

StaleyNews

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Decatur, Illinois/November, 1976

New service award plans increase employee recognition

Several changes have been announced for the annual Decatur service awards program beginning in 1977. George M. Prust, industrial relations director, says the changes seek to make the recognition of service more meaningful to the employee.

In order to make the service awards dinner a more significant event for long service employees, spouses of those employees receiving awards will be invited to the dinner. The company expects about 600 employees and their spouses to attend the annual awards dinner. This year's annual awards dinner will be held in March.

Because the company felt that it is important for wives and husbands to share in the recognition of service and because of the size of the group, it is necessary to limit the number of people attending. Previously, employees with 10 years service attended the dinner as did employees with 25, 26, 28, 30, 32, 34, 35, 38, 40, 42, 44 and 45 years service. Now, employees with 25 years service and those marking 30, 35, 40 or 45 years with the company will attend the dinner with their spouses. Before, only employees had attended the dinner. Retirees will no longer attend the annual awards dinner since a new Staley Retirees Association has been formed and will have

its own annual dinner. (See story and pictures in this issue).

Under the new program, employees will receive recognition awards for service starting at five years, and for each five-year interval thereafter. Previously, the first award was given at 10 years.

The service awards have also been redesigned. The awards for service under the new recognition program will be:

- 5 years--sterling silver crest.
- 10 years--gold crest.
- 15 years--gold crest with three aquamarines.
- 20 years--gold crest with two aquamarines, one emerald.
- 25 years--watch, clock or ring.
- 30, 35, 40 or 45 years--gold crest attached to a selection of jewelry. Jeweling sequence of two emeralds, one diamond for 30 years; one emerald, two diamonds for 35 years; three diamonds for 40 years, and four diamonds for 45 years.

Starting in January 1977, the 5, 10, 15 and 20 year awards will be presented to employees by their supervisors on or near their anniversary date.

New pilot plant waste treatment facility starts

The new 500-foot deep shaft pilot plant began startup for waste treatment operations at the Decatur Plant in October.

The hole, with a diameter of approximately 8 inches, uses a deep-shaft process for treatment of wastes, circulating effluent inside a deep shaft rather than relying on the usual open settling and aerobic treatment tanks.

After wastewater is screened free of large solids, it is sent continuously down the central path of the shaft and mingled with recirculating streams containing a large population of microorganisms which oxidize the waste. Compressed air piped into the system furnishes oxygen needed for the bacteria which feeds on the wastes.

As the wastewater moves up the riser part of the shaft or tube, bubbles of gas materialize, exerting a lifting pressure on the liquid which is drawn off at the top. A portion of the continuously recirculating stream is also drawn off as essentially treated effluent, and a flotation tank with skimmer separates the effluent from the heavier sludge.

As Staley News went to press, preliminary results of the pilot system, hailed by its English designers as the most revolutionary advance in sewage treatment technology in 60 years, were being awaited. Potential

advantages of the process are less space requirements and lower energy costs plus higher efficiency.

The plant, located near 21 building in Decatur, is the only one of its type in the United States.

Consumer acquires Broadview plant

Staley has purchased a new facility in the Chicago area for the manufacture and distribution of non-food consumer products including Sta-Puf pink and blue, Sta-Flo liquid starch and Super Strength Sno-Bol.

The plant, located in Broadview, Ill., has 144,000 square feet under roof. Formerly owned by a door-making company, the Broadview facility will initially undertake manufacturing currently handled by co-packers.

Modification of the building for Staley purposes began in November and production startup is scheduled for early 1977. The plant will employ approximately 35 people.

The Broadview plant is a centrally located facility which is expected to offer distribution and manufacturing advantages to consumer products.



Larry Case, production, checks the progress of the Gold-N-Soft filling operation at Portland.

Gregg's becomes part of consumer products

Staley has acquired Gregg's Food Products, Inc., of Portland, Ore. As a result of the transaction, which involved a stock transfer, Gregg's becomes a wholly owned subsidiary of Staley.

The agreement was finalized in late October when stockholders of Gregg's approved the terms of the merger under which one share of Staley stock was exchanged for every 3.937 shares of Gregg's common stock. In total, 305,080 shares of Staley common stock will be exchanged for 1,201,000 shares of Gregg's.

Gregg's which reported nine month sales of \$12.7 million and net earnings of \$618,000 for the period ended July 31, manufactures and markets regional brands of margarine, mayonnaise, salad dressing, syrup, shortening and cooking oils.

Gregg's also has its own facility for manufacturing plastic containers which it uses to package its margarine, and for sale to other customers.

Gregg's facilities are located in Portland and Los Angeles. Primary markets served are the western United States.

The company will maintain its own marketing, manufacturing and distribution network, and will become a part of the consumer products group.

Staley trust helped start Gregg's growth

There is a little-known Staley link with Gregg's Food Products, Inc., which Robert M. Gregg has never forgotten.

In the early 1950's, Mr. Gregg purchased the

business from his father. At that time the product line consisted of a single item--mayonnaise.

Additionally, Gregg's was the smallest manufacturer of mayonnaise at that time in the Portland area. Five other companies were all larger than his fledgling firm.

But, Mr. Gregg had a better idea. He and his competitors all bought their soy oil in 50-gallon drums. It occurred to Mr. Gregg that a tank car purchase of soy oil would enable him to save nearly a nickle a pound on oil purchases--savings which he could either put directly back into the business, use for marketing, or to lower prices in what was an intensive price competitive business.

But he lacked the necessary finances to make such a purchase. So he went to several companies with his idea. He was turned down at each until he went to Staley, where Credit Manager Claude Cox, now retired, heard the young businessman out and agreed that the idea of tank car purchases did have merit. Enough merit that Staley would extend the credit which others had turned down.

A small gesture? Perhaps. But, that better idea bore fruition, and Gregg's set out on a pattern of growth and quality products that continues today.

Today, Gregg's is an important part of Staley consumer products. It is an affirmation of the expanding role consumer products will play in Staley fortunes. . .and it is at least partially possible because more than 20 years ago, one man--Claude Cox--and one company--Staley--did a little extra to help a young businessman on the way.

New energy guidelines?

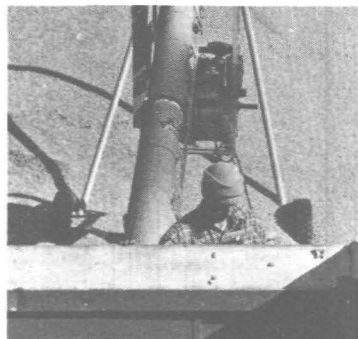
The Federal Energy Administration has proposed that the corn wet milling industry can increase its energy efficiency by seven percent by 1980 over its efficiency in 1972. FEA suggested that the total food industry could increase its efficiency by fourteen percent during the same period.

The FEA projections are voluntary goals called for by Congress in last year's omnibus energy bill. The government also suggested soybean mills could increase their energy efficiency by 17 percent.

In the News...



Gold-N-Soft/P4,5



Golden hills/P6



Golden years/P7



Fashion and style with a Halloween theme were present at the Staley Women's Club Style Show. Upper left, Doris Morgenthaler acted as mistress of ceremonies. Upper right, Roberta Probst and Lisa Helm show the ultimate in evening wear and more casual pant suit combos. Lower left, all the models pause for a picture at the end of the show; left to right, Sue Long, Barb Baum, Carol Hocker, June Frymire, Kathy Poe, Peggy Albert, Roberta Probst, Darlene Owens, Lisa Helm, Mary Jones and Doris. Lower right, June Frymire models a sporty sweater that would be perfect for refreshments after a day of skiing.

59 observe anniversaries

40 Years

RAYMOND BOMBALL, shift foreman, dry starch
EMIL SCHIMANSKI, supervisor, manufacturing training, industrial relations
EVERETT BUSH, senior mechanic, machine
JAMES LAYTON, assistant instrument man

35 Years

JOSEPH MCGLADE, JR., warehouse foreman, 33 building
LOUIS MURPHY, assistant foreman, Chicago warehouse

30 Years

JOHN CRABTREE, foreman stores/77 complex
KENNETH WRIGHT, technical director, agriproducts
CLARENCE WANGROW, construction supervisor, industrial maintenance
WILLIE DALE, JR., shift foreman, wet process
CLIFFORD KRETSINGER, JR., supervisor maintenance/oil/feeds, agriproducts
EDWIN HALE, plant protection shift foreman
ANN LIPPINCOTT, research chemist, engineering, Research & Development
ROBERT SANDERS, assistant foreman, Satellite IV
LAURENCE VOYLES, shift foreman, wet process
DEWAYNE PROSSER, corn syrup solids, 17 building
GEORGE HALE, transfer driver, 77 building
DONALD AMIOTTE, shaker mill maintenance, 6 building
KERMIT CONLEY, merco operator, 6 building
WILLIAM FORAN, JR., reactor operator, 118 building
LUTHER MAYBERRY, conversion operator, 5 & 10 building
JAMES STEWARD, maintenance man A, Columbus plant

JOHN CARROLL, JR., maintenance man A, Columbus plant
WILLIAM ALLEN, lab supervisor, Fostoria plant

25 Years

HELEN ZINDEL, consignment inventory coordinator, industrial administration
TED LEHEW, research building supervisor
HENRY ENGLISH, second year apprentice, electric
RONALD JAMES, truck operator, 34 building
EUGENE MADIA, railcar handler, 101 building
ROBERT CHRISTERSON, trailer operator, transfer
WENDELL BRYANT, development engineer helper, 59 building
VIRGIL SCHAAL, drier operator, 12 building
RICHARD SPAIN, senior mechanic, pipe
HAROLD STINE, process supportman, 101 building
EVERETT EATON, 7th floor drier operator, 12 building
SAMUEL RISBY, conversion operator, 5 & 10 building
EZELL WHITE, senior analyst, 60 building

20 Years

ROLLAND SHORT, senior research chemist, research & development
KELLY TAYLOR, applications chemist, research & development
ROBERT KORNEWALD, shift foreman, wet process, industrial manufacturing
WILMA CLONEY, aviation & auto feet coordinator, corporate transportation
ROY LITTERAL, airveyor operator, Columbus plant
SHERMAN WILSON, material handler, Columbus plant

15 Years

DONALD MCKINNEY, area manager, paper & textiles
HAROLD PICKLES, technical sales representative, Chemical Specialties

Vico employees put faith into action by helping others

The religious revival sweeping the country today is for many a "media event." But for others, it's been a way of life which they have followed for years.

Witness Matthew Thomas, shift leader, and Art Alfred, shift leader, at Staley's Vico Plant in Chicago. Each man has been active in working with his church group, concentrating on young people, offering them assistance and advice.

Each is a member of Chicago area Baptist churches. Matthew works with the youth choir, consisting of 50 young people. He also gives a five-minute talk each Sunday morning. Art, on the other hand, has relied more on one-to-one counseling. Each has been highly effective with his particular technique.

"I don't mince any words with the kids," Matthew relates. "I try to get over to them the importance of school, family, obeying the law--and that they should live their faith."

"As an example, I point out that their faith should make them a person who is different from the rest of the world. If I gave any of them my billfold to hold, and if it had \$5 in it, by the time I got it back--even if it was passed among all 50 of them--it should still have that \$5 there. That's trust. And that's the most important virtue any of these young men and women will ever acquire."

Matthew notes a change in attitudes of young people. "They won't be satisfied with a simple answer today," he explains. "They expect reasons why they should and should not do something."

Art stresses the importance of self respect among young people as they develop attitudes which will direct their lives.

"I tell them that people will treat them as they treat themselves. And they should treat everyone the same."

"They should put their faith into action to help others and to be an example. But first, they have to feel good about themselves. If they do, they'll stay away from drugs, alcohol and trouble."

Art tells the story of how this attitude helped his son. "He was having trouble in elementary school with one teacher," Art recalls. "My wife went to talk to the teacher and came back convinced that the woman just didn't like our boy. I didn't believe that. So I went to talk to the lady and I was more certain than ever I was right."

That prompted Art to talk to his son about the problem. "I asked him if I had ever done anything that wasn't in his interest. We didn't have much money, but I gave him the important things. He agreed that I had."

"Then I asked him if that wouldn't make him believe that I would give him nothing but good advice. Again, he agreed. So I told him that he was going to be spending the next few years in school--and that woman and a lot of people like her were going to be spending time with him. And they'd be either his best friend or his enemy. But the choice was his. All he had to do was to show them that he cared what happened to him."

Did it work? Today, that son is an Air Force officer; Art's three daughters are all college graduates, and one is working towards an advanced degree.

"I hope I've been of some help to others along the way," Art concludes. "You just never can tell, but you have to try."



R. Bomball



J. Layton



J. McGlade



J. Crabtree



K. Wright



W. Dale, Jr.



E. Hale



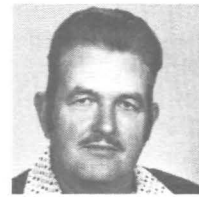
A. Lippincott



R. Sanders



D. Prosser



L. Mayberry



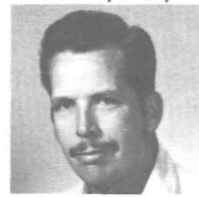
J. Steward



W. Allen



H. Zindel



H. English



R. James



V. Schaal



R. Spain



S. Risby



E. White

MARTHA SHINALL, secretary to director patent & food law
RONALD GREENLEAF, maintenance A lead, Houlton plant
DICK RYPKEMA, manager, Des Moines plant

10 Years

CHARLES HUNT, reliefman
DAVID JESCHAWITZ, rigger leadman, riggers
GARY LAMB, second year apprentice, tin shop
ROLLIE KIRKPATRICK, cleaner,

16 building
ROBERT GROLLA, ion exchange operator, 5 & 10 building
WILLIAM MAPLE, truck operator, 34 building
ROY WILLSON, manierre loader, 20 building
JOHN SCHERER, shift foreman, quality assurance
ELDRIDGE MERRITT, drum dryer lead, Houlton
JESSE JONES, operator A, Vico-Chicago
DAVID LUTE, preparation operator, Fostoria

Moore explains Staley role as supplier to paper industry

Staley has been a leader in supplying starch to the paper industry. In the past few months Staley News has covered stories on Sta-Lok 400, Interbond C and starch recovery systems developed by Staley. Now the paper industry is enjoying an economic recovery and Staley is reaping the profits as demand for our starches is strong.

The following interview with G. A. T. Moore first appeared in Paper Age, the journal of the paper industry. In it, George, manager, industrial starch sales, discusses the role of Staley in the paper industry. Because it offers an insight to this relationship, it was decided to reprint it in the Staley News with the permission of Paper Age.

PAPER AGE: George, as you know, this series of interviews is designed to probe the long-range starch supply situation from the vendor's viewpoint as well as the customer's input from the demand side. Last year at the "TAPPI" coating conference in Chicago, you and I discussed this interview concept in depth and PAPER AGE is happy to function as the sounding board for such an important exchange of both fact and opinion.

As a major supplier of starch products, Staley is in a novel position to respond to the paper industry's concern for long-term availability.

MOORE: Ken, before we commence with specific questions, I'd like to compliment PAPER AGE on your excellent approach to the supply-demand equation. While it is not your intention nor mine to use this series as a forum for rebuttal, our starch marketing strategy is perhaps unique in our industry.

PAPER AGE: Unique in what respect?

MOORE: In several ways actually, but primarily in our identification of the customer's starch requirements by grade structure.

PAPER AGE: The different grades represent different starch types and applications then?

MOORE: Definitely. This is why we tailor make our starches to fit the customer's exact needs. We offer a full spectrum from base pearl to the most sophisticated derivatives in the industry.

PAPER AGE: What do you identify as primary paper industry markets for starch?

MOORE: We distinguish converters separately from the paper and board manufacturers. Converters include corrugated box plants and the vast complex of manufacturers who utilize paper as a raw material. Tube winders, gummers, laminators; just about any plant that uses starch as an adhesive. For purposes of this interview, I'm talking about the paper machine and four areas of starch application: Wet-end; size press; calender stack and coating, either on or off-machine.

PAPER AGE: Obviously then, Staley is quite firmly committed to the further development of modified starches for our industry, or should I ask you if you envision Staley supplying all the needs of the starch requirements of an industry like ours?

MOORE: Yes, we are committed and here is another facet of our unique strategy. The corn wet-milling industry seems to be retreating from the restrictions and associated manufacturing problems imposed by government regulations which has created an artificial shortage of certain grades of modified starches. We see that, not as a problem, but as an opportunity. The vacuum which has been created represents a challenge for us to solve our effluent problems and fill the void through technological manufacturing innovation.

As an example, Staley has doubled its capacity to manufacture ethylated starches in the past six months by innovative production methods. And we have installed a new pretreatment plant for wastes from our expanded production of modified starches.

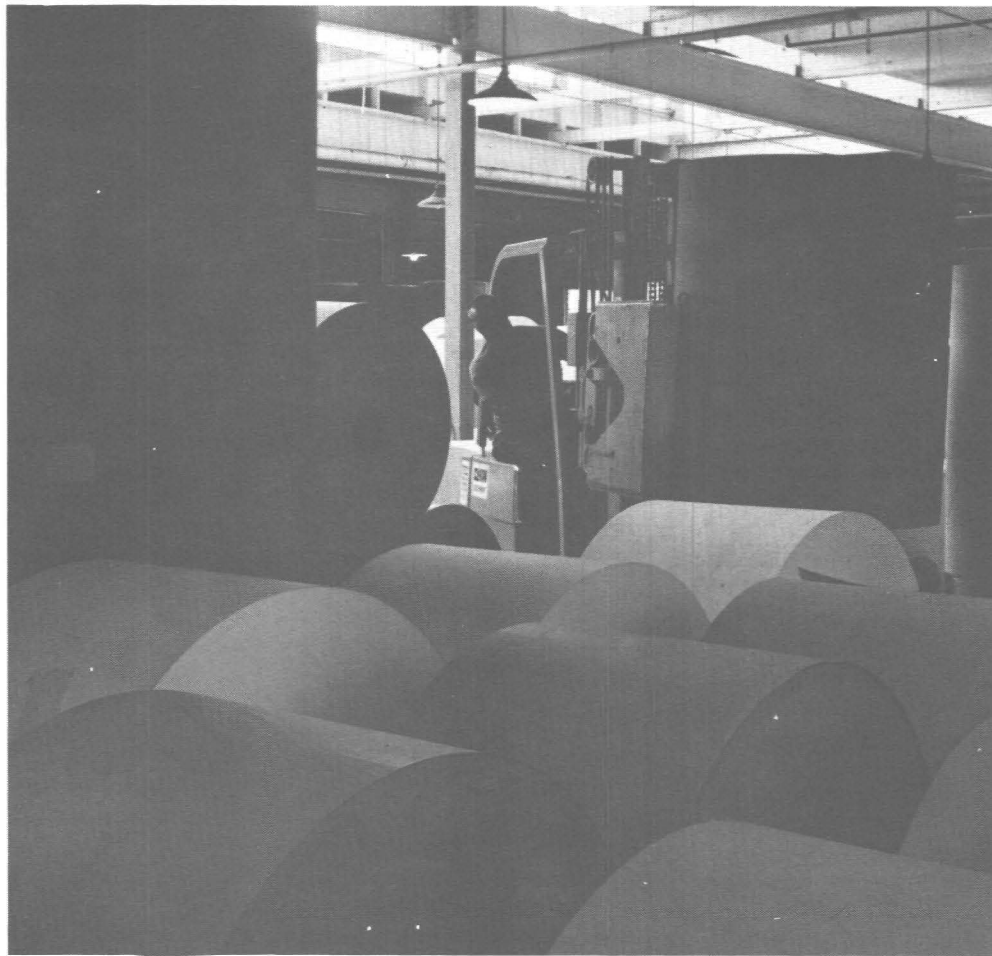
An interesting similarity between the wet-corn milling process and paper making is that the basic manufacturing technique in both industries has remained virtually unchanged except for equipment modification for nearly a century. We see exciting potential in this area in the years ahead.

PAPER AGE: It would be helpful if you would explain what position Staley has taken on modified starch vs. commodity starch.

MOORE: Our strategy is geared to the customer's starch application. This takes into consideration his grade structure, type of pulp and fiber source, and his customer's specifications. This normally equates to internal strength or surface quality. That in turn means that we must offer a broad array of corn starches. It also means that we must offer starches other than those based on corn to satisfy a particular customer requirement. We have no emotional hangups concerning our basic source of raw material. In addition to our major position in corn starch, we are also the largest producers in the United States of modified wheat, potato and tapioca starches and we are, and will continue to be, active in other vegetable sources. In short, when it comes to satisfying the particular application of a particular customer with a particular starch, we cover all the bases. We've developed over 500 products and, as our slogan states, "You ain't seen nothin' yet."

On the other hand, if a mill desires to alter the viscosity of a starch, perhaps even change set-back characteristics, this can be done by enzyme conversion, thermal conversion or so-called "chemical" conversion. The basic technology is about 40 years old and the equipment has been available nearly that long. Staley pioneered jet cooker conversion immediately after World War II and there are nearly as many of our units in the field as we have starches... over 400! If a paper mill is still using supplier modified starch but could switch to converting his own, then I have to say that he's probably been using the wrong type of starch all along.

PAPER AGE: How about R&D? Is your



Staley is... a major supplier of starches to the paper industry.



"...our strategy is geared to the customer's starch application..." Jerry Perkins at a plant in West Virginia which specializes in paperboard an example of the versatility of Staley starches which George stresses.

technical field service to the paper industry expanding?

MOORE: We have three lab groups whose efforts directly support our field personnel: industrial starch development, paper and paper converting, and technical service for paper and adhesives. Although our salesmen are technical experts in their own right, we back them up on a better than one-to-one basis with lab manpower. We currently have an R&D commitment to starch technology comparable to that for sweeteners.

PAPER AGE: That brings up an interesting and somewhat controversial subject. Will you tell our readers what Staley plans to do in the area of sweeteners vs. industrial starches? With the demand and profit incentive apparently presenting an opportunity to switch all of your production from starch to sweeteners, isn't it possible for you to do just that?

MOORE: I cannot speak for the industry, of course, but in general we are inhibited by two productive limitations: first, the grind, representing total corn throughput expressed in bushels; and second, finishing capacity in terms of starch drying or syrup conversion capability. In a mature plant such as our Decatur plant, the combined finishing capacity may be as much as 120% of grinding capacity, but, within such limits,

both starch and sweeteners must be produced or grind is lost.

Obviously an extremely uneconomical alternative. By contrast, our new plant in Lafayette, Ind. is designed to make sweeteners only so the grind and the syrup refinery are in exact balance. Really, the comparison between an integrated pulp-paper operation and a wet milling corn plant is quite valid.

PAPER AGE: In your opinion, will prices of all starch products used by the paper and board industry escalate sharply, modestly, or not at all?

MOORE: The cost of grain is crucial to the pricing of starch because it takes roughly three bushels of corn to produce 100 pounds of starch. The values of the by-products, feed, meal and oil, impact heavily in determining the net selling price. The cost of energy and labor also contribute significantly to that equation as to a lesser extent do the cost of chemicals and waste disposal.

The availability of grain is not a problem because our industry uses such a small percentage of the total corn harvest. Realistically, the critical pricing factors are speculative and have more to do with government export policy and considerations like world weather patterns. For example, the Russian grain belt is above the 45th parallel which in terms of the United States places it north of Minneapolis. Hardly what we in this country would call the "bread basket."

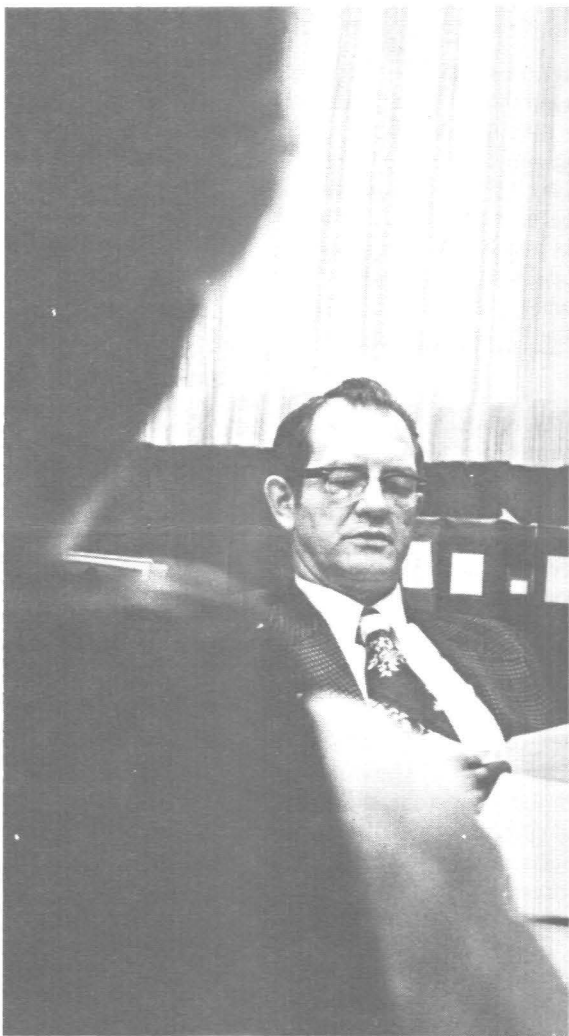
So to answer your question, if the costs previously noted, particularly the cost of corn, escalate only at the rate of inflation generally, the price of starch will probably increase at a similar rate. Incidentally, the break-even cost of producing a bushel of grain in the corn belt is a bit over \$2.00. That's near the price corn is selling for currently. This has caused a drop in starch prices.

PAPER AGE: Finally, George, what is your assessment of availability for the next five years?

MOORE: Ken, increased starch capacity is now on stream with two more plants scheduled to come in this year. Starch consumption as projected by such recognized sources as the Fiber Box Association and the American Paper Institute indicate that starch capacity will be in excess of demand from the paper and paper converting industries in the next 36 months.



Cartons of Gold-N-Soft margarine await shipment from the Garden Grove refrigeration section.



Merle Sharp is president of Gregg's.



Greg Mankey, line operator, Portland, checks the weight of a package of Golden Spread.

Gregg's broadens cons

A new dimension to Staley's role in the food industry is provided by the addition of Gregg's Food Products to the company's consumer products group.

Gregg's, headquartered in Portland, Ore., is a manufacturer of margarines, salad dressings, pancake syrup and cooking oils and shortenings. And it is a perfect example of the role played by the small entrepreneur who provides a base for free enterprise.

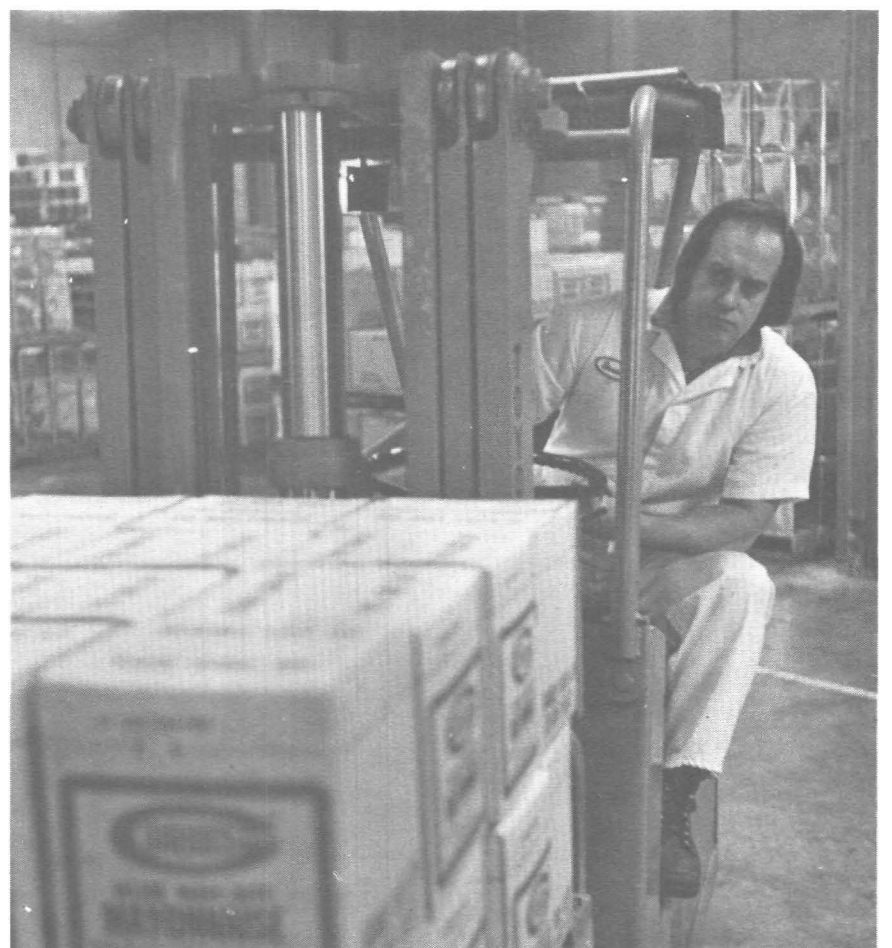
Gregg's is not an old company. It began in 1931 as a family business. Robert M. Gregg, chairman of the board, purchased the company from his father in the early 1950s. The force consisted of Mr. Gregg, a part time dishwasher and one full-time employee, Paul Hammon, who is still with the company. Mayonnaise was the only product.

But Mr. Gregg saw potential growth in his company—if he could make a breakthrough with tank car purchases of soy oil at savings which would make his product a price leader. Competitors were purchasing oil in 50-gallon drum quantities. He was able to negotiate a deal with Staley (see story on page 1) and soon his mayonnaise sales were tops in the Portland area.

The next breakthrough accomplished by Mr. Gregg was in 1967 with the formulation of a margarine unlike any other available at that time—Gold-N-Soft, a "soft" spreadable margarine available in plastic tubs. Gregg's formula featured not only a taste more comparable to butter than that of ordinary margarines, but a melting point that allowed faster dispersal of flavor in the mouth.

Added to this was the introduction of the margarine in one-pound containers, with the savings passed on to consumers. Other companies were using 8-ounce tubs at that time. All the ingredients for success were present—unique flavor, superior packaging and competitive pricing.

After that the company enjoyed continual growth. Earnings increased from 12 cents a share in 1969 to 74 cents by 1975. Sales jumped from just over \$3 million in 1967 to approximately \$20 million annually to-



Gerald Mann, mixer, loads mayonnaise at Portland, sold by the food service division.

sumer's product mix

day. In that time, earnings dropped only once, in 1974 when the company was faced with escalating ingredients prices.

The company began its own injection molding of plastic tubs in 1972. The result is a sturdy reusable container in one pound packages, and a reusable drinking cup in the 8 ounce size.

Today, Gregg's not only manufactures tubs for its own use, but for other companies.

Gold-N-Soft enjoyed an over-whelming success, capturing more than half of the soft margarine market in the Pacific Northwest region of the country. The next step was an expansion of the product into the lucrative California market.

An indication of Gregg's commitment to expansion is evident in the new Garden Grove plant, near Los Angeles. The facility, is the most modern possible, and is designed from the ground up for not only margarine production, but the manufacture of salad dressings, mayonnaise, shortenings and syrups. Presently, 12 people are employed there, but when production steps up, employment is expected to increase to nearly 50. The plant will be able to turn out 16 million pounds of product monthly. Portland remains the major facility with 100 employees, including those in corporate headquarters.

The company has also introduced a new spread under the name "Golden Spred." Golden Spred contains 25 percent less calories and fat than margarine or butter and is available in tub or solid cube form.

Recently, Gregg's introduced Gold-N-Soft in Minnesota, the Dakotas and the upper midwest.

What of the future? Mr. Gregg strikes an optimistic note. He points to the expanded capacity that will be forthcoming from the Garden Grove plant; the introduction of Gregg's products in new market areas; the potential of the plastics division.

"The ideal merger has benefits for both parties," he explains. "I believe we offer Staley something it didn't have. New products, the opportunity to make more efficient use of warehousing, distribution and manufacturing of its products. Staley offers us advantages of size and knowledge that just is not available to a small company. The pooling of the advantages of such a transaction as this merger hopefully will have a synergistic effect."

GREGG'S AT A GLANCE:

Number of employees--More than 100 at manufacturing locations in Portland, Ore., and Garden Grove, Calif. (this number will increase as production steps up at Garden Grove plant).

Headquarters--Portland, Ore.

Products--A broad line of consumer and food service products including Gold-N-Soft Margarine; Golden Spred; six flavors of salad dressings; pancake and waffle syrups; mayonnaise; shortenings; plastics.

Marketing area--Primarily in the Western States, but recently expansions of Gold-N-Soft have occurred in Minnesota and the upper midwest region.

Miscellany--A long time user of Staley soy oil; one of few margarine processors to produce its own plastic tubs (which it also markets to other companies); has a broad line of private labels, especially in margarine products; in already established market areas, Gold-N-Soft holds commanding lead in sales volume with more than half of market share of soft margarines.



Robert M. Gregg, right, at the Garden Grove warehouse with Vern Blando, vice president, manufacturing.



The Gold-N-Soft packaging area at Garden Grove. Front, Tim Peterson, clean up, center, Tom Sullivan, mixer, and back-ground, Russ Mason, production.



Martin Ivacic, foreman, checks packaging of Golden Spred at Garden Grove.



Ted Mach, foreman, Portland, checks the ingredient mixing tank for Gold-N-Soft margarine.

Staley News wrapup

Frearson named top manager

Tom Frearson has been named district manager of the year for Staley consumer products. Tom, who is assigned the Atlantic region, which includes Pennsylvania, Virginia, West Virginia, North Carolina, Washington, D.C., Maryland, and parts of New Jersey, received the award for performance based on sales of consumer products to quota and overall management performance. Tom was also eastern regional manager of the year.

Bob Francesconi, assigned the West Central Region, centered in Kansas City, was named western regional manager of the year. He brought his district from a sub-quota performance when he was assigned to it in May to a better than quota level by the end of the fiscal year—only six months.

Consumer products has 11 district managers.

The expansion of soybean processing capacity at Des Moines is nearing completion with the startup of the new plant anticipated near the New Year's holidays.

The new plant will have a crushing capacity of 100,000 bushels daily. When it begins operations, the old facility will be shut down. No plans have been made at this time for its future use.

As Staley News went to press, the number of contractor personnel working at the Lafayette plant site had grown to more than 500.

Two trailers were moved onto the plant site in November to act as offices for Staley employees assigned to Lafayette. Currently, the group is working out of 1-E, 62 building, in Decatur. It is expected that as the plant's startup date nears, the Staley employees will begin to spend more of their time in Lafayette.

Although applications for employment at the plant are being accepted, no hiring of Lafayette area people has taken place yet. Interviews with area residents are expected to commence in the near future.

The \$85 million Lafayette plant represents the most ambitious capital expenditure program in Staley history.

Sta-Flo liquid starch registered sales gains in fiscal 1976 over the same period the previous year. In other consumer activity, Sno-Bol automatic will be introduced into new market areas such as Washington-Baltimore, Pittsburgh, and New Orleans.

Ten teams are participating in the Staley basketball league at Decatur which began action in November. Larry Landwehr, systems maintenance analyst, is acting as league commissioner in this company-supported activity.

Decatur Memorial Hospital has unveiled a bronze bas-relief of the late A. E. Staley, Jr., in recognition of his support of the hospital. In the dedication ceremonies for the bas-relief, which will be displayed in the Staley Pavillion of the hospital, Decatur Memorial officials noted that Mr. Staley and the Staley family had made gifts to the hospital with a current market value exceeding \$2.2 million.

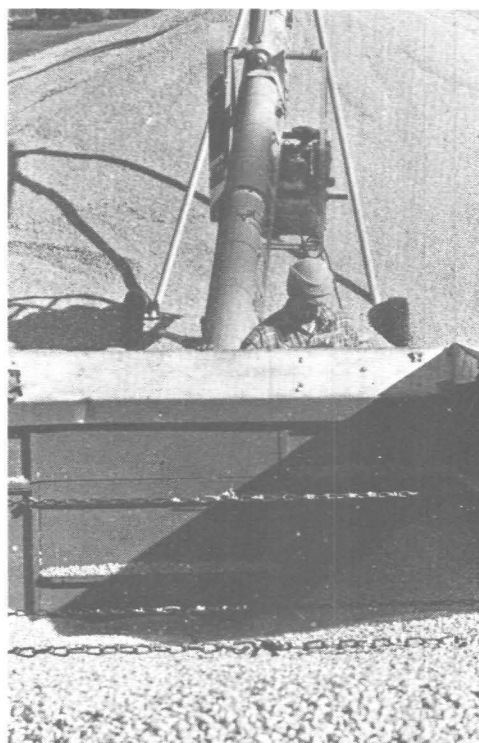
Employees can make a difference. The most recent example has been provided by a group of employees from the machine shop and maintenance shop and stores in Decatur as they worked around the clock on a job that was scheduled to take 21 days, and finished it four days early.

The bearings used in the crystallizers at 44 building for the making of dextrose wore out too quickly, so new, improved bearings were ordered for installation.

The job was a major one. Each bearing was 21½ inches in diameter. It was estimated that it would require three shifts a day working three full weeks to get the job done. But, calling upon all their skills, the employees were able to do the job in only 17 days.

The new bearings will provide a better seal, improving process sanitation.

The company has completed installation of a new mechanical dust collector on No. 24 furnace at Decatur. The furnace is coal fired. Installation was done in accordance with plans submitted to and approved by the state and federal environmental protection agencies.



Ronald Rickey, left, fills an outgoing rail car with corn at the Livengood elevator in Findlay. Right, Danny Maycroft supervises the unloading of corn at Coles.



Livengood elevators warehouses of agricultural wealth

Inconspicuous. No matter how hard one tries to come up with a more flattering description, country elevators at first glance seem to be nothing more than out-of-the-way buildings usually located in small towns. Sometimes only a house or two is located near elevators.

But those simple structures which dot the Illinois countryside are warehouses of wealth and one of the best examples of the contributions made to American life by agriculture.

This year, the Staley agribusiness chain received another link with the acquisition of the Livengood Elevators. Located throughout central Illinois, each elevator this fall was filled during harvest season as farmers delivered their soybeans and corn.

In at least two locations—Chippis and Coles—bushes of corn were dumped on the ground as bins and other storage facilities reached the point of overflowing. The piles reflected the bright fall sun like miniature golden mountains.

Elevator managers become strangers to their families. Work days are extended to 18 or 20 hours—each day of the week. Lines of trucks and wagons of corn extend for as long as two miles.

The lines of trucks and wagons waiting to unload grain seemed endless. How much grain was being brought in one would wonder. Probably as much or more at each location as people in some of the so-called developing nations see in a lifetime. The Livengood elevators have a combined capacity of 2.5 million bushels.

The elevators also have a special role for Staley. Although Livengood operates as a "profit center" within Staley, it increases the company's grain supply and storage and marketing capabilities.

Perhaps the events pass too quickly for an in-depth observation. Even while the last grain is being received, the farmers are already back in the fields, plowing, fertilizing, and planning for next year. At the same time, the grain—be it corn or soybeans—is being received at Staley or other points, ready to be processed and manufactured into products which have helped make the American standard of living the highest in the world.

And from the elevators at Findlay, Chippis, Coles, Kincaid, or Sicily, Illinois, to the factories at Decatur, Galesburg, Morrisville or any other Staley facility, the Staley employee has helped make it happen.

Scherger proves 'you can go home

The old saying is "you can't go home again." Or can you? The example of Don Scherger, meal bagger, Fostoria, would show that you can go home again.

Don is part of a nationwide movement which has seen a resurgence of activity among families moving into and revitalizing rural areas, as he set out to remodel and modernize the same country home in which he was raised as a child.

The decision to move from his previous home to the 100-acre farm home once owned by his family followed his mother's death nearly a year ago. Since that time, Don and his wife have been involved in extensive remodelings, including gutting the structure, rewiring and repairing the construction of a stone fireplace which was so unique it merited the attention of local news media.

The home, which is more than 70 years old, is a chance to "re-establish roots," according to Don.

At the price for moving was a deal with his wife that he would build her the fireplace.

He didn't have an idea where to start," he claims. "But I had an idea from a fireplace

that was in another home we had owned.

"So I started from scratch, picking up stones from around the farm. There are more than 600 of them—all about cantaloupe size—in the fireplace. Most of them came from breaking up bigger stones.

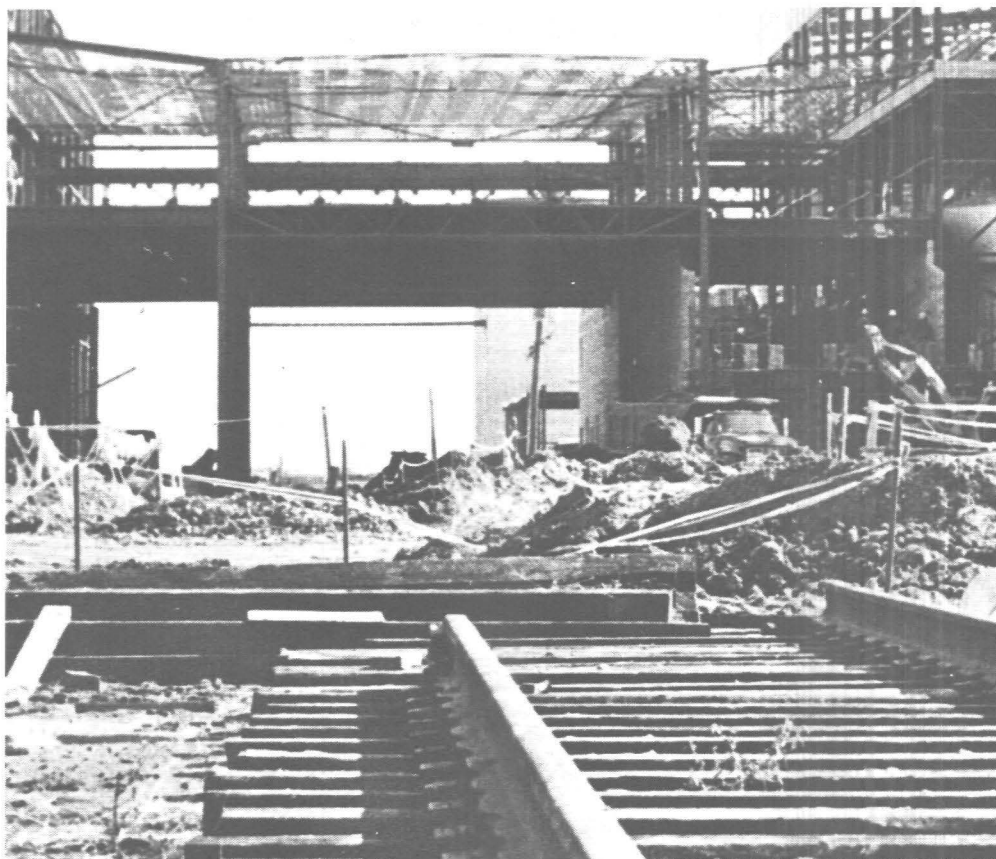
"We burn wood every night in the fireplace and the dozen or more colors of the stones are picked up by the fire's light," Don says. "The effect is beautiful."

Don says it took six weeks of constant work to complete the fireplace which is eight feet wide, has the natural rock chimney exposed in the living room, and is four feet deep.

"I had to work with each layer on the floor. The most that could be completed was two rows of rock at one time."

The job was completed by Christmas Eve last year.

"It's nice to be back in the country," Don reflects. "Someday I'd like to combine farming at least some of the land with my job at Staley. But the most important thing is the fact that I feel as though I'm continuing something started years ago by my family."



The tracks apparently go nowhere but the Lafayette plant is taking shape in spite of recent cold and wet weather. This view is facing the main portion of the plant where the Foxboro computer will be housed.



Nat Kessler speaks to the retirees. Edmond "Skeeter" Moore is at Nat's left.



Nat Kessler, back to camera, greets Dr. R.E. Greenfield, center, and Frank Koshinski.

600 attend retirees dinner

The Staley Retirees Association held its first annual dinner meeting in October at the Masonic Temple in Decatur. More than 600 retirees and spouses were on hand for the occasion.

Nat Kessler, vice president, technical, spoke to the retirees, noting that they were the "cornerstone upon which many Staley traditions were built." Mr. Kessler continued that the company's recent success was due primarily to the resources and talents of people, and the grandest tradition of all was the example the retirees had left for today's employees.

Edmond "Skeeter" Moore, president of the Association, acted as master of ceremonies for the event.

Retirees who attended the dinner were also given a directory listing the names and addresses of each Staley retiree. The demand for the directories was so great,

that the supply at the dinner was soon depleted.

Any retiree wishing a copy of the directory may obtain one by writing Staley News, 2200 E. Eldorado St., Decatur, Ill., 62521, or by calling 217-423-4411, ext. 372 or 135.

In other activities of the Retirees Association, the regular meetings at Swartz Restaurant in Decatur continue. Anyone wishing more information about the meetings should call Skeeter Moore, 217/877-6253.

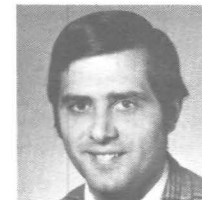
Skeeter points out that the Association is open to all Staley retirees, whether they were salaried or hourly employees. The Association was formed earlier this year as the number of Staley retirees surged past 600.



Otto McKee, former president of Local 837, Allied Industrial Workers, was one of the greeters at the dinner.



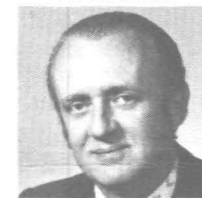
Bill Robinson, director, product management, center, and Steve Moore, associate food technologist, offer a selection of luncheon meats featuring either Staley Procon concentrate, textured protein, Star-Dri corn syrup solids or Vico seasonings to one of the visitors to the American Meat Institute show in Chicago in November. The convention was held in McCormick Place at the same time as the National Soft Drink Association show. See related pictures on back page.



K. Iwanusa



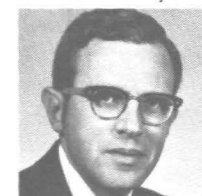
W. Martin



R. McCoy



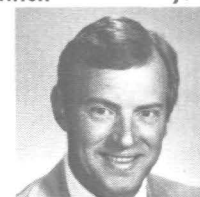
D. Morton



B. Schnell



J. Wilson



T. Banning

On the move

INDUSTRIAL

KEN IWANUSA from territory manager specialties to area manager, specialties, industrial sales

WAYNE MARTIN from manager, industrial sales, to director, industrial sales & marketing

RON MCCOY from production planner-dry product to production planner/sweetener, industrial administration

DON MORTON from chemical engineer to senior chemical engineer, industrial manufacturing

BETTY PHILLIPS from secretary/Lafayette to secretary/plant manager, Lafayette

ROBERT SCHNELL from senior chemical engineer to production superintendent, industrial manufacturing

JAMES WILSON from scheduling supervisor, dry starch to production planner, dry product

TED BANNING from production planner-sweeteners to administrative manager, Lafayette

CORPORATE

JODI BYERS from secretary/clerk to secretary-directors engineering services and process, corporate

Columbus makes successful changeover in product mix

Employee cooperation and awareness is credited with making the switch in products produced at Columbus Plant a success.

Bill Luby, manager starch, engineering/production, points out that in the first full month since the plant added cationic corn, wheat starches and modified potato starches for the paper industry to its product mix, it produced fully acceptable products which met all the quality control standards of the company.

Modification of existing plant equipment continued during November and the work is expected to be completed by early December.

"The employees at Columbus have had to learn new processes, which is of itself a

difficult task," notes Bill. "But to do this in the midst of equipment revisions, and to still produce a quality product is a commendable effort."

Plant Manager Bill Salter agrees, pointing out that each employee has contributed to making the changeover a success. He says that a special recognition should go to operators and maintenance personnel who have been directly involved with mechanical changes.

In a related note, Bill Luby adds that a record amount of recovered potato starch from Staley-developed and installed systems at potato processors around the country was received by Staley for modification during October.

Mira-Cleer starch boosts 'David' of canning business

It's like David against Goliath. And while life and death may not hinge on the outcome, for an independent regional canner to successfully compete with larger, national pudding firms is serious business.

That's the story behind the scenes at Real Fresh, Inc., of Visalia, Calif., which uses a one-starch system of Staley's Mira-Cleer 340 to control quality and keeps costs at a minimum. Mira-Cleer is made in 16 building at Decatur.

"Price is very important in the pudding business," says A. J. Wasson, director of development and research for Real Fresh. On pricing, the company has found that using only one starch is more economical, averaging \$3.20 less per 100 pounds of starch base than two starches purchased individually—one which might be a modified dent or waxy starch used at 60 percent and the other a modified tapioca used at 40 percent of the starch base. Price of the Mira-Cleer used by Real Fresh is \$20 per 100 pounds. The cost of tapioca is in the neighborhood of \$28 per hundred weight. Used in the 60/40 ration, these two starches bring the price of the blended base to \$23.20, compared with \$20 for Mira-Cleer alone. Advantages of the one-starch system do not end with the 16 percent ingredient savings.

"The cost difference between a one and two-starch system is an important factor in being able to price our product with competitor's pudding," Wasson said.

Besides price, Real Fresh can boast about product uniformity. With its particular pudding base, chances for an inaccurate scaling of starch is halved since only one is being incorporated into the product.

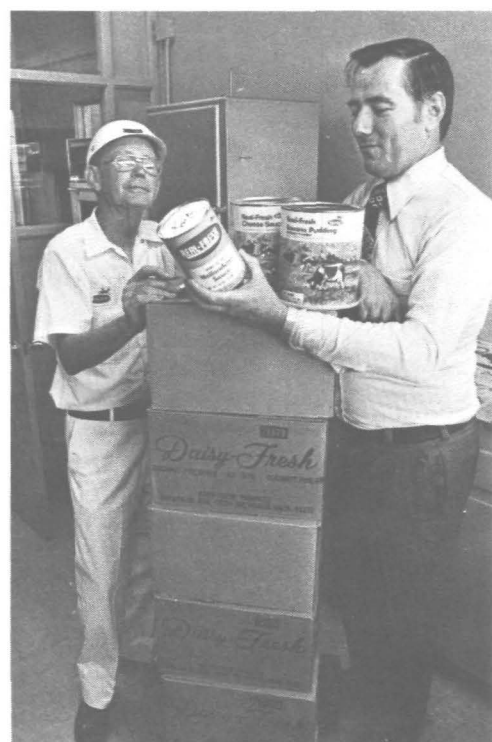
For its pudding, Real Fresh required a starch that would cook out well in the heat exchange system of a short-time process necessary to preserve color and flavor of the milk-based product. Mira-Cleer gives the best product for price, according to Wasson, and Real Fresh does not believe that its quality would improve proportionately with the cost of going to a more expensive starch blend.

Extensive Quality Control

Real Fresh has an elaborate and continuous quality control program. All plant employees have a role in producing a quality product. Quality is attributed not only to ingredients but also to the company's work force. Wasson says that in rural areas, such as Visalia, plants find superior help who make production more efficient. These people take pride in their plant and products, he said.

Formed in September of 1952, Real Fresh is located in its original location, selected because of the milk supply in that area. The plant is now about eight times its original size with the total plant, including warehouse facilities and loading docks, about one-half million square feet. The company also has a sister plant at Archie's Creek, Australia, presently producing sterile milk and pudding but which will eventually manufacture the entire line of products.

Although there are 23 or so aseptic canners, the company is the only independent packer of this type on the West Coast and packs puddings under its own name as well as custom packing for several large supermarket chains.



A. J. Wasson, left, and Jerry Seed, territory manager, specialties/Los Angeles, check an outgoing Real Fresh shipment.

Manufacturing expenses increase somewhat with a two-starch system in the areas of inventory and handling of two products as opposed to just one. Every cent saved in production makes Real Fresh that much more competitive on the supermarket shelf.



The moment of truth comes to Dr. Patricia Richmond, right, and Rich Anderson, center, as they watch while an attendee at the National Soft Drink Show in Chicago last month taste tests a cola made with IsoSweet 5500 and sucrose against one sweetened with sucrose alone. Rich and Dr. Richmond, who work in research, helped formulate the blends used in the IsoSweet 5500 sample, and the expressions on their faces reveal the emotions they underwent while awaiting to see if their efforts were successful. Actually, although Dr. Richmond seems to have a relieved look on her face, the final results showed just how successful the blended cola was. Fifty-three percent said they preferred the cola sweetened with IsoSweet 5500 and sucrose to the regularly sweetened drink. The conclusion—the higher fructose can be used successfully in a cola drink.



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