



MAJOR MODERNIZATION — Large crane stands ready to hoist another piece of equipment into place atop east end of 16 Building. Construction activity, including installation of dryer, is part of a broad modernization to provide additional capability to produce modified and specialty starches.

A. E. Staley Manufacturing Co.

Decatur, Ill.

Staley NEWS

Published semi-monthly by the Public Relations Division,
exclusively for employees of A.E. Staley Manufacturing Company.

Vol. XI, No. 4

Decatur, Illinois

March 31, 1969

Formation of Consumer Products Group Latest Step in Reorganization

Formation of a new Consumer Products Group by combining the Staley Grocery Products and Wagner Industries operations, announced recently by President Nordlund, is the latest step in the total Company reorganization plan. The overall plan is aimed at establishing integrated profit center structures in each of our major marketing areas.

Organization and staffing of administrative and production units within the new Consumer Products Group is in progress. When complete, all key support functions, including manufacturing, accounting, research, personnel and

distribution, will be carried out under the direct control of Consumer Products Group management.

Frank H. Wagner, currently president of Wagner Industries, has been named to direct the new combined Consumer Products Group.

Henry Volle, manager of the Staley Grocery Products Division, will direct West Coast operations for the new group as part of a concentrated effort to expand our penetration of this fast-growing market.

Richard L. Nagle has been named to direct marketing operations for the Staley consumer products line. Nagle, who had been Atlanta district manager, will be responsible for all sales marketing and new product activity.

John Springer succeeds Nagle as Atlanta district manager. Springer had been assistant national sales manager.

Management of the Staley consumer products field sales team remains under the direction of Paul D. Kirkpatrick, national sales manager.

Within the next few months, the consumer products marketing group will begin a multi-phase move that will culminate in a new group headquarters in the Chicago area.

When a site is located and purchased, relocation of personnel involved will be scheduled. It is expected that the complete relocation will require as long as 24 months.

The functions, organization and reporting relationships of Decatur grocery products manufacturing and non-Decatur field sales employees will not be affected by the move.

Staley Grocery Products secretarial and clerical personnel not being relocated will be offered positions for which they are qualified in other areas of the Company as positions become available, according to an announcement of the reorganization.

Announcement of plans for reorganizing the Company's consumer products activities into an integrated profit center follows closely on the heels of completion of most major aspects of the reorganization of our soybean and commodities activities into a new Commodity Products Group.

That reorganization was virtually completed last month with the reorganization and staffing of a Commodity Production Division.

Wagner Cites New Product Ideas, Developments As Keys To Growth

Frank H. Wagner, head of the new Staley-Wagner Consumer Products Group, cited imaginative product ideas and accelerated product development activity as keys to accomplishing Company growth objectives on the consumer level.

High on the list for new opportunities he mentioned in a talk at the March 13 meeting of the Staley Technical Society are products in the snack and convenience food markets. The new Staley-Wagner group will be gearing itself to capitalize on these opportunities, he said.

"Growth on the retail level is recognized by management as an absolute necessity to meet overall corporate objectives which are more ambitious than ever before in this Company's history.

"I realize, by the same token, that accelerated growth is easier said than accomplished, particularly on the consumer level where everywhere we turn, there is a smart, tough, wealthy and established giant to compete against," Wagner observed.

Creative Techniques Needed

"In virtually every market, we are an underdog and that means we must be more creative in our product developments and our advertising-packaging-merchandising techniques. And we must be psychologically, as well as financially and organizationally, prepared.

The production and technological capability existing in our grain processing activities present a variety of interesting product development opportunities in the snack and convenience food markets, Wagner indicated.

"As a supplier, we have learned a great deal about this fantastic



FRANK WAGNER traces evolution of "Wagner" fruit drink container from original bottle, right, to present one, left.

growth market, and we should be able to utilize this knowledge in new product concepts.

"While Wagner barely has a foot in the door of the snack market through our sunflower seed specialties, we do have a food market name and a growing loyalty. It is my desire to see a family of snack products on the shelf within the next two years," he said.

Institutional Growth Factor

"An ace in the hole for accelerated growth is institutional products," Wagner said. "This should be our fastest growth area in the near future, and it will be a growth factor with widespread long-term implications.

"Where laundry products are concerned, Staley is an established and respected name in a giant, if somewhat fickle, market. I hope there will be no misunderstanding as to my interest in continued development in this area, or for that matter, on the general subject of development.

"I am interested in the dynamic exploitation of all product development opportunities anywhere in the institutional and supermarket field where we can realistically look ahead to profitable volume. Laundry products will always be a vital contributor to Staley volume and I see no reason why an accelerated push in other areas should come at the expense of another," Wagner said.

Management's Commitment

"Considering management's commitment for consumer products growth, which I have inherited and will be held accountable for, we are going to need development ideas, imaginative development ideas, in greater magnitude than ever before.

"New products are the life blood of this or any other organization, but the need is far more pronounced for a relatively small product group with big plans. And this characterizes Staley today," he said.

He indicated that prior to Staley's acquisition of Wagner Industries, he was impressed with the Company's quality standards and integrity, with its technological know-how and its new product development capabilities.

"Now, a year later, I am even more enthusiastic about the Company's prospects for future growth. I believe we can and will gear ourselves to get the job done," Wagner concluded.

New Food Service Division Formed In Consumer Group

Formation of a Food Service Division within the new Consumer Products Group to market the Company's expanding line of institutional products was recently announced by President Donald E. Nordlund.

Mr. Nordlund said the move reflects recent growth in the Company's institutional line, and provides the framework for the accelerated developments currently planned to meet growing demand for convenience food products in mass feeding operations, such as restaurants, hospitals and schools.



Schultz

Walter E. Schultz, who has been directing institutional sales as part of the Staley consumer products organization, has been named to head the new Food Service Division.

He had been institutional products manager for nearly two years, and held product manager and grocery products packaging supervisor posts before that. A native of Decatur, he joined Staley in 1941 and worked in the Purchasing Division before moving to the Grocery Products Division in 1955.

Headquarters for the new division will be established in the Company's Wagner Industries plant in suburban Chicago.

(Continued on page 3)



WINNER AGAIN - Manufacturing Vice President Nat Kessler, second from right, presents cleanup traveling trophy to Wayne Blick, foreman of Mill House, Steep and Elevator A Department, as Tom Wheatley, right, Corn Milling production manager, congratulates department employee Al Born. The department was presented the trophy for posting top cleanup results in February. Trophy in background is one the department retired after claiming it three times during 1968.



STALEY WOMEN'S CLUB OFFICERS - New officers of the Staley Women's Club, from left in front, are Marlene Hicks, vice president, and Linda Hays, president. In back from left are Estella Launtz, treasurer; Helen Rigsby, trustee; Ronda England, corresponding secretary; and Dorothy Tefft, recording secretary. Absent from photo were trustees Juanita King and Agnes Rommel.



NEW FOREMEN'S CLUB OFFICERS - From left to right, new officers of the Staley Foremen's Club are Don Brown, treasurer; Tom Wheatley, vice president; Dean Burdick, president; and Paul Strong, secretary. They were elected at the club's February meeting and installed in March.

380 YEARS AT STALEY

23 Employees Observe Service Anniversaries

The "Staley News" congratulates the 25 employees who observed service anniversaries in February, ranging from five to 40 years. They account for 380 years at Staley.

Heading the list is Hansel V. Wetherholt, senior mechanic in the Electric Shop, who completed 40 years service on Feb. 27. He has been a senior mechanic in the Electric Shop for the past 20 years and has been employed in the shop for the greater part of his 40-year career.

Other employees marking service anniversaries in February include:

35 Years
David D. McCulley, Satellite Shop-101 Building, Feb. 8

30 Years
Paul H. Kalem, Lubrication & Oil Supply, Feb. 26
Charles R. Willard, Mailing & Receiving, Feb. 23

25 Years
Manuel Duarte, Staley Chemical, Feb. 29

20 Years
Laurent J. (Larry) LaBrie, Industrial Sales-New York, Feb. 1

Roberta A. Noonan, Control Division, Feb. 1

Virgil A. Schniederjan, 101 Building, Feb. 7

Edna M. Sims, Financial, Feb. 1

15 Years
Herbert L. Roszell, Jr., Industrial Sales, Feb. 7

10 Years
Gene L. Kessinger, Applications Research, Feb. 1

5 Years
Larry D. Kaufman, Pipe Shop, Feb. 9

Willie F. Newbon, Syrup Refinery, Feb. 9

Janice E. Petzel, Industrial Relations, Feb. 9

5 Years
Thomas W. Brabender, Yard Department, Feb. 7

Joseph E. D'Jamoos, Staley Chemical, Feb. 3

Clifford D. Dunnigan, Control Division, Feb. 3

Barbara J. Lee, Staley Chemical, Feb. 15

Alice P. Livingston, Chemical Research, Feb. 10

Brenda J. McCoy, Control Lab, Feb. 24

James R. Proctor, Plant Protection, Feb. 10

George F. Scanlon, Dextrose Plant, Feb. 10

John J. Scarpero, Jr., Grocery Products-St. Louis, Feb. 17



Wetherholt

McCulley



Kalem

Willard



Duarte

LaBrie



Noonan

Schniederjan



Sims

Jerry W. Voelker, Boilermakers, Feb. 7

George E. Witt, Jr., Garage, Feb. 7

Staley Singles Bowling Tourney Signup Begins

Entries are now being taken for the eighth annual Staley News singles bowling tournament, which will be held Sunday, April 13 at the Bowl, 655 East Pershing Road.

Tourney manager Russ Dash has issued a set of rules and details connected with the competition. These tournament details are posted on bulletin boards throughout the Office Building, plant and Research Center.

Entry blanks may be obtained at the Extra Board office, or from Sam Jones, 77 Building, Everett Leisner, 77 Building; Roy Finney, 59 Building; Bonnie Jess, 4-E, Office Building; and Vivian Belcher and Russ Dash, both located on 3-E Office Building.

Cash prizes will be awarded to top bowlers in both the scratch and handicap divisions of the competition. Entry fee is \$5 per bowler in the tourney, which is open to all Staley employees, who have started work as of April 11.

The tournament continues to grow in numbers each year.

Oops! We Got Two Employees With Same Name Mixed

After reporting in the last issue of the Staley News that James Bean, assistant foreman in the Machine Shop, had retired, we discovered there were two James Beans at Staley.

You guessed it. We inadvertently retired the wrong one.

James Bean, the assistant Machine Shop foreman, is still a very active employee. It was his cousin, James A. Bean, operator in 111 Building, who actually retired, after more than 34 years' service.

James A. Bean, the retiree, held posts in 111 Building throughout most of his career, including filter, centrifuge, evaporator and neutralizer operator jobs. He also worked in 19 Building and the Syrup Refinery during his long service with the Company.



J. A. Bean



CONTEST KICKOFF — Jackie Chasteen, clerk in the Machine Shop, tells Millwright Shop employees about trading stamp prizes to be offered in April Plant Cleanup Contest. Shop employees, from left, are Forrest Fogel, Dick Yocum, Clarence Koshinski and Ernest Rade. Thousands of plaid stamps will be awarded to employees in departments posting top cleanup results during April.

PLANT CLEANUP CAMPAIGN

Trading Stamp Prizes Feature April Contest

Thousands of trading stamps will be offered as prizes in a special Decatur Plant cleanup contest during April.

Plant employees will be able to win up to 2,000 plaid stamps, if they are in one of the departments showing top results in the month's cleanup tabulations.

The plaid stamp prizes are a special feature of the cleanup competition for April only, in recognition of National Cleanup Month and the third anniversary of the Staley Plant Cleanup Drive.

For the competition, plant departments will be separated into two divisions — process and general. First, second and third place awards will be made in each of these divisions, along with other prizes for employees in departments matching or bettering their pars.

Basis of Awards

Plaid stamp prizes will be awarded to winning department employees on the following basis:

- First Place — 2,000 stamps per employee
- Second Place — 1,500 stamps per employee
- Third Place — 1,000 stamps per employee.

Each employee in departments which equal or better their pars will be awarded 500 stamps.

Employees can find what division their department will be in during the competition by checking the list

Food Service Division
(continued from page 1)

The Company's institutional line has expanded rapidly in the past two years, and now includes, in addition to starches, syrups and corn oil, a complete line of spices, seasonings and extracts, instant puddings, low calorie sweeteners and breading and batter mixes.

A variety of additional products is being prepared for introduction in the next six months to round out a complete line of food specialties for all types of mass feeding operations.

FACILITIES PLANNING DIRECTOR

Miller Succeeds Bishop

Named to succeed William B. Bishop, Sr., as director of Facilities Planning upon Bishop's retirement March 31 is Leland B. Miller, Jr., a 10-year Staley engineering veteran. Miller had been assistant director of Facilities Planning for the past three years. Prior to being named to that post, he had been superintendent of the Syrup Refinery Section for three years.

Miller joined Staley in 1959 as a chemical engineer, assigned to

manufacturing and facilities planning projects before moving up to superintendent of the Syrup Refinery Section. A native of Bloomington, Ill., Miller received B.S. and M.S. degrees in chemical engineering from the University of Illinois.



Miller

W. B. Bishop Retires After 41-Year Career

William B. Bishop, Sr., who joined the Company more than 41 years ago as our first chemical engineer and rose to become director of Facilities Planning and a member of the Staley Board of Directors, retired March 31.

His retirement climaxes a distinguished career, during which he held key supervisory positions and responsibilities for projects that contributed significantly to Company growth in a four-decade period that saw Staley quadruple in size and processing capability worldwide.

Bishop admits to being one of a rare breed when he joined the Company as the first Staley chemical engineer. "There weren't many chemical engineers around when I started out in 1927. As I was nearing graduation from Columbia University, I thought I wanted to get an engineering job in the petroleum industry. "After visiting Decatur and the Staley plant and meeting some of the fine people here, however, I knew this was where I wanted to work. Some 42 years later, I certainly have no regrets," he said.

During the past eight years that he has been director of Facilities Planning, Bishop has been responsible for the planning, engineering, remodeling and con-



W. B. Bishop, Sr.

struction of several major Staley installations in this country and abroad.

This has included corn processing plants in Honduras and Mexico plus soybean plants in Spain and Portugal, as well as expansion and improvements of the Decatur plant.

From chemical engineer, Bishop advanced to chief chemical engineer in 1934, technical superintendent in 1946, general plant superintendent in 1959 — the same year he was elected to the Staley Board of Directors — and was named director of Facilities Planning in 1961.

Many Career Highlights

While there have been many highlights in his career, Bishop regards the large-scale expansion of the Decatur plant that began in 1948 and took several years to complete as the most challenging project he was associated with during his long career.

Another highlight he mentioned was connected with the construction of the Honduras plant.

"That was very interesting to me, because very few chemical engineers ever have the opportunity to design and build an entire corn processing plant from the ground up, even though the Honduras plant is relatively small in comparison to our corn plant here."

Then, too, he developed the first commercially-workable process for making soyflour at Staley — when Lew Smith, now Commodity Production Division manager was his chemical engineer's helper — and, along with Roscoe Long, he did some of the early process work on "Sweetose" syrups, both important landmarks in the Company's growth.

But, Bishop rates his years as chief chemical engineer as some of the most satisfying of his career "from the standpoint of working with young chemical engineers just starting out, guiding them in their projects and watching them develop into top flight engineers and managers."

The esteem and respect with which the many people who have worked with him hold for Bill Bishop attest to his remarkable career. A large group of his closest friends and associates at Staley honored him with a special retirement dinner March 26.



'STALEY PAVILION' RIBBON-CUTTING CEREMONY — Treasurer Henry M. Staley, center, representing the Staley family, the Company and employees, participated in ribbon-cutting ceremony opening the new entrance to Decatur Memorial Hospital March 3. The new entrance is a part of recently-opened, multi-story addition to the hospital, which last fall was named the "Staley Pavilion" in honor of Staley family, Company and employees' contributions to hospital building fund. Also participating in the ceremony were Dr. Charles O. Stanley, president of hospital's medical staff, second from left, and E. Wayne Schroeder, president of hospital's board of directors. Student nurses hold the ribbon of surgical gauze.

Bloodmobile Visit Set

Dates for Staley employees to mark on their calendars are April 17 and 18.

That's when the Macon County Red Cross Bloodmobile will make its 16th annual visit to the Decatur plant to collect blood from volunteer donors.

Last year, 540 pints of blood were collected in the two-day session, the fourth highest total for Staley sessions.

Mr. Nordlund Affirms Company's Goal To Retain Leadership

President Calls For Speedup In Creating Special Products

The Company's commitment to retaining leadership in the fast-changing corn wet-milling industry was emphatically affirmed in an address by President Donald E. Nordlund at the recent national sales meeting of our Industrial Sales team.

To do this, greater emphasis must be placed on the development of specialty products that can command a premium price, he told the 70 industrial sales representatives and managers gathered for the meeting.

"This has been dictated by the new pricing climate of our industry. As we contemplate the more commodity-like status of basic starches and syrups, and see the real profit and growth opportunities tilting toward specialty items, we must acknowledge that we have a great deal to do," Mr. Nordlund said.

"Frankly, we haven't been moving as fast as we must in the development of our specialty lines," he added.

Emphasis on Development

Mr. Nordlund noted that to accomplish major breakthroughs in developing the special products capable of commanding a premium price, the combined and dedicated efforts from all quarters of the Company are required.

"I know that we have the marketing, technical and manufacturing skills to become the leader of innovation in our industry. The so-called 'Powers Group' in Research is an effort to combine these skills in a product-accountable unit to short-cut organizational roadblocks to product development.

"I have confidence in the correctness of this approach and in its ultimate success at Staley. We need to zero in on some specific product targets and outrace our competition in getting them to the market level," he said.

Another factor in the exploitation of marketing opportunities, he noted, is that we will have to "gear ourselves to produce that which the market demands as opposed to attempting to impose that which we make upon the market. This may be a painful reconciliation for some as, without

doubt, a market-oriented style is a more demanding way of life.

'Faster Growth a Necessity'

"But this, as I see it, is a requirement for growth, and faster growth is a necessity if we are to achieve and sustain acceptable profitability," Mr. Nordlund said.

"Beyond this accelerated push in modified starch and special syrup products, we will continue to look for complementary product lines for the industries we serve.

"All of our plans are dependent on a capacity grind. This recognition and what I consider to be the industry's best sales organization will, I am confident, assure that we meet our full grind objective," he said.

"By way of summation on the Corn Division, I think the next two years will be, without doubt, the most eventful in our history. They will be difficult, as anything worthwhile is, but rewarding — individually as well as for the Company," President Nordlund concluded.



KEY SALES SESSION — Bob Smith, product manager-food starches, outlines marketing plans for modified food starches on one of key sessions during intense three-day Industrial Sales meeting.

Industrial Products Marketing Strategy Mapped

Sales Meeting Focuses on Growth Potentials

With President Nordlund highlighting the importance of specialty products in sustaining growth in corn refining, the recent national sales meeting of our Industrial Sales team focused on marketing plans for modified starches and other specialties.

James H. Beaumont, vice president, Industrial Sales, pointed out in his kickoff address that the Company has a major stake in products designed for food industry applications, and discussed vital markets where the Company's position can be further enhanced.

Key presentations during the three-day conference centered on marketing plans for modified food starches now in our product line and those forthcoming from Staley Research.

Making these presentations were Bob Smith, product manager-food starches; Jack McGowan, product

manger-tapioca starches and other special products; Michael W. Kossoy, head of the Food Technical Service Group; and Dr. Richard Hahn, head of the Food Product Development Group.

Specific product marketing plans were discussed by Jim Hurley, product manager-dextrose; Dick Lockmiller, manager of the Special Products Department; Ernest Frank, industrial adhesives marketing manager; and Stan Tolin, Vico-Asmus general manager.

Other special presentations were made by Manufacturing Vice President Nat Kessler, who spoke on "Staley — Before and After," and Tom Garren, Technical Services Manager, who spoke on "Technical Service Today."

Providing the sales force with practical, up-to-date information on plans related to new efficiencies in our rail service, distribution cost, inventory control and customer

service elements were Harold L. Ellsworth, Transportation Division director; and Kent N. Mittelberg, Materials Control Division director. In his remarks, Beaumont stressed the importance of the food industry to the Staley Company.

Aggressive Sales Work Needed

He indicated that the Company enjoys a solid position in starch sales to the food industry, but that our position can be further enhanced with aggressive hard-hitting sales work. "And profits are available in dextrins," he added, noting that substantial effort will be devoted to capitalizing on opportunities in that area.

"Our syrups, dextrose, soy products, spices and starches are used in a wide variety of applications. New uses seem to be developing almost every day.

"There is one area we must improve — our specialty modified food starches. In many instances where basic starches were formerly used, they are no longer applicable. Markets have changed and industry requirements have become more sophisticated," Beaumont said.

He noted that introduction of the "Mira-Clear" starch line in 1966 was a step in the right direction. It was apparent then that a much broader product line was necessary to be strongly competitive, he said.

New Products Coming

"In order to accomplish this, Morningstar and Keever acquisitions were made. A further expansion of the product line will be made with the introduction of some new and exciting products you will be hearing about within the next 18 months.

"But, we cannot wait for these new products to come on line if we're going to make ourselves felt in the specialty markets. We must and will start now to broaden our position, utilizing our existing modified and specialty products.

"Our objective is to capture a larger share of this rapidly-growing, higher profit margin market. The target is important to the Company, and we must make an extra effort to reach it if we are going to achieve the kind of growth our Company needs to retain leadership in our industry," Beaumont concluded.



QUESTIONS FIELDDED — Harold Ellsworth, Transportation Division director, answers questions from floor during presentation on important facets of customer service. Ellsworth and Kent Mittelberg provided sales force with up-to-date distribution information.



PRIZE — Vice President J. H. Beaumont presents top prize to Tom Petty, Dallas sales representative, for making highest score on food starch review test.