

# STALEY NEWS

VOL. 1—No. 4

BY AND FOR STALEY PEOPLE

October 15, 1937

## A Letter From The Management

To All Employees:

Here is the profit and loss statement of the Company for the nine months ending September 30, 1937. We feel that you are interested in what has happened this year.

Received from Customers.....	\$19,604,494.15
<i>Costs</i>	
Purchases of goods, transportation and other services .....	\$16,824,766.27
Salaries and Wages Paid	2,314,941.40
Interest .....	148,126.08
Taxes .....	188,009.16
Rentals .....	34,028.53
Depreciation .....	531,140.03
Dividends on Preferred Stocks .....	220,811.35
TOTAL	\$20,261,822.82
Net Reduction of Capital	\$ 657,328.67

A few explanations are in order. The item, "Received from customers" represents what we were able to get for the goods we sold. We cannot set the price on them that we might like to obtain. We have to meet the prices at which our competitors are willing to sell.

The item of "Purchase of goods, transportation, and other services" represents what we had to pay for corn, soybeans, coal, freight, bags, and similar items. Again, we cannot control these items and have to pay whatever they are selling for on the market. It is the job of the Management to purchase them at such times and prices as seem to be to the best interest of the Company and a good job was done along that line this year.

These two items of Receipts and Purchases are closely related. If corn costs go up or down, Receipts will generally follow. The margin left for the other items of cost is determined by competition, and in the long run, competition of the most efficient producer. This means that an inefficient plant will eventually find it does not have enough margin to cover its other costs and is obligated to reduce those costs or go out of business.

"Salaries and wages" include all those employed by the Company.

"Interest" is the interest on our first mortgage (our bond issue) and also for bank loans.

"Taxes" (which are constantly increasing) includes Real Estate, Personal Property, Social Security, Income (none this year), Capital Stock Tax, Undistributed Profits Tax (none this year), Franchise and Transfer Taxes and a host of others.

"Rentals" covers leases of office and warehouse space in other cities.

"Depreciation" is the loss through wear and tear on buildings and machinery, at rates approved by the government, to provide for replacing worn out units.

"Dividends on Preferred Stocks" is the payment of 5% to most Preferred Stockholders and 7% to a few in accordance with promises made at the time the Stockholders provided capital.

The "Net Result" speaks for itself. The Company suffered a reduction of \$657,328.67 of its capital the first nine months of this year. This reduction does not include Common Stock dividends and the amounts (in excess of funds provided by depreciation) taken from our cash account and transferred into new buildings and equipment in order to keep our plant and facilities up to date.

In a previous letter we explained the causes of our losses and pointed out the improved prospects that should lie ahead with the new corn crop. For the sake of all of us, it is hoped that these prospects are realized. No business ever stands still. Like a tree in the forest, it grows or decays. We must be able to earn profits and continue to grow and develop or we are doomed to eventual failure.

Our job in business is to keep our costs below our selling prices. We cannot control our prices so we must control our costs. We do not believe that the way to lower costs is to reduce salaries and wages, but to increase efficiency. We are thoroughly convinced that true efficiency cannot be obtained with low wages, but it is certainly true that without efficiency high wages are impossible to maintain.

The Management is doing its best to promote efficiency in all its operations, in selling as well as in producing, and we are asking you for your full cooperation.

A. E. STALEY, JR.

**TRY THIS IN YOUR LUNCH BOX**

The Truebe family, George and Sarah, were the first to suggest a recipe for the "Staley News." Because it is a good one, based chiefly on fall garden vegetables, and because the Truebes have quite a reputation for originality in the food line, having won the Certificate of Recipe Endorsement, offered by the Better Homes and Gardens Taste Testing Kitchen, we think it would be a good idea to honor them with the first published recipe while you honor your taste.

**Sandwich Spread**

- 1 quart mangoes
- 1 quart green tomatoes and 3 onions ground together
- 1 quart sweet pickles and 1 medium sized bunch of celery cut fine.
- 1/2 cup prepared mustard
- 1/3 cup mayonnaise
- 2 cups vinegar
- 1 cup oleo.

Mix all together. Bring to a boil and add one cup flour mixed with one cup water. Bring to a boil and cook three minutes, stirring constantly. Seal in sterile glass jars. This makes eight pints.

**HANDICRAFTERS SHIFT TO WINTER SCHEDULE**

*Paul Simroth, Pres., Handicraft Club*

After October 1, the club rooms of the Fellowship Handicraft Club will be open each Monday, Wednesday and Thursday night between the hours of 7 and 10 p. m., on the third floor of the Administration Building.

These rooms are available to all members of the Staley Fellowship Club. At present there are forty-eight active woodworkers following plans provided by the Club.

Anyone interested in joining the group can do so by appearing at the club rooms and filling out the proper forms which can be obtained from the instructor in charge. Entry to the building must be made through the rear door of the building.

**HAVE SOCCER PLAYERS GONE WITH THE WIND?**

If the cool crisp fall air is stirring the blood in your veins and makes you feel like you could get out and go,

"Scotty" Butler is looking for you,

If you are interested in a program for putting soccer back on its feet in industrial and inter-city competition, if you want the exercise and fellowship that this game provides

See "Scotty" Butler in 17 Building.

**A BETTER PLACE TO WORK**

Neck to neck in an endurance race, ten departments have completed seventeen weeks without a reportable mishap. Ten departments involving 187 men for a total of 119 days. That means no lost time due to accidents there, no pay check cut in half by thoughtless actions. No infected wounds to throb and pulse, no victims of another's misdeeds.

It means that the cooperation of 187 men has made ten departments a better place to work. It means that safety is becoming a habit and that the work of 187 men has made consideration for others as important as consideration for one's self. They have put into action the words, "I am my brother's keeper".

**Honor Departments**

SERVICE	PROCESS
Engine Room	Oil House
Watchmen	Elevator A
Print Shop and	Elevator B
Grain Insp.	Elevator C
Reclamation	16 Building
Cafeterias	

**GATE CRASHERS BEWARE**

Byron May says, "Chances of getting past the gate are pretty slim for the fellow who has no business inside the plant fence." Byron ought to know. He drove up in his new Oldsmobile and despite his better than fifteen years with the company, spent the bad part of half an hour trying to get some one to OK him.

Recently Byron received a tin plaque from the hands of Jim Galloway, our plant superintendent, giving him blanket authority to enter the grounds at any time. That is progress; all the way from a gate crasher to the only man in the plant with a special auto-graphed calling card two feet square for the front of his car *in one week*.

No jealousy has been aroused, it is understood, since the foreman group sponsored this recognition.

**IS****SAFETY  
YOUR BUSINESS?**

*Roy Rollins, Acting Director*

*If It Is:*

Here is something you will want to know about Safety shoes. There was a time when toe injuries were regarded as something that could not be avoided. Like other Safety problems, this problem had an answer. The Steel Toe Box was invented and ruled out the last excuse for this type injury.

The first Safety shoe looked more like a battleship than a shoe. The inventor knew that steel had strength and that an arch had strength so he built a steel arch with a shoe around it. The shoes were safe but they were cumbersome. The steel box cut through the leather and sometimes cut the toes of the wearer. Workers hailed a new idea, tried them, cussed them and threw them away.

Manufacturers soon found out that if they were to sell Safety shoes, they would have to combine comfort, wear and safety with a moderate price. They accepted the challenge and the Safety shoes produced today by leading manufacturers compare favorably in style and comfort with ordinary work shoes which do not have the steel box. We stock these shoes in the Plant Safety Office and, if you are one of those who found the early shoe uncomfortable, you owe it to yourself to try a pair of the new ones. They would be good shoes for the money without the steel box in the toe. With the steel box—well, you can't buy new toes at any price.

We handle several styles and there is one to fit your job. A new model has just been introduced with an oil proof sole and heel. It may be the answer to the shoe problem in the Oil Refinery, the Corn Oil House and the Soybean Expeller Room.

All the shoes we handle are made with the steel box toe and built in steel arch. It's pretty hard to explain a toe injury if you are not wearing Safety Shoes.

**"Let's use our heads and  
save our feet".**

Published Twice Each Month  
By and For The Employees Of

**THE A. E. STALEY  
MANUFACTURING COMPANY  
DECATUR, ILLINOIS**

J. M. Richey Editor

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

**WHO PROFITS?**

How much money did my company earn last year, last month? How were the profits disposed of and who got them? All of these are questions which come to mind with the publication of Annual Financial reports, or just as a matter of honest concern when we receive our pay envelope, want a raise in wages or hope that a reduction doesn't hit us. Frequently our only source of information is the press and often, for one reason or another, these reports are misleading.

**Annual Reports Help Little**

Facts are important. When we see the figures we want to know that they are correct. Annual reports to the New York Stock Exchange, to Stockholders and Federal Income Tax Returns are accurate. They are certified by accountants who are acting in accordance with state and federal laws which carry a severe penalty for their violation. These reports, however, are often too involved for the average person to get much from that source.

**New Method Studied**

Mr. Eakin, our Comptroller, has been active developing some form of report which will give the average person the sort of information he wants to know. His method is new and it is revolutionary, but,—it possesses so much merit that his aims, views and methods have been published in "The Comptroller" and he was called on to address the members of the Comptroller's Institute at their annual meeting on October 5th.

**Accuracy Plus Simplicity**

Looking at his figures, one can visualize a large pile of money which represents the Company's annual income from our customers. Laboring over this pile are the officers of the Company who must attend to its fair distribution according to the laws which

govern corporations, make a statement of their division to the government and plan for the future of the Company and its employees.

This statement of division has just been completed so let's see how large those piles were, using a method devised by Mr. Eakin.

The pile for the *purchase of goods and service* took 85.8 percent of the Company's entire income.

*Salaries and wages* received 11.8 percent.

*Taxes* required 1.0 percent and *depreciation* 2.7 percent.

*Interest and dividends*, the rightful share of finance for its part in the Company's work, required 1.9 percent of the large pile for the *Preferred Stockholders* and *Bondholders*.

**Where, Why and How Much**

This picture is quite a contrast to the usual look at a company report. In it we are given an opportunity to discover our share and its source, as well as to gain some idea of our Company's contribution to the national, state and local income, property and happiness. In it we see our contribution to cousin industries for their ser-

vices, to our Stockholders for the use of their money and the provision that is being made for the physical upkeep of the plant and tools.

**Meeting Company Losses**

When a net reduction of capital occurs, we often wonder how those losses are met. Unlike the well known character who was able to continue in business, even though he sold clothes for less than they cost him because he made it up by volume sales, if a company remains in business, funds must be found to finance operations when expenses are not met. This is done through corporate savings which have been established by setting aside a small per cent of Company income when operations show a profit.

This year 3.35 percent had to be withdrawn from corporate savings and added to the large pile to meet the requirements of the other piles. It is the pile for corporate savings that takes our eye because its stability means the life of the Company and steady jobs, — SECURITY.

Mr. Eakin might not confirm our adjective but he has "humanized" the Auditor's report.

**THE  
KERNEL  
SAYS**

The greatest user of starch is the cotton textile industry, consuming 100,000,000 pounds yearly making kinky threads easier to handle.

250,000,000 pounds of starch goes into the nation's diet annually.

*Few magnifying glasses are powerful enough to enable a man to see his own faults.*

More than 1,400 people are employed in Staley's Decatur organization and additional thousands in a world-wide sales organization.

The corn products industry gives employment to more than 200 chemists.

*If we never flattered ourselves, the flattery of others would not hurt us.*

During normal production, between 800 and 1,000 tons of coal are used by Staley's every twenty-four hours.

*A thought for today,—The door to opportunity is marked PUSH, not PULL.*

## SPORT GRITS

By Bill Brumaster

A real treat is in store for basketball fans if present plans are completed for bringing two of the most colorful professional teams in America to the local hardwoods. Leck Ruthrauff, who occupies the manager's post for the Fellowship Club's basketball interests, has made tentative arrangements for the appearance of the "Shamrocks", self confessed and recognized in many quarters, World Champions, on November 21st. The "Shamrocks" are managed by Grover Cleveland Alexander.

One week later, we hope, "Olson's Terrible Swedes" will furnish the entertainment. Remember the date, November 28. Those who have watched the "Swedes" declare that you haven't seen basketball until you see them. Their contract usually calls for professional rules which are a cross between football, as you like it, and hockey with no holds barred.

Industrial Volley Ball tryouts are being held. If you are interested, get in touch with Guy Goodwin, Electrical Department, who is anxious to place the best we have on the floor when the season opens.

Basketball practice started October 3rd with several old faces missing from the squad. In order to complete the team a general call for tryouts has been issued. If you are interested watch the bulletin board on the Store Room platform. Last year several promising men are understood to have remained on the sidelines because they failed to try-out. If you have ever played, don't fail to see Leck.

### For Sale

Male Pointer, well trained, a bargain.—J. W. Orrell, 1813 E. North.

### For Sale

Round Oak Heater, medium size, will heat four rooms comfortably. Practically new. Condition fully guaranteed; will sell cheap for cash.—E. W. Timmerman, Phone Co. 839-3.

## WHO IS YOUR INSURANCE BENEFICIARY?

In a recent case of an Insurance company, a policy holder died who had taken out insurance in 1928. This policy was made payable to the holder's grandfather, who died in 1930. The holder re-married in 1933 and failed to change the beneficiary. The result was an unnecessary delay in the payment of the benefits to his widow, which caused considerable inconvenience.

Each year a number of payments are held up due to a second cause, a change in the spelling of the family name. When these matters are properly handled and the name and the beneficiary of the insurance policy all check, delay and suffering can be prevented. Does Your Policy Need Changing?

Look up your policy and see if the name of your beneficiary is correct. Have you changed your name? Does it check with your Social Security Card? These are a few simple precautions that everybody should check from time to time. If your policy needs correction, *have it made now*, to-morrow may be too late. If there are any questions, perhaps the Personnel office can help you.

## PLANTING YOUR BULBOUS PLANTS

By J. E. Underwood, Garden Supervisor.

Four thousand five hundred bulbous plants were ordered from Holland recently for planting in local flower gardens. If you are interested in getting the best results from the planting of these bulbs, or have bulbs of your own whose care has been puzzling you perhaps the following suggestions will help.

Bulbous plants are adapted to a variety of situations. They are more certain to yield flowers for the beginner than any other group of plants if the soil is well prepared. Thorough preparation is essential.

It is best to place sand or gravel in the bottom of the trench where the flowers are to be planted. On top of the sand should be placed six inches of top soil.

Bulbs are planted at various depths depending on the variety,

tulips should be planted at a depth of 5 or 6 inches, Hyacinths, 6 to 7 inches; Daffodils, and Narcissus 7 inches; Lily, 8 inches, and Freesia and Anemone, 2 to 3 inches deep.

Be sure that the soil is well packed around the bulb with no air pockets at the bottom or sides. Most of the above plants like sandy loam but no fertilizer of any kind must come in contact with the bulb. It is best to avoid the use of any fertilizer except bone meal which may be placed in the soil above the plants after they have started in the spring.

Never cut the foliage after blooming. Plants must be entirely dead before this is done. Neither should bulbs be taken from the ground until after the foliage has dried out, since this weakens them for the next year.

## DO YOU KNOW THAT—

The form and size of the *Staley News* was planned to fit nicely into a regulation sized notebook cover which can be purchased at the ten cent store. By punching holes in the "News" that conform to the width of the rings in the binder, one complete year's publications can be kept in one binder. By keeping files of your *Staley News* you can maintain a complete record of the things you should know about your Company.

*If you are a Foreman*,—you are often asked questions which may be discussed in the *Staley News*. You owe it to yourself and those in your department to be well informed on the progress of your Company.

*Efficient employees*,—will find a file useful because knowing the important facts about your Company will contribute to the satisfaction of your high personal standards.

*For general information*,—such as pay deductions, pay advances, etc., reference to your file before coming to the office may save time by knowing the proper person to assist you when you get here.

*Extra Copies* of the first three issues are available in the Personnel office if you have lost the original and would like to start a file.