

STALEY NEWS

Vol. 3—Page 49

BY AND FOR STALEY PEOPLE

March 1, 1940

Staleys Announce Another New Product

Ready to Furnish Quantities

Staley chemists have scored again. Levulinic Acid, formerly produced only in small amounts, has become a commercial reality here in our laboratory and advertisements announcing that Staleys can produce it in ton quantities are now going to trade magazines.

Levulinic Acid was only a laboratory museum piece before Staleys took hold of it. Small amounts had been produced experimentally here and there. Not more than one hundred pounds are in the country today, outside of that made by the Staley plant. The cost of producing it had been prohibitive, and so far out of the range of acids it might replace, that others let it alone.

The principal uses of Levulinic Acid which have already been found are in the making of plastics, as a solvent for cellulose and starch ethers, as a mordant in dyes, used by the textile industries, and for the manufacture of perfume.

There are also possibilities of its use as a mordant for printing ink, and in the manufacture of numerous other chemicals.

Levulinic Acid which formerly carried a price tag of two dollars or more per pound, is now being offered by Staleys at thirty cents to fifty cents a pound, depending upon the quantity ordered. This is slightly higher than Acetic Acid and other organic acids which it will replace. The volume that may be expected on this basis, or all of the ultimate uses of the acid cannot be estimated at this time. But Levulinic Acid, nevertheless, stands out as another mile post in the progress of the Staley Company, signalling its leadership in research and development.

BUSINESS OUTLOOK DULL GENERALLY

Staley Exports Provide Normal Grind

CURRENT SURVEYS of business conditions in America indicate that business generally has slipped down hill during the past two months. The present decline began back in December after the Industrial Production Index reached 128. By February, production had tumbled to 110 and qualified observers predicted that the March level would be 106.

BUSINESS ANALYSTS believe that the piling up of inventories during the latter part of 1939 is the cause of the sharp recession that has set in. The sharpness of the decline, itself, is looked upon by them as constructive since it will bring us to the bottom of the drop quicker,—possibly by the end of March, followed by an upturn in business during the second quarter of the year.

Staley Domestic Grind Low

THE DOMESTIC GRIND here at Staley's has followed the general tone of business encountered elsewhere in the country. A sharp decline set in after the first of the year and if we had to rely on domestic orders, which are normally the backbone of our operations, we would have had to curtail production sharply.

A SMALL FLURRY of orders resulted from a price advance during the latter part of February due to speculative buying among our customers. These orders are for future delivery and are the usual result of a price advance. If prices decline before delivery is made, many of the orders will be cancelled as customers speculate upon the chances for further reductions. *Speculative buying* and *speculative waiting* balance each other during the course of a year so that the over all result in sales is one that follows the natural needs of our customers.

Export Grind Good

IN VIEW of the present recession in American business, we have been very fortunate to have our export business fill the gap. Almost half of the corn ground here at Staley's during January was for export. This is the largest percent of our grind which has gone for export during any month in the last 15 years. The percent of corn ground for export during February will also be substantial.

THE UNUSUAL export business produced a net result for Jan. and Feb. that was satisfactory from the standpoint of hours of work and profits.

Export Future Doubtful

ENGLAND has received most of our recent export shipments. How long England will continue as a customer is problematical. Under the American Neutrality Law, all sales to belligerents must be made for cash in the United States. There has been much discussion about the limited amount of American dollars England has available for buying war supplies.

THE VARIOUS British government authorities are now discussing the necessity of restricting the purchase of supplies in this country to the most needed quantities. The question of whether starch and glucose will be on the preferred list or to what extent the volume will be curtailed can only be a matter of conjecture.

THE STALEY COMPANY has had the experience before of having a nice business in a foreign country discontinued over night due to government restrictions on exchange. At the moment, the Staley company still has some money tied up in Italy, due on sales made more than five years ago, because Mussolini's edicts concerning money transfers made it impossible to transfer funds.

FELLOWSHIP CLUB NOTESBy DAN DAYTON, *Secretary*

The Board of Governors of the Staley Fellowship Club held their regular monthly meeting on February 15th, 1940.

Minutes of the previous meeting were read and approved.

The monthly financial statement, prepared by Mr. Bass was discussed and approved.

Twenty four applicants for membership in the Fellowship Club were submitted by Mr. Dayton. It was,

Resolved: That the applications be accepted and placed on file.

The sick claim of a member who had not reported his illness within 48 hours after its onset was discussed and rejected because the provision of the Fellowship Club for reporting illness had not been followed by the member.

Mr. Anderson reported that there had been some trouble at the Club House due to members remaining later than mid-night. After a long discussion of the situation it was,

Resolved: That a sign be put up in the Club House calling attention to the rules of the Club House and to the fact that infractions of the rules will be subject to penalty.

The attention of the Governors was called to the old phonograph at the Club House and it was,

Resolved: That Mr. Anderson be instructed to sell the phonograph.

Mr. Anderson called the attention of the Board to the case of a member who had received the maximum amount of \$195 on an ailment. It was stated that the member now has a reoccurrence of the ailment which has been diagnosed as a different type of affliction from which the maximum payment was paid in 1937. Mr. Dayton read a letter which Mr. Staley, Jr., had written several years ago clarifying the company's view point on such cases. It was,

Resolved: That the claim of the member be allowed.

The meeting adjourned at 10:45.

BITS AND STUFF

One hundred seventy-four people signed up for the Hospitalization Service Corporation plan when the Staley membership doors were thrown open for 15 days. This figure does not include the number of dependents which came in with the signers.

The Staley Foremen's Club had an interesting meeting Monday, February 19th, when Mr. W. B. Lincoln, Jr., of the Inland Container Corporation appeared to tell how they make the boxes we use in shipping our products.

What did you think of the Staley Company's annual report this year? Wasn't it a honey?

The Staley management certainly deserves a lot of credit for the report and congratulations from people who see a good many reports and are able to pass an expert opinion are being received in large numbers.

Spurred by success in the first offering of the Staley Dramatic Club, members are rushing preparations for more entertainment in the near future.

The next production is to be a variety show produced with the ever popular minstrel effect. It is scheduled for sometime in March. The fine musical talent that abounds in the Staley group will be called on liberally in the program and there will be a large number of outstanding individual stars sprinkled between the group numbers.

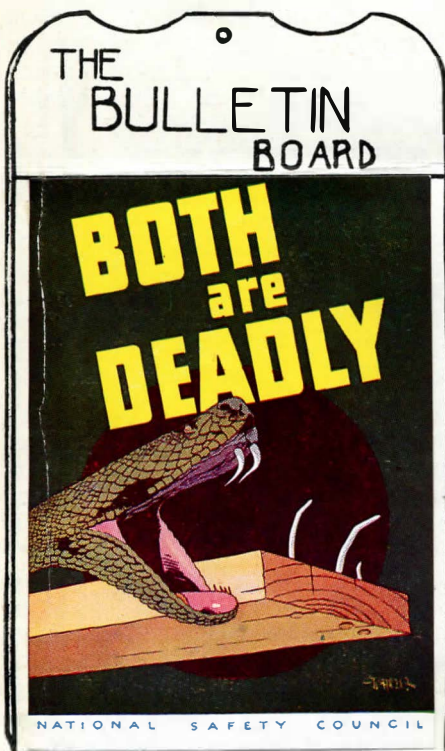


Until the first of the year we carried a file in the safety office which had a card bearing the name of everyone who had, at any time in the past, reported late to First Aid and another which had a card with a brief description of every serious accident suffered by a Staley employee. On January 1st we combined those files into one and the result was surprising.

Seventy-five percent of those who have reported late to First Aid have also had a serious accident at some time during their employment in our plant. Which means that late reports have another significance beyond the mere fact that there is always a serious risk of infection when a man reports late to First Aid. Late reports seem to indicate an attitude on the part of an employee which will sooner or later get him into trouble. Late reports are symptoms. They indicate that you are not really serious about working safely.

They indicate that someday we will have another entry to make. An entry that will say, "John Jones, Extra Board, Stopped motor to put belt on pulley. Did not put safety tag on starter. Took guard off and started to put belt on when Jim Smith, noting that machine was stopped, started motor. Jones' left hand caught between belt and pulley, two bones broken, severe lacerations. Lost time, 61 days. Cause: NEGLIGENCE. Jones failed to put warning tag on starter." That will go right below the entry that says, "July 19, 1939—Reported late to First Aid. Said didn't think it amounted to anything until arm started to swell and red streaks appeared."

There is another entry that could be made on the basis of those two. It would read, "John Jones, ordinarily good man on job but inclined to be slack on details. Negligence sometimes causes costly mistakes. Not recommended for promotion of any type."



Published Twice Each Month
By The Personnel Department
For The Employees Of

**THE A. E. STALEY
MANUFACTURING COMPANY
DECATUR, ILLINOIS**

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A REFUGEE

Last year, no less than 3600 people came to the interview desk to ask for employment at Staley's.

Every station in life, every level of preparation for work, and perhaps every degree of need passes before the employment interviewer's desk.

This panorama of people provides its thrilling experiences torn throbbing and bleeding from the pages of the real life stories of living people. We turned to a unique chapter of this story when a most unusual person came in looking for work last week. A refugee from Austria. His father was a Jew, his mother a German. He was a young fellow who had studied at one of the finest universities in Europe. After leaving the university he started a grain business of his own. Measured by American standards, even, he was becoming a grand success. It all went up the chimney when Hitler walked in.

He believed he could do work as a grain inspector. No, Europe does not have the fine machinery for this that is used here in America, "but" he said anxiously, "in Europe we have to be able to grade Grain by the feel".

"Then how do you know how much moisture there is in it", he was asked.

"By the feel", he replied.

We were not too busy to take him down to our electric moisture analyzer for an opportunity to observe, and perhaps test, this power at work.

He was given a handful of grain. "This is fine corn", he said. "We didn't see much good corn like this".

"But, how much moisture is there in it?"

"14%", he replied nervously juggling the kernels between hands so that a few dropped to the floor.

The corn was then taken and run through the moisture testing machine. The hand pointed to 13.7% moisture. He made good. It is a shame that people like that have to be deprived of their jobs and their savings, cast adrift in a strange and perhaps unfriendly country.

We asked what the people of Germany thought of Hitler and if he wasn't generally regarded as their savior who had released them from the yoke of an unfair peace treaty imposed in 1918. He replied that about 25% of the people follow him implicitly but that they are the radicals. The remainder of the people are afraid to say what they think.

"But why" he was asked, "do those people permit themselves to get into such a mess". If the common man does not like Hitler, why is this not known in other central Europe countries and why have plebiscites in other countries given a vote in favor of Germany's annexation of them. Don't they have a secret ballot which is their protection?

"Yes," he said, "we have a secret ballot but when plebiscites are held,

the German officials take over the polls. When you go in to call for your ballot, you are told you can take it into the "cabin" to vote if you want to but if you want to vote for Hitler, you don't need to. The fear of these police is terrible because their enemies have a way of disappearing. The result is that Hitler gets 99% of the votes and the opposing faction only 1% and even this opposition disappears in a short time."

This man's story was not a pleasant one. He was forced, because of his lineage to begin life in a new country, supported in his look for a job by the scant funds he was able to hide from the German officials before he left the country.

One can't help but utter a solemn prayer of thanks that matters are not in such a state of affairs as that in America.



FOR SALE
1934 Plymouth Coach in good shape. Cheap.
L. Bafford. Extra Board Office exchange 324.



Bronko Nagurski had his picture taken eating pancakes and Staley Waffle Syrup. (For publicity of course.) But what a sequel. He decided to try out the combination and polished off ten large pancakes and an alf-can of syrup.

* * *

That is just a small sample of the many advertising methods that are being used to introduce Staley products. Last year ads placed in 25 magazines gave 182,982,659 separate presentations of our Cube ads.

* * *

Confuscius say: "Man got two eyes, two ears, one tongue—to see and hear two times as much as he say."

* * *

Three people in the Grand Rapids trading area will receive \$50.00 Easter outfits for telling, in 25 words, why they like Staley syrups. Radio station WOOD and merchants are cooperating with Staley's in the contest.

* * *

Candy has the widest distribution of all food products, being accepted almost universally except among the Eskimos who prefer chunks of fat.

* * *

Nothing is work unless you would rather do something else.



STALEY MINOR LEAGUE

Leading Team

Starchers

Since Dec. 4

Team High Game

Lubricators—926

Since Nov. 20

Team High Series

Daubers—2554

Since Feb. 19

Individual High Game

J. Hilberling—242

Since Nov. 6

Individual High Series

I. Cox—635

Since Oct. 9

SENIOR LEAGUE

Leading Team

Laboratory

Since Oct. 25

Team High Game

Laboratory—1043

Since Feb. 21

Team High Series

Yard—2905

Since Feb. 21

Individual High Game

A. Trieweiler—258

Since Oct. 18

R. Koshinski—258

Since Jan. 10

Woodworth—258

Since February 7

Individual High Series

Woodworth—723

Since February 7

HANDICAP TOURNEY FOR STALEY BOWLERS

A singles tournament for Staley bowlers, to be held on March 16 and 17th, is now being prepared under the auspices of the Athletic Committee of the Staley Fellowship Club.

An entry fee of \$1.00 per bowler has been set by the committee and every Staley bowler who is interested in entering the tournament is urged to leave his name and entry fee at the Time Office as soon as possible.

SOCIAL SECURITY AND YOU—

This is the first of a series of articles on Social Security. The series will follow the general trend of the questions which have come in during the past six months. If this series fails to answer the particular questions which you have had in mind, please make your problems known at the Staley News desk and if they are of general interest, they will be answered in the News, otherwise, individual interpretations will be given.—Ed.

The Social Security Act is a permanent part of our Federal Law. It was enacted by Congress in 1935, upheld by the Supreme Court in May, 1937, and broadened by amendments in August, 1939.

Two Major Parts To Act

The Social Security Act provides two insurance programs. The first program provides old age and survivors' insurance designed to furnish the average worker and his family something to live on when he is too old to work and to insure an income for his dependents.

The second program encourages the states to maintain unemployment insurance systems designed to provide living expenses to a qualified worker while he is out of a job.

Old Age And Survivors' Insurance

The old age and survivors' program is administered entirely by the Federal Government. Under this plan monthly benefits will be payable beginning in January of 1940, FOR THOSE WHO QUALIFY.

Persons who qualify must be either workers who have received wages in employment covered by the Act, or survivors or dependents of persons covered by the Act. Staley employees of any nature—Sales, Office or Plant, are covered by the Act through taxes which are levied against the employer and the employee. Both pay an equal amount into the fund. The rate of your tax is 1% of your wages up to \$3,000 during 1940, 1941 and 1942. The employer also contributes an amount equal to 1% of your wages. This tax is levied against all wages on and after January 1, 1939.

In order that the proper amount be credited to your name regularly, you must have a Social Security account number. All Staley employees have an account number. If you have lost your account number card, you should apply for

a duplicate card at the Financial Department office.

If you have more than one Social Security number, you should keep one and return the other to our Financial Department.

If you have had your name changed since you received your card, the Financial Department office should be advised.

What Is Provided By Old Age Insurance

Persons who are 65 years old, or older, or who arrive at age 65 after January 1, 1940, are entitled to monthly benefits provided they meet these requirements:

1. That they retire from work which is covered by the Act (however, persons earning less than \$15 per month are not considered to be working).

2. That they have earned wages totaling at least \$50 in each of six calendar quarters since 1936 for services rendered in work covered by the Act.

Those who do not wish to retire at age 65 may continue to work. Deductions from their pay continue against the time when they do retire. Wages earned in this manner increase the amount to be received at retirement.

The program also provides for monthly payments to be made to the wife of the beneficiary after she reaches age 65. Her payment is equal to one-half of the husband's payment. A dependent child under 16 (or under 18 if attending school) is also entitled to a separate benefit equal to one-half of the father's monthly payment.

The program provides, in addition, benefits for the survivors of an insured wage earner, for his widow and orphans, and/or, in case he leaves no such heirs, for his dependent parents.

A widow over age 65 is entitled to a benefit equal to three-fourths of her husband's monthly benefit. A younger woman who has dependent children in her care receives a similar benefit. In addition, a dependent child under 16, or 18 if attending school, receives a benefit equal to one-half of the father's monthly payment.

The second article of the Social Security Series will appear in the next issue of the News. If you have any questions on the above article, or those which follow, turn them in to the Staley News at once so that the Financial Department can prepare the answers.—Ed.