

# StaleyNews

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## Net earnings and sales top previous high; record performance attributed to 55% HFCS and other corn sweeteners

Staley announced record net earnings on October 22 of \$105,821,000 or \$4.75 a share on record sales of \$2.0 billion for the year ended September 30, 1981. The results compare with net earnings of \$81,000,000 or \$3.51 a share on sales of \$1.6 billion for the previous year.

For the fourth quarter, net earnings were \$20,721,000 or 92 cents a share versus \$31,230,000 or \$1.47 a share for the same period of the previous year. Sales for the quarter were \$456,298,000 as compared to \$497,063,000 a year ago.

Chairman Donald E. Nordlund said the record performance was attributable to a sizable increase in sales volume of high fructose corn syrup and good market conditions for the company's other corn sweeteners.

Nordlund indicated that sales of the company's 55 percent HFCS ("Isosweet 5500") almost doubled as use of the product continued to increase in the soft drink industry. He said new capacity for producing the product was added during the year and it was fully utilized.

Soybean milling operations faced a diffi-

cult market situation in 1981, which considerably reduced results from the level of 1980, according to Nordlund. He emphasized, however, that Staley increased its share of the domestic soybean crush for the second straight year.

The company's international operations achieved excellent results in 1981, according to the Staley chairman. He noted strong performances by the company's corn refining affiliates in Belgium, England and Mexico and its soybean milling affiliate in Spain.

Nordlund said earnings for fiscal 1982 are expected to be below the record total of 1981 because of less favorable market conditions for corn sweeteners. He said that sales of high fructose corn syrup should reach a new high in 1982, but pricing will reflect competitive pressures caused by seasonal supply-and-demand imbalance.

Soybean milling should improve in 1982. The Staley chief executive cited a more plentiful soybean supply resulting from this fall's large crop and stronger demand for soybean meal both domestically and world-wide.

## Staley completes most successful year; Powers sees '82 as year of challenge

While the company faces 1982 with confidence and enthusiasm, Bob Powers, president says that conditions are likely to be less-than-ideal both for corn refining and soybean processing. "Our 1982 results are not expected to match this past year's (record earnings)," he told Staley Technical Society members at their opening meeting of the 1981-82 season.

"If our projections prove correct, fiscal 1982 may well be the second or third most successful year in the company's 75-year history. And--this will be accomplished in the face of what many believe are the bottoms of current sweetener and soybean cycles."

Powers described the 1982 outlook for Staley's corn sweeteners as a "mixed bag."

"The markets for high fructose corn syrup (HFCS) will continue to grow and our sales volumes will set a new record, but the key questions are: Will supply-and-demand be in balance? And, how strong will sugar prices be next year?"

The answer to the second question will be provided partly by the price support of refined sugar included in the new Farm Bill. . . .

At the time of his address, the House had voted to remove the sugar provision from its version of the Farm Bill, but Powers told the STS gathering that "Chances are the Farm Bill that comes out of the House-Senate Conference will have a sugar plank in it. . . ."

"Staley would view such legislation as positive. It would essentially place a floor under domestic refined sugar. . . . This support level likely would clarify the sweetener outlook and encourage further approvals of HFCS in soft drinks. As important--the support level would not be high enough to keep inefficient domestic sugar producers in business or cause a surge in sugar beet plantings."

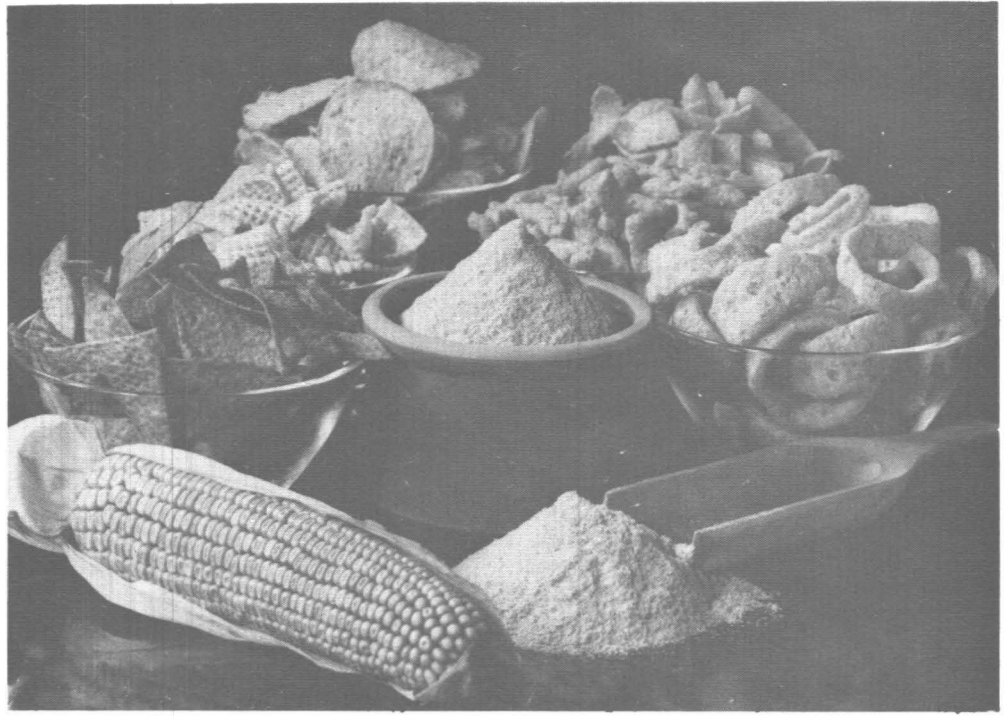
As for supply-and-demand, Powers said 1982 may be a difficult year unless high fructose is approved for wider use and at greater levels by the two major cola manufacturers in their namesake beverages.

He noted that the industry has added new 55 percent fructose capacity in anticipation of these developments. "Until they occur, the competitive pressures may build as fructose producers attempt to buy market share for their new capacity. . . ."

"It is only a matter of time," Powers said, "and we will be in position to capture a major share of the business."

Turning to agriproducts, the president observed that "This new fiscal year should be a better one for soybean milling. Margins should cross the break-even point at all of our mills this fall and continue to strengthen through winter. Margins next summer should compare very favorably with those for this past summer."

"Earlier this summer, the company signed an option on a 100-acre site at Memphis, Tennessee, for the purpose of building an



The award-winning "Staley Refined Corn Bran," introduced a year ago, fits right into the snack foods category. Read about the award on Page 3.

## Financial publication honors Nordlund

"The Wall Street Transcript" has named Don Nordlund its Silver Award winner among chief executive officers of commodity processors.

This publication judges a C.E.O.'s performance by the extent to which he has taken proper steps to enhance the overall value of the enterprise for the benefit of the stockholders. In the newspaper's view, this is the ultimate goal.

Selections were made by the paper's editorial staff based on interviews with industry executives, leading financial analysts, money managers, trade journalists, members of the academic community and various professional sources.

In announcing the award, "The Wall Street Transcript" said, "Nordlund is widely perceived as a low-key person who has nevertheless built a strong company by concentrating on the areas where it has the greatest expertise, particularly the manufacture of high fructose corn syrup. He invested heavily in high fructose before most of his com-

export-oriented soybean mill. We expect to purchase the site in the near future, even though our current capital commitments may preclude building in fiscal 1982.

"The significance of the Memphis site is clear. . . . Staley is committed to becoming an even larger international force in the soybean business," the company's president said.

### Sweeteners big in '81

Recapping the earnings for the last fiscal year, Powers told STS members that 1981 was the most successful year in the history of the company. "Even better than 1980's record results," he said.

Record earnings were largely attributable to favorable market conditions for corn sweeteners and in particular to a big increase in the sale of high fructose corn syrup, according to Powers. He pointed out that sales of 55 percent HFCS more than doubled, a reflection not only of a great sales effort but the increased capacity that Staley put in place at both Morrisville and Lafayette this past summer.

Sales of regular corn syrups and dextrose also were good, according to Powers. "While we have reduced our corn syrup production at Lafayette, we also have added capacity for producing high quality, ion exchange syrups at Decatur."

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petitors and has positioned Staley for growth in its soybean processing operations when cyclical factors improve."

Views about the Staley Company and its management follow from both external sources and Staley's C.E.O. as told in "The Wall Street Transcript."

A financial analyst interviewed about the company's C.E.O. said, "I think Don Nordlund is probably the most underrated manager in the industry. . . . I think Nordlund has been responsible for taking Staley from being a relatively small company--almost a family company--to become a major factor in both corn wet milling and in high fructose corn sweeteners, where it has a vast leadership position. It has also developed into a major soybean processor. I think the basic strategies which Don has laid out will generate a great deal of strength for Staley over the next couple of years."

Another analyst points to Staley's breakthroughs in processing technology citing the Lafayette corn plant as "an outstanding installation as far as a brand new major plant with process computer control."

While some have viewed Staley's management as being ultra-conservative, others hold the opposite opinion as disclosed in the following remarks: "Nordlund is a quiet, behind-the-scenes fellow who is running a company that spends a lot more money than people think. If you look at his capital expenditure programs over the last few years, he has put the company in a position where it can get adequate returns for the stockholder in areas that men without Nordlund's fortitude would have folded on."

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## Lafferre joins Staley as V.P.

Thomas Lafferre has joined the company as vice president of engineering and purchasing. He reports to Robert M. Powers, president.

Formerly with the Monsanto Company, Lafferre served as director of results management for the technical staff, functional products marketing director and was president of Monsanto's Flavor/Essence Company, before becoming director of engineering for its plastics and resins company, his most recent position. In addition, he has had engineering, project management and maintenance assignments.

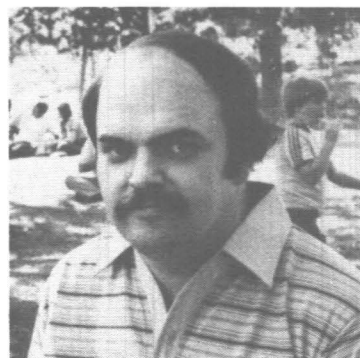
Lafferre joined Monsanto following graduation from the University of Missouri in 1956 with a bachelor's degree in mechanical engineering. In 1967, he received an M.S. in engineering administration from Washington University, St. Louis and in December of 1980, he completed the Advanced Management Program at Harvard University, Cambridge, Massachusetts.



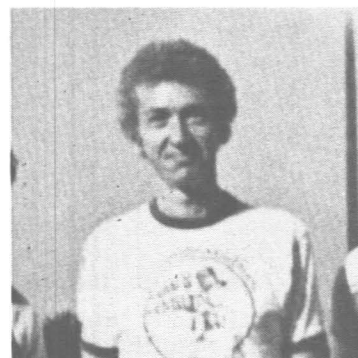
Tom Lafferre



Officer/P2



Picnicker/P5



Winner/P6

In the News...



# Staley Technical Society learns company's performance for fiscal '81

(Continued from page 1)

"Dextrose sales were up in 1981 on the strength of the first full year of output from the Morrisville plant. Sales to the brewing industry for use in light beers continue to be a growing market for dextrose.

"Despite a recent favorable trend, net corn costs were considerably higher on average in 1981 than in 1980. Fortunately, the increase was offset by more attractive selling prices for our corn sweeteners and starches, especially early in the year," Staley's president said.

"The rise in corn costs was attributable to the short crop of 1980 and weak by-product values. This coming year should see some improvement in our corn costs with the near eight billion bushel crop in the fields. Also, we expect stronger by-product values."

Looking at the starch business, Powers said, "There has been some improvement in the profitability of our many industrial and food-grade starches, although margins still are not satisfactory. The company has improved its position in the starch business by eliminating a number of marginal products while reorganizing to provide better service to our customers.

Fiscal 1981 was a challenging one for all Staley people, Powers acknowledged, but it was especially tough for many Staley engineering, production and research personnel. Major expansions were successfully completed at Lafayette and Morrisville during the year, even while the facilities were operating at record levels. In addition, attention had to be focused on construction of the new corn plant at Loudon, which is progressing on schedule toward completion late next year. "It took a considerable effort to accomplish these goals and the effort is appreciated," the president said.

Focusing on the soybean mills' role in the 1981 results, he said they made an important contribution, but one considerably below the level for 1980.

Explaining, Powers said, "Especially in recent months, crushing margins have been very unfavorable due to a plentiful supply of protein and edible oils in the world market. This situation has been aggravated by the absence of Russia in U. S. markets. Despite these circumstances, we did increase our domestic share for the second straight year and now are in good position as crushing margins begin to improve."

Most of the company's other agribusiness activities met expectations in 1981 and contributed to the year's record achievements.

Sales of refined corn and soybean oils increased, although profitability was down from last year because of weak domestic demand and Des Moines start-up costs.

## Refined oil outlook good

"Long-term, the outlook is favorable for our refined oil business. The consumer trend continues in this country toward vegetable oils consumption and away from animal fats. We will be in a good position to capitalize on it with expanded production.



A capacity crowd attended opening night of the Staley technical society at which Bob Powers, president, addressed the group.

Our new soybean oil refinery at Des Moines will start up in November. It nearly doubles our refining capacity and greatly enhances the value of the Des Moines soybean mill."

Excellent results were achieved by Staley Commodities International, which is the new name of Lincoln-Staley, the company's commodity futures trading subsidiary at the Board of Trade. The firm's commissions were up nearly 50 percent from last year despite the somewhat sluggish trading volumes on the exchanges. Further growth in commissions is anticipated this year.

Turning to the food protein business, Powers noted that its volume was good again in 1981 on the strength of continued development of markets both in the U. S. and overseas. "Overcapacity for certain food proteins, however, resulted in very competitive market conditions and reduced profit margins.

"The outlook for 1982 is more promising with a brighter export picture. We hope that our food protein business with Russia can be resumed. It was halted by the grain embargo, and apparently the Russians are going to make us do some penance before our relationship can be renewed. For the long haul, Eastern Europe and Russia should continue to grow as major users of Staley food proteins."

Members of STS learned that the country elevators achieved good results in 1981, although somewhat less than in the prior year. These subsidiaries are an important element in keeping a broad agribusiness base. Recently, Staley announced the acquisition of Homann Grain and Supply, a country elevator located at Altamont,

Illinois, just about 90 miles south of Decatur. This puts the number of Staley country elevators operated in Central Illinois at eight.

The president predicts that fiscal 1982 should be a strong year for Staley's country elevators in light of the very large corn and soybean crops to be harvested this fall.

On the international scene, Powers remarked that the company's operations in 1981 had made an excellent recovery. In fact, it was a record year. "The previous year's results had been depressed by difficult corn refining conditions in Europe," he told STS members. Continuing, he said, "The culprit was our old competitor, Cargill, which purchased one plant in England and built a second one in Europe, then proceeded to initiate a price war in an effort to gain market share. Fortunately, our Belgian partners are strong competitors and not only weathered the storm but had an excellent year. By the way, our partners, G. R. Amylum, are the largest producers of high fructose in Europe!"

Another impressive performance was turned in by Staley's Mexican corn refining affiliate, ALMEX. Record sales and earnings were achieved. As important-plans were initiated for construction of a second corn refining plant in Mexico.

Powers noted that Staley's Spanish soybean processing partner-SIMSA-also accomplished a considerable turnaround, pointing out that crushing margins were much improved over a year ago, and its sunflower seed processing business was profitable.

## Other successes noted

In addition to record sales and earnings, fiscal 1981 was successful for Staley in other ways. "First, we continued to build our grain processing capability; second, we made further progress in the development of important new products for new markets; and third, we took steps to concentrate our management energies and focus on our top priorities," the president said.

"The promising long-term outlook for our current corn and soybean products demands that the company take action now to prepare for the future. As you know, we are doing so. Examples are the recent expansion of our corn plants at Lafayette and Morrisville and the construction of the Loudon plant.

"As a result of this building program, Staley will have more than three billion pounds of high fructose capacity available by fall of 1982-an increase of more than 50 percent in two years.

"Our current expansion program also calls for further diversifying the company's agribusiness position. Our new sunflower seed processing plant at Velva, North

Dakota, is a case-in-point. We are receiving seed at the plant now for merchandising this fall and winter, and next spring, the plant will begin processing operations."

Giving an up-date on a "promising" product area, Powers pointed out that the company has made significant progress with its "chemicals from carbohydrates" program.

"As you may know, these new starch-based products are expected to function as petrochemical replacers in numerous industrial applications-from insulation foam to detergent surfactants." This fall a semi-works for producing these products was completed in Decatur, its output to be used for extensive field trials and market tests.

"I should caution that this program isn't expected to become a major factor on the bottom line for several years, but should begin to make a meaningful contribution about the same time that high fructose becomes a fully mature product-roughly, a three-to-four-year time frame," the company's president informed the group.

He mentioned that Staley took steps in 1981 to concentrate management energies on long-term priorities which obviously include continued leadership in corn refining, soybean processing, and the development of new agribusiness technology. "Also as obvious, they do not include a commitment to the branded consumer products business," he said.

Powers told STS members that "The decision to divest our Consumer Products Group... was not made lightly. It had been a viable part of the company for decades and the names of 'Sta-Puf,' 'Staley' syrup and 'Cream' corn starch were synonymous with the company."

He explained that, in the past, Staley made a considerable effort to grow in the consumer products field and, to some extent, succeeded. But in recent years, it became apparent that the company's inherent strengths and best opportunities for growth lie in grain processing and agribusiness and not in branded products.

"Therefore, the decision was made and, as a result, all of our consumer operations were sold, with the exception of Gregg's Foods on the West Coast and Re-Mi Foods in Chicago. Both Gregg's and Re-Mi have excellent positions in the food service field-an area in which we hope to become an increasingly significant force, and is included as one of our growth objectives."

In concluding, Powers stressed, "This year will be a challenging one for the Staley Company and for each of us as individuals. Circumstances make it imperative that we rededicate our efforts toward being more effective in our jobs-whether in research, manufacturing, sales or a staff function."

## Rewards few, but large . . .

Will Vern Meyer play another season in the 3:30 p.m. Golf League? In all likelihood, particularly after his grand finale.

A 40-handicapper playing his first season, Meyer, senior mechanic, round house, Decatur, had a difficult time not only keeping the ball on the fairway but also putting up with the good-natured ribbing of his cohorts!

As the 1981 season neared its end, Vern entered the league's tournament, August 22 and expected to have about his usual game... that was, until the 17th hole. Teeing off, he made a spectacular 128-yard shot right into the cup for a hole-in-one. Although he finished the day with 118 strokes overall, Vern capped off the season in grand style.

Making his accomplishment even more noteworthy is the fact that Meyer had played only the front nine at Faries Park during league action and had never seen the hole!

Up until that moment, his season had been a little slow. Vern competed in the league 10 weeks before paring a hole. But he wasn't a quitter despite frequently shooting higher than his 40 handicap-the most allowed by the U. S. Golf Association system. Perseverance, indeed, paid off.

And as far as Vern's concerned, even if he hadn't dropped one in on the 17th, he's gotten his money's worth, having played nearly every nook and cranny of that course in one season!



Officers for '81-'82-Heading the Staley Decatur Club, formerly the Staley Foremen's Club, are, in the back row, left to right, Tom Brabender, secretary; Bill Litz, president; Dennis Forbes, treasurer; and Tom Ellison, vice president. Trustees, who are all past presidents, are, left to right, Charlie Schmitt; Harold Richards and Cameron Ferguson.





Seeds from sunflowers, such as this one, have been harvested and began arriving in early October at the Midwest Processing Company, Velva.

## Seed handling begins at Velva plant

Warehousing and merchandising operations are under way at the Midwest Processing Company in Velva, North Dakota. . . . The first load of sunflower seeds was delivered to the new plant on October 6.

Over the first three weeks of seed receipts, 4,000 tons were delivered to the facility, which is a joint venture of Staley, The Pillsbury Company and Nesheim-Peterson and Associates. At that point, harvest was only about half completed due to inclement weather, according to Tom Brokl, president and chief operating officer of Midwest Processing. He expected seed harvesting to

be 80-to-90 percent complete by the end of the first week of November.

"Until we begin processing next spring, we are taking in seed and merchandising it when market conditions are right. To keep the seed in prime condition, we are seeking a moisture content ideally of 10 percent or less but not exceeding 12 percent," Brokl said. Seed coming from the field too wet is dried to the appropriate moisture level before being stored in bins, which are equipped with monitoring devices to make certain that the seed does not go out of condition.

Only Phase I of the construction project has been completed—the portion through which seed is conditioned and stored including weighing, unloading, drying and storage facilities. The plant can handle 350,000 bushels of wet seed per day with its two dryers, each rated at 15,000 bushels of drying capacity per hour. Storage is available for 2.8 million bushels of seed.

Great strides will be made on Phase II of construction this winter, according to Brokl, with the processing facilities—preparation, extraction, dehulling and product load out buildings—being enclosed by the middle or end of this month (November) before the long cold spell sets in. Thereafter, construction efforts will be concentrated on the structures' interiors, heading toward a spring completion.

By late October, 15 employees were on board with another 55 expected, when the plant is fully operational. At capacity performance, the facility will process 1,000 tons of sunflower seed daily.

Midwest Processing's sunoil will be used in such products as salad oil, cooking oil, margarine, shortening, plasticizers, drying oils and fatty acids. The sunflower meal will be marketed as a livestock ration. Even the hulls have value. . . . and will be sold to Basin Electric Cooperative to be burned as fuel in the adjacent W. Neal Power Plant.

Brokl says his staff has been promoting the plant very aggressively throughout North Dakota. In fact, residents have been invited to take part in a contest to design a Midwest Processing logo with the creator winning a \$500 savings bond. The plant is seeking a logo that will represent their business of processing sunflower seeds, producing sunflower oil, meal and hulls. The idea, according to Midwest Processing's president, is to get more local involvement and interest.

"People are quite interested in our plant," says Brokl. "After all, it is a sizable investment in their community!"

## Corn bran claims "Food Processing" honor

One of the outstanding developments commercially introduced to the food processing industry between January 1, 1979 and December 31, 1980 is "Staley Refined Corn Bran." The product recently received "honors" in the biennial Food Processing Awards Program, which cited 33 organizations with 30 outstanding developments. Staley was one of only three in the ingredient category to receive an award in this program sponsored by "Food Processing" magazine.

Competition was open to food processors and to companies supplying ingredients, processing equipment, instrumentation, packaging, production aids, and aids to maintaining equipment and plant in an operable and sanitary condition. Entries were organized into categories and judged by panels of experts for each category.

Judges represented expertise from all segments of the food industry, and according to the magazine's editors, were "well qualified to appraise the different developments as to their value to food processors."

The panel of judges for the 1981 competition included representatives of leading food companies among whom were Dr. James J. Albrecht, vice president of product development for Nestle Enterprises, Inc.; Dr. Enio Feliciotti, senior vice president of research, development, and quality assurance for Thomas J. Lipton, Inc.; and John F. Jackowski, director of distribution, Pet Incorporated.

In making selections, judges rated entries on three factors: the novelty or innovation factor; breadth of application in the food industry; and significance to the food industry.

An article in the sponsoring magazine highlighting the company's winner said that Staley Refined Corn Bran is recommended as an ingredient in high fiber and/or low-calorie snack foods, breads, breakfast cereals, health foods, processed meats, batters and breadings, pastas, crackers, and cookies. It may be used as a source of dietary fiber to supplement naturally occurring fiber or to replace fiber lost through processing.

Use levels range from two-to-five percent on a solids basis for processed foods and up to 30-to-40 percent in snacks and cereals. Besides its extremely high fiber content, the ingredient is low in calories and has a bland flavor, which offers formulation flexibility. With low oil content, corn bran offers finished products excellent shelf life. And it's easily incorporated into any type of processing operation.

The magazine's editors say their awards recognize advances that have made significant contributions to more efficient and effective operations in the food industry. First awards were made in 1967 for developments commercially introduced in the period 1965 to 66. The series has continued every two years with the current awards being the eighth in the series.

Over the program's 14-year history, several hundred developments have been named

recipients. A recent study of these winners and their significance is soon to be published by The National Science Foundation. Author of the study, Professor Willard F. Mueller of the University of Wisconsin contacted all of the organizations receiving awards in 1971, 1973, 1975, and 1977 to analyze the origins of important innovations influencing productivity of food manufacturers. He gathered considerable data showing that the majority of the recipients went on to be quite successful in food industry use after their introduction, according to Roy G. Hlavacek, editor and publisher of "Food Processing."

If that study's results are any indication of the future for corn bran, Staley certainly has a winning product for the food processing industry.

## Staley focuses on leadership positions

(Continued from page 1)

Talking about the company from Nordlund's vantagepoint, the paper quoted him as saying that he believes in "concentrating in businesses that we know and where we have leadership positions.

"We are in a very basic industry. We use renewable resources, and certainly we've taken steps to focus our management energies on our agribusiness and grain-processing capabilities.

"I think we're giving greater and greater attention to the development of new technology, based upon these agricultural raw materials. We have had a tradition of being the technological leader in our industry.

"For example, we developed the first enzyme-modified corn syrup, the first enzyme system of dextrose, and—most important—we along with Standard Brands pioneered the development of the high fructose corn syrup industry."

Nordlund explained that this sweetener which replaces sugar is making substantial inroads in the beverage industry.

"This is direct replacement of sugar," said Nordlund. "We had the early plant in this. There was only one other organization producing fructose syrup commercially in the world and that was Standard Brands. The two of us together developed a market, and we have maintained this leadership throughout. We are now the unquestioned leader in high fructose corn syrup. It's been a major development for our industry, and I'm pleased to say that we were on the leading edge of the technology. This is our philosophy—to remain on the leading edge of all technology."

Staley's C.E.O. told "The Wall Street Transcript" that the company's two basic businesses, corn milling and soybean milling, have excellent long-term outlooks. "They (Continued on page 6)

## Worth noting . . .

John Thompson's family swept up honors at the Twin Falls County Fair in September. The Murtaugh plant manager's wife, Wilma, excelled in home canning, taking not only the "best of class" for her carrots but also received 11 blue ribbon firsts, six seconds, and 14 thirds. Not to be outdone, Suzy, their 13-year-old daughter, earned five first places and three seconds for horsemanship. And Johnny, 10, received two blues in home arts for his model dragster car.

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Listed in the "Who's Who Among American Law Students" this year is Larry Lynn Miller, son of Larry, mechanic, electric shop, Decatur. A summer time employee at Staley/Decatur from 1976 through 1979, Larry will receive his J. D. degree in May from Drake University in Des Moines, Iowa. He received the Drake University Presidential Award in 1981. Miller earned a bachelor's degree in law enforcement from Western Illinois University, Macomb, in 1979, after which he served as an investigator/intern for the Macon County States Attorney in Decatur. The following year he was a law clerk for Woollen Brown Hawkins & Basola, Decatur and in 1981 has served as a law clerk in the Appellate Defenders Office in Des Moines. He is a member of the American Bar Association/Law Student Division, Phi Alpha Delta, and the Lieutenant Governor American Bar Association.

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Among the new officers of the Macon County Unit of the American Cancer Society board is Lynn Grider, marketing manager, refined oil division, vice chairman. Newly elected board members include Stephen A. Hellrung, assistant general counsel, law division, and Cindy Shepard, wife of Lin, general manager, refined oil division.



Season's winner—Although the Decatur girls' slow-pitch softball teams had no tournament, the Odds & Ends claimed the league trophy for the season. Displaying their individual trophies, in front from left to right, are Shirley Shook, Barbe Kress, P. J. Webb, Kathi McClugage, Diane Burchard and Marty Allen. Second row, from the left, are Nickey Nixon, Mary Smith, Judy Widick, Dusty Zickerman, Paula Wopat, and Debbie Reed. Their coaches, pictured in the back row from the left included Gene Nixon, Keith Allen, Jim Hoffert and Larry Shook. Players missing from the photograph are LaVonne McCord and Jeannette Garmon.



# Decatur's first joint manufacturing outing draws crowd 5,000 strong!

It was almost a replay of the company's earlier years when Staley employees and their families gathered for all-day outings, particularly enjoyed by the company's founder.

Fun and camaraderie were again at the forefront of the extravaganza held on September 27 for employees of Decatur's manufacturing divisions and their immediate kin. Some 5,000 persons turned out for this Industrial-Agriproducts Manufacturing Picnic '81!

Under the general chairmanship of Charlie Schmitt, committees were headed by the following employees: Gene Collins and Gerry Miller made the grocery list; Ottis Livingston and Don Brown planned activities; Ed Smith and Dennis Forbes handled logistics; Mike Bundy and Jordan Smith coordinated publicity; Tom Hall and Tom Ellison took charge of sanitation.

Planning for the event got underway in May, allowing plenty of time for everything except obtaining an earlier date. By May, all of the good picnic sites, which could accommodate a large crowd, were spoken for until September 27. Although the planners feared this would be too late for good weather, they were rewarded with a beautiful fall day.

The preceding night was a different story, however. After volunteers assisted committee members in setting up most of the equipment for the event, thunderclouds rolled over head and the rains fell. To ward off any potential mischief makers, an all-night vigil was kept by Wilbur Reed, Dennis Forbes, Ed Smith and Gerry Miller, who reported an uneventful watch! Luckily, little damage was done by the rain, and the area was quickly readied long before picnickers arrived.

Plant protection took care of traffic control, which might have become snarled had party planners not provided shuttle service from Staley to the picnic. Many took advantage of this service, which ran every 10 minutes out to Nelson Park where the Staley event had taken over about 75 percent of the park, including golf course, miniature golfing facilities and the horseshoe pits. At shift change, all of the buses lined up at Staley to take those leaving work out to join their families, many of whom had been hard at play for several hours.

Events ran continuously throughout the day, beginning at 8 a.m. with golf tournaments. Later activities included miniature golfing, horseshoe tournaments, tug-o-war, dunking machine action and games for children such as a football throw, frisbee throw, three-legged race, sack race and balloon toss. Assisting with the children's games were Staley's Explorer Post No. 210 advised by Ken Whitsitt; Scout Troop No. 131, of which Bill Buds is master; Troop No. 35 of Don Latschaw and Troop No. 10 of Barry Williams.

Also assisting the 125 Staley employees with the shindig were members of the Breakfast Sertoma Club, who handled the parking at Nelson; Enterprise Khoury League members, who worked the refreshment stand; and members of Scout Troop No. 17 from St. Patrick's Church, who kept the grounds picked up and trash containers emptied.

Taking part in Tim Gillespie's two-hour Show of Talent were a number of employees or their children. Among the singers and pickers were Don Oldham and Stan Sowa;

Mike Oldham; Everett Dowdell and his brothers; Dennis Durbin, who entertained on his mandolin, while Mike Stratman displayed his magical talent.

Steve Ring, assistant fireman, 1 building, accompanied himself on the guitar while singing an original composition about his Staley job entitled "Ashline Blues," a show stopper.

Groups playing in the show included the "Second Generation" rock and rollers comprising Buddy Eaton, son of Al, and Jim Ledbetter and Jeff Kunzeman. Bluegrass musicians, called "Norfolk," included Staley employees Tim Gillespie and his wife and Jeff Kunzeman, who were joined by Hulen Jenkins and Dan Middleton.

Keeping the musical beat going throughout the day was a professional band called "Trixx".

## Trophy winners abound

Winners among the duffers in the 18-hole men's scratch contest were led by Gary Still with 71, followed by Gus Cowgill with 73. Cowgill tied with Bob Hackert for second and won in a score card playoff. Scott Duncan was fourth and Archie Beals, fifth.

In the men's 18-hole blind bogey event, Steve Ford took first place; Don Kush, second; Max Austin, third; Gene Nixon, fourth; and Jim Warnick, fifth.

The men's nine-hole scratch was won by Jim Hayes with Jerry Atkins, second. Jeff Bagley won the men's nine-hole blind bogey with Dan Barnett, second; Tom Bailey, third; Bob Craig, fourth; and Bruce Cox, fifth.

Erma Hayes won the first-place honors in the women's nine-hole scratch contest with Pat Quintenz, second; Debbi Burdick, third; Bev Atkins, fourth; and Sandy Cowgill, fifth.

Winners in the boy's nine-hole scratch event included Tyler Smith, first; Todd Lewis, second; and Robbie Aldridge, third in the 10-to-12-year-old contest. Placing in the 13-to-14 age group were Mike York, first; Terry Lovekamp, second; and Duane Daily, third. Ted Lewis took first place in the 15-to-17-year-old category with David Brown, second; and Jeff Shaffer, third.

Other golfing honors included the longest drive on hole No. 1, which was made by John Hawthorne; longest drive on No. 11, won by Jeff Smith; closest to the pin on No. 5, made by Ted Lewis; and closest to the pin on No. 10, awarded to Zeb Eaton.

The dry starch tug-o-warriors matched their pulling strength against all other contenders and came out on top. Team members included Mike Ray, captain; Larry Danner, Jack Jackson, Charlie White, John Cravens, Al Renner and Junior Garner. To be certain that each team was within weight restrictions of 2,000 pounds, Dr. Ed Goldberg, executive medical director, weighed in each tugger.

In the pits, Ron Sutton won the overall horseshoe championship. He was undefeated in seven consecutive games and was not scored upon in the overall pitch off. Harry White won second place overall honors.

Trophy winners in the horseshoe tournament included Mark Mathias, son of Norman, who took first-place in open play.

John Younger was second and Steve Connelly, third.

Class A action was won by Ron Sutton with Don Adcock, second. Harry White took first place in Class B competition with Paul Zeck, second. Class C winners included Jerry Hall, first and John Barber, second. Steve Sinnard, son of Bob, was the winner of Class D action with Jeff Hall, son of Jerry, coming in second.

In the Class E event, Morris Shaver placed first with Billy Sinnard, son of Bob, taking second. The Class F honors went to Lori Zeck, 12-year-old daughter of Paul, who took first, and Al Born, second.

Good planning, enough help, plenty of food and entertainment plus good weather were

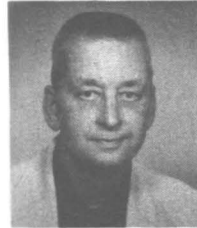
the key elements that made the day a success, according to Charlie Schmitt.

Assessing the event, Schmitt said if anyone ran out of activities, he or she could resort to eating. . . . Chicken was so plentiful that the cooks lost count but they remembered serving 5,000 pieces of pie; 1,500 hot dogs; 2,300 snow cones; 11,000 cans of pop and 8,000 ice creams.

Yes, the 27th was a big day for all!

And the event for '82 is already in the planning stages, promising to be bigger and better than ever, says Gerry Miller, who will serve as general chairman. He says that Decatur manufacturing personnel should mark September 19, 1982, as "THE PICNIC" on their calendars.

## Celebrants have worked 1,090 years



Leroy Gass



Wendell Wimmer



Alonzo Karcher



Tom Wheatley



Charles Crowell



Richard Hackl



Lloyd Williamson



Verna Ziegler

### 40 Years

LEROY GASS, senior mechanic, tin shop  
WENDELL WIMMER, manager, price development section, administration, industrial products

### 35 Years

ALONZO KARCHER, senior mechanic, C & D extraction plant  
CHARLES KMETY, tank car cleaner, 17 building  
HAROLD ENTRIKIN, senior painter/roofer, painters and roofers  
WILBER HECTOR, stores coordinator, 77 building  
CHARLES WORLDS, conversion operator, 5 & 10 building  
HAROLD SMITH, manager, plant personnel administration, industrial manufacturing, industrial products  
CHARLES CROWELL, maintenance foreman, commodity operations, agriproducts  
LOUIS VON HATTEN, supervisor, power, utilities, industrial manufacturing, industrial products

### 30 Years

RICHARD HACKL, cooler operator, 17 building  
CHARLES ALSBURY, JR., upper steep tender, 6 building  
LLOYD GRACE, stock and sample man, 60 building  
JUDSON STRONG, JR., senior operational auditor, auditing, corporate finance  
ELLIS CARTER, locomotive operator, Champaign

### 25 Years

LARRY LEWIS, senior mechanic, electric shop  
THOMAS WHEATLEY, project manager, general, industrial manufacturing, industrial products  
LLOYD WILLIAMSON, office clerk, Houlton  
VERNA ZIEGLER, head nurse, plant services, industrial manufacturing, industrial products

### 20 Years

PAUL BOYS, senior mechanic, machine shop  
WILLARD GOFF, lead operator, 111 building  
JACKIE STEWART, trucker, 20 building  
DON MOORE, senior mechanic, millwrights  
ROBERT ATKINS, maintenance supervisor, Satellite IV, corn milling, industrial manufacturing, industrial products

HAROLD FORCE, JR., night superintendent, Lafayette  
JAMES KELLY, area manager, sweetener sales, industrial sales and marketing, industrial products  
RAYMOND DRURY, JR., senior research chemist, starch processing, R & D, corporate technical  
RALPH TOZER, supervisor, starch packing, dry starch, industrial manufacturing, industrial products

### 15 Years

STANLEY SOWA, warehouseman, 99 building  
ELMER WEBB, senior mechanic, tin shop  
LEE PENN, senior mechanic, electric shop  
RONALD SHINALL, converter A operator, 16 building  
JESSIE BUNCH, truck driver, 77 building  
RICHARD KLEE, DEO operator, 29 building  
WILLIAM MILLER, warehouseman, 34 building  
WAYNE HILL, senior mechanic, pipe shop  
CHARLES KNORR, designer, project engineering, corporate technical  
JAMES SIMMERING, manager, systems, auditing/control, corporate control, corporate technical  
WILLIAM SCHOETTLE, product manager, high fructose corn syrup, industrial sales and marketing, industrial products  
CATHERINE FORCE, staff management accountant, control, industrial products  
PAUL HERMAN, plant manager, Loudon  
TIM GUTIERREZ, lead operator, Monte Vista

### 10 Years

FRANK NEMETH, boiler mechanic, 1 building  
GEORGE TAGGART, instrument technician, Morrisville  
CARL LINSON, instrument technician, Morrisville  
WILLIAM KERVIN, wet room leadman, Houlton  
GARETH LONDON, bagging operator, Houlton  
JEFF SAGE, technician, corn bran, Champaign  
ROY GLOVER, laborer, Frankfort

### 5 Years

S. K. KIM, quality controller, Re-Mi Foods  
DARLENE ROBBINS, laboratory technician, Des Moines  
JAMES HOFFMAN, agriproducts controller, control, agriproducts  
DAVID OLIVAS, operator, Monte Vista

## Worth noting around the company

John Homan, manager of the Lafayette plant, has been named vice president of the Industrial Division of the Greater Lafayette Chamber of Commerce. He is one of six vice presidents, who will serve the 1981-82 term of office.

\*\*\*\*

Among the officers of the International Oil Mill Superintendents Association is Chuck Hagoood, plant superintendent at the Des Moines soybean mill. He serves IOMSA as second vice president and short course chairman.

\*\*\*\*

Heading the Washington Elementary School Parent Teachers' Association for the 1981-82 school year is Pat Watson. She is the

wife of Mike, senior mechanic, machine shop, Decatur. Pat has served several Decatur schools in PTA positions over the years.

\*\*\*\*

Running in the Columbus Bank One Marathon along with Bill Rodgers, one of the top runners in the U. S., were Mike and Cindy Landacre. Mike, pack/load operator, 17 building, ran the 26 miles 385 yards in 3:51.30 and his wife, Cindy, did the distance in 4:20.28.

\*\*\*\*

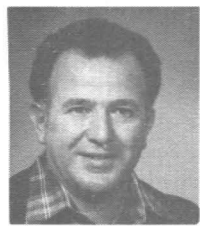
Lee Winkleblack, daughter of Dick, director of corporate accounting, has been elected vice president of the senior class at Stephen Decatur High School.







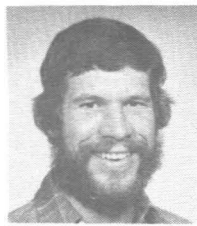
## On the move around the company



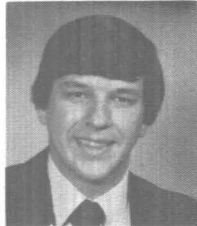
Louis Feriozzi



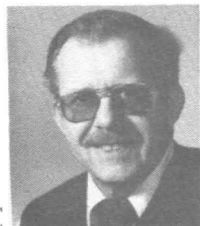
Jordan Smith



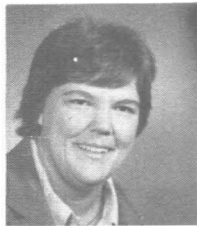
Paul Doolen



Kenneth Obuszewski



William Schwesig



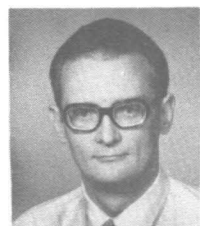
Wendy Woods



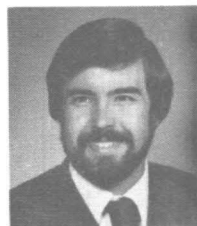
Robert Stanberry



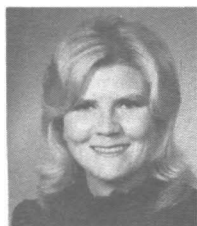
Harold Smith



Vern Morgan



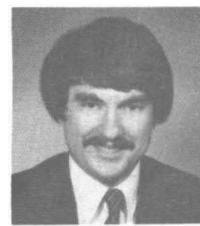
Donald Strohacker



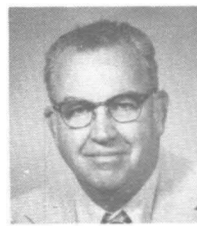
Judy Tish



Ann Winterich



Steve Moore



Robert Popma

### INDUSTRIAL

DEBBIE ADAMS, from messenger-office, corporate office services, corporate finance, to junior accounts payable clerk, control, industrial products  
 LOUIS FERIOZZI, from senior supervisor/process, dry starch, industrial manufacturing, industrial products, to relief superintendent, plant services, industrial manufacturing, industrial products  
 JORDAN SMITH, from new construction supervisor, maintenance, industrial manufacturing, industrial products, to general supervisor, planning/projects, maintenance, industrial manufacturing, industrial products  
 PAUL DOOLEN, from pool foreman, industrial manufacturing, industrial products, to plant chemist, industrial manufacturing, industrial products, Houlton  
 DONALD FUITEN, from relief superintendent, industrial manufacturing, industrial products, to night superintendent, industrial manufacturing, industrial products  
 CAROL GREENE, from losses supervisor trainee, utilities, industrial manufacturing, industrial products, to losses supervisor, utilities, industrial manufacturing, industrial products  
 KENNETH OBUSZEWSKI, from maintenance engineer, industrial manufacturing, industrial products, to process engineer, industrial manufacturing, industrial products  
 WILLIAM SCHWESIG, from senior project engineer, industrial manufacturing, industrial products, to principal project engineer, industrial manufacturing, industrial products

STEVE DUNLOP, from grain merchandiser, industrial manufacturing, industrial products, Lafayette, to administrative manager, industrial manufacturing, industrial products, Morrisville  
 WENDY WOODS, from technician, industrial manufacturing, industrial products, Lafayette, to pool foreman, industrial manufacturing, industrial products  
 ROBERT STANBERRY, from machinist, machine shop, to pool foreman, industrial manufacturing, industrial products, Lafayette  
 HAROLD SMITH, from labor relations supervisor, plant services, industrial manufacturing, industrial products, to manager, plant personnel administration, plant services, industrial manufacturing, industrial products  
 VERN MORGAN, from assistant labor relations supervisor, plant services, industrial manufacturing, industrial products, to general supervisor of equipment rebuilding, maintenance, industrial manufacturing, industrial products

### AGRIPRODUCTS

MARJORIE REINHOLD, from secretary to director of marketing, protein division, food and specialty products, to secretary to general manager, protein division, food and specialty products  
 DONALD STROHACKER, from corporate process engineer, engineering, corporate technical, to staff chemical engineer, proteins, agriproducts  
 STEVE MOORE, from laboratory manager, research, corporate technical, to product manager, food proteins, protein division, food and specialty products  
 JUDY TISH, from customer services coordinator, protein division, food and specialty products, to supervisor of customer services, protein division, food and specialty products  
 ANN WINTERICH, from district manager, protein division, food and specialty products



In the name of fun—The Bunch from research, pictured here, picked off the Just-for-Fun honors this year, including both the league and tournament trophies. In the bottom row left to right, are Bob Kraudel, Ho Yang, Russ Heitz, Jim Holbrook, Jim Purdue and Doug Varvil. Players in the second row, left to right, are Don Winter, manager, John White, Mike Sullivan, Larry Avery, Terry Bessler, Bill Lehnhardt, Paul Glor and Fred Sansom.

## Management team is second to none

(Continued from page 3)

are very basic-type industries and, of course, they are predicated upon renewable resources."

One function of a C.E.O., according to Nordlund, is to continue to develop and place the proper talent necessary to keep a company moving forward. He pointed out that Staley had good momentum through the '70s and said, "I certainly want to encourage the continuance of that momentum through the decade of the '80s. . . ."

"I have had one experience in my career which has been perhaps more satisfying than any other from a personal satisfaction standpoint. It has been the fact that I think we have put together a management team that is second to none in this industry. I think we're extremely fortunate in having a talented group that works well together. They

are very basic-type industries and, of course, they are predicated upon renewable resources."

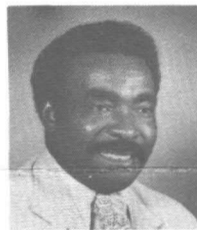
### CORPORATE

WILLIAM BALDWIN, from field engineer, project engineering, corporate technical, to senior field engineer, project engineering, corporate technical  
 ROBERT POPMA, from senior environmental engineer, engineering, corporate technical, to principal environmental engineer, engineering, corporate technical  
 NORMA BECKHAM, from data input operator, corporate information systems, corporate finance, to computer operator trainee, corporate information systems, corporate finance  
 SHIRLEY PEOPLES, from computer operator trainee, corporate information systems, corporate finance, to computer operator, corporate information systems, corporate finance  
 RICK ALBRIGHT, from plant messenger, corporate office services, corporate finance, to utility clerk, corporate office services, corporate finance  
 DENNIS PEYTON, from computer operator trainee, corporate information systems, corporate finance, to computer operator, corporate information systems, corporate finance

keep their eye on corporate objectives. . . ."

Giving reasons for potential investors to look at Staley, Nordlund mentioned the company's long-term performance trend. In addition, he said the company leads "our industry technically. When you're dealing with renewable resources such as we are, the leader technically just has to have a future in the '80s. In today's depleting natural resources, population growth and so forth, the opportunity is there for a company like Staley."

## Joining the leisure life . . .



Elgin Hawthorne



Harold Harding



Thomas J. Murray



Chester Sharp

Effective October 1, 1981

ELGIN HAWTHORNE, merco operator, 6 building  
 HAROLD HARDING, utility leadman, 44 building  
 CLIFFORD MAST, senior mechanic, tin shop  
 THOMAS J. MURRAY, analyst, 60 building  
 ROBERT COOLEY, military, non-food sales manager, marketing, consumer  
 MARY LEISNER, telex operator, corporate office services, corporate finance

Effective April 1, 1981

CHESTER SHARP, technical supervisor, dry starch, 20 building  
 HAROLD BUCKNER, package line operator, 20 building



Did it again—The Oaks, formerly the Staley Stars, swept up the honors again in the Staley Slow-Pitch Competitive Softball League and tournament this season. Team members pictured, on the bottom row, left to right, are Terry Johnson, Mick Stewart, Lyle Clark and Rick Black. Pictured in the top row, left to right, are Rick Stuart, Terry Crowell, coach, Bill Barter, Bob Murphey, Dan Harpstrite, Rick Albright, Larry Auton, Terry Hale and Al Hill, manager. Scott Duncan missed the picture.



A. E. Staley Mfg. Co.  
 2200 E. Eldorado St.  
 Decatur, IL 62521

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