

Earnings Are on Upswing, Management Tells Shareholders



Providing service with a smile is hostess Shellee Abraham, Legal
A shareholder picks up his sample of Consumer Products experimental Air Freshener

Improved earnings for the second half of the current fiscal year and substantial improvements the following year highlighted management's report to shareholders at the Annual Meeting, May 8, in Decatur.

Addressing a record gathering of some 230 shareholders, Chairman A.E. Staley, Jr. and President Donald E. Nordlund said the Company had passed the low point in earnings and that the future looks optimistic.

The Chairman attributed the first six months decline in earnings (71 cents per share vs. \$1.54 the same period the prior year) primarily to heavy start-up costs at Staley/Morrisville and price attrition in bulk corn syrups.

"Fortunately," he said, "both are temporary."

"Most of the problems of starting up the Morrisville plant are behind us. The principal job now is to build sales volume to the point that the plant is operating full on the special products it was designed to produce. We are getting out some production, but we are a long ways from operating at capacity."

Expects Morrisville Sales Increase

"We expect sales volume to increase steadily throughout the year, and we anticipate that the adverse impact on our earnings of the Morrisville operation will soon be reversed, and profits

should then steadily increase."

"The second important reason for the decline in earnings was a price war in the corn syrup end of our business. New plants have been built in recent years, with the operators of those plants attempting to obtain a quick market share by means of cut prices. At this point, prices have declined to the point where profit margins are extremely small."

The Chairman said he anticipates price advances "sometime in calendar year 1972."

Continuing, the Chairman said, "In corn refining, the picture is not all dark by any means."

"In recent years the Company has developed more special products, and sales of these are steadily increasing. These products are less subject to price competition and profit margins are wider."

On Soybean Processing

Commenting on soybean processing, the Chairman said the principal factor affecting operations has been the short bean crop, resulting in high raw material prices.

"This has not helped margins, but most certainly they are better than they have been on many occasions in past years. We anticipate that margins will improve, and if we are fortunate enough to have a substantial increase in the total number of soybeans raised, it will favorably influence soybean processing in the next fiscal year."

As in corn products, considerable effort has been devoted to development of special protein items from soybeans, the Chairman said.

"These are being sold in limited quantities, and we anticipate increasing our production in the near future."

"These food products from soybeans are selling at prices which command attractive margins, and a reasonable volume of business in them will add materially to profits."

Optimism on Consumer Products

On Consumer Products, the Chairman said, "This is one phase of our activities for which I hold a great deal of optimism. Existing products are holding their own, and we are now engaged in the introduction of several new items into test marketing areas."

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Staley Unveils New Ingredients At IFT Show

MINNEAPOLIS, Minn.—It was a case of being at the right place with the right ingredients, concluded the Staley contingent after the Institute of Food Technologists convention here May 21-24.

The timing was right, those who attended agree, because it brought together over 4,000 of the food industry's top decision makers and several new Staley sweeteners, starches, and specialty items.

In sweeteners, top attention-grabber was Iso-Sweet, the revolutionary new Staley/Morrisville-produced corn syrup. With Iso-Sweet offering decided sweetness economies and food processors looking for ways to hold the line against rising costs, the IFT exposure came at an opportune time, product manager Bob Smith said.

Also in sweeteners, Star-Dri 15, a new spray-dried corn sweetener with applications in powdered coffee whiteners, instant drinks, cake and icing mixes, and in gravies and sauce bases was introduced.

In starches, attention was focused on three new waxy maize products from Staley/Morrisville—Dura-Jel, Perma-Flo, and Dura-Jel Instant—as well as Dress'n 200, 300, 400 thickeners for heavy-cream salad dressings, and Nu-Col, a modified tapioca product which enables food processors to achieve rapid dispersion and hydration in cold water or milk.

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Izaak Walton League Selects Staley For Highest Environmental Award

WHEELING, Ill.—In this highly industrialized state, Staley was the only industrial firm receiving the Izaak Walton League of America (Illinois Division) award for environmental achievement at the group's annual statewide banquet last month.

Accepting the "Good Neighbor" award were President Donald E. Nordlund and Executive Vice President L. E. Doxsie.

Long recognized for its pioneer technology in liquid waste treatment, Staley has made major strides in environmental improvements at Decatur during the past year. These achievements include a \$2.45 million boiler emission control program, a major expansion of the process waste treatment plant, further improvements in techniques of managing solid waste disposal, as well as other odor and particulate control projects.

Staley has 21 scientists, engineers and technicians at Decatur engaged in full-time pursuit of the Company's environmental goals.

Over the past ten years, the Company has authorized \$8.25 million for environmental quality in support of a public commitment to exemplary citizenship in this area.

Recognized as one of the nation's leading advocates of proper use of lands and waters, the Izaak Walton League annually honors firms and individuals for outstanding contributions in conservation and environmental control.

The plaque presented in recognition of Staley's achievements is presently displayed in the lobby of the Research Center. It serves as a tribute to all those employees whose efforts made the award possible.



President Nordlund (C), Executive Vice President Doxsie (R) accept plaque
From Illinois Division president Sam Gibbons, shift foreman, oil refinery

Doxsie Elected Executive Vice President

In recognition of his broad responsibilities and profound contributions in directing the Company's largest and most important operating division, L.E. Doxsie has been elected executive vice president.

Commenting on the election by the board of directors, May 9, Chairman A.E. Staley, Jr. said, "Mr. Doxsie has served the Company with distinction in the most demanding of assignments. His election is a well deserved recognition for these accomplishments as well as the vital organizational importance of our widespread industrial and food ingredient interests."

In his new position, Doxsie will continue to direct operations of the Industrial Products Group, the Company's diverse industrial production complex, which produces starches, sweet-



L.E. Doxsie
Elected Executive Vice President

eners, and a variety of sophisticated food ingredients as well as specialty chemicals.

Doxsie had been group

vice president since May, 1967, and has served as a director since August, 1968.

He joined Staley in 1933, and has held various manufacturing posts. He was named assistant corn division manager in 1956, corn division manager in 1959, and was promoted to executive responsibilities in the Company's corporate management, sales, marketing, and corn division operations in May, 1961.

A native of Mount Vernon, Ill., Doxsie served as a Navy lieutenant during World War II and studied at the Harvard Graduate School of Business Administration.

The executive vice presidency was last filled by E.K. Scheiter for three years prior to becoming president of the Company in 1958.

Optimism Keynotes Mgt.'s Address

Continued from Front Page.

"I am confident that the Consumer Products division will give increasingly good account of itself in the months and years ahead."

On International, the Chairman said European facilities (corn plants in England and Belgium, along with a chemical plant in Germany, and the soybean processing plant in Spain) "have operated at good profit margins."

However, the corn refinery in Argentina has been a problem area, the Chairman said, due to rigid local governmental price controls while wage increases have been mandatory.

"Recently the (Argentine) government has authorized a price increase which has brought an appreciable degree of relief," he said. "We are hoping for an additional increase at a later date."

"I do not anticipate that this plant will make money in the current fiscal year, but looking at it over the long range, I believe the investment in Argentina will prove to be a very wise one."

On Staley Chemical, the Chairman said expenses had been reduced, sales have been increased, and it is now operating at a worthwhile profit.

On Environmental Progress

In environmental quality, the Chairman said considerable progress has been made.

"The two major projects at the moment are the installation of equipment which will collect fly ash from our stoker-fired boilers and the installation of some equipment which will enable the incineration of a good-sized portion of the feed dryer smoke and odor. In addition, there are many smaller items which have been done and will continue to be done to improve conditions at our plant. The price we are paying is high, but it is work that must be done."

The Chairman also said that the Company has been engaged in an intensive effort to reduce operating costs.

In closing, the Chairman said, "We have had more than our share of problems recently, but I am not pessimistic about our future. The clouds are beginning to break away, and it should not be too long before the Company is again basking in the sunshine of prosperity."

President Expresses Optimism

Following the Chairman's remarks, President Donald E. Nordlund elaborated on two major areas—Staley/Morrisville and Consumer Products.

Commenting on Staley/Morrisville, he said, "While the initial costs have been high, and the start-up problems, while expected, are nevertheless painful, the decision to undertake this expansion, in my view, looks better every day."

"With commodity-type pricing present in regular bulk corn syrups and starches, our future profitable growth has to be in speciality lines—products with unique attributes which cannot be indiscriminately matched and subjected to destructive price tactics. Morrisville's output will be principally in this special category."

"The other major area in which I believe significant growth is both essential and imminent is our Consumer Products group. This division has strengthened itself organizationally at its new home in Oak Brook, and is currently working on many new product concepts, extending from our established brands such as the increasingly popular 'Wagner' franchise, to entirely new areas such as the new automatic air freshener."

"Morrisville and Consumer Products are representative of our pursuit of profitable growth opportunities. They contribute strongly to my personal optimism over the future of your Company."

SERVICE ANNIVERSARIES

MARCH

40 Years
FRANCIS COULSON, metalsmith.

35 Years
THEODORE GRABOWSKI, karry crane operator, 31 bldg.

30 Years
ARTHUR ADAMS, lead operator, 44 bldg.
HAROLD BEARD, senior analyst, 60 bldg.
ROBERT BEARD, assistant cooler operator, 17 bldg.
ELMER BETZER, cleaner, 77 bldg.
GAUGER CARLSON, senior buyer construction and equipment, purchasing.
MURRAL COMPTON, cooler operator, 17 bldg.
ROBERT KARLOSKI, electrician.
KENNETH STUBBLEFIELD, shipping clerk, 17 bldg.

25 Years
ROBERT COLLIER, blender operator, 77 bldg.
LEONARD FORCE, millwright.
ROYAL FOSTER, utility leadman, 44 bldg.
JOHN HUGHES, bag stenciler-cleaner, 20 bldg.
WILLIAM HUGHES, operator, 111 bldg.
REX LEE, reliefman, 20 bldg.
JACK LEWIS, extraction tower operator, 11 bldg.
RAYMOND MILLER, trucker, 20 bldg.
PAUL STRONG, construction supervisor, Industrial maintenance.
DEAN WADKINS, trackmobile operator, 77 bldg.
RAYMOND WARNHOFF, millwright.
JAMES WARNICK, superintendent, soy flour and specialty feeds, AgriProducts.

20 Years
ALFRED BRUNLIEB, district manager, Industrial Products, Chicago.
ALBERT NIXON, electrician.

15 Years
ROBERT CORMAN, product manager—"Wagner" Consumer Products.
THOMAS PROTZMAN, director of engineering/research, research and development.
FRANK VERBANAC, senior scientist, research and development.
ELIAS VLAAR, production shift foreman, Kever.

10 Years
WILMA DOWNEY, control clerk, corporate information systems.
EDWARD KOVAL, director industrial products research and development.
LEONARD VANDER BURGH, senior scientist, research and development.

5 Years
JESSE BARKER, 3rd year apprentice, 77 bldg.
LEE BRADY, maintenance helper, Vico.
DAVID BRINKERHOFF, utility laborer, 39 bldg.
JON BUELL, service laborer, 44 bldg.
ROBERT BURCHARD, JR., laborer, 4 bldg.
WILLIAM CARTER, JR., cleaner, 75 bldg.
GERALD DURFLINGER, 3rd year apprentice, 77 bldg.
MICHAEL FLEENER, floor gang, 20 bldg.
DEAN FOWLER, lead loader, 34 bldg.
FRED JOHNSON, JR., spray dryer operator, 16 bldg.
ANDREW JONES, sweetone loader, 48 bldg.
EDWARD KING, cleaner, 11 bldg.
JOHN LORENZ, loader, 34 bldg.
HOWARD MC DERMITH, lower steep tender, 6 bldg.
TOM SCOTT, senior chemical engineer, AgriProducts.
JAMES TRUSSELL, lift truck operator, 48 bldg.
STEPHEN WALKER, stock control clerk, corporate engineering.



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Manager, Employee Communications . . . Gerry Chatham
Chief Photographer . . . Lee Jeske
Assistant Photographer . . . Roy Enloe

APRIL

35 Years
KENNETH HAGEN, millwright.
BEECHAM JACKSON, electrician.
DARRELL SPICER, shift foreman, 12-26 bldgs.

30 Years
LESLIE ADAMS, motor coordinator, transportation.
RAYMOND BLAASE, pipefitter.
JOHN COLLINS, sanitation inspector, corporate engineering.
CLIFFORD CREEKMUR, plant cleaner leadman, 77 bldg.
EDWARD ECKLUND, foreman, machine shop.
CHARLES HAGEN, machinist.
ELVIN HANSON, shift foreman, oil refinery.
ADA HIGHLEY, sewing room operator, 20 bldg.
MAE HINDERLITER, sewing room supervisor, 20 bldg.
LEON JESS, assistant cooler operator, 17 bldg.
RALPH JOHNSON, utility man, 40 bldg.
MARTIN JONES, switchboard operator, 2 bldg.
CLARK KIKOLLA, grain buyer-transportation coordinator, AgriProducts.
JOHN KIPP, I & C.
CHARLES LUPTON, shift foreman-packaging and loading, 20 bldg.
ARTHUR MAINES, foreman, pilot plant.
HARLEY MIZE, senior inspector, 60 bldg.
WAYNE RODGERS, painter-roofer.
OMA SCHRIEBNER, operator, 20 bldg.
HENRY WHITE, shift foreman, 11-18-75 bldgs.
HANS WOLFF, director food and AgriProducts, research and development.

25 Years
LYLE ADAMS, sweetone operator, 48 bldg.
MAURICE CARTER, merco operator, 6 bldg.
WALTER CARTER, assistant manager, corn feeds, AgriProducts.
WILLIAM CARTER, conveyor A operator, 16 bldg.
HENRY CORBRIDGE, shipping clerk, 20 bldg.
CALVIN GILLESPEY, systems analyst, corporate information systems.
GLEN HARTMAN, roller mill operator, 101 bldg.
GERALD LEASER, JR., cleaner, 77 bldg.
CLARENCE MIDDLETON, conveyor A operator, 16 bldg.
MARION PAGE, painter-roofer.
MAURICE PRICE, starch wholesale clerk, black warehouse.
CLIFFORD RIGSBY, metalsmith.
RUSSELL SMITH, repairman merco system, 6 bldg.
EDWARD STEVENS, boilermaker.
JAMES STEWART, district manager, Jacksonville, Consumer Products.
PERCY TOLLIVER, utility operator, 16 bldg.

20 Years
JOSEPHINE TRUSSO, office manager, Cleveland.

15 Years
WILLIAM FINN, manager polymer lab, Staley Chemical.
LOIS KAUFFMAN, statistical clerk, AgriProducts.

10 Years
ROBERT KRAUDEL, food technologist, research and development.
WANDA ROBERTS, general ledger clerk, AgriProducts.

5 Years
LOIS ADAMS, senior steno, International.
SAMMY BLEDSAW, cleaner, 16 bldg.
ARTHUR BRANDYBERRY, senior industrial engineer, corporate engineering.
THOMAS BRANSON, manager services, transportation.
JOHN FALCO, senior technical representative polymer, Staley Chemical.
JOHN GRIFFIN, floor gang, 20 bldg.
MARTHA HURM, junior reconciliation clerk, Industrial Products.
JOHN KRESTINGER, floor gang, 20 bldg.
ROBERT MINOR, blender and processor, Asmus.
JAMES THOMPSON, sweetone packer, 48 bldg.
CARTELL TYUS, packer-sewer, 75 bldg.
RAY YORK, assistant administration building superintendent.



Ted Grabowski Harold Beard



Gauger Carlson Murral Compton



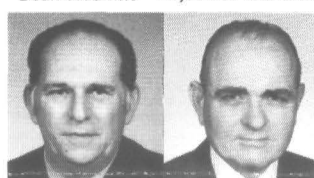
Robert Collier Leonard Force



William Hughes Jack Lewis



Dean Wadkins Raymond Warnhoff



Darrell Spicer Leslie Adams



Edward Ecklund Charles Hagen



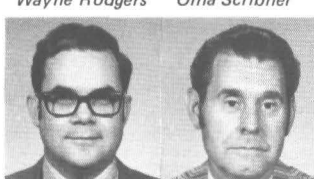
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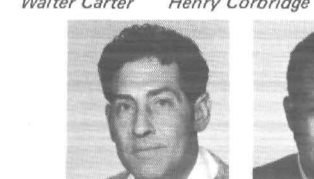
Clark Kikolla Charles Lupton



Wayne Rodgers Oma Scribner



Walter Carter Henry Corbridge



Gerald Leaser, Jr. Marion Page



Robert Beard Elmer Betzer



Robert Karloski Ken Stubblefield



Royal Foster John Hughes



Raymond Miller Paul Strong



James Warnick Beecham Jackson



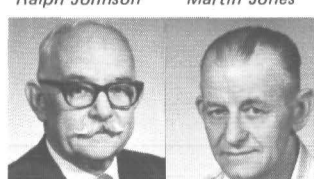
Raymond Blaase John Collins



Elvin Hanson Ada Highley



Ralph Johnson Martin Jones



Arthur Maines Harley Mize



Henry White Hans Wolff



Calvin Gillespey Glen Hartman



Maurice Price

New Foremen Enthused over Orientation Program

"Helps me understand my Company better."
 "Now I know the goals of the whole team."
 "Better understanding of how my work relates to others."

Comments from three of the 16 new foremen who recently completed a comprehensive 17-session, 25½-hour orientation program on various segments of the Company.

Conducted under guidance of Dick Agans of the training department, the program included such diverse subjects as safety, maintenance, major emergency planning, benefits, salary administration, and environmental protection. In addition, representatives from each profit center Industrial, Agri-Products, Consumer, and International explained their operations.

For Bob Sanders, appointed a maintenance foreman 18 months ago, the orientation was particularly beneficial for broadening his knowledge on operations throughout the Company.

Ray Scrimpsheer, feed/mill house foreman for 10 months, termed the program "most beneficial for understanding how my job relates to others and how goals should be coordinated."

Bob Kelly, foreman in the extraction plant's maintenance shop, said the presentations helped him "understand my Company better."

"It's a program that would be beneficial to all employees," commented Gene Starbody, foreman in the yard department for the past 18 months.

In addition to these four, other participants included Deon Bush, Paul Carder, Tom Ellison, Bob Harrison, Steve Hynds, Tom Lesyna, Don McKinney, Tom Ray, Mike Stratman, Archie Sturgill, Larry Voyles, and Jack Wilcox.



Administrative director Ken Schroeder (standing) explains Consumer Products operations to new foremen. He was one of 22 guest lecturers during 17-session orientation program.



Dr. Redd Addresses Staley Technical Society

Dr. James Redd, research head for Redd Labs, was the speaker at the Staley Technical Society's May meeting. His subject was "Inside the Orange" in which he outlined the many products derived from the citrus.



DECATUR NEWS FOR DECATUR EMPLOYEES



Audrey Koshinski, Purchasing, was one of 319 donors. Prepared by Eleanor Ludwig of the Peoria staff.

Where Are the Plant's CLODS? Cleanup Contest Will Find Out

Where are the CLODS* and non-CLODS located?

We'll find out during the plant-wide sixth annual cleanup contest, June 1-July 31.

During this period four inspections of all participating departments will be made, with the results being averaged to determine winners in each of three groups: AgriProducts, Industrial Products-processing and Service.

Members of the first place department in each group will receive four tickets (good for any movie shown through December 31) to the Lincoln Theater. Second place winners in

each department will receive three tickets, and any member of a department bettering an assigned PAR by 25 per cent will receive two tickets.

In addition, a trophy will be presented in special competition between Industrial Products-processing and Agri-Products to the group with the best percentage above PAR during the contest.

Check your plant bulletin boards to see what group your department falls in, and then watch those CLODS!

*Those who are responsible for clutter, leaks, overflow and debris.

Secretarial Employees Attend Seminar



Approximately 60 secretarial employees attended a one day seminar on "The Secretary and Her Management Skills" conducted by Robert Shornick (pictured), head of the St. Louis consulting firm RMS Associates, who

specialize in motivation and attitude building. The two, one-day seminars were held May 3-4 at the Sheraton Inn. Judging from the comments of those who attended, the sessions were well received and beneficial.

Better to Give Than Receive, Blood Donors Find

It's better to give than receive.

No where is this more meaningful than for those 319 Staley/Decatur employees who gave during the Red Cross blood-mobile's annual visit here April 20-21.

Their gift is perhaps sustaining life for someone in the Decatur area—once again underscoring the value of Staley employees in the community.

Although donations were down somewhat from the 353 pints last year, the visit was termed "successful" by chairwoman Mrs. R.H. Mueller.

Co-chairmen for this year's drive were safety director Don Brown and millwright Don Adcock. Committeemen were Bob Scheibly, rigger; Wayne Stanley, machinist; Bob Cline, stores clerk; Bob Mayberry, printing supervisor; and Norm Kocher, operations supervisor, R&D.

Consumer Products Gears Up for Space-Age Supermarket

(Editor's Note: Innovation's coming to the nation's major supermarkets. Changes that you as a consumer are likely to see within the next one to three years. For Staley's Consumer Products Group, however, these changes have more immediate effects, some of which the Staley News will explore in this and the following issue. This month, we'll look at "Consumer Products and the Space-Age Checkstand" and next month "The Supermarket of Tomorrow.")

OAK BROOK, Ill.—Automatic checkout is scheduled for major supermarkets within the next three years, and Consumer Products is shaping marketing, distribution and administrative plans to capitalize on this innovative change.

The new space-age checkstand is dependent upon adoption and implementation of a Universal Product Code—a machine-readable symbol pre-printed during manufacturing on most grocery items. Although all details haven't been finalized, here's how UPC and the automated system work.

Upon checkout, a scanning device will read the pre-printed 10-digit symbol, translating the code through computers into prices and tabulating purchases automatically. Simultaneously, the system will generate other vital information for supermarket management and grocery manufacturers/marketers. Such information as:

- +Inventory records for economic and automatic reordering
- +Marketing data such as day-to-day product movement; results of promotions, advertising, and shelf location; competitive product movement; new product performance; detailed information on product performance in specific stores, neighborhoods, and among various ethnic and income groups.

According to the timetable set up by the council overseeing implementation of UPC, in-store testing of scanners will begin this year and product code marking by grocery manufacturers is scheduled to begin in early 1973, with 50 per cent implementation by the end of 1974.

Clearly, the supermarket reaps most of the advantages—reduced manpower at the checkout stand, faster customer service, virtual elimination of price marking and changing, while for the manufacturer/marketer, product coding is an additional expense.

Staley in the Vanguard

Commenting on this, Consumer Products marketing director Bill Brooks said that with

major supermarket chains (A&P, Jewel, Food Fair, et al) committed to the automated system based on UPC, he considers it advantageous for Staley to be in the vanguard of the movement.

"Obviously, we want to continue to do business with these large chains," he said, "and it's apparent that to do so in the future, we'll be required to code our products."

Thus, Consumer Products has joined the Uniform Grocery Product Code Council and will receive a unique code which distinguishes Staley among all manufacturers.

According to administrative director Ken Schroeder, the next step is for the Group to convert from Staley's present nine-digit commodity code to the 10-digit uniform code for administrative purposes. Thus, the new code will appear on invoices, bills of lading, as well as on warehouse and accounting paperwork.

In addition, inventory control manager Dick Galgano said the new code will be printed on some product cases. (Presently, Consumer Products does very little numerical coding, using instead a word description system.)

"Warehouse control will be improved by numerical coding," Galgano said. "With our present system, order filling is sometimes difficult, especially with the wide range of product sizes and promotions."

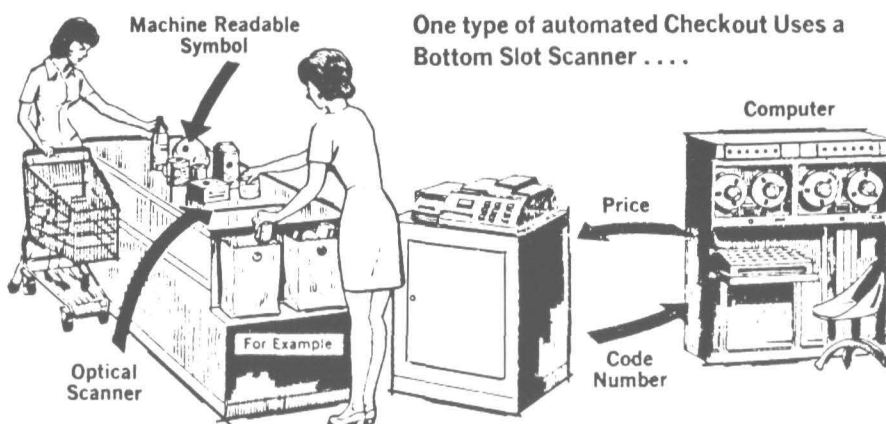
Longer-range effects of the informational aspects of the system, those in the industry project, will be smaller in-store inventories since the supermarket will have more accessible and more current shelf movement information. Thus, manufacturers must offer faster replenishment service.

items they simulate, are imitation red and green bell pepper bits, dehydrated diced black mushrooms, as well as simulated clam and tuna. All are sold at a fraction of the cost of the real ingredient.

The acid-soluble powdered protein from Gunther is designed primarily for an emerging new category of high protein citrus drinks and juices in which previous fortifies weren't acceptable.

Other attention-getters from Gunther were a new foaming protein (1026) for dry, packaged cocktail mixes (whiskey sour, daiquiri, etc.) as well as new applications for whipping agents in biscuit, marshmallow confections, meringue pie and dessert mixes.

From Vico, new entries were SSD (Soy Sauce Dried), which provides a distinct oriental flavor in dry-mixed convenience foods, and BF-4, a powdered product which adds a beef-like flavor to soups, gravies, and snacks.



Here's one concept of how an optical scanner will be used to transmit product codes to the information-generating computer

Here's a Rundown on Some of Those Changes You'll See in the Supermarket of the Future

Here are some of the ways in which automated checkout is likely to affect consumers.

The biggest change will be at the front end of the supermarket where the silence will be deafening (no cash register clatter). Checkout will be faster and more accurate (a point which the supermarket chains are rather mum about). With faster checkout and less need for on-site equipment (such as a cash register), chances are that less space will be devoted to the checkout area.

Some things won't change, however. Like visual display of prices as items are "rung up" (or should we say "computerized"). Yes, you'll still get a tape totaling your purchases.

How will the new system affect your shopping habits in the main part of the store? No need to look for prices on the products—they'll be on the shelf instead. In case you get the urge to see the price again after you've left the area, visual monitors will likely be spotted throughout the store. By setting the product on one of these monitors, you'll not only see the price displayed but probably any tie-in promotions, cents-off or coupon deals.

Initially, such items as fresh vegetables and perhaps meats won't be coded, nor will items too large to pass over the scanner.

You'll see automated checkout first at the newer, large-chain supermarkets. Older large-chain stores and convenience markets will probably convert later.



Selectively placed screens allow price checking Tie-in sales would also be flashed automatically

According to financial experts, the new system will generate a savings for retailers. And here's hoping those savings will be passed on to the consumer—or at least used to offset future price increases.

Distribution Already Set

"With distribution facilities in most major population centers, our system is already geared to provide fast service," Galgano said, "and should satisfy these future demands."

As for the marketing advantages for the manufacturer/marketer, informational benefits are not as attractive to Staley as they might be to others, Brooks

said.

"Our present product line has a broad appeal to all segments of the market, and there's little requirement for us to know how the products are moving among different income groups."

"However, fast and accurate information on day-to-day movement on established as well as new products, immediate results on promotional and adver-

tising efforts and information on competitive movement would be beneficial in marketing decisions.

"The real advantage is at the retail level—for consumers and retailers—and it's in our long-term best interest to be at the vanguard of any movement which affects these two vital aspects of our business."

It's the Right Timing

Continued from Front Page

Dura-Jel regular is recommended as a stabilizer and thickener in soups, sauces and gravies, and also for fresh-baked pies, tarts and other fruit-filled items for which the starch increases "bake tolerance", thus preserving fresh-fruit flavors and appearance.

Dura-Jel Instant is a pregelatinized (no cooking required) waxy maize for cake mixes, instant puddings, instant gravies and sauce mixes.

Perma-Flo's primary applications are in processed, canned, and frozen foods, such as bakery fillings, imitation dairy products, and refrigerated items.

Leading the new protein introductions were a new generation of textured vegetable proteins in the Mira-Tex line and a new acid-soluble Gunther product for high-protein citrus drinks and juices.

The new textured vegetable proteins, with the appearance and color of the



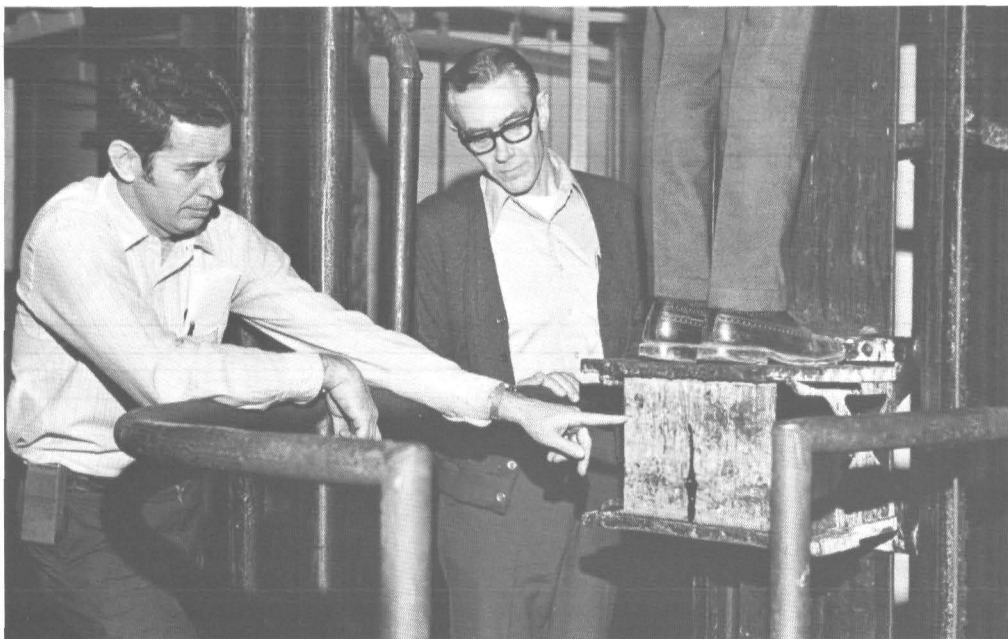
Staley sweeteners, starches, proteins, and flavorings/spices were emphasized at the IFT show Several new products were announced to the more-than 4,000 food technologists who attended

From Asmus, sterilized spices—providing new dimensions in food quality—were the topic of discussion as were new Asmus seasoning blends for snacks, frozen, and

processed foods.

Providing attendees with a first-hand experience in the Company's food ingredients capabilities, Staley also hosted a series of breakfasts

in which dishes were enhanced with our own ingredients, as well as a buffet in which meat ball and chicken salad hors d'oeuvres were prepared using Mira-Tex.



Safety suggestion originators Dick Hoyt (L), Bill Richards check the installation of a protective panel. It prevents man-hoist riders from stepping onto the weaker bottom step.

Two Employees' Safety Suggestion Goes National

A suggested modification of man-hoist steps submitted by two Staley foremen is helping eliminate potential safety hazards at Staley/Decatur and throughout the nation.

Submitted by Bill Richards, oil refinery, and Dick Hoyt, AgriProducts maintenance, the suggestion calls for the installation of a protective plate between the upper and lower platforms (see picture), preventing a rider from inserting his feet on the weaker lower step.

According to safety director Don Brown, installation of the protective plate in high-use man-hoists in the oil refinery and Sweetone plant have eliminated such mis-steps, preventing skinned shins and down time for repair of broken steps.

Brown also said that the idea has been endorsed by the National Safety Council and is appearing in the council's nationally-distributed data sheet.

DeVore Selected Secretary of Year

"It was the best kept secret in the history of women," said a surprised Jacque DeVore upon being named "Secretary of the Year" for the Decatur chapter, National Secretaries Association, during National Secretaries Week, April 23-29.

Secretary to J. H. Beaumont, vice president, Industrial sales, Jacque's next level of competition is the Illinois Division in which local nominees from all over the state are entered.

Selected from among the 50 Decatur chapter members, Jacque was chosen for her service to the local chapter, enlightening personality, professional skills and rapport with fellow members.

A Staley employee for ten years, she has been active in the local chapter since 1963, serving as chairman or co-chairman of several committees and special events.

Trophies Presented In Bowling League

Teams captained by Gene Nixon, electrician, and Gus Cowgill, instrument and control mechanic, finished first in two Staley bowling leagues this season.

Nixon's team, pictured at right, is: (L-R) Jerry Dilbeck, Bob Nixon, Gene Nixon, Bob Murphy, and Bill Paslay. Not pictured is D.H. Nixon.

Cowgill's team, pictured at far right is: (L-R) Larry Ward, Ted Wiseley, Cowgill, Howard Duncan, Dick Barfield, and Cliff Martin, Jr. Not pictured is Ed Hale.



Eldo Riedlinger receives rundown on his retirement benefits from Darlene Owens of the Employee Benefits Department.

Riedlinger Retires After 44 Years; 35 in Soybeans

When it comes to soybeans, few people have enjoyed the first-hand experience that Eldo Riedlinger has.

When the extraction plant foreman retired April 30th with 44 years service, he had devoted 35 years to the "wonder bean."

He got his start in beans as an unloader at elevator B in 1937. Later he worked as an operator in the former soybean expeller plant before returning to elevator B as leadman.

When the present extraction plant was completed in 1945, Riedlinger was named to head it, serving in that capacity until his retirement.

Retirement plans include moving to Bradenton, Fla., where he contemplates "a lot of golfing"—with another Staley employee, Dave Mitchell, former technical manager, AgriProducts production and presently technical director at Redd Labs in nearby Safety Harbor, Fla.

The picture of good health, Riedlinger could recall missing work only twice in his 44-year career due to sickness.

Directors Declare Regular Dividend

Directors declared a regular quarterly dividend of 35 cents per common share, payable June 6 to shareholders of record May 22, at their meeting on May 9.

The usual dividend of 94 cents a share was declared on the Company's \$3.75 preference stock. It is payable June 20 to shareholders of record June 6.

Two Complete Systems Correspondence Course



Dale Elliott (2nd from left) and Joe McGlade (2nd from right), both of the syrup refinery/dextrose staff, recently finished a 25-week basic systems correspondence course conducted by Systemation, Inc. of Colorado Springs, Colorado. The two invested approximately 150 off-the-

job hours in becoming more familiar with basic computer systems. Also pictured are Rod Simms (L), assistant production manager, syrup refinery/dextrose and Lee Crouse, corporate information systems manager.



Brooks on Consumer Realignment: 'Better Concentration of Talent'

A higher degree of concentration, increased efficiencies, and better communications were cited by marketing director Bill Brooks as prime advantages of recent internal realignments in Consumer Products marketing structure.

The moves include the establishment of two marketing teams—food/food services under Marvin Eubanks, who formerly directed the marketing of "Wagner" drinks, and non-food under Rod Tinkler, formerly group product manager for Sta-Flo, Sno-Bol and several other non-food and food products.

In addition, all consumer and food service sales have been consolidated under John Blazin, national sales manager. He had been sales manager for Staley products. In his new position, Blazin is assisted by Wil Brown, Eastern Region sales manager, and Dick Fieweger, Western Region sales manager, both of whom are based in Oak Brook. Also, Bob Murray, Western Region, and John Springer, Eastern Region, oversee sales activities in military/food services and report to Blazin.

On the realignment, Brooks said, "The new organization enables us to concentrate our considerable talent in the two vital areas of our business—food and non-food—in which we are equally interested and in which we have proven technical expertise and healthy franchises.

"As we draw together



Bill Brooks (C) discusses marketing realignment
With Consumer Products field sales personnel

short and long-range plans, our objective is to capitalize on the group's technical and marketing experience."

In food services, Brooks foresees a "revitalization."

"Presently we are evaluating our strengths and weaknesses in this area," he said, "and we hope to rekindle this vital part of our operations through development of new products in conjunction with Industrial Products Group, which is a prime source, and through research."

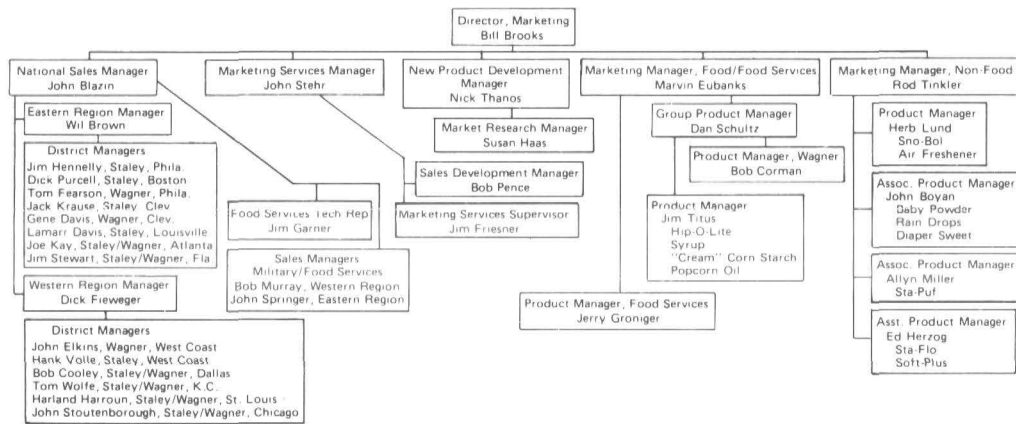
In discussing the group's strengths, Brooks said, "In the 'Wagner' name we have a well-established identity for quality products, and our intention is to build upon this consumer awareness in the foods area at every opportunity. In those food areas in which we cannot logically

extend the 'Wagner' name and in which we are not so well established, we intend to forge new opportunities.

"The same is true in the non-food lines, where Sta-Puf, Sta-Flo and Sno-Bol are recognized by consumers throughout the nation for quality and value.

"Thus, we plan to build clusters of new products as extension of these allegiances, logically extending our impact in the clothes/household care categories."

In the consolidation at the group level of "Staley" and "Wagner" sales under Blazin as well as the assignment of such dual responsibilities to six of the 14 district managers, Brooks said "communications have been improved significantly, resulting in increased efficiencies."



On The Move

AGRIPRODUCTS

DOROTHY DIRCKEN from chief clerk to grain accountant.
GAIL ERMILIO from keypunch operator-clerk to chief clerk.
JANE YORK from file clerk to flexo-writer operator.
SUE ANN YOUNG from flexowriter operator to utility clerk.

CONSUMER PRODUCTS

NORA DOBRO from contract clerk to credit correspondent.

CORPORATE

LARRY LEONARD from programmer to systems analyst.
EVELYN TUETH from chief clerk-cost accounting to tax assistant.
HARLAN WILSON from utility clerk to data processing trainee.

INDUSTRIAL PRODUCTS

SUE ATTEBERRY from clerk-corporate transportation to book-keeper.



Larry Leonard Robert Garretson

ROBERT GARRETSON from Industrial sales representative to sr. Industrial sales representative.

INTERNATIONAL

CAROL WITHROW from order-invoice typist to secretary.

STALEY CHEMICAL

RAMESH AMIN from associate technician to technician.
JACQUELINE PITTMAN from accounting clerk to production inventory control clerk.

World's Largest 'Wagner' Display



DALLAS, Texas—Providing a shopper's delight in a Dallas Food City store is this 1,132-case 'Wagner' Drink display. Placed by broker Tom Christal Company, the gigantic array did the trick—with customers taking home the breakfast drink at the rate of 11 cases per day. In Texas, everything's big, and that includes 'Wagner'.

Last of an Era At Staley Chemical

MARLBORO, Mass.—With the retirement of technologist Carl Sproul this month, a significant chapter in Staley Chemical's history came to an end.

Sproul is the last remaining member of the original development team that developed UBATOL U-2001, the first commercially successful ultra-fine particle-sized synthetic emulsion with high gloss characteristics previously attainable only naturally in wax emulsions or shellac solutions.

The discovery led to a dramatic revolution in the floor polish industry and made possible unprecedented expansion of UBS Chemical in the early 1950's. Subsequently, UBS Chemical and Newark Leather Finish were merged into Staley Chemical in 1969.

Sproul's participation in the development is a success story within itself. After working for seven years with UBS in the late 1940's, he was laid off during a general cutback. Shortly afterwards, Roland Earle, then president of UBS, employed Sproul on a part-time basis on evenings and Saturdays in his small laboratory.

In 1951 Sproul and the development team successfully formulated U-2001, and because of his participation was placed on the full-time payroll once again.

Morrisville Movie Available

The 8½-minute color movie depicting the Company's new plant in Morrisville, Pennsylvania is available for employee use for community organizations, such as churches, civic clubs, etc.

Checkout of the film can be arranged through Public Relations, Decatur.

Retirements

MERWYN ARMENTROUT, field engineer civil, March 31
MARGERY PEARCE, order clerk, Asmus Detroit, March 31
SHERWOOD HOWARD, electrician, April 1
EDWARD MC KEY, roller mill operator, April 1
CARL DONGOWSKI, shift foreman engine room, April 30
CARL NAPIERSKI, special control analyst, April 30
JOHN NICKEY, metalsmith, April 30
ELDO RIEDLINGER, superintendent soybean extraction plant, April 30
GERTRUDE KRUEGER, secretary—Philadelphia sales office, May 31
FRED OAK, mill screen operator, May 31
CARL SPROUL, process development technician, Marlboro, May 31
HENRY WALTON, patent chemist, May 31

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Lund Tells University Women:

'Female Reigns in the Supermarket Jungle'

In the supermarket jungle, the female of the species reigns supreme, Consumer Products product manager Herb Lund told a group of American University Women in Decatur recently.

"Make no mistake about it," Lund said, "the housewife through her purchasing power—determines success or failure for the 7,500 dry grocery items in the typical supermarket.

"It's not those of us in advertising/product management—we try to identify consumer needs and present products in the most favorable light. The real determination comes when the housewife reaches for brand X instead of brand Y."

Swift and final is the housewife's judgment, Lund added. Each year approximately 2,500 new grocery items are introduced and 2,000 existing ones are discontinued, accounting for a turnover of over 50 per cent, the product manager said.

"The competition for shelf space is vicious," he said. "A supermarket manager isn't willing to sacrifice frontage for a product the housewife doesn't purchase. If she rejects the product, off the shelf it comes and something new goes in its place."

Continuing, Lund told the audience, "Don't underestimate your purchasing power. The average housewife spends \$1,700 annually for food, and nobody knows that better than the supermarket manager. You've got plenty of clout in the supermarket."

Even as early as new product development, the housewife is vitally involved, Lund stated.

"Through interviews with groups of women, we determine unmet needs. These interviews are by far the most productive source of new concepts.

"After we've developed the concept, we go back to the consumer and test it—before the product is formulated. After successful concept



Supermarket items experience over 50% turnover
Herb Lund tells American University Women

testing, we develop the product and present it to groups of housewives for in-home testing.

"Even after successful in-home tests, we're not ready for widespread marketing. First we try it in 'mini markets', which generally include about 4 per cent of the U.S. population at a cost of one-quarter million dollars."

Even with this extensive consumer exposure, Lund said, less than 15 per cent of new products survive the first year, and those which do enjoy a typical life cycle of 2-4 years.

If new product development is so risky, why become involved?

"The consumer's constantly looking for new products to meet new needs," Lund told the women. "Those who can identify and satisfy those needs can be big winners—as instant breakfast drinks, throwaway diapers, plastic garbage bags and powdered cocktail mixes attest.

"But the major reason is that every consumer-oriented company—and that includes Staley—must have new products to remain healthy. Those who stand still just don't survive."