

It Was a Year of Ups and Downs in Employee Activities

Fiscal 1971: a down year for the Company, and a year of ups and downs for employees.

Employment was down. But the payroll was up. There were fewer internal promotions. But many broadened their horizons through Company-sponsored training and development programs or through new opportunities at Morrisville. The federal wage/price freeze chilled paychecks. But wages were increased at all locations. And finally, safety—especially at Decatur—was markedly improved.

Overall, employment was down from 3,992 last year to 3,809 as the Company sought to operate at improved efficiencies in face of increased costs and declining margins.

Employment Down, Payroll Up

Although employment was down, the total payroll was up—to an all-time high of \$42 million, \$3.7 million more than last year.

The largest employment drop was an 11 percent decline (3,072 vs. 2,721) at Decatur. The decline was due primarily to two factors: the transfer of certain consumer products to other locations and fewer jobs as the result of increased efficiencies.

The ensuing reassignment of 55 displaced Decatur salaried employees—without permanent layoff—must be considered one of the year's most significant employment achievements. Among the 55 who were reassigned, were 30 salaried employees who had been in Consumer Products prior to the Group's move.

Staley Chemical's Kearny facility also experienced an employment decline of 15 percent as this division struggled in face of shrinking profitability.

Employment Up in Consumer Products

On the other hand, employment was up 81 percent at the Cicero-Oak Brook Melrose Park Consumer Products complex, chiefly because of the transfer of personnel and products from Decatur.

Promotions from within—a traditional Company policy—were down from 268 to 213 due to a slowdown in employee turnover and a reduction in the number of jobs available. Among the promotions, ten involved moves from hourly to salaried positions.

Despite the decrease in promotions, employees broadened their horizons through a variety of training and development programs. Primary accomplishments in this area were the training of key Morrisville foremen and an increased emphasis on management development.



Safety at Decatur Was One of the Year's Highlights
Ernie Karcher (L), Safety Director Don Brown Update Board

The Morrisville effort represents the most extensive training program in the Company's history. Already over 1,200 manhours of instruction have been devoted toward preparing the key foremen for start-up. Before this effort is completed in fiscal 1972, hundreds of additional hours will be devoted to training for foremen as well as operators.

Increased Emphasis on Management Development

In management development, two new programs were initiated and others were continued.

One of the new efforts was a development program for department and division heads. Sixteen—from all profit centers as well as the corporate staff—began a 24-hour course under the tutelage of retired University of Illinois professor Earl Wolf. Completion for this group is scheduled for fiscal 1972.

In addition, six executives attended one-week seminars under the "University of Wisconsin Plan" in which top-level managers from various corporations are invited to participate in a series of discussions on the most current management concepts.

In other management development activities, 19 professional employees completed a 64-hour supervisory development course conducted by Com-

pany management; 14 new supervisors participated in a 48-hour development program; and nine foremen successfully completed 24 hours of instruction in labor relations.

In self improvement, 40 employees attended outside institutions under the Company's tuition refund program.

Alternate Apprenticeship Eligibility

Also in training, Decatur hourly employees gained an alternate means for apprenticeship eligibility. Under the alternate, bargaining unit employees, upon the successful completion of a pre-apprenticeship course, may bid on available apprentice openings along with those who pass the apprentice qualification test. Initially, 80 employees enrolled in the course, conducted on the employee's time at Company expense.

Fiscal 1971 was also the year of the federal wage/price freeze, which chilled paychecks of many employees. But by mid-November, there was some evidence of a thaw. Corporate salary administration announced that a catch-up on the backlog of freeze-bound reviews for over 350 salaried personnel would be initiated in mid-month with increases dating at the latest to Nov. 14. This was dependent, of course, on further clarification by the federal Pay Board.

Also, Local 837 AIWA, representing Decatur hourly employees, voted to ratify a wage agreement calling for a 35-cent per-hour across-the-board increase. The Company and Union have petitioned the Pay Board for approval of the agreement which is consistent with other contracts put together earlier in the year by major competitors.

Wages Increased at All Locations

During fiscal 1971 (and prior to the freeze) wages at all locations were increased. In each instance, increases were consistent with area and industry practices.

Employee insurance and retirement benefits—part of your "hidden paycheck"—continued to be big business, with a record \$4.5 million expenditure, up 20 percent over the prior year. Due primarily to improved benefits, retirement expenditures alone were \$2.65 million, up 23 percent over last year. Employees also shared in improved hospitalization, medical, and life insurance plans, for which \$1.76 million was distributed, up 18 percent.

As might be expected from the increases, employees filed a record 12,100 hospital and medical

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Lower Earnings Not Indicative, Chairman Says

Lower earnings for fiscal 1971 were chiefly the result of non-recurring expenses and are therefore "in no way indicative of the Company's basic earning power," Chairman A. E. Staley, Jr. said.

The primary basis for the decline was the liquidation of higher-priced corn inventories built up last fall to assure supplies in the event of severe blight damage to the 1971 crop, the Chairman said. Corn prices have since dropped significantly on record crops with minimum blight damage.

Other non-recurring factors that adversely affected the earnings were start-up costs at Staley Argentina and the transfer of the Consumer Products headquarters from Cicero to Oak Brook, Illinois.

Operational factors that adversely affected earnings were somewhat lower soybean processing margins and lower prices on some corn products.

Thus, net earnings for the year ended September 30, 1971 were \$5,394,000 or \$2.02 a share although sales increased 8.9% to a record \$333,945,000. This compares with net earnings of \$8,403,000 or \$3.17 a share on sales of \$306,647,000.

The corn inventory write-offs caused fourth quarter earnings to plummet to \$184,000 or 7 cents a share from \$2,134,000 or 80 cents a share the prior year.

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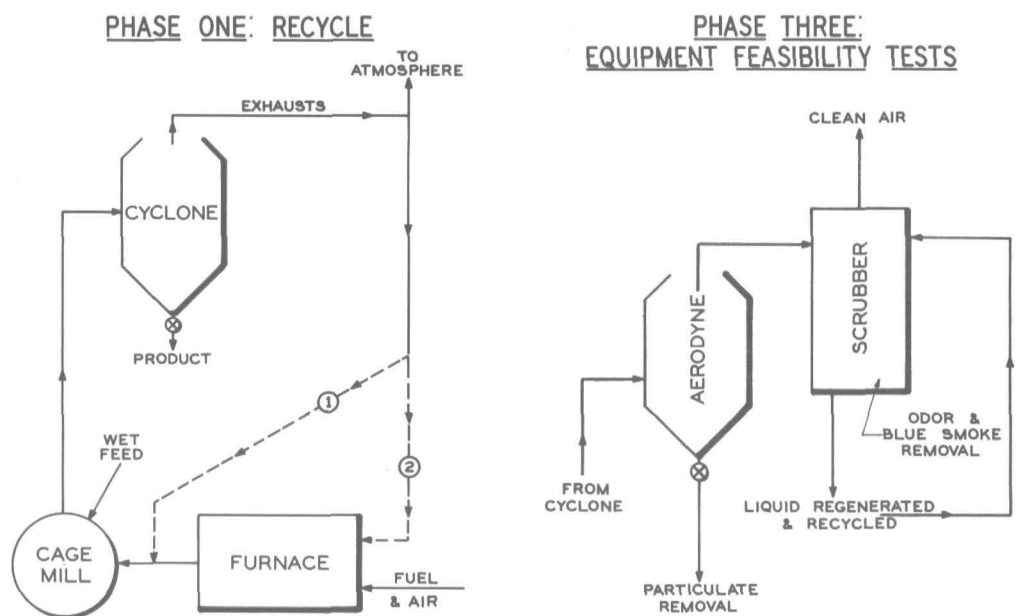
Inter-Related Experiments Are Designed To Help Solve Difficult Feed Dryer Emissions

(Editor's note: In the interest of keeping employees informed on the Company's continuing efforts to produce cleaner air and water, the Staley News visited with our corporate engineering staff to gather information for this updated report on the multi-phased experiment aimed at the control of feed dryer stack emissions at Decatur.)

In attempting to solve the perplexing problem of odor, particulate, and blue smoke emissions from the feed dryer stacks at Decatur, Staley engineers are conducting a series of inter-related experiments in which each succeeding phase is dependent in part upon the success of the prior step.

Several factors make the solution difficult. First, the approach itself is pioneering; nothing like it has been attempted previously in the corn wet milling industry. And second, the feed house, expanded several-fold during its many years of existence, has become a maze of equipment, conveyors, and interconnections, making the simplest of changes difficult.

In spite of this, Staley engineers, with assistance from an engineering consulting firm, have developed and begun implementation of multiphased experiments on one of the six feed house dryers. Should the experiments produce the desired



results, the solution could be expanded to the remaining feed dryers.

Director of engineering Roger Mauterer described the effort as "experimental, the outcome of which is difficult to qualify until each successive phase is completed."

Phase One Includes Two Steps

"For example," Mauterer said, "consider the first phase. Designed to significantly reduce the particulate emissions, this phase consists of two steps—first the recycle of a portion of the emissions through a feed dryer (see "Phase One" illustration)

and second the routing of this recycled portion through the dryer's furnace."

Mauterer said the recycle through the dryer, conducted earlier this year, produced a 30 percent reduction in particulate emissions, but as anticipated, it

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Ah, So! Staley Vico Soy Sauce Makes 'Rice Oriental' Authentic

CHICAGO, Ill.—Thanks in part to a responsive team effort from Staley Vico, General Mills' new "Rice Oriental Hamburger Helper" has a distinctive soy sauce flavor that elicits an "ah, so" from the most discerning Oriental connoisseur.

It all came about this way. General Mills was developing five convenience entrees for its new "Hamburger Helper" line. (As the name implies, Hamburger Helper allows the homemaker to prepare any of five ground beef meals with the flavoring assistance of General Mills ingredient and seasoning packs.) One of the entrees was Rice Oriental which required a dried soy sauce to complement the other dried ingredients.

Vico's Dick Smith volunteered to take on the project and passed a basic dried soy sauce concept to technical services supervisor James Stewart for development.

Stewart turned the concept into reality, developing the formula and production process. Along with Industrial sales representative Jim Zinnel, Stewart presented the dried product to General Mills food technologists at Minneapolis for evaluation.

With the go-ahead, Stewart and Chicago-area Industrial sales representative George Gallagher then called on the food company's Chicago manufacturing facility where Rice Oriental is blended. In-plant trials were successful, and the Chicago facility ordered quantities to support test marketing.

After a successful consumer test in California and Arizona, General Mills announced a national roll-out this fall. At that time Vico plant manager R. G. Staley scaled up production to meet the increased demand.

According to General Mills, Vico's dried soy sauce provides the Rice Oriental dinner with the characteristics they were seeking. It imparts a distinct soy flavor to the entree,



General Mills' New 'Rice Oriental' Hamburger Helper Entree
Vico's Dried Soy Sauce Is in the Sauce Mix Packet

and it enables General Mills to blend the flavoring along with the other dry ingredients.

From the consumer's viewpoint, the dried soy sauce is also advantageous. Since it is premixed with the other ingredients in a single dry-flavoring packet, it eliminates the need for a wet packet and thus another mixing step.

To prepare the Rice Oriental dish, the homemaker browns one pound of ground beef, stirs in 3½ cups of water, and then adds the packet of long-grain rice and the dry flavor packet, which includes soy sauce, onion powder, sugar, salt, natural fla-

vorings, hydrolyzed vegetable protein, starch, corn syrup, and dextrin (the last four of which are also Staley products).

With the successful development and application of the dried soy sauce, Smith said the new product will now be offered to other customers with similar applications.

Besides being pleased with the new business, Smith was also impressed with the responsiveness of the entire Staley team.

"It took us only three weeks from inception to the first shipment," Smith said. "This fast response helped us considerably in obtaining the business."

SERVICE ANNIVERSARIES

45 years

WILLIAM STEWART, analytical chemist, research and development



William Stewart Raymond Bomball

35 years

RAYMOND BOMBALL, production department assistant foreman, Industrial Products

EVERETT BUSH, machinist, 77 bldg.

CHARLES JONES, technical supervisor, dry starch.

PETE KELLEY, pipefitter, 31 bldg.

JAMES LAYTON, assistant instrumentist, 62 bldg.

FRANCIS PARRILL, metalsmith, 77 bldg.

HERMAN RICE, pipefitter, 31 bldg.

EMIL SCHIMANSKI, supervisor maintenance training



Charles Jones Pete Kelley

30 years

ROBERT FINLEY, boilermaker, 77 bldg.

JOSEPH MC GLADE, JR., staff industrial engineer, Industrial Products

LOUIS MURPHY, process service engineer, Industrial Products

ROBERT MURRAY, district manager, military sales, Consumer Products

PAUL SEABERG, associate research chemist, research and development



James Layton Francis Parrill

25 years

DONALD AMIOTTE, shaker mill maintenance, 4 bldg.

KERMIT CONLEY, merco operator, 6 bldg.

JOHN CRABTREE, stores foreman, Industrial Products

WILLIE DALE, JR., shift foreman-wet processing

WILLIAM FORAN, JR., operator A, 118 bldg.

EDWIN HALE, plant protection shift foreman

GEORGE HALE, transfer driver, 77 bldg.

CLIFFORD KRETSINGER, JR., assistant foreman, electric shop

ANN LIPPINCOTT, research chemist, research and development

LUTHER MAYBERRY, conversion operator, 5 & 10 bldgs.

DEWAYNE PROSSER, tank car cleaner, 17 bldg.

ROBERT SANDERS, coordinator, satellite IV

LAURENCE VOYLES, shift foreman-wet processing

CLARENCE WANGROW, foreman, millwright shop

KENNETH WRIGHT, technical director, Agriproducts



Herman Rice Jos. McGlade, Jr.



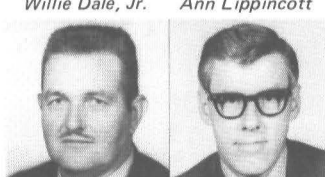
Louis Murphy Paul Seaberg



Kermit Conley John Crabtree



Willie Dale, Jr. Ann Lippincott



Luther Mayberry Robert Sanders



Clarence Wangrow Kenneth Wright

Exciting Things Are Happening with 'Mira-Tex'

Thanks to "Mira-Tex" and a unique dual marketing effort, something succulent and nutritional is happening to meat entrees in school lunchrooms throughout the country.

It came about this way. After the USDA's approval of textured vegetable protein in school lunch programs, Staley launched a dual marketing effort—one portion handled by Food Service and the other by the Industrial Products' food marketing team.

Food Service works directly with those school systems that either prepare their own meat entrees or have them prepared to specifications. One such customer is District #68, Skokie, Illinois.

Coordinating with the district's food service director, the Food Service team has helped formulate and taste-test (see photo 1) hamburger patties using Mira-Tex. In the test, the youngsters preferred the patty containing "Mira-Tex" over the all-meat entree.

Our Industrial Products team works with meat processors and meat purveyors who in turn sell much of their prepared entrees to schools. A prime example is Birchwood Meats & Provision, Kenosha, Wisconsin. Blending "Mira-Tex" with other ingredients (see photo 2), Birchwood offers five meat patties (salisbury, mushroom, breakfast sausage, bratwurst, and pizza).

Of course, meat patties aren't the only "Mira-Tex" application. Other schools and meat processors are using the versatile product in a host of



dishes, such as spaghetti and meat sauce, pizzas, sloppy joes, pork patties, as well as tuna and chicken salads.

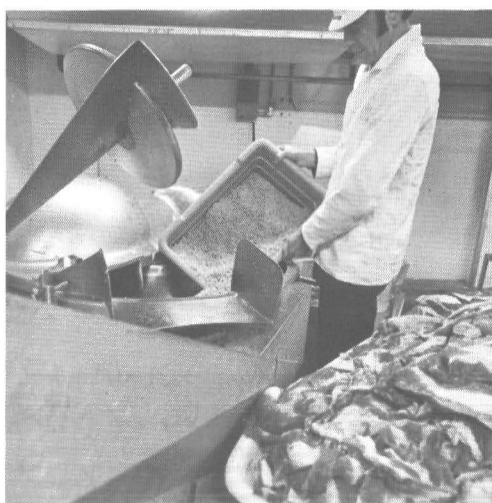
But, whatever the application, the results are clear: "Mira-Tex" enhances the flavor and maintains desired nutritional levels while reducing meat costs.

How do the students like the meat entrees? Photo 3 provides the answer.

It's a combination that's hard to beat.



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Earnings Down

Continued from Front Page

Sales in the fourth quarter increased to \$91,619,000 from \$71,113,000 the prior year.

The Staley Chairman said a strong rebound is expected in fiscal 1972.

More complete details on the fiscal year—including a breakdown of highlights by profit center—are forthcoming in the Annual Report, which will be mailed to the homes of Staley employees.

DIVIDEND DECLARED

Directors declared a regular quarterly dividend of 35 cents per common share, payable December 7 to shareholders of record November 22.

The usual dividend of 93 cents per share was declared on the Company's \$3.75 preference stock. It is payable December 20 to shareholders of record December 6.

Director Salutes Employees for Safety Record

Attributing the improvement to an outstanding effort by employees, safety director Don Brown has reported that accident experience at Decatur for fiscal 1971 is down significantly compared with the same period last year.

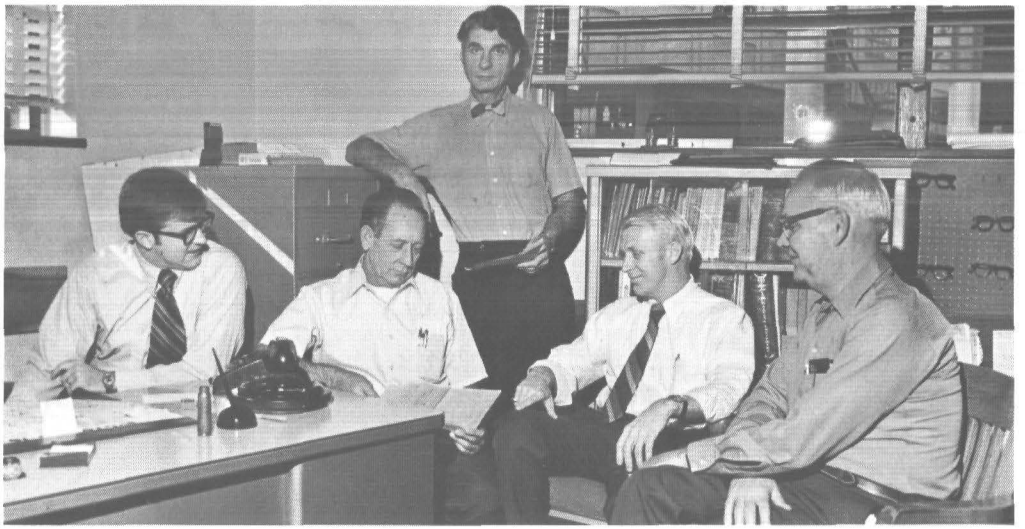
Of the eight categories in which the experience is measured, there were declines in seven—first aid cases, lost-time injuries, days lost as result of accidents, frequency rate, severity, disabling injury rate, and accident-related expenditures. Only reportable accidents increased (from 278 to 284).

"Credit for the improvement," Brown said, "belongs with our employees whose increased personal responsibility in their job performance made this outstanding effort possible."

Throughout fiscal 1971 the safety department, working in conjunction with the health and safety committee (composed of representatives from labor and management), conducted a variety of programs aimed at sharpening safety awareness.

Key programs in this effort included: target safety inspections in which the total working environment was analyzed over periods of up to two weeks; inspections of high potential-accident areas; safety sampling in which emphasis was placed on eliminating unsafe acts; and the re-emphasis among foremen and their employees of the positive aspects of safe work habits.

In addition, the safety department and the health and safety committee worked toward informing employees that



The Health and Safety Committee Reviews Fiscal 1971's Results
(L-R) Bob Moore, Ernie Karcher, Dr. Goldberg, Don Brown, John Collins; Tom Mechtoldt, Louis Hall Absent

safety is a "24-hour consideration."

"An accident away from the job often results in as much discomfort, inconvenience, and lost-time as one on the job," Brown said.

Off-the-job safety programs included the sale of highway safety reflectors, information stuffers for paychecks, and a "draw a safety poster" contest for children and grandchildren of Staley employees.

Of the 13 sections, one of the top performances was turned in by the syrup unit (17 bldg., 5-10 bldgs., 44 bldg.). Employees in this group improved their safety performance in all eight categories while meeting a demanding production schedule.



"The syrup section's performance helps emphasize that the most productive way is the safest way," Brown stated.

Another remarkable performance occurred this summer (normally a more-hazardous period since part-time employees are filling in for more-experienced personnel) during

which only one lost-time accident was reported.

On the heels of the improved 1971 report, Brown called for an even better performance in 1972.

"Everybody is starting with a clean slate," he said, "and we'd certainly like to keep it that way."

Co. Files Petition On Odor Hearing

On the basis that public hearings on odor have previously been held by the state Environmental Protection Agency, the Company has filed a petition for review of the Illinois Pollution Control Board's recommendation for another hearing.

The petition asks review of the Board's September 30 opinion in which it deemed the EPA's techniques in presenting testimony on odor improper and offers Staley an opportunity to present its opinion with ample time for preparation.

The Company's position is that while improper, the testimony and interrogation by the EPA was nevertheless comprehensive inasmuch as the EPA introduced the subject and then rested its case, presumably having pursued the matter to the full extent of their interest and/or information.

Detailed reports of odor-correction experiments, including some now underway, are in the hands of the State environmental officials and have been released locally to keep the community informed on progress.

Thus, the Company sees no useful purpose for additional interrogation by the EPA on the subject.

217 Attend Circus In Assembly Hall

It was a family event for Decatur employees and their children.

And 217 flocked to the Ringling Brothers and Barnum & Bailey Circus at the Assembly Hall Oct. 29 and 30 to see the clowns, elephants, tight-wire acts, and all the other surprises the circus holds.

Judging from several wide-eyed children (and parents, too) with faces slightly sticky from cotton candy, the circus was a success.

Ticket arrangements were coordinated by public relations.



New Collection System Installed at Grain Elevators
Engineers Tom Scott (L), Hal March (C), with Contractor's Jerry Schlieper

Cleaner Corn, Air Provided By New System

Cleaner corn and more efficient dust removal are the results of a new collection system installed at the east end of the grain belt.

Employing two cyclones in series, the new unit is rated at 99 percent efficiency. Grain dust and chaff removed by the cyclones are recovered and used as a by-product, thus alleviating a potential solid waste disposal problem.

Staley project engineers for the \$22,000 unit were Hal March and Jack Grant. Process engineering was directed by Tom Scott.

The system was designed and built by the Decatur engineering firm of Huss and Schlieper.

This new system, as well as others Staley uses in connection with grain handling, was the subject of a recent technical address that Scott made before the Central Illinois Grain Elevators and Processors Association meeting in Decatur.



Only a Circus Can Capture Attention Like This; She's Christina Enloe

Wayne Crow: Specialty Feeds' First \$1 Million Salesman

DES MOINES, Iowa—From a door-to-door encyclopedia purveyor to Specialty Feeds' first \$1 million salesman. That's a compacted version of Wayne Crow's 16-year sales career. A career in which he has parlayed a variety of experiences into rather impressive results.

Born and raised on his father's farm south of here, he eventually matriculated into livestock products sales, serving with the Des Moines-based firms of Golden Sun Feeds for 4½ years and with Miller Chemical for two years.

Facts at a Glance

Territory: Primarily Iowa and Nebraska, 133,000 square miles.

Products: "Sweetlix" family of seven vitamin-fortified, control-feeding blocks for livestock; "Sweet-one" dried, molasses-based top dressing for livestock; "Day-One" iron supplement for oral feeding of baby pigs.

Major markets: Cattle, hog, and sheep feeders.

Distribution: Ten distributors who supply over 2,000 community dealers (feed stores).

With Golden Sun he began developing the rapport with farmers in his territory he enjoys today. And with Miller Chemical, he learned to speak authoritatively on livestock products aimed at promoting healthier growth.

Thus, when Specialty Feeds was looking for a retail sales specialist in Iowa and Nebraska four years ago, Crow seemed to be a natural. He had proven prior sales experience; he knew the territory and the farmers; and his experience seemed to blend well with Specialty Feeds' line of medicated and specialized feeds.

Sales Have Increased

His sales increases since joining the Company indicate he was ready for the task—medicated and specialized feed blocks up 8% in 1970 and another 9% in 1971; tonnage of "Sweetone," the molasses-based top dressing for feeds, up 10% in 1971; and in 1970, a year after "Day-One" was introduced, his sales of the oral iron supplement for baby pigs increased 42%.

In addition, he has proved that he can handle additional challenges thrust at him. In mid-1970 the area manager for whom he worked left the Company, and he was promoted into the vacancy—with just over a year's experience in Specialty Feeds and with little prior man-



With \$1 Million in Sales, Native Hawkeye Wayne Crow Isn't Resting on Past Performances; He's Planning for \$2 Million in Fiscal '75

Five Success Tips from Wayne Crow

On farmers: Keep the farmer satisfied. A satisfied farmer is a walking, talking testimonial for your products. They tend to listen to each other and spread the word on products they like.

On dealers: They're your eyes and ears. Listen to them and they'll keep you informed on the farmers' needs.

On customer complaints: Listen... and walk. Walking helps the farmer exhaust his nervous tension. Eventually he'll unwind and become easier to converse with. I've walked up to four miles before, waiting for a farmer to unwind.

On a sales call: Like a quarterback, you must have a plan for every situation. Lead off positively and aggressively. Tell the customer about something new—like a new product or a new feeding concept.

On Planning: Keep records on the highlights of your day's activities. They'll help you recall past actions. Have a firm idea on where you're going. Set personal goals so you can measure your progress.

agement experience.

Looking back on the decision, general manager Earl Snearley is confident Crow's promotion was a step in the right direction.

"Despite devoting time to breaking in a new retail salesman," Snearley said, "Wayne's sales volume has still increased."

According to sales manager Sam Shanklin, one of the major reasons for this increase has been Crow's ability to establish new dealers and work

productively with major distributors.

Priming the Pump

Crow likens the establishment and maintenance of such a distribution-sales network with priming a pump.

"Each day," the 34-year-old salesman said, "I have an objective: Place at least one Staley product with a dealer that he hasn't carried before."

And when calling on a distributor, his adage is "always have a sales order in your hand."



'A Satisfied Farmer Will Spread the Word'

Here Wayne Discusses a New Livestock Feeding Program

With his background in agri-industry sales and with an expanding product line (seven new feed blocks and "Day-One" in Specialty Feeds' seven years of existence), Crow is more interested in talking about future potential.

"We've only begun to tap the potential here," he says in speaking about his Iowa and Nebraska territory. "Farmers are diversifying. They're looking to livestock as another source of income, rather than depending entirely on corn and soybeans."

"Local banks are lending money to those willing to expand into livestock. And that means more potential for Specialty Feeds and those of us in the business. It's an excellent opportunity for Staley to build on its reputation for quality products."

\$2 Million in Fiscal '75

"Some day," he said, "every brown-eyed cow and every little pig in this territory is going to be sticking its nose in Staley products."

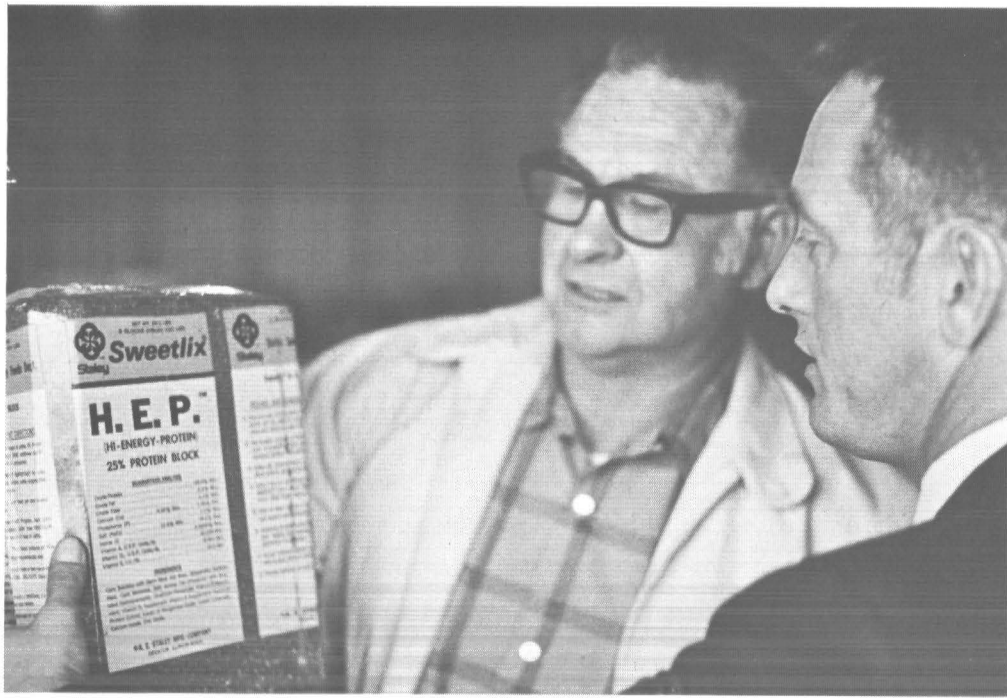
Characteristic of Wayne Crow, he's already set an objective for himself in this expanding market place.

"Based on present plans, I expect this territory to gross \$2 million in fiscal 1975," he said.

And when Wayne Crow says it, it sure sounds convincing.



Making a Distributor Call In Waterloo, Iowa



Wayne Knows His Products and What They'll Do for the Livestock Farmer Here He Explains the Advantages of the High-Energy Protein Block to a Dealer



Time to Select 25-Year Watches

It's that time of the year when those who've been with the Company for 25 years select their wrist watches. Here Kathy Poe shows some of the selections to (L-R) Ed Kuizinas, Norris Ford, Jr., William Foran, and Earl Dinger.

Retirees Forming Luncheon Club

Retired employees interested in attending a monthly retiree luncheon, may contact Skeeter Moore (877-6253) or Clyde Crawley (423-4973).

The next meeting is scheduled for December 8.

Retirements

CARSON JACKSON, shift foreman-extraction and processing, September 30

THOMAS MORAN, terminal elevator clerk, September 30

WILLIAM NICKEL, JR., machinist, September 30

ELMER TOMLINSON, civil engineer, September 30

JAMES FRANKLIN, repairman, boiler house, October 6

ELMER BELCHER, laborer, 17 bldg., November 1

OLIVER SLAW, JR., cleaner, 12 bldg., November 1

Staley Engineer's 20,000-Foot Climb Cut Short By Dropped Sleeping Bag

Frustration is climbing 10,000 feet up the 20,000-foot Mt. McKinley and then accidentally dropping your sleeping bag down a 2,000-foot ravine.

Such was the predicament Staley engineer Steve Tyler found himself in this July when he and a friend attempted to scale the highest point in North America. The sleeping-bag accident occurred as the two were within three days of reaching the top, where temperatures average 17 degrees below zero.

"It was disappointing to start back down without reaching the top," Tyler said. "We had put in so much time preparing ourselves for the climb. And we could see the north peak standing out so clearly against the blue Alaskan sky."

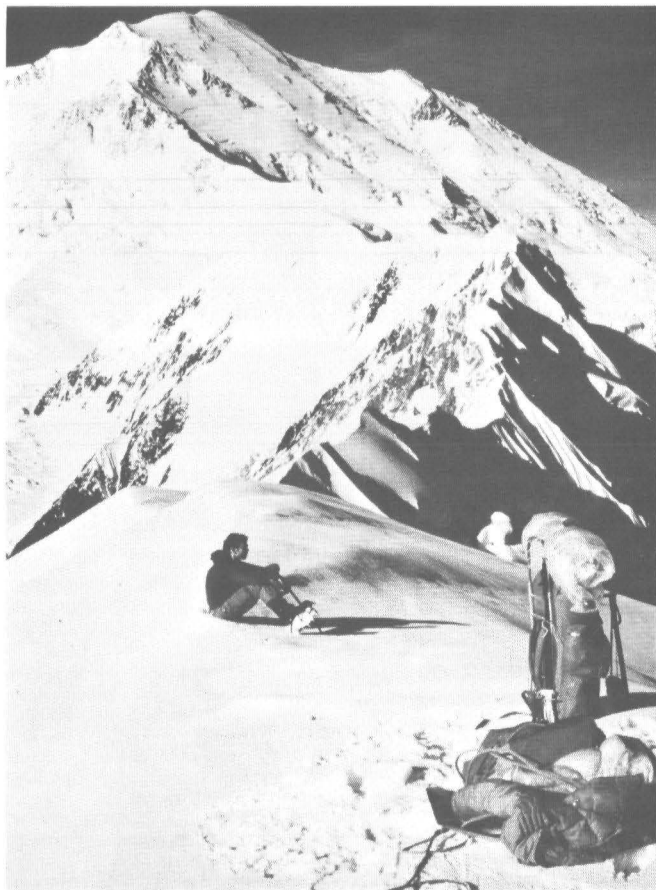
Although the climb itself began in early July, Tyler spent two months preparing himself physically. Three mornings a week for eight weeks the 28-year-old engineer arose at 6 a.m. and jogged an hour. He also took frequent walks, wearing an 80-pound sand-filled back pack.

"The neighbors thought I was crazy," he said. "I'm sure they would have considered me more than crazy had they known I was packing 80 pounds of sand."

With eight weeks of conditioning behind him—and \$200 worth of new equipment—the engineer arrived at Mt. McKinley (150 miles southwest of Fairbanks, Alaska). He and his companion started the trek upwards on July 5.

According to Tyler, the climb went "pretty good" initially. The first two days the duo logged 10 miles a day. On the third day the going got tougher, and they covered six miles.

On their fifth day out they encountered a rain storm and sat in their tent all day. The next day is when the mishap occurred.



Mt. McKinley's 19,500-foot North Peak in Background That's Steve Tyler Sitting Dejectedly after Dropping His Sleeping Bag

At that point the two had covered 29 miles of their 36-mile objective. In altitude, they were half way toward the 19,500-foot north peak.

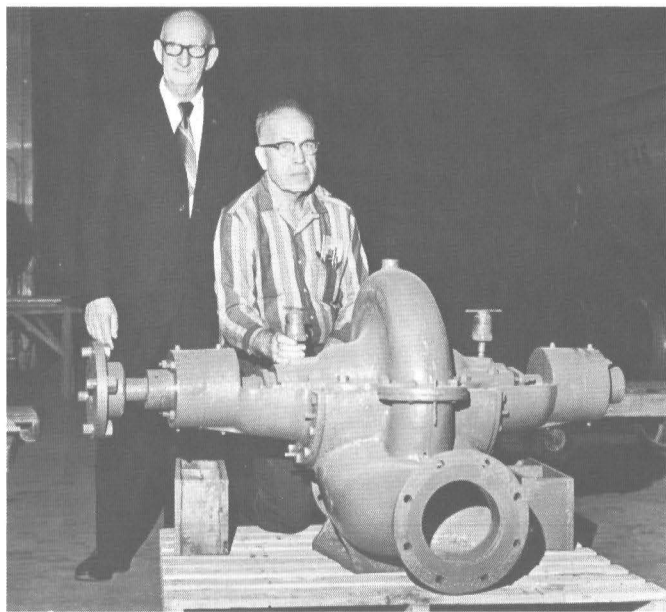
"It was 25 degrees at the 10,000-foot level," Tyler said. "But considering it's 17 below at the top, 25 degrees is warm."

For food, the two carried only dehydrated products—including a supply of Staley's

Bacon Bits. They obtained drinking water by melting snow.

Looking back on the climb, Tyler said, "The fact that we failed eats away at me. Someday I'll go back."

In the meantime, Tyler lives as a frustrated mountain climber—in the heart of some of the flattest plains in the country—making plans for that day he'll return.



Here's a 6-inch Unit Made by the "A.E. Staley Pumpworks" Retired Machine Shop Foreman P.K. Simroth (L) and Machinist Elmer Lind

Staley Pumpworks: Pumps Were Pumps

They don't make centrifugal pumps today like they did back in the gold old days at the "A. E. Staley Pumpworks", retired employee P. K. Simroth and machinist Elmer Lind agree.

In reminiscing the Company's former "pumpworks", Simroth, who retired as foreman of the machine shop in 1966 after 49 years service, recalled how the Company turned out approximately 300 pumps in the 1920' and 30's.

"The old pattern shop was located over what is today the yard department," he said. "After the patterns were made, the instructions were sent to Aurora Foundry (Aurora, Ill.) where the pumps were cast.

"After casting, the basic assembly was returned to Decatur where our machinists bored it out, drilled and taped holes, machined it, and otherwise made it ready for use."

According to Simroth, Staley made three-through-ten inch pumps. Applications that didn't meet these specifications were resolved by altering the impeller.

By the time Lind came to the machine shop in 1942, Staley no longer made its own pumps. However, he's thoroughly familiar with them, having repaired several.

"Those Staley pumps outlasted the modern equipment," Lind said. "Although their

Employees 'Do It Again' In United Way Campaign

"Decatur employees have once again demonstrated their commitment to the community with a record-breaking contribution," Company United Way chairman Reeder Miller said.

Thus, the campaign chairman summarized the 1971 drive in which Decatur employees pledged a record \$64,000, almost \$2,000 over last year.

Employee participation, Miller also pointed out, was up by almost 100 employees despite the fact that total employment at Decatur was less than last year.

Miller credits solicitors with much of the success for the record-breaking effort.

"They did a bang-up job," he said, "and particularly those who solicited among our non-

exempt salaried personnel."

Working under the direction of Roman Martin, these solicitors turned in completed pledge cards for each employee. Although not all of these made a pledge, it was the first time that such a group had returned cards 100 percent.

According to co-chairman Dick Schuman, who directed the extensive data processing effort to support the campaign, several units had participation of 85 percent or better. These units and solicitors are:

Elevator A (Roger Reed); Sewing Room (Amanda Garfoot), Riggers (Carlyle Reinhold), Machine Shop (Darrell Larson), Industrial Products staff (Len Walters and Don Brown), Corporate Engineering (Bob Nisbet), Corporate Research and Development (Roger Leiser), International staff (Jim Stocker), Corporate Law and Administration (Bill Anderson), Public Relations (Jim Hay), Executive staff (Bill Robertson), AgriProducts staff (Clark Kikolla and Don Brown).

NEW THIN-N-THIK FORMULAS

Formulations that allow retorting of products previously considered too delicate of flavor, color and texture are now available as a result of the Company's new Thin-N-Thik starch.

The formulations are for retorted puddings (vanilla, chocolate and rice), chow mein, asparagus-in-butter sauce, spaghetti-and-tomato sauce and white sauce.

Time-Sharing Computer System: It's Like Money in the Bank

(Note: This is the second in a two-part series on computer time sharing—a rental arrangement through which Staley and other customers "share" sophisticated and centrally located Honeywell and General Electric machines. This month's article deals with: Time Sharing and The Payoff.)

According to a recent survey conducted by corporate information systems, Staley users estimate that in 1971 the pay-as-you-use computer time sharing service provided them with tangible savings worth in excess of \$320,000.

Those surveyed say this tangible benefit is primarily in personnel and time savings derived by comparing the system's highspeed computations with slower, more manual systems. In addition, savings were also realized in project work otherwise difficult because of complexity and quantity of data manipulations. Respondents also pointed out that time sharing provides them with several intangible benefits, such as convenience, accessibility, and problem-solving assistance, that are difficult to place a dollar value on.

On the other side of the ledger, cost of renting the time sharing services for fiscal 1971 was approximately \$50,000. This figure is determined by taking into account the following charges: \$8 per hour for inputting information; 5¢ per second for compute time; \$1 per month for every 1024 characters stored; and \$95 per month for each of the Company's eight terminals.

\$230,000 in Savings

Of those using time sharing, the greatest cost savings is realized by various scientific and engineering groups throughout the Company. These two users alone account for \$230,000 of the savings, including a single project now underway in the syrup refinery that will ultimately result in a \$144,000 bonanza.

Discussing this project—the design of a new syrup conversion system—assistant production manager Rod Simms said the design would have been virtually impossible by manual computations.

The new conversion system is built upon a basic mathematical model developed by senior development engineer John Rasche. The model includes 12 equations, six of which must be solved simultaneously, and up to 14 variables.

In adapting the Rasche model, Simms and his engineers developed further equations which were used in a series of trial and error interactions with the computer. In total, Simms estimates the engineers used



Larry Van Doren (seated) Inputs at a Time-Sharing Terminal (L-R) Warren Wollrab, Joe McGlade, Rod Simms, Ron Wells

8-10 hours on time sharing, whereas it would have taken months and thousands of dollars to perform the same task with a more manual system.

Another \$4,200 in engineering cost saving is realized by Decatur's pilot plant, where new processes are developed and tested before being used in in-plant applications. According to group leader Roger Leiser, the benefits are primarily in time saved in making calculations that would normally be done by hand.

Similar personnel savings of \$24,000 annually are realized by scientists using a time sharing terminal in the Decatur Research Center, according to statistician Charles Stringer.

Money-Saver for Staley Chemical

Another money-saving application of time sharing is a series of inventory-production-purchasing-pricing programs for Staley Chemical's polymer operations. Assistant manufacturing manager Jack Derby estimates that this application results in \$60,000 annual savings by reducing batch losses due to erroneous calculations, better control of raw material inventories, and improvements in unit prices achieved by Staley Chemical's purchasing managers because they can now translate sales forecasts into annual raw material requirements.

In addition, Derby says Staley Chemical saves \$16,800 annually in using time sharing to make computations which would normally require additional personnel.

In providing technical and marketing support for the Agri-Products group, technical director Ken Wright and feed nutritionist Dana Wolf estimate they save \$46,000 annually. Wright and Wolf use the pay-as-you-use system to predict animal numbers as well as feed and protein requirements that enable the group to help forecast the demand for soybean meal.

"If a calculator were used on many of these analyses," Wolf said, "the time required would be tremendous. Time sharing enables us to save \$40,000 in personnel and calculating time alone."

Other cost savings are realized by corporate planning (\$3,300 annually), quality control lab at Decatur (\$7,000 annually), and corporate methods engineering (\$9,000 annually).

Thus, time sharing is providing a handsome payoff for Staley—in a variety of applications.

Future Considerations

What lies ahead? More widespread applications and more sophisticated systems, according to Lee Crouse, director of corporate information systems.

"Our own in-house time sharing system—interfaced with our own computer—is a future consideration," Crouse said.

"The potential of such a dual system is substantial," Crouse added. "It offers management personnel new approaches for more efficient operations."

ROBERTS ELECTED

On November 9, the board of directors elected James L. Roberts assistant treasurer of the Company. Roberts, 29, joined Staley in October, and will serve as one of the Company's two assistant treasurers.

Prior to joining Staley, he had been on the management staff at Harris Trust and Savings Bank, Chicago, for five years.

Staley Mfg. Co.
P. O. Box 151
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Return Requested

On The Move

INDUSTRIAL PRODUCTS

GORDON AXON from senior research chemist to technical director, Charlab.
WILLIAM BAKER from maintenance stores and record clerk to traffic and purchasing clerk.
DIANE BURCHARD from work order clerk to shop clerk.
STEPHEN LOCKHART from staff industrial engineer to assistant labor relations supervisor.
ROBERT MC COURT from combustion engineer to production department relief foreman.
CHARLES MICHELS, JR. from assistant labor relations supervisor to area foreman satellite II.
STANLEY PATRICK from production supplies coordinator to tracing and expeditor specialist.
FRED POWERS from senior office clerk to production and inventory coordinator.
JOHN ROLLAND, JR. from senior industrial sales representative, Philadelphia to district manager, New York.
ROBERT SCHAPMIRE from engineering draftsman to combustion engineer.
WILLIAM WHEELER from stock record clerk to production supplies coordinator.

RESEARCH AND DEVELOPMENT

CHARLES BLEVINS from technician to associate research chemist.
THOMAS LUALLAN from technician to associate food technologist.

STALEY CHEMICAL

ROBERT JAMES from technician to staff assistant adhesives.
BETTY LOUGHLIN from purchasing clerk to purchasing expeditor.

AGRIPRODUCTS

JOHN SMICK from shop clerk to terminal elevator clerk.

CONSUMER PRODUCTS

MARGARET BEDNARZ from price clerk to inventory control clerk.



Stephen Lockhart Robert McCourt



Charles Michels, Jr. John Rolland, Jr.



Thomas Luallen Carl Neathery

KATHERINE DUCHARME from order entry and invoicing clerk to order processing billing group leader.

CORPORATE STAFF

PATTY ALEXANDER from messenger to clerk-typist, purchasing.
MARY BUIS from stenographer to administrative systems department secretary.
MYRNA KIRCHHOEFFER from administrative systems department secretary to division secretary, systems.
CARL NEATHERY from lead computer console operator to shift supervisor, systems.
SHERRY QUALLS from messenger to keyed data operator trainee, systems.

Three-Phased Odor Experiment

Continued from Front Page

was limited by the furnace temperature which increased to its operating limits. This step proved the feasibility of reusing this high-humidity air containing some particulate matter, and therefore justified the second step.

Equipment for the second step was installed in late October. Engineer Bob Nisbet, who's overseeing the project, expects that through this approach the furnace temperatures will be kept within the required limits. In addition, Nisbet said he expects this method to reduce particulate emissions by 50 percent. Also, some odor in the recycle stream is expected to be incinerated in the furnace.

Phase Two Reduces Odors

Phase II—the redesign of the dryer itself is expected to reduce the scorched odors associated with feed drying.

"We think some of the scorched odor is the result of the moist feed coming into contact with the extremely hot walls inside the dryer," Nisbet said.

"Thus, we've redesigned the dryer to reduce the contact of feed with the hot metal."

Components for the redesigned dryer are scheduled to be installed in November.

Phase III—removal of the remaining stack emissions (See "Phase Three" illustration)—is dependent upon several factors.

"First," Nisbet said, "we must determine how much of the particulate and odor will be

removed in Phase I. Once we make that determination, we will have the information necessary to consider a final-stage odor and particulate removal system."

Here, again, alternate plans are involved. One alternate is a combination particulate-removing "Aerodyne" (rated at over 99 percent efficient) and an odor-neutralizing chemical scrubber. Successful application of the scrubber depends on several factors: the quantity of particulate it can remove in addition to the odor (too much particulate will foul the device); the scrubber's efficiency (how much odor it will neutralize); and the ability of the scrubber to remove odor from the moist gases without condensing the moisture (condensation would produce large quantities of water, causing a major disposal problem).

If the "Aerodyne"-scrubber combination proves unsuccessful, Nisbet said experimentation with thermal incineration of the remaining emissions is an alternative. The incineration method is complicated by the lack of fuel and the massive physical installations required. Techniques are currently being studied for recovery of essentially all the energy (heat) required for incineration reusing it for drying purposes, and thus minimizing additional fuel requirements.

Another Solution Studied

In addition to this three-phased experiment, a different solution is being studied by Staley engineers in which much of the difficult-to-handle material could be dried in a single unit so that exhausts could be concentrated and treated more effectively. The feasibility of this solution has been supported by preliminary results from Phase One of the experiment.

Although the results of the experiments are thus far preliminary, efforts are well underway towards solution of the feed dryer stack problem. And according to those involved, the eventual solution could take up to two years at a cost in excess of \$2 million.

Year of Ups and Downs in Employee Activities

Continued from Front Page

claims, 22 percent more than the previous year. Approximately 425 of these claims were for diagnostic services, a new benefit for which \$27,000 was distributed.

Outstanding Safety Results

In safety, employees at Decatur were responsible for outstanding results. In the eight categories in which safety is measured, there were improvements in seven, including the lowest accident frequency rate since 1928 (the first year records were kept).

This outstanding effort carried over into fiscal 1972 with Decatur employees working over one million manhours without a lost-time accident, the first such achievement in the Company's history.

Safety results at Staley Chemical's Kearny plant and at Cicero were also improved after new programs were adopted and initiated.

Thus, in retrospect, that was fiscal 1971: a difficult year but one in which most employees—through improved wages or salary, through improved benefits, or through new opportunities—came out on the "up" side of the ledger.

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