

LACK OF GOGGLES
COSTS US 3 DAYS
OF LOST TIME
DURING
APRIL

STALEY NEWS

THERE IS ALWAYS
TIME TO PLAY
SAFE

Vol. 2—Page 65

BY AND FOR STALEY PEOPLE

May 1, 1939

STALEY COMPANY PLANS SOYBEAN PLANT IN OHIO

In 1922, the Staley company gave birth to a new industry in the United States — soybean milling. Even before soybeans were being raised in commercial quantities, Mr. Staley had the courage and vision to build a soybean mill.

As a result of the Staley leadership, Decatur quickly became the capital of the soybean industry and Illinois has consistently led all other states in soybean production, as the table below shows.

Through close co-operation with railroads and producers very favorable rate structures were established on beans and bean products in the Illinois area. Competitors are now taking advantage of the bean supply and the freight rates our company helped build. At present they have established themselves in Decatur, Champaign, Springfield, Quincy, St. Louis, Peoria, Galesburg, and Chicago.

In spite of this competition, our capacity and grind have been steadily increased. We have the largest soybean plant in the United States. Because of the advantages connected with our large grind and economical steam power costs, our executives have preferred to concentrate all of the Staley soybean grind in Decatur.

However, it is no longer possible to buy as many beans as we can now process here. Add to this, expansion of facilities on the part of one local competitor and entrance into Decatur on the part of another and a phenomenal growth of plant facilities that has outsped the bean production results.

These factors have been given serious consideration by our executives and after months of devoting their attention to the problem, have reached the definite conclusion that it is no longer pos-

sible to maintain leadership in the industry if Staley's limit their activities by processing exclusively in Decatur. So, in conjunction with the continued processing of as many soybeans as can be profitably handled in Decatur, our company is ready to announce the establishment of a soybean mill in another soybean producing area.

Move Towards Supply

As the table below shows, other states have been forging forward in bean production. A number of competitors have been establishing plants in those states. The freight rate situation will not permit beans grown in other states to be profitably processed in Decatur and so our company has decided to participate in the supply by establishing a plant in another state.

The location finally chosen after months of investigating various sites is Painesville, Ohio, on Fairport Harbor. Painesville is 26 miles east of Cleveland on Lake Erie. The location offers ideal transportation facilities both rail and water, and is well situated for the purchase of Ohio beans.

Final arrangements for the use of the property were not com-

pleted until Saturday, April 29. Shortly before, the "News" was instructed to "hold everything" so that Staley people could receive the first publicity on the matter.

New Problems To Be Faced

In discussing the plans for operating a plant away from Decatur, Mr. Scheiter pointed out that, "We are entering upon a new experience and many new problems must be solved."

Most important to the success of the new unit will be the matter of costs. We will be obliged to purchase electricity at a rate considerably above our cost of producing it here in Decatur. Steam and power will be more expensive because coal at that source is much higher than in Decatur. The plant will be small, employing between 30 and 40 people. This will increase our over-all costs because our investment in the manufacturing unit will be higher per individual employed, so will the per bushel number of man hours. It is believed that savings in freight rates will offset at least in part the other disadvantages. However, the controlling reason for going ahead

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Middle Column)

BUSHEL OF SOYBEANS HARVESTED

Period Aver.	Illinois	Iowa	Indiana	Ohio	All Other States	Total
1928-32	5,869,000	736,000	1,982,000	522,000	3,382,000	12,491,000
1935	24,012,000	6,600,000	6,970,000	2,604,000	4,192,000	44,378,000
1936	17,216,000	2,548,000	4,186,000	2,046,000	3,987,000	29,983,000
1937	27,040,000	4,236,000	5,797,000	3,249,000	4,950,000	45,272,000
1938	31,866,000	5,733,000	8,404,000	5,313,000	6,349,000	57,665,000

CORN INDUSTRY GAINS REFLECTS FAVORABLE STALEY PROFIT FOR FIRST QUARTER

At the close of our first quarter, a profit of \$427,452.18 was reported to the New York Stock Exchange. This compares very favorably with the first quarter of last year when a profit of \$332,127.50 was reported.

Knowing the business picture at Staley's, as most employees do, the question immediately arises as to the prospects for the second and third quarters. The consensus of opinion among our executives at this time is that those quarters are pretty much a question mark. The second quarter, now at hand, looks as if it would be more profitable than the second quarter of 1938. It would be a poor quarter if it weren't. \$131,606.75 was reported at the end of June last year which is small for a company of our size.

Many Factors To Consider

Numerous clouds on the business horizon may darken and drench the situation. The threat of war, prospects for this year's corn and soybean crops and new competition in soybeans which may be felt in the fall, all have their bearing.

These things may, or may not, change our profit picture. Last

JUST A MINUTE

"People who can't find time for recreation are obliged sooner or later to find time for illness," said John Wanamaker. Get a hobby and ride it. It will make you fit and happy.

All the big men who stride across the pages of history took time out for hobbies. Edison read detective stories and played Parchesi. Thomas Jefferson played the violin. Andrew Carnegie listened to organ music. Rockefeller taught a Sunday school class. "Teddy" Roosevelt hunted big game. Coolidge walked.

Hobbies are like daily vacations. They take you into new worlds of activity. They rest and recharge the mental and physical batteries by banishing work and worry from the mind.

year, increased freight rates, taxes, and other costs looked unfavorable. A good corn crop was raised and the advantages the corn starch and syrup industry enjoyed as a result overcame these increased expenses. It also took care of numerous other increases. The average hourly wage at Staley's increased about 2 cents as a result of more experienced and older workers being employed. Considered in themselves, these things seem small. As a total, they have a considerable affect upon our business.

New Competition

Certainly, the matter of local competition is one which bears major implications. We here at Staley's where the total assets are 18 millions, find ourselves faced by such major league opponents as Archer - Daniels - Midland with assets of 33 millions, and Spencer Kellogg with assets of 29 millions. Such competitors as these give rise to the question all of us have heard, "What effect will this have on Staley's?" Recently, Mr. A. E. Staley, Jr., said, "If we maintain an operating efficiency superior to theirs, we need not worry. If we don't, we can all worry, but, we propose to do all we can to insure our remaining in the soybean field and I believe we can."

RESULTS FELLOWSHIP CLUB ELECTION

The votes received by the successful candidates, together with their closest opponents were as follows:

President

Glenn Moran	424
Wm. Lowen	168

Vice-President

C. Thornborough	402
Harry Dial	310

Secretary

Dan Dayton	588
Merle Finson	356

Governor

W. H. Broadbear.....	303
L. Riedlinger	301
Henry Sims	294
Andy White	270
C. A. Keck.....	268



We have done a great deal of talking recently about the fact that ninety percent of all the accidents occurring in our plant are due to "man-failure." Perhaps we have given you the idea that accidents caused by machines or by causes beyond the control of the injured man don't give us much concern. Nothing could be farther from the truth. While it is true, thanks to our engineering and mechanical departments, that our percentage of machine accidents is low, it is also true that they are usually the most serious ones. There is no doubt that the man who falls in a pool of oil which he failed to mop up or who bruises his knuckles when a worn out wrench slips is hurt. It is seldom, however, that he is hurt as badly as the man who catches his hand in a pair of unguarded gears. That is the reason for the thousands of dollars that this company spends every year for machine guards and safety devices of all kinds. Your job is to take advantage of those safeguards and to be sure that you use every one of them. Keep them working and they will keep you working.



In the last three years the longest period that we have gone without a lost time accident has been twenty-seven days. That was from November 8, 1938, the day on which a Table House employee fell and broke an arm, to December 5, 1938, the day on which a Boilermaker inadvertently struck himself in the eye with a reamer while pulling it out of an air motor. The longest that we have ever gone without a lost time accident is ninety-eight days. This record was put together during April, May, June and a part of July in the year of 1932.

Wanted: Fifteen hundred Staley employees who can break the hundred mark.

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 W. G. Reynolds, Manager of Personnel
 J. M. Richey, Editor

All news and suggestions should be given the editor by the 10th and 25th of each month.

WHO PAYS THE TAXES

Everybody pays taxes. Some taxes are collected directly from the people. Others are collected indirectly so that the people often do not realize that they are being taxed. But, everybody is taxed one way or another.

All taxes must come from the proceeds of business because business produces all the income of the people of the United States. The farms, the forests, the mines and other natural resources are the natural wealth of the country, but they don't provide any income until they are cultivated and developed by business men for business use.

The Government Collects From Everybody

Governments do not produce any income. They merely take a commission on the national income. The commission is called a tax. City, state and national governments are not producers. They are the watchmen and referees that are employed by the people to make and enforce rules that will protect the people.

Local, state and national forms of government are necessary for the peace, safety, protection and health of the people of America and so the expenses of these governments must be paid. But inasmuch as these governments produce nothing, they can't be self-supporting so their expenses must be paid by the people who employ them. Every citizen or resident of the United States must chip in.

You Pay, One Way Or Another

Nobody escapes the payment of taxes. People who think they don't pay taxes are mistaken. Everybody chips in. About one-fifth of America's income is taken in taxes by federal, state and city government. That means that when the people of America produce five dollars' worth of goods, they must turn one dollar of it over to the

government to pay the expense of government. Thus, of the five dollars produced, only four are left to be divided up among the people who combined their efforts to produce the five dollars.

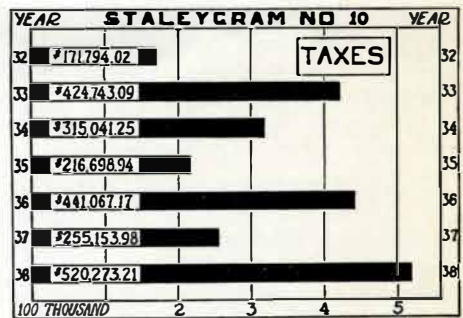
Of course, most taxes are not taken in just that way. They are added to the cost of goods and when people buy the goods they pay the taxes without knowing it. The mining businesses pay taxes and add them into the cost of steel. Manufacturers of steel products pay taxes and add them into the cost of goods. Wholesalers who buy the goods, pay taxes and add them into the cost. Retailers add their taxes onto the cost. Business must add taxes into costs or go out of business.

So when people spend five dollars for food or clothes or nails, they receive about four dollars' worth of goods and a dollar's worth of government.

Taxes are included in rent, in the price of gasoline, cigarettes, beer, bread, meat, shoes, hats and everything else that people buy. They represent every person's share in the expense of govern-

ment. If the cost of government is low, goods cost less and so everyone can buy more with their wages. If the cost of government is high, goods cost more and so everyone gets less when he spends his wages. Consequently, the cost of government is an important and personal matter to every citizen of the United States.

At the present time, the cost of government is the highest that it has ever been in the history of America. The estimated tax bill for 1939 is \$115 per person for every one of the 130 million men, women and children in the United States. And nobody will escape payment.



Since the formation of the Staley Fellowship Club in April, 1917, the Staley Company has paid the Fellowship Club \$289,388.59. This, of course, has been matched by like payments on the part of the members.

* * *

1617 Staley employees are insured under the Fellowship Club plan. Of this group, 1370 are carrying 1 or 2 thousand dollars more of insurance under the contributory plan.

* * *

In 1851, you had to sign a temperance pledge to get life insurance. If you drank too much later, you lost your policy.

* * *

Don't trust the man who brags he is the boss at home. He may lie about other things.

* * *

380 Staley people and their dependents are protected under the Decatur Hospitalization plan.

* * *

Swimming and hunting cause more accidental deaths than any other sports. Baseball accidents are the most numerous.

* * *

The best chair in the house is often paw's grumble seat.



The LABORATORY wins the Staley Departmental League Bowling Championship. Their team composed of R. Sherman, Faulk, Lewis, Baker, Lewis, Bowman, Bergandine and Corrington disclosed a record of 58 wins against 35 defeats. The TINNERS, MILLWRIGHTS, and PAINTERS finished second, third and fourth in the order named.

★ ★ ★

The LABORATORY collected a total of 48½ iron men by virtue of having won first place, captured the 2nd team high series, 4th team high game, and by benefit of SHERMAN'S 11½ bucks worth of individual starrng which brought him high game, 2nd individual series and 50c at one evening's show. Faulk and Bowman as 50c winners completed the prize winning.

★ ★ ★

The TINNERS were enriched almost as much by their play by qualifying for \$47.50 of Fellowship Club money. Aside from second place honors, they won 3rd high team series, 3rd team high game and Cox took 1st individual high series, first individual high average and 3rd individual high game. TROWBRIDGE rolled the 4th individual high game, BARTER had the 5th individual high average and COX, BARTER, COON, TROWBRIDGE AND NICKEY were 50c winners.

★ ★ ★

The MILLWRIGHTS connected with \$35.25. Third place paid them \$24.00. The remainder of the money was for their team high series, and second high team game, coupled with individual winnings by DESPRES for a tie for 3rd individual high series, DESPRES again for 4th individual high average and DESPRES, RYAN AND HILBERLING for 50-50 and 25 cents respectively.

★ ★ ★

In addition to 4th place money, the PAINTERS got paid for 4th team high series, 1st team high game, with individual prizes to

OHIO PLANT—(Concluded)

is that beans are available there—beans that we can't bring to Decatur.

No Effect Upon Local Processing

The Ohio beans are to be processed by Anderson expellers of the same type as are used in our Decatur plant. The Decatur plant, however, is to remain intact as not a single piece of machinery is to be moved from Decatur. The establishment of a new plant is not to detract a single bushel of grind from the Decatur operations, the company stated in making their announcement. The step is merely one which is being followed by the industry in locating in bean growing areas. The only conditions which will govern local operations are those which already exist and every effort for maintaining our present level of operations will be continued.

Expect To Begin Operations Oct. 1

It is essential that the new plant be ready for operation October 1, so an extremely busy summer is ahead for the Engineering Departments to permit us to take advantage of the 45% increase in acreage which the U. S. Dept. of Agriculture predicts for Ohio this year.

Progress at the Painesville plant will be discussed from time to time in the "News." Perhaps pictures will be available later in the summer.

The leadership the Staley company enjoys in the soybean industry is one which every Staley employee may hope will be continued. Its present leadership is one in which all have shared and may take pride. By pulling together we can hope to honorably and profitably hold this position for the benefit of all of us.

GROSSMAN for 2nd individual high game, 4th individual high series by the same maple knocker and 50c winnings by HINTON, MARTIN, CUNNINGHAM AND you guessed it, GROSSMAN. All of which amounted to \$33 worth of Uncle Sam's finest money.

★ ★ ★

The PIPEFITTERS received \$24, the M. and L. \$21, the OFFICE \$19.75, and the BOILER ROOM \$17.50 to complete the payoff.

GLENN MORAN HEADS

FELLOWSHIP CLUB

What was perhaps the heaviest vote ever cast in a Fellowship Club election was witnessed at the April 12th selection of officers and governors. John Anderson, Business Manager of the club stated that the total was approximately 1027, in this year's tournament of upsets.

The "Glenn Moran for President" movement staged a successful drive in the closing days of the campaign to secure the club's highest office for their candidate. Two years ago Moran had been elected to the Board of Governors. His service with that group, coupled with his general popularity provided a winning combination that gave him a commanding lead over his opponents.

Thornborough Vice-President

Claude Thornborough swept into the Vice-President's chair with a comfortable lead of almost 100 votes over his nearest rival.

Dan Dayton, new secretary of the club, received over half of the total votes cast to poll the largest vote of any candidate in this year's election.

Crowded Race For Governor

The race for Governors had the boys guessing the dark horses while a popular list of personages made their final pledges to the electorate. W. H. "Heine" Broadbear, Electrical Foreman" with enough friendliness for a million dollar smile for everybody emerged from the topsy-turvy race top man with 303 votes. Leo Riedlinger, with two votes less than "Heine" took the second post, while Henry Sims, close behind, was voted into the remaining vacancy.

Keck And White In

The successful candidacy of Moran and Dayton, who were Governors, resulted in additional vacancies in the Board of Governors. A special meeting of the officers and governors, held soon after the election, resulted in the naming of Andy White and Boob Keck to those vacancies. Keck and White ran fourth and fifth in the general election.

The Trading Post

FOR SALE:

Two houses. Located in small town near Decatur. 1 very good modern, only 9 years old. 1 Part modern. Will sell either at half original cost. Call 6878 for Appointment.