

STALEY NEWS

Vol. 4—Page 1

March 1, 1941

Why We Are Not Buried In Bean Meal

Selling the tons of soybean meal which our plant produces daily would be a neat trick even if it was done with mirrors. We don't use them because we don't know where to find that kind but we do give the problem some careful thinking.

Where It Goes

Our Distributor-Dealer Plan is an example of that thinking and accounts for a pretty constant amount of our production. It starts from our belief that the only kind of a deal which can be called a "good deal" is one from which both parties derive benefit and after which both parties are glad to continue doing business with each other.

So we set out to devise a plan that would give some positive benefits to our customer; something that would make him *want* to continue dealing with us. The Distributor-Dealer Plan was one of the results.



We say to the distributor, "Here, if you will contract to take a carload or more of feed from us each month, we will undertake to sell

it to you at a competitive price and to guarantee the price against decline for a reasonable length of time. Because we understand very well that our success is going to depend on yours we'll also help you to sell an increasing amount of our product.

We Can Help

"If you will call a meeting of dealers and feeders in your territory, we will send you an expert on nutrition and care of stock to demonstrate to them the proper use of Staley Feeds and the latest dope on animal husbandry. Further, if you find, in any month, that you aren't going to be able to handle the amount of meal which your contract calls for, you may reduce the amount or stop the shipment altogether by letting us know ahead of time."

Benefits to the distributor are: a

(CONTINUED ON PAGE 2)

Annual Report . . . Of What?

WHAT'S
THE
ANSWER?
WER



In the Staley Company's Annual Report for 1940 you will find a great many figures, a great many technical and financial terms. You will find that we have two million dollars in cash and accounts receivable, seven and a quarter million in inventories and ten and a quarter million in plant and equipment; that we owe two and a quarter million in long term indebtedness and nine and a quarter million to our stockholders; that during the year we earned, on net sales of twenty-seven and three quarter millions, a net profit of \$1,379,144.71.

For those of us who are neither financiers or accountants, what kind of a story do those figures tell?

They say that during the year 1940 the 2000 people who operate the Staley Company used tools purchased with the savings of 2247 other people to process corn and soybeans into \$27,863,167.54 worth of goods which became the raw materials for the paper, textile, leather, confectionery and other industries and which went onto the tables and into the laundry of thousands of homes.

What We Have Accomplished

They say that the 2000 earned for themselves the sum of \$3,469,873.58 in wages and salaries and that \$607,182.10 was paid to the 2247 people who invested their savings in our enterprise.

They say that the 2000 and the 2247 together paid \$801,324.71 (one fifth the amount of their combined earnings) toward the ever increasing cost of their government as taxes on their business and aside from the taxes they paid as individuals.

They indicate that all of us together performed a service for the American people by providing good products at good prices and that we have been paid for our work in proportion to the services we rendered.

They indicate that our company is in sound enough financial condition that, barring the intervention of

(CONTINUED ON PAGE 3)

New Training Plan For Office Employees

By J. M. Richey

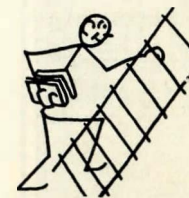
Roy Rollins dropped in the other day and said, "Jim, I'd like you to write an article on the new training plan for the NEWS—by tomorrow noon." He got the run around until he said, "Why do we have a "horizontal transfer program?" Unsuspectingly we answered and he said, "There is your article. It wrote itself. Just put it on paper."

The answer to Roy's question, "Why do we have horizontal training," is the crux of the Staley plan and explains why horizontal rather than vertical training offers the most in opportunities.

"Horizontal Transfer"

Perhaps it would be well to explain "horizontal transfer" first. It is a method that provides an individual, who understands his job thoroughly, with an opportunity to move into other departments to find out more about what his company is doing, how it is doing it and why. It is designed to take advantage of the time while an employee is waiting for an opportunity for advancement by giving him a chance to learn and grow rather than sit and wait.

In practice, there are two types of training. Training which provides the capacity to move up vertically in a department and the horizontal type which makes it possible for an employee to prepare to get ahead in any department where expansion or promotions may be the order of the day.



Let's take a look at vertical training. Suppose department has five men each doing his job well. Let's suppose that the junior member, or any member excepting the top man, decides to follow the old maxim, "If you want to get ahead, keep ahead," and sets out on a study program which will enable him to handle the job above. Finally he is able. Then what? Unless something happens in the way

(CONTINUED ON PAGE 2)

MORE ABOUT BEAN MEAL

competitive price (knowledge that we aren't going to sell his competitor in an adjoining territory at a lower one), guaranteed delivery in good times or bad and expert help in selling and advising his customers. Benefit to us: a steady demand on which we can plan our production and keep the plant running on an even keel.

Selling is not merely a matter of offering a product at a price. You must find or create a demand and render useful service to your customer if you want to keep him as well as get him. Making the best feed in the industry is not enough. Your customer must be able to prove to his own satisfaction that the best feed is combined with the best service and that retailing it or feeding it is a "good deal" for him.

SAFETY PAYS

MORE ABOUT TRAINING

of expansion, or an accident eliminates the man above him, there is no opportunity for his effort to be rewarded by a promotion. He has done his part, and a little bit more. The com-

pany has not been able to do anything for him. Meanwhile he may have noticed several younger men in another department, who have not "done a little bit more" getting advancement due to changes or expansion in their departments.

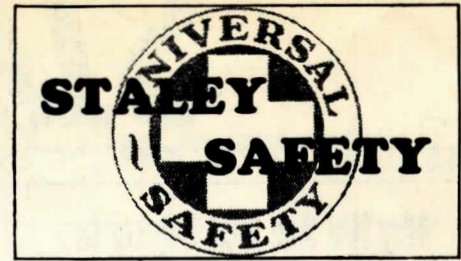
In vertical advancement we have a number of such bottlenecks. Our company took stock of this situation and explored the methods that might be available to prevent them. "Horizontal transfer" was evolved. Through this plan employees become familiar with the work of more than one department and when an opening occurs in any of them the man who has shown the most ability gets the advancement. "Horizontal transfer" offers equal opportunity to all those covered by the plan. In addition, it will provide the company with a reserve of people who, through broad experience in the company, are much better equipped for advancement than they would be if their experience were limited to one department.

Supplementary Training

When "horizontal" training was established the company recognized that this might lead to a desire on the part of some, who had the time and energy, to take additional training outside the job. Since no means existed for assisting in the financing of home study or evening school work, the company established a policy of paying one-half the cost of such courses, and up to three-fourths if the individual received an average grade or better, provided that these courses would better prepare the individual for the job he holds or for some future job at which he might be aiming. In establishing this policy the company recognized that what helped the employee helped it and that it should stand a share of the expense.

Selection of New Employees

In the past new employees for our office force have been selected from the graduates of high school, business colleges and universities. Our policy for the future will be the same—with one important difference. We have always waited, in the past, for the man to come to us. In the future we will go to the schools and colleges and select our men ahead of time. This will mean merely that we have a broader field to choose from and should, therefore, get better men. They will enter into the horizontal training program with the same opportunity, but no more, than present employees have. "Horizontal transfer" offers equality of opportunity. No man who hopes for advancement can ask for more.



By Gerry Horton

"Dog-gone but I get tired of hearing, reading and seeing Safety everywhere I go," said a lad in the plant the other day. Perhaps others of us feel the same way at times. Let's look back over the history of Safety and see if we still feel that all of this noise about Safety is useless . . . or overdone.

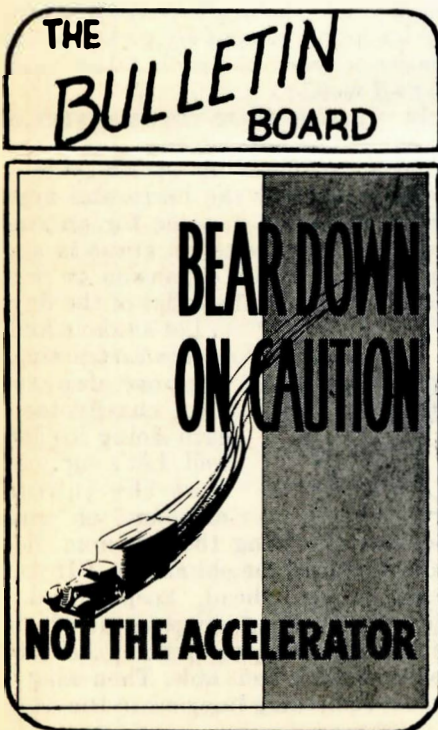
Safety started when life did. Man had to protect himself against the elements, wild animals and other men. Even the Bible gives instructions for accident prevention (Deut. XXII: 8).

Organized safety work in this country began in the U. S. Steel Company in 1906. In 1907 a group of electrical engineers, mindful of the hazards which electrification of the steel plants was adding, formed the Association of Iron and Steel Electrical Engineers to combat them and held an exhibition of safety appliances in New York City. The movement grew until, in 1912, the "First Cooperative Safety Congress" was held in Milwaukee. Out of this grew the National Safety Council and, under its leadership, the Safety movement has saved 300,000 lives in 28 years. That is more than 10,000 lives a year . . . almost 30 every day.

Aside from this tremendous saving of life think of the thousands of non-fatal injuries that have *not* happened because of Safety; the suffering that has been prevented, the earning power that has been preserved.

Everyone loses when an injury occurs. The injured man pays in suffering and the loss of earnings. His employer pays in medical expense and compensation payments and the loss of a skilled workman. The customer pays in increased prices which partially cover the losses of employee and employer. Safety, the prevention of those injuries, affects everyone and makes a saving for all of us.

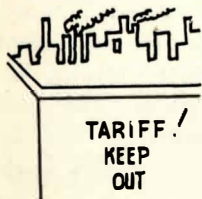
As I look up I see a safety poster outside my window and a safety calendar just across my desk but, after thinking of all the good things that Safety has done for us, I think I rather like that poster and that calendar.



Published Monthly
 By The Personnel Department
 For The Employees of
**THE A. E. STALEY
 MANUFACTURING COMPANY**
 DECATUR, ILLINOIS
 W. G. Reynolds, Manager of Personnel
 Roy Rollins, Editor

South American Survey Proceeds

Two months ago we reported to you that Rodney Thomas, formerly in charge of our London office, was surveying the South American countries with a view toward finding a market to replace those we lost in Europe after the outbreak of the war. His reports are beginning to come back now and they indicate that South America will be a pretty tough row to hoe.



It is true that the war pretty well shut off European suppliers but ... some of the countries contain very inefficient plants which produce at

high costs and which are protected by tremendous tariff walls.

Some of them need and want our products but have no dollars with which to pay for them. They have pesos (which we couldn't spend) but getting their governments to release dollar exchange is a matter that usually takes from a month to a year and we can't do business that way.



Some of the countries would buy from us if they could sell their products in the United States. They can't because the products (beef, corn, wheat, etc.) are agricultural products of which this country already has an excess and which are partially barred from entry here by tariffs and restrictive laws.

Not so good thus far ... but Mr. Thomas will keep on looking. If the barriers mentioned above are ever removed we'll have a head start in South America because we've been looking and know the lay of the land.

The day may be coming when South America, which feeds thousands of heads of sheep and cattle, will be a real customer for feeds and only our alertness can assure us that they will be Staley feeds and not someone elses.

MORE ABOUT ANNUAL REPORT

world events over which we have little control, another year of good effort on our part will be rewarded in like fashion.

Safety Shoe Payments Extended

Under the old system of twice-a-month paydays, payments for Safety Shoes purchased through the company were spread, upon request, over three paydays or six weeks time. Since we have gone to weekly paydays since the first of this year there have been numerous inquiries as to whether Safety Shoe payments would still be spread over three pays. The answer is *no*. We will still hold to the policy of taking them out in six weeks which will mean spreading them over from one to six paydays ... whatever suits you best.

Dash right up and invest in Safety ... and Safety Shoes. No carrying charge.



Why We Keep Plugging At It

"... and the end is that the workman shall live to enjoy the fruits of his labor; that his mother shall have the comfort of his arm in her age; that his wife shall not be untimely a widow; that his children shall have a father; and that cripples and helpless wrecks who were once strong men shall not longer be a by-product of industry."

The above quotation taken from the Cadillac Safety Crafter, edited by J. E. Moore, was first used in an address by P. B. Juhnke about 1917 at a meeting of employees of Commonwealth-Edison Company in Chicago when that company received a reward for its excellent safety record.

The objectives toward which we plug day after day in our Safety program have never been more beautifully stated.



If you have a second hand clarinet for sale see John Shyer, 3855 E. Hickory or call phone number 33356.

For Sale: a partly modern 4 room suburban home on 3 3/4 acres of ground. Located 1/2 mile west and 1/2 mile north of the junction of Routes 48 and 51. See Olen Hardy, Glutimate Plant or R R. No. 2.

Two Modern Front Rooms for Rent. Light and heat furnished. Call at 2245 E. Locust. Also one Red Star gasoline stove in good condition for sale cheap.

Charles Wyant has a bedroom suite with an Extra Bed for sale for \$7.00.

Two burner coal oil heater for sale \$5. Call 2-5438.



During 1940 we used 18 tank cars of Muriatic Acid and 21 of Sulphuric.

To make sure that an unpleasant job won't be done, plan to do it yourself.

Ninty-nine per cent of all Staley employees are members of the Staley Fellowship Club.

It takes as much time and effort to make a skilled industrial worker as it does to make an army lieutenant. That is why industrial safety is especially important right now.

What Baume At What Temperature

This fellow Baume (Bow-may) was a chemist in the salt business in France about 200 years ago and it bothered him that there was no method for determining the amount of salt in a brine solution of unknown strength. So he set out to devise one. He knew that an object floating in liquid will sink to the point where it displaces its own weight and that it will sink deeper in light liquid than in heavy. A boat which draws 15 feet of water in Lake Michigan would draw only 14 in the ocean and only one in mercury.

Baume's Idea

So Baume put a small weight in one end of a sealed glass tube (to make it float upright) and set it in 10% salt solution. At the point to which it sank he made a mark and called it 0°. Then he floated the tube in a vessel of water (lighter than salt solution and allowing the tube to sink deeper) and marked the point to which it sank 10°. The space between the marks was divided into ten parts and, by extending the scale past the zero mark, it was a simple matter to determine the concentration of salt in a solution of unknown strength. The instrument was called a hydrometer (literally, water measurer) and today its usefulness ranges from telling how effective your anti-freeze is to telling our customer exactly what he is buying when he orders glucose of a certain specific gravity.

Modifiers Take a Hand

But its history has been an uneasy one. Baume wouldn't recognize the instrument today because its scale has been changed several times. A chemist named Lunge took the first crack. He said that Baume's scale was illogical because it showed 10% salt solution as 0° and water as 10° both at 17.5 Centigrade). So he turned it around and made it show 0° in water and 10° in 10% salt solution. But the quarrel went on. New hydrometers set to different scales and corrected to various temperatures were introduced by Richter, Brix, Langen and several others. The resulting confusion can be imagined.

Our Industry Standardizes

The corn products industry decided early in its history to use the "New Baume" or "Dutch" hydrometer which was standardized at 17.5° C (63.5° F) and continued with it until the early

part of this century when the general confusion prompted the U. S. Bureau of Standards to set up a new hydrometer scale standardized at 60° F and to refuse to pass on the accuracy of any other scale. Some companies in our industry adopted it but some did not and the situation was not much improved until all of them agreed, a few years back, to use the standard scale.

Specific gravity is the weight of a material compared to the weight of water. It must be rigidly controlled at various points in our process or the whole scheme goes wrong. If the Baume reading, which indicates specific gravity, in our germ separators is held between 7.5 and 8.0 the germs, being lighter, will rise to the top and flow off properly. If it is too high bran will flow off with them. If it is too low the germs won't rise. Baume readings before and after tabling indicates how good a separation job the tables are doing. Baume must be controlled in No. 21 Building to make the shakers and filters work efficiently.

Baume Readings Tell Our Customer What He is Buying

In the syrup and glucose business Baume readings indicate the density or moisture content of the finished product and Baume is, therefore, rigidly controlled in the Refinery and No. 17 Building. Readings on syrup and glucose are still a source of some confusion because they are corrected, not to the 60° F which the Bureau of Standards dictates but to 100° F. The reason is that glucose at 60° would be so stiff that a hydrometer spindle could hardly be thrust into it. All readings, therefore, are made at temperatures above 100°.

Temperatures Are All Important

Temperatures, incidentally, are important. Water at 39° F weighs 62.43 pounds per cubic foot. At 212° F. it weighs but 59.83 pounds. So, unless you give the temperature of the material at the time you took the Baume the Baume reading alone is meaningless.

Baume was another of the folk who provided us with the tools we use in making our product and the fact that we have changed and modified the tool merely means that we work better as our knowledge increases. More tools and better ones mean better products and cheaper ones and that is the road we are trying to travel.



BAUME HYDROMETER