

# STALEY NEWS

Vol. 5—Page 1

June 1, 1943

## Corn Supply Endangered by Corn-Hog Price Ratio

Several months ago we began to be afraid that the country's hogs might eat us out of business and more of them have been eating more ever since.

### Price Freeze Favored Pork

Here's the situation.

Several years ago the government moved to increase the supply of pork by keeping the price of feed low and the price of hogs high. Not long ago corn prices and hog prices were frozen at a level which made a bushel of corn worth approximately \$1.00 if the farmer sold it to the elevator and \$1.40 if he converted it into pork. The farmer, being no fool, fed his hogs instead of the elevator.

Here are the results.

The hog population has doubled and has reached a point where the supply of feed is giving out. If it goes much farther, there will be so great a shortage of feed that it will be necessary to slaughter thousands of hogs to prevent starving them and the market will be glutted with more pork than the packers can handle.

And, here's where it hits us. Every bushel of corn that Mr. Hog eats (about 15 before he reaches slaughtering size) does NOT go to the corn processing industry, the alcohol producers, the cereal makers and others and industry is getting dangerously low on its corn supply.

Mr. Chester Davis, the new Food Administrator, moved to correct this situation shortly after his appointment by raising the corn ceiling 5c and threatening the hog price downward. That helped but it didn't cut deep enough to really change the trend.

### The Answer Is Apparent But Hard to Apply

The only real answer would be to bring the corn-hog ratio far enough down that corn would again go to the elevators in quantity. But that answer is full of political dynamite

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## Letter to the South Pacific

Cpl. Horace J. Kester  
South Pacific Island

Dear Bud:

You may be surprised to hear it but we all got quite a kick out of your decision to give your \$50 service bonus to United China Relief. Enough of a kick, as a matter of fact, that a lot of us (I don't know how many because we didn't organize a drive or keep books) tossed in pennies, nickels, dimes, quarters, dollars and checks to the tune of \$58.50 to add to your gift to "the suffering children of China, victims of a desperate circumstance".

The local newspapers picked up the story and a down town merchant sent us a check to help swell our fund. I like to think that other folks read the story too and made contributions direct to the local office of China Relief.

One of the fellows here in the office sent a note with his contribution saying, "Here's 50c for Bud Kester's fund to China Relief. I don't know him but he must be a real guy", and I think that was a pretty typical attitude.

I'm attaching a copy of a letter of thanks that Mr. Paul G. Hoffman, President of the Studebaker Company and Chairman of United China Relief, Inc., sent us to be forwarded to you and I'm sending the letter itself to your dad for safe keeping until you return.

Here's luck to you, Bud. Drop us a line when you can.

The Staley Gang

P. S. I wouldn't be a bit surprised if we have a few more dollars roll in to add to your gift. I thought \$53.50 was going to be all until here came a five dollar bill from the M & L Department just the other day.

\* \* \*

Dear Corporal Kester:

"Please accept our sincere thanks for your contribution to United China Relief which has been forwarded to

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## Corn Inventory Order Threatens Continued Operations

### We Are Limited to a 45 Day Supply

We normally think of ourselves in Decatur as being in the "Corn Belt". That's true, of course, but we usually forget that we are in its southern fringe and that its southern boundary is only some thirty miles south of us. That fact puts the Staley Company in a unique position in relation to the rest of the wet corn processing industry.

Our competitors are located in the great terminal grain market areas (Chicago, St. Louis, Indianapolis and Kansas City), on waterways where freight rates are lower (Pekin, Clinton and Keokuk) or in Iowa (heart of the "Corn Belt" and closer than we are to the great terminal markets at Omaha, Minneapolis and Des Moines). Freight rates are such that we can economically buy corn outside our immediate neighborhood ONLY when local surpluses in distant areas force prices substantially downward.

### We Provide Our Own Storage

This geographical disadvantage doesn't normally worry us a great deal because (1) we've lived with it all our lives, (2) we've protected ourselves against it by providing much greater storage facilities than any of our competitors have. The costs of building and maintaining our elevators and borrowing money to buy huge quantities of corn from our immediate neighborhood when it moves to market are costs that our competitors have not had placed on them but, in spite of them, we have been able to maintain a competitive position.

### But The Order Keeps Us From Using It

But now, because of the shortage of corn generated by the conditions outlined in the corn-hog story across the page, the government has issued Food Distribution Order No. 52

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## The Tale of a Nickel Crook

This is a small thing and a poor thing to be writing about again and we wouldn't even mention it aloud except that it is for a good cause. Here are the facts.

In the last four months there have been 102 candy bars stolen out of the automatic candy dispensers in No. 17 Building, 87 stolen from the dispensers on the first floor of No. 20 Building, 47 at Plant C and 9 from other parts of the plant.

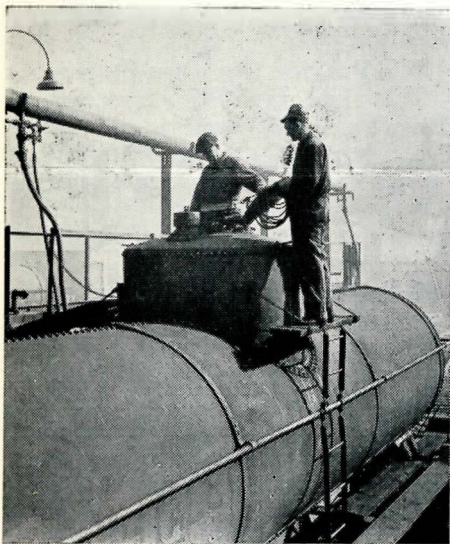
The relief fund of the Fellowship Club had to pay for those bars at the rate of 3c each and it lost in addition the 2c per bar profit it would have made on each of them if they had been sold rather than stolen. The relief fund goes to help needy club members and we hate to see it lose even a nickel if the loss can be avoided.

If you catch a sneak thief, not a two-bit crook but a nickel crook, you might remind him of all those things as gently as you can.

### Know Your

# Staley Safety

## C O D E



26. ALL EMPLOYEES WORKING IN DEEP OR ENCLOSED TANKS MUST WEAR SAFETY BELTS AND MUST NOT BE WORKING ALONE.

- Harmful gases may be present or may accumulate.

### MORE ABOUT CORN ORDER

(Continued from page 1)

which provides that corn processors may have on hand at any time only enough corn to operate their plants 45 days and that feeders may have only a 90 day inventory on hand.

The purpose, of course, was to prevent one mill from having large stocks of grain on hand while another was shut down for lack of grain and we would be in perfect sympathy with it except for our location. In our case it would prevent our buying more than a 45 day supply of grain at the time when central Illinois grain was moving to market and would have the effect of sending that grain to the St. Louis, Chicago and Indianapolis markets from whence we would have to buy it back plus handling charges plus freight to and from the market.

#### It WILL Cost Us Money and May Shut Us Down

Disregard for a moment the fact that this order will put us in a bad competitive position. It could do something worse. It could shut us down for lack of corn. In the present situation corn is *not* moving from the farms and one of our competitors was shut down for a few days recently because, being in a terminal market area, he had provided less storage space than we have and just plain ran out of corn.

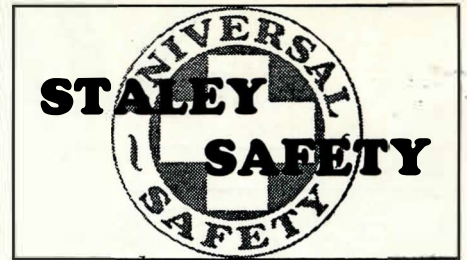
That could happen to us and if it did we would be in a worse position than anyone else in the industry because of our location.

#### So We Have Asked For Relief

So we have petitioned the Department of Agriculture to allow us, because of our unique predicament, to hold a somewhat larger supply of corn on hand and we have set forth to them, in great detail, our reasons for believing that such relief will only put us back in the same relative position with respect to our competitors that we were in before the order took effect.

That petition is in their hands today and we'll just have to hope that we have done a good enough job in presenting all the facts to give it a chance of success.

If we fail to gain relief we are probably in for a rocky time and that, friend, is a cry of "Wolf" with Mr. Wolf present and voting.



By MYLO ROBERTS

Director of Safety

Here's a powerful letter that Bill Powell, Safety Director, Medusa Portland Cement Co., wrote to one of Cleveland's daily papers.

"Was quite interested in the picture on the front page showing a man swinging a sledge and underlined with 'The Men We Honor Today.' From where I sit, the chap pictured there is the guy we do anything but honor. He is the lug the country as a whole is after right now, hammer and tongs. No self-respecting employment manager would give that bird a second look. He is a walking invitation to accident.

"Look at him. Swinging a sledge . . . no goggles. Look at the cuff of his shirt, flying loose where it can hook onto a whirling spindle or shaft and twist his arm off. Look at his left pants leg, all torn and ragged. Another bid for an accident.

#### Costing Billions

"That lug is costing this country many million man days of work loss. He is costing this country billions of dollars in compensation and hospitalization; is costing his family too much misery and heartache and he is a bosom pal of Hitler's.

"We do honor the boys in our plants who would as soon be caught robbing a baby's bank as caught at work looking like that dodo. Our fellows by dressing safely and working safely have operated so far this year without the loss of a single hour because of an accident. One of our mills has an eight-year accident-free record, three others have five years to their credit and others with lesser records but all of them have operated for at least a year but none of them employ a worker who looks like the chap on the first page. That fellow is a disgrace to labor. For Pete's sake show us a picture of a real safe worker not a scarecrow."

Published Monthly  
 By The Personnel Department  
 For The Employees of  
**THE A. E. STALEY  
 MANUFACTURING COMPANY**  
 DECATUR, ILLINOIS  
 Manager of Personnel  
 ROY ROLLINS

## Staley News Buttons Lip

The Staley News used to pride itself on being definite with its facts and figures even though (according to the Chemical Engineers) they were occasionally wrong.

But federal laws relating to espionage and war time restrictions on information that might be of use, however small, to our enemies, have pushed us clear out of the definite class. Your Staley News today often says "quite a few" where it used to say "Four hundred fifty-one and a half" and it says "has increased enormously" where it used to say "an increase of 218% over last year." We even have to say, on some occasions, "many bushels" when we'd like to say "857,462 bushels."

Being indefinite makes the News less interesting both to writer and readers (if any) but if we can stand the 20% withholding-tax-to-be-if-Congress-ever-gets-its mind up . . . I guess we can stand a little less exact information. The newspapers evidently think so too—there's less in them nowadays than there is in an empty beer bottle and besides—they don't even look like they used to have something in them.

## Please Report Deaths to Leck Ruthrauff Promptly

Leck Ruthrauff, Business Manager of the Fellowship Club, asks that you call him and tell him at once if you know of a death that has occurred in the family of a club member.

Leck tries to catch all the notices in the papers but occasionally one slips by, and you'll be doing everyone a service if you'll call 229 and remind him. It is especially desirable that department heads remember to call.



It takes an accident to teach a lot of people a simple lesson in safety. This girl, for instance, is a little late in realizing that safety lessons learned at the plant should be applied at home, too.

In a second she'll be on the floor.

If she's lucky she'll just be bruised. But she may break an arm or a leg. If she does she won't be any good to herself, to the plant, or to her country's war effort. At least, not for many weeks.

Many off-the-job accidents occur at home. And about half of all home fatalities result from falls. Preventing falls will help keep workers on the job and their families safe too.

Falls from good ladders aren't nearly so common as falls from makeshifts like the one in the cartoon. Next time, if this girl gets out of this mess alive, she will use a genuine ladder. But even then she won't be safe unless she uses it correctly.

If she uses a step ladder properly, she'll never climb one, inside or outside the house, without first making sure the spreader is fully extended.

She won't use a ladder whose steps or rungs are missing or broken or whose side-rails are cracked.

She'll never carry heavy loads up or down ladders.

She won't lean out too far.

She won't do anything risky—if she wants to avoid injury.



Our corn costs for April were about 9c per bushel higher than in March.

\* \* \*

*Corn starch is now being used by some wheat millers as a vitamin carrier for enriched bread. This is a new use and may be important after the war.*

\* \* \*

The corn situation is tough enough that plants in this industry are seriously investigating the possibility of milling cereals other than corn. Wheat is the best possibility.

\* \* \*

*Our average daily grind in April was 300 bushels higher than our previous record month (which was September 1942). Reason: mostly due to installations already made under our corn grind increase project, partly due to a swell job of operating on the part of all hands.*

\* \* \*

A tabulation of yearly earnings by people on our hourly payroll showed that 829 of them earned between \$1750.00 and \$2500.00 during 1942. 189 people were over \$2500.00 and 98 people (who worked the full year) were under \$1750.00.

\* \* \*

*It takes about 12 bushels of corn to produce 100 pounds of pork but you can do the same thing with 6 bushels of corn and 50 pounds of mineralized soybean meal.*

## MORE ABOUT CORN SUPPLY

(Continued from page 1)

because cutting hog prices deeply is going to rend a shriek of pure pain from the hog raisers (and there are lots of them) and raising corn prices again will increase the price of some things and hence the cost of living and that move wouldn't be popular either.

So the Department of Agriculture and Congress have a very hot potato to handle and we, who are dependent upon the answer for our very existence, are anxiously watching the play.

## MORE ABOUT KESTER

(Continued from page 1)

us by Mr. James S. Baldwin, Chairman for Decatur.

"As a result of your generous gift the employees of the Staley plant have started a campaign to double your contribution to United China Relief and from the latest word received from Decatur that goal will be reached and surpassed within a very short time.

"You will be happy to know that your gift will be sent immediately to China where it will do much to alleviate the suffering of the brave Chinese people by furnishing food, shelter, clothing and medical care at this most critical time.

"Our best wishes go with you wherever you may be in the service of our country."

Sincerely yours,

Paul G. Hoffman,  
Chairman



John Querry, well known inhabitant of 2445 E. Garfield and the Oil Refinery, would like to purchase as many 16 gauge shot gun shells (up to a maximum of ten boxes) as he can lay hands on. If you have some, and are willing to part with them, get in touch with John.

★ ★

Mr. John Galembach of 1523 N. Clinton and the Syrup House still has lots of plants for sale including tomatoes (your editor is in a position to personally recommend these), cabbage, peppers of all kinds and whatever else your Victory garden desires. Open evenings by appointment.

★ ★

Wanted, by John Shyer of 3855 E. Hickory (or call 3-3356) a child's wagon and tricycle and other toys. Terms offered: cash.

## Equal Rites for Wimmin

Major General Aurand, Commander of the Sixth Service Command, dropped us a line the other day and asked us to adopt "a policy for women volunteering for the WAACs, WAVES, SPARS and MARINES, as regards military leaves of absence, reemployment after the war, bonus, etc., to conform to your policy for men entering the service."

We obviously can't adopt such a policy because we already have. Staley ladies entering the armed forces have, for several months, been offered the same \$50.00 service bonus, the insurance premium payments, the rights to reemployment, etc., that are offered to men. We've already had one girl leave to join the WAAC so we've tested the machinery and it works.

But, as to the General's second request, that we "issue a written statement of your company policy through your house organ or employees' publication" we hereby graciously accede and thank him for the reminder.

The line, girls, forms to the right. We've asked the General to save a place for you.



## The Mystery of the Missing Beans

It's no good worrying unless you really have something to worry about so, in addition to our worries about the chance of having our corn sup-

ply cut off we have started officially worrying about our supply of soybeans.

The situation there is different than it is in the corn market and, quite frankly, we know less about it.

These things, however, we do know. 1. We haven't enough beans to last until the new crop year. 2. Commodity Credit Corporation has a few, a very few, millions of bushels of beans in its possession. 3. We MAY be able to buy some of those beans when we are out but we haven't been able to buy them yet. 4. Part of the shortage has been generated by shipping large quantities of beans to the less efficient southern mills. 5. There are lots of bushels (guesses range from 20 to 50 million bushels) still in storage on the farms but the farmer is holding onto them because he remembers other years when the price rose shortly before the new crop year and, ceiling or no ceiling, he's not going to take a chance that that will happen to him this year AFTER he sells his beans.

### The Farmer Doesn't Want To Be Kidded

Where we get off of this merry-go-round we are not yet able to tell you.

IF—there really is a huge supply of beans being held off the market they may start flooding in some day.

IF—the farmer decides the price really won't go up.

IF—the ceiling price is raised, lots of beans will be available . . . unless the farmer is convinced that the price will go still higher.

In the meantime, if you have two or three million bushels of beans in the basement and are looking for a place to get rid of them, come on in and let's talk this thing over.

★★ "THIS PLANT IS GONNA BE CLEANER ON ACCOUNT WE ARE GONNA CLEAN IT OFTENER AND BETTER."

Signed: A. Watkins

FLASH!!

Watch this newspaper for further developments. Watkins is having an idea.