made hospitality an art... and the uniting of the energies and technology of two great peoples and companies... all combine to make the world a smaller—and better—place.

as an industry group, informed manufacturers of items sold on grocery shelves that each product must have a UPC marking. The marking is a series of 10 vertical bars of varying thickness. The first five bars indicate the name of the manufacturer, the second five, the product being sold, such as a 33-ounce size of Sta-Puf blue.

An electric eye at the checkout counter scans the code and a "backroom" computer at each store records the purchase on a cash register tape which prints out the day's price for the item. The price is programmed to the computer.

The stores that decided to adopt UPC presented Staley with a challenge, since regulations calling for listing product ingredients and nutritional information are also required—this time by the federal government.

#### Double labels

For example, to insure compliance with the UPC requirement, double labeling was required for Staley syrup bottles. The code just wouldn't fit on the front label formerly used. A small item? Perhaps, but consider that the cost of labels is automatically doubled as a result, with no real gain to Staley.

And the extra paper and new labeling equipment required for the new Wagner wrap-around label translated into \$500,000 increased costs for the first year. None of this improved the product, but was for compliance purposes only.

Gary says Staley is fortunate in one regard, however. "The size of our labels has given us 'room' with which to work," he explains. "The smaller the item, though, the more difficult the placement of the code."

How was the code placed on the various Staley consumer products?

Gary acted as the Staley liaison with the UPC data bank to determine the recommended location of the code on differing types of packages.

This was followed by meetings with product managers and packaging vendors to determine if the recommended location was feasible or if a different design would have to be submitted.

When a location for the code was agreed to by Staley and the UPC data bank, it was incorporated into the package design.

At the same time, Bill Watterson, systems manager, consumer, was working internally with Staley computer systems to allow the code to be used in placing orders with brokers. The combined efforts led by Gary and Bill were two years in completing.

#### Meets criticism

Gary says that UPC is receiving criticism from many consumer groups who resent the fact that the price of each item will no longer be stamped on a product. He adds that the grocery stores believe the step is no longer needed, since "comparative" prices will be posted on the shelves so shoppers may compare per unit costs.

"The stores claim—and probably rightfully so—that the time required to put total prices on items would offset the cost advantages of UPC," he says.

Since grocery stores operate on only a one percent profit margin, a 30 cent error under the old manual check-out method completely wiped out the profit of a \$30 purchase. The volume of sales and turnover of merchandise make even the initial expenditure of computer equipment profitable, since these mistakes will now be eliminated.

It is still too early to say if the effort by the grocery trade to make UPC workable will be successful, in the face of stiff consumer resistance. But for Gary and Staley the question is academic.

"Several stores around the nation are setting up 'test' stations to explain to customers how the system works, and by December of this year, UPC is expected to truly be universal," concludes Gary.

## Cleaner skies in store as 14 building starts

A once well-known commercial stated, "The Nose Knows."

If that's true, then the Decatur community will soon know through its collective nose that another milestone in Staley's efforts on behalf of a cleaner environment has occurred with the startup of operations in 14 building. Final "shakedown" of the facility neared completion in July.

The building, which will be used for production of Dried Steep Liquor Concentrate (DSL) and corn gluten, is also going to remove most of the disagreeable odor and blue haze formerly associated with the production of those animal feed ingredients.

The secret is in a Staley process for recycling and incineration of odor-containing hot vapors. Formerly, the heat—and the odor—were discharged through stacks into the atmosphere.

The construction project began after the demolition of the old Table House in March 1973, and consisted of three major phases—installation of equipment for vacuum filter dewatering and drying of gluten; the incinerator and waste heat boiler; and this July, the completion of the DSLC drying system.

Each phase is linked. The odor-containing vapors from the DSLC drying process are incinerated at a high temperature. Some of the resulting heat in the hot gases from incineration of the odors is used in the gluten dryer. Much of the remaining heat is recovered as steam in the waste heat boiler, and the steam generated is used in plant processes. That's nearly a 100 percent utilization of heat, with only a small amount lost through the rocket-like stack of the building.

The final "debugging" of the \$5.5 million system began late in June. The system has been operated and checked for problems. Minor modifications required were made as the system was brought up to full load.

The recycle and heat incineration process was previously tried on a small scale. It was conceived by Jim May, process engineer supervisor; Ralph Sherden, assistant production manager, corn milling and chemicals, and Don Thompson, project engineer supervisor.

The team for design, construction and startup at Decatur has included Dale Seiber, project engineer; Bill Rennert, construction coordinator; Jim Vogel, chemical engineer, and feed house employees under the supervision of Don Brown.

## It's not all roses! Costs show sharp rises

There are two sides to every story. As sales and earnings have increased, so has the cost of doing business.

The total transportation costs of the company offer an example. In fiscal 1974, the amount paid for transportation, rail freight and fuel costs was approximately \$48 million. Since last October, the beginning of fiscal 1975, freight rates have jumped 12 percent and the cost of fuel has increased nearly 10 percent. As a result of these and other increases, the projected transportation costs for this year are expected to be in the \$60 million range, according to Reeder Miller, corporate transportation manager.

## Bernie fulfills goals

(Continued from Page 1)

Bernie, encouraged by his wife, Sara, knew he was on the track to fulfilling his goal.

"Bernie wants to do things," explains Lou. "He doesn't give up when faced with a problem, but keeps on digging and seeking a solution. His work on the job never faltered and his study showed excellent progress. He exhibits a tremendous willingness to learn."

Verification of Lou's observation—Bernie required only 18 months to complete the study.

It wasn't easy, however. "Sure, there were times when I felt like quitting," he reflects. "But I knew that this was my opportunity to do what I had always wanted to do. I had started with technical study in high school and continued with study of electronics

at Temple University. Staley offered me a chance to meet my long-range goals."

Bernie is quiet—almost unassuming—about being the first employee at Morrisville to complete a TPC program. But his satisfaction and personal growth is evident as he talks of the program, his family and Staley.

"There's opportunity here for the person willing to take it... learning by doing and study is a winning combination that has made me completely satisfied with Staley... it's where I hope to build a career and retire... Billy, our son, was under a year old when I started with Staley and now he's four. Our daughter, Sara, is only two, but who knows, perhaps someday there'll be a Bill or Sara Steele working at Staley Morrisville."

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