

StaleyNews

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Morrisville sets new tank truck shipping mark

The Morrisville Plant is riding a crest of a wave of record-setting performances.

The string began in March when the plant had the highest grind in its history. That was carried through when the April-May period saw the highest three-month grind figure ever, and in May when the plant set a mark for monthly tank truck shipments of IsoSweet, with more than 1,000 trucks being filled and shipped.

More recently, in June, the plant set a one-day mark for tank truck shipments.

Plant Manager John Homan cited the continued high performance as an example of the integrated roles of all employees—from sales to factory.

"We have to have sales, of course, before we can make and ship the products," he

explains. "The Staley sales force has been doing a super job and demand is high.

"But after sales does its job, we've got to keep things going in the plant. Almost everyone is involved. The order service department deserves a great deal of credit for the way it schedules and follows up on shipments.

"But to keep running at full production means that the operators have to keep on their toes. And the Sta-Port operators who fill the trucks every day of the week are busy. Don't forget maintenance. A breakdown could foul up production if repairs aren't made quickly. The lab makes quality control checks on all shipments. And, although they're sometimes overlooked, the plant protection employees who weigh and record each outgoing shipment are the final link in the chain—and they're an important one."

ALMEX in final phases of 4-year expansion

ALMEX, S.A., a Staley affiliate in Guadalajara, Mexico, is in the final phases of a four-year long expansion that has allowed the plant to increase its corn grind capacity to more than ten times greater than when the company was formed only 17 years ago.

Staley is a partner in the company with Cerveceria Moctezuma, S.A., parent organization of Moctezuma Breweries, one

of the largest customers of ALMEX. Moctezuma Breweries uses brewer's grits produced at the ALMEX plant.

The expansion project included an expanded mill house, a new feed house and a new oil expeller, all started in 1973; modified starch expansion, syrup refinery expansion and new utility facilities, started in 1974, and construction of oil storage tanks.



Jesus Chanez loads a bag of gluten meal at the ALMEX plant in Guadalajara. The plant is in the final phases of a four-year expansion.

Decatur Plant moves to meet P. E. quotas of Sanitary District

Staley has reduced its waste loads to the Decatur Sanitary District by temporarily closing one production unit at Decatur and shifting some manufacturing to other locations.

The reduction brings the company's waste loads at Decatur below the level agreed upon with the Sanitary District. A spokesman said that Staley believes it is doing its share to permit the Sanitary District to operate its plant within capacity. Recently, the State Environmental Protection Agency announced a series of requirements that the Sanitary District must meet—including operations within its design capacity—before the state would alter the restrictive status it had placed upon the district for new sewer hookups.

In addition to curtailing and transferring production, the company also is trucking additional wastes to Tuscola for deep well disposal. The actions were initiated about two weeks ago.

The company's most significant move was the closing of its inositol production unit. Inositol is a corn-based product used in processed foods, pharmaceuticals and poultry feeds. As a result of the shutdown, some 34 employees have been dislocated to other areas of the plant, eliminating a similar number of summer jobs.

As part of a program initiated about a year ago, Staley is working on a realignment of

its waste treatment facilities. When completed, it will permit reopening of the inositol unit and return of some production transferred to other plants. The company expressed optimism that the curtailed operations can resume in about 6 to 8 weeks.

All of the transferred production may not return to Decatur, however. Because of expense involved in getting other facilities ready to handle the shifted workload, some of the moves may become permanent.

"When we do resume inositol production and other production that have been curtailed, waste loads will increase somewhat from the levels of the past couple of weeks, but they will remain below those of previous months," the company said.

Staley expressed optimism that it would meet its plan of holding waste loads to a 125,000 P.E. level until early this fall when they would be further lowered to the 110,000 P.E. level. The company embarked upon a program to meet these objectives last summer.

"The additional steps we have taken during the past couple of weeks have been at considerable cost to us," the spokesman said. He indicated that the company expects to spend nearly \$1 million this year to reduce its waste loads to the Sanitary District.



Consumer changes starch package

In a dramatic break with a 79-year old Staley tradition, consumer products is introducing a new design for the Cream Corn Starch package.

Cream Corn Starch is the cornerstone upon which A. E. Staley, Sr., started the company in 1898, packaging the starch at night in his apartment and selling it during the day to Baltimore grocery stores.

The basic design of the box, featuring baroque old English lettering, has remained basically the same since that time. That, plus its continuing popularity in the highly volatile consumer marketplace, has made Cream Corn Starch a highly unique product.

The new design features an updated version of the familiar old English lettering, but using bright color pictures to highlight the varied and primary food applications for Cream Corn Starch.

Ben Bartolini, product manager, says the new package is an effort to strengthen our packaging to compete more effectively in the marketplace.

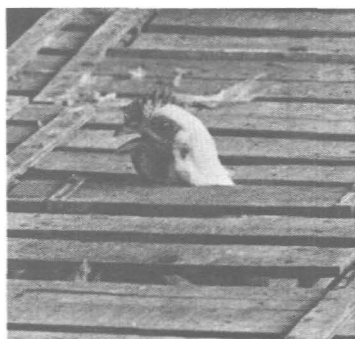
"Changing the appearance of a package which has been recognized by users for 79 years is not a decision made lightly," Ben explains. "But we wanted to retain the best of the old while increasing package visibility and consumer brand identity at retail stores. We believe the new design accomplishes that goal."

The new package will appear on grocery shelves within 90 days.

In the News...



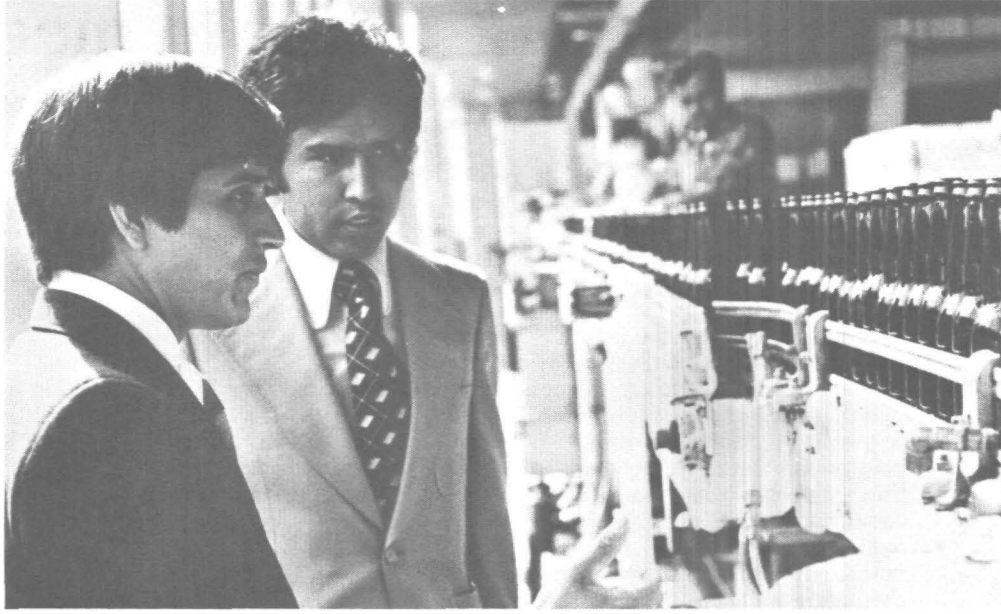
Old Mexico/P2



Why me, Lord?/P3



Spring style/P4



Lucerio during a field visit to Moctezuma Breweries, one of ALMEX' largest customers and a leading Mexico brewery.

Old, new Mexico blend in ALMEX' Lucerio Cortez

If language barriers were overcome, one thing would become quickly evident about Lucerio Cortez. He'd soon feel at home in Decatur.

That doesn't mean that Lucerio wouldn't miss the warm weather climate of Guadalajara in the middle of an Illinois winter. Or that he would trade the mountains surrounding this capital city of the state of Jalisco for the plains of central Illinois.

But there could be no doubt that he would feel a kinship with the Staley employees—especially those in research and development—who have as their goal support of the manufacture and sales of quality products.

The 24-year-old Lucerio is a technical service assistant at the Guadalajara plant of ALMEX, where he has been employed for the past four years. In his job, he works closely with as many as 150 customers on applications of various ALMEX products.

The types of customers would be familiar to most Staley employees. They include textiles, foods, beverages and the paper industry. Lucerio offers technical support to the salesmen in the field in a manner similar to the type of support Staley research and development in Decatur offers U. S.-based salesmen.

He explains: "My job is to boost sales. All the customers have different needs. I usually rely on the sales force to come to me with specific problems, but occasionally, a customer with whom I have worked will call me directly."

Upon receiving the request for assistance, Lucerio springs into action in the field. His job isn't a routine desk position, but requires shirt-sleeve action in which he calls not only on his knowledge of ALMEX products, but

of the production capabilities and requirements of the customer.

"The main problem I encounter is trying to convince the customer of the soundness of the ideas we present," he reflects. "I recall one customer who was interested in a new starch we were offering.

"I ran tests in his factory, and even after the results showed that our starch helped him manufacture an improved product, he was reluctant to change suppliers.

"So I asked permission to repeat the test and verify the results of the first sampling. Again, even though our product cost more initially, I was able to show the customer that he would enjoy long-run savings and offer his customers an improved product. It took about four test runs to prove our contention to the man."

Lucerio learned the ropes at ALMEX from the ground up.

He moved with his family to Guadalajara nearly nine years ago. He studied chemistry at the University of Guadalajara where part of his cooperative training included assignment to a company of his choice. Lucerio picked ALMEX and was put to work in the corn steep area.

"I chose ALMEX because I believed it would be a good chance to apply my schooling in chemistry to a practical application," he explains. "I wanted to study corn, how it was processed and possibly find ways to improve the industry."

Improvement is a theme Lucerio strikes frequently in conversation. He applies it to himself and ALMEX.



Listening to classical concerts at the stately Guadalajara theatre and concert hall is a favorite pastime for Lucerio.

"Almex is a dynamic company," he says. "It is growing and has yet to reach its potential. I believe it can help fill a real need for our country with the service and products it offers.

"As for me—I want to fulfill my career, to know as much about our products as I can and to be a part of the company's growth."

Lucerio explains that the employees at Guadalajara feel close to each of the parent companies of ALMEX—Cerveceria Moctezuma and Staley. "We are proud of our association with them," he says. "They are both quality oriented and set good examples for us to follow."

Lucerio is a bachelor whose hobbies are on the quiet side. His favorite activities are walking through the picturesque countryside surrounding Guadalajara or attending concerts at the city's stately music hall.

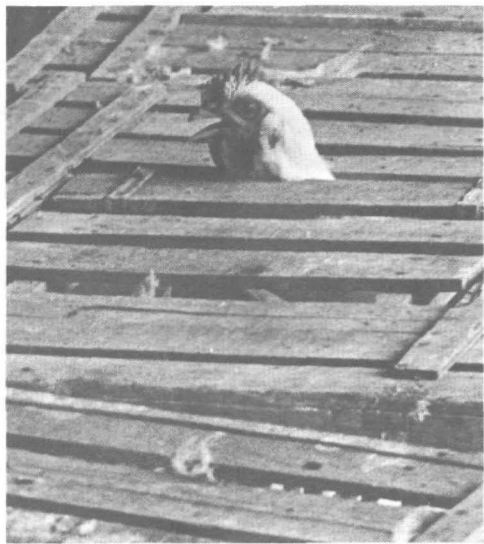
His hobbies reflect much of Lucerio's personality. Quiet, perhaps introspective, but directed always towards improvement. They're characteristics that serve him well on the job where he typifies the growth aspects of ALMEX.



Lucerio takes advantage of the brightly colored carriages which dot the downtown streets of Guadalajara.



The striking Guadalajara Cathedral is a landmark.



Even on the way to its impending doom, this fowl (left) had to take one last look at life, peeking through the slats of the cage which even now is being conveyed to the process which will, in 15 minutes, transform this chicken from feathered and alive to dressed and ready for shipment, similar to those above.

Staley soy meal staple of chickens' feeding plan

Chicken is an American tradition. Chicken jokes (from vaudeville to Laugh In). Col. Sanders (Kentucky Fried). Pulling the wishbone or hoping for a three-legged chicken with an extra drumstick (leisurely Sunday afternoon dinners).

But chicken is also big business. Or, at least the job of getting all that meat from barnyard to dinner tables is. An outstanding example of the sophistication of the industry is provided by Ceres Supply of Warren, Ohio.

Ceres is a long-time Staley customer, buying soy meal in bulk quantities of up to 30 tons a day from the Fostoria plant. The high protein meal is an important ingredient in the feeding plan for the chickens which are ready for dressing within 52 days from hatching.

The Warren plant of the firm daily dresses 35,000 chickens. That's 100,000 pounds of finished product. For those who are old enough to remember when the first step in preparing a chicken was to pull the head off with a broom handle, and then waiting for the headless fowl to run about wildly, while its decapitated head lay peacefully on the ground, the Warren plant is something of a shocker.

Efficiency is the key. From the moment the chickens are brought in by truck from farms with which Ceres has contracted to raise the broilers, until the time the dressed chicken is iced and ready for shipping takes only 65 minutes.

Modern methods

It's a line operation that provides yet another example of how American agribusiness has worked to keep food costs to the consumer low by incorporating modern preparation and delivery methods.

First, a crew removes the chickens from the coops, hanging the fowls by their feet from a constantly moving conveyor. The chickens are then given a mild electrical shock which stuns them, before their throats are sliced mechanically. This is followed by scalding for 90 seconds, automatic removal of the feathers, removal of innards and feet and other steps leading to the final icing.

The large volume of chickens processed at the plant each day means that priorities must be placed on cleanliness and sanitation. In addition to its own staff which keeps an eye on such details, four federal inspectors are on site at all times.

Ceres is what is described as a "vertical" company. It contracts with 95 growing farms for its operations. It has its own hatcheries, and after eggs are hatched, the chicks are taken to the contract farms. Thanks to improved genetics and feeding, however, the time to raise a full grown broiler has shrunk from 13 weeks to 52 days. But it still takes 21 days to hatch an egg.

Own feed mill

The Staley soy meal is delivered to Ceres' own feed mill where it is mixed into formulas which will be taken to one of the 95 farms.

What does the Ohio chicken firm look for in a supplier such as Staley? Fred Roberts, president of the company, cites "price, quality and dependability."

"We've never had a late Staley shipment, he continues. "Also, the protein content has been consistently above the guaranteed 48 percent. This is so important that we analyze each incoming shipment, but we've never been disappointed in meal from Fostoria."

Nationwide, broiler feeding constitutes one of the largest markets for soy meal. And Fred points to per capita consumption figures which indicate that chicken will become even more of a staple in the American diet, thereby insuring the importance of broiler operations as a Staley market.

"In 1970, the per capita consumption of chicken was 37 pounds," he explains. "By 1976, the figure had jumped nearly 14 percent to 42 pounds."

Fred adds that broilers are a highly efficient method of converting plant protein to animal protein. "Chickens are approximately 20 percent protein," he says. "Beef, however, is only 17 percent. Also, the space and time required to raise broilers is much less than those needed for beef."

Based upon the growth it foresees for consumption of chicken, the company has undertaken a series of moves that will modernize and expand its facilities. Ceres is looking at the long range picture, and Staley soy meal from Fostoria is a part of that outlook.

Sugar subsidy on way to enactment; called 'unfair'

Editor's note: The Carter Administration has proposed a subsidy of up to 2 cents a pound to be paid to sugar refiners and producers when the price of sugar drops below 13 1/2 cents a pound. The opposition to this proposal has been dramatized by Robert C. Liebenow, president of Corn Refiners Association, of which Staley is a member, as he makes a press tour through Illinois, Indiana, Iowa and Ohio. The following interview details the CRA opposition to the subsidy.

Q. Mr. Liebenow, what exactly has the Carter Administration proposed?

A. Simply put, the administration is seeking a way to bail the sugar industry out of many of its problems by offering up to \$250 million to be divided between growers and refiners.

Q. Why does CRA oppose such a plan?

A. The government is unfairly subsidizing one industry--sugar--against another--corn. As Staley News readers know, corn sweeteners--primarily high fructose--have made great inroads against sugar in recent years. As a result, companies like Staley have made tremendous capital investments from their own resources to increase capacity. Significantly, the corn wet millers don't want a subsidy. They just want a chance to compete fairly.

Q. You mentioned increased use of corn sweeteners. What do the most recent figures show?

A. Corn sweeteners today account for nearly 26 percent of all sweeteners consumed in this nation. I believe the figure will grow.

Q. Even if the subsidy is enacted?

A. Yes. A sugar subsidy is only postponing the inevitable. Corn sweeteners represent the most tremendous breakthrough in sweetener technology since the development of sugar beets during Napoleonic times.

Q. Doesn't the administration realize the growing role of corn sweeteners?

A. Ironically, yes, and that was one of the reasons President Carter said he supported a sugar subsidy. In his announcement of the plan, he noted that high fructose corn syrup can be made more efficiently and at a lower cost than sugar. I don't see anything wrong with that. If corn wet millers are more efficient, why penalize them? The sugar industry has lived off government programs that created artificial prices for years. Now, it's time for the market place to provide the orderly transition for many of the sugar growers and refiners to make an exit.

Q. We've talked a great deal about corn refiners. Should farmers be concerned about the subsidy?

A. Definitely yes! The \$250 million sugar subsidy would assist about 16,000 sugar farms--11,000 beet and 5,000 cane. There are 80,000 corn farmers in Illinois, 100,000 in Iowa and 60,000 in Indiana alone. The corn wet milling industry buys a million bushels of corn each and every day. That's six percent of all the corn grown in this country and an important market for farmers. More importantly, the figure will

grow. Why then, should the Administration penalize farmers by trying to deter the growth of a market for corn, the corn wet milling industry for its technological and

Staley News

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Manager, Employee Communications Dan Hines

Manager, Visual Communications Lee Jeske

marketing breakthroughs and finally the consumer with an unseen tax that will cost every taxpayer in this nation?

Q. Is it correct to say that some large cooperatives will receive rather large payments?

A. That's right. Rep. Paul Findley of Illinois estimates that 20 percent of this total will go to five growers-processors. Several large cooperatives could receive as much as \$14 million. That's regardless of any other profit they might make.

Q. What can be done?

A. We have to make the public aware that a sugar subsidy is unfair to everyone. And, then there's that old bromide--write to your congressman. This subsidy can be defeated, and nothing speaks better than a constituent letting his congressman know how he feels.

Q. Do you see any support for the CRA position in Congress?

A. Not only in Congress, but from favorable editorial positions in media throughout the Cornbelt. I must add, however, that our efforts received a temporary setback in June when a proposal to eliminate the payment plan entirely was defeated in the House of Representatives. But it's likely that there will be motions made to limit the amount of the subsidy to individual growers--a plan similar to other subsidies--and there is some question about the legality of the subsidy.

Q. Is it too late to defeat or modify the proposal?

A. In Washington, nothing is so uncertain as things that appear certain. We'll continue at CRA to beat the drums, and we're hoping that people like the News readers, farmers and other people in the Cornbelt who are going to be placed at an unfair advantage by the Carter Administration proposal will speak out and let their Representatives and Senators know how they feel. Then, maybe the government will get out of our business and let the corn industry enjoy the fruits of its technology and investment.

Company to sell jackets to employees

The company will sell Arctic ski jackets to employees July 15-31 at \$16.50 each. Retail value is estimated at \$30-\$40.

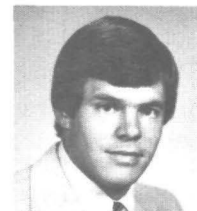
Sample jackets for sizing purposes will be available at most Staley locations. Delivery of all orders is scheduled for early October.

Jackets may be purchased by employees for family members and dependents as well as themselves. Payment is through payroll deduction or check.

On the move



G. Evans



D. Riley

CORPORATE

GENE EVANS from business systems designer to senior business systems designer, corporate information systems
TIMOTHY NEWTON from draftsman to senior draftsman, engineering
BEVERLY BROOKENS from data input operator to lead data input operator, corporate information systems

AGRIPRODUCTS

DAN RILEY from safety inspector to rail equipment supervisor, administration
BURT ROBINSON from specialties superintendent, extraction plant to protein product manager
JOHN KREASIS from assistant laboratory supervisor to operating supervisor, Fostoria



Fashion took a Spring Fling when the Decatur Staley Women's Club held its annual style show at the Masonic Temple. Stepping out in some high style are top row, left to right, Trudy Hebert, Cheryl Brown, Jenny Rauchek, Annette Smulik; second row, left to right, Doris Morganthaler, Marlene Hicks and Tracey Glancy.

Staley News shorts

Purchase plan announced for Staley service emblems

Eligible employees may purchase service award emblems, at a minimal cost, under a special limited offer by the company. The sale of the service award emblems will run from July 15 to August 15. The awards available for purchase are tie tacks and necklaces.

The purpose is to allow employees to purchase service award emblems which have been lost or which were not previously available to them when they observed their anniversary.

For example, an employee at a participating plant with six or more years of service may buy the five year emblem. An employee with 20 or more years of service may purchase a 5, 10, 15 or 20 year award emblem. Other employees report that they have lost emblems over the years, and the plan is designed to help them replace lost awards.

To be eligible, an employee must have served the number of years the award represents, and must work at a plant covered by the service awards program. If you have any questions about whether your facility is included, contact your personnel or plant manager.

As in the past, the company will continue to offer service emblems on appropriate service anniversaries at no cost to employees.

Anyone wishing to order a service emblem should contact Kathy Poe, industrial relations, 62 building. She will send interested employees an order and price list. The sale concludes Aug. 15.

Nearly 40 Decatur employees are participating in a pilot physical fitness program called Shape Up, Staley!

The group consists of both hourly and salaried employees who volunteered for the program. Ages of the members run from 20 to 64.

Shape Up, Staley! consists of hour-long sessions, twice weekly for eight weeks.



It was a bizarre 40th birthday for Wayne Martin, director, industrial sales & marketing. Seems Wayne, seated, liked to tease people who reached 40, apparently forgetting he'd reach the magic number himself someday. So a series of special events was held which included gag gifts of a walker, a wheelchair and a brass cane. Giving the old man his gifts were, left to right, Janet Logan, Bill Anderson and Arlone Ritter, each sporting "Wayne is 40" Tee-shirts such as those worn by several of Wayne's friends.

Each employee is allowed to exercise at his or her own pace. Throughout the eight weeks, tests will be taken of blood pressure and body fat composition.

The exercises emphasize flexibility and muscle tone, rather than strength. Sessions are followed with jogging or walking time on the quarter-mile measured track east of the research building.

If the program is successful, it will be expanded next year.

Employees' service in June tops 1,000 years

40 Years

WILLIAM DAMERY, senior mechanic, sheetmetal
WILLARD DUNCAN, turbine operator, 2 building
ALBERT WILLIAM KOPETZ, senior mechanic, electric
FRANK WALLER, switchboard operator, 2 building
AMMON ROBINSON, lead operator, 44 building

35 Years

JESSE ANGEL, 50 oil operator, 29 building
HERMAN MILLER, conversion operator, 5 & 10 building
LOWELL MOORE, general foreman, Fostoria plant

30 Years

C. DEAN BURDICK, oil/feeds production manager, agriproducts
ROBERT MCNULTY, construction supervisor, maintenance, industrial
DONALD HARVEY, SR., extraction operator, 101 building
CARLYLE REINHOLD, rigger leadman, riggers
DANIEL ROBINSON, rigger leadman, riggers
GERALD SIMS, preparation operator, 101 building
ROBERT SPELBRING, senior mechanic, I & C
DONALD EMERT, senior mechanic, pipe
THOMAS STONE, shift repairman, 1 building
WALTER BLEDSAW, shaker mill maintenance, 6 building
DAVID FREEMAN, lead operator, 6 building

25 Years

JACK SCOTT, shipping & inventory clerk, Columbus plant

20 Years

KEN DAMP, area manager, paper & textiles, industrial
WILLIAM HALL, central regional manager, paper & textiles, industrial
DON WINTER, director, quality assurance, corporate engineering
KATHLEEN REEDY, order entry assistant/dextrose/mixed, administration, industrial
AL WOODINGTON, JR., area manager, sweetener sales, industrial
GEORGE OSTERMAN, operator, vegetable protein plant, Champaign

15 Years

ROBERT SHANNON, territory manager, specialties, industrial sales
ELLIS HISSONG, analytical chemist, R&D
ALICE BROOKS, records & salary administration clerk, industrial relations

10 Years

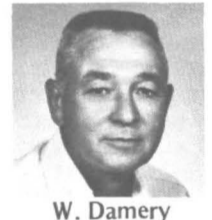
DAVE ANDERSON, area manager, specialty feeds, agriproducts
TOM ELLISON, director of safety, industrial relations
PAUL GIBSON, laboratory manager, proteins, agriproducts
WILLIAM MENKE, general foreman, Lemont
GARY PRINCE, Arlington plant manager
WALTER BELCHER, quality assurance chemist, quality assurance
JOE HARLEY, business systems consultant, corporate information systems
BETTY MANN, contract clerk, soy operations, agriproducts
CARL NEATHERLY, supervisor, shift operations, corporate information systems
DOUGLAS TONSFELDT, assistant plant controller, Des Moines plant
MARY BUIS, secretary business systems, corporate information systems
JERRY FOUTS, track laborer, 34 building
MICHAEL ODENEAL, serviceman, 5&10 building

RICHARD MCCOY, cleaner, 77 building
J. GARZA SALDINOR, labeler operator, Cicero plant

5 Years

DAVID HOWELL, group leader, toxicology and nutrition/testing, R&D
VERONICA NERS, invoice distribution clerk, consumer products distribution
GARY AMUNDSEN, finished goods, inventory control supervisor, manufacturing, consumer products
WAYNE GINANI, package line supervisor, manufacturing, consumer products
ROLF QUINTENZ, computer operator, data processing, corporate information systems
HARRY NASON, Sta-size lead, Houlton plant
CECIL KING, unloading, Houlton plant
GEORGE MERRITT, Sta-size lead, Houlton plant
EARL WILLIAMS, unloading, Houlton plant
J. SAINZ, JR., warehouse fork lift, Cicero plant
DONALD MITCHELL, labor, soybean mill, Champaign plant

A. E. Staley Mfg. Co.
2200 E. Eldorado St.
Decatur, Ill. 62521
Address Correction Requested



W. Damery



W. Duncan



J. Angel



H. Miller



R. McNulty



D. Harvey



G. Sims

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