

# STALEY NEWS

Vol. 4—Page 1

BY AND FOR STALEY PEOPLE

Sept. 1, 1940

## LITTLE CHANGE IN SALES DURING PAST MONTH

The low ebb of our business during the past month is reflected in the belief of our executives that we will do no better than break even when the books for the month of August are closed. Whatever encouragement this offers is derived from the fact that our operations for the month of July were conducted at a loss, however, certain adjustments which were made permitted us to show a small profit. In brief, that gives us the pertinent information which measures the success our collective efforts have met. More broadly;—

EXPORT SALES are still on the shoals. Practically all of the export business which we are getting is our allotment of 30 cars of starch every month from

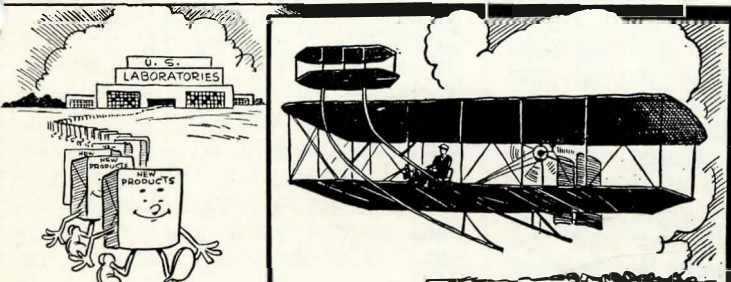
the United Kingdom. For the present, there is not much doing in the Far East—South American business affords us practically no orders. Despite the fact that recent newspaper stories have indicated that Germany is threatening the mastery of the seas about Europe through her mining activities, our experiences in making shipments indicate that England is still Queen of the Seas. Navicerts are now required on all cargoes leaving American ports, irrespective of what countries these goods may be for. The Navicerts complicate our export business still further by requiring weeks and even months during which time England investigates the sale from every conceivable angle before giving her okay. Meanwhile, steamship companies refuse to accept any cargoes on which Navicerts have not been received.

PACKAGE AND FEED SALES which had dropped off to dribbles a month ago, have shown no improvement and continue slow. The slow nature of Package sales is still attributed to our heavy shipments during the latter part of last year. The bright side of this situation is seen in the probability that decreased customer inventories ought to bolster our fall orders. During the last two weeks there has been a noticeable let up in the demand for our feeds. Customers' instructions to ship Soybean Oil Meal have definitely slowed up. The chief factor in the downward trend of feed sales is believed to be the inclination of customers to reduce inventories and adopt cautious buying habits in the hope that new crop meal will be cheaper. This anxious waiting on the part of customers is encountered each year, but the waiting period this year is expected to extend several weeks longer than last year due to the fact that the bean crop will be delayed by the weather. This delay, however, will depend upon what the weather man has to offer between now and the bean harvest.

EDSOY OIL SALES still continue strong due to the seasonal demand for salad dressing and mayonnaise although Unrefined Soy Oil sales are difficult to land. The month of July was the best month to date for Edsoy sales. August is not expected to meet the July peak since shipping instructions are dropping off.

OUR INDUSTRIAL SALES are still the brightest part of our whole sales picture. Industrial sales, however, are showing much of the usual seasonal effect, but, — July of 1940 was a little better than July of 1939 while August sales were about the same as a year ago. The usual September upturn is expected this year although executives in the Industrial Division expect nothing out of the ordinary unless it should come from the direction of "Sweetose" expansion. Sales of this product continue to increase rapidly and promise a still brighter future. In general, Industrial customers continue in an optimistic frame of mind despite the fact that the future is hemmed in with question marks that none are able to erase at the present.

## THE POCKETBOOK of KNOWLEDGE BY TOPPS




U. S. LABORATORIES

NEW PRODUCTS

SINCE 1918, OVER 200,000 PRODUCTS ENTIRELY NEW TO MAN HAVE COME FROM U.S. LABORATORIES

IN 1910, \$10,000 WAS OFFERED FOR THE FIRST FLIGHT FROM NEW YORK TO ALBANY— SINCE THEN AVIATION HAS EMERGED AS A GREAT NEW AMERICAN INDUSTRY!



"TARIFF" IS SAID TO COME FROM TARIFA, A TOWN AT THE ENTRANCE TO THE MEDITERRANEAN WHERE DUTIES WERE LEVIED BY THE MOORS.

YUM YUM

THE AVERAGE PRINTER ANNUALLY FILLS IN 2,800 SPACES ON GOVERNMENT TAX BLANKS — AND HAS 31,348 WORDS OF INSTRUCTIONS TO READ

THE GIANT KERNELS OF GUZCO CORN, GROWN IN PERU, MEASURE AN INCH ACROSS! THEY ARE EATEN ONE BY ONE LIKE CHESTNUTS

## FELLOWSHIP CLUB NOTES

By DAN DAYTON, *Secretary*

The Board of Governors of the Staley Fellowship Club held the regular monthly meeting on August 15th. Mark L. Ackerman, Jr., appeared before the members of the Board to discuss with them plans for the Music Program of the Club. He announced that he was willing to give musical instructions to the employees and their children if they would become members of the band and orchestra, and that the only expense incurred by the students would be the obtaining of an instrument and an instruction book. In this way, the Club could build up a group of advanced musicians for its band and orchestra. After a discussion of the plan which evidenced that a majority of the members of the Board favored it, it was decided to refer the matter to the Social Committee.

Mr. Dayton presented a bill from St. Mary's Hospital for expenses incurred by a Fellowship Club member who had not presented an Illness Certificate. After a discussion of the case, it was:

*Resolved*, that this claim be rejected in accordance with Code 24, section H.

An affidavit of another member who had suffered a non-occupational injury was also presented.

(Continued on Page 3, Col. 3)

## THE BULLETIN BOARD



From small fires  
**MIGHTY PLANTS**  
are  
**AID TO WASTE**

**LEARN HOW TO USE  
FIRE EXTINGUISHERS**

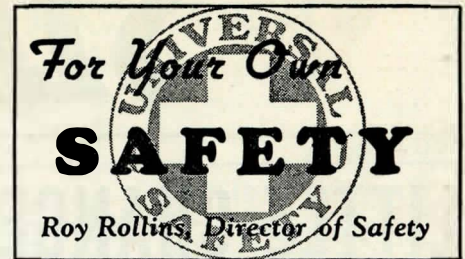
NATIONAL SAFETY COUNCIL

## THIRD BIRTHDAY

Three years ago today you received your first issue of the STALEY NEWS. That issue carried an article signed by Mr. A. E. Staley, Jr., which said, "Another reason for the company's consent to the publication of the STALEY NEWS is the fact that we wish to provide a medium by which the company can convey to everyone the actual facts of what is occurring in our business. Through this medium we hope to inform you accurately and fully in regard to the company's development, covering such items as any new construction we may undertake, prospects for future business, changes in process, rules and similar matters in which you are interested."

Those words have been the guiding light of the *News* ever since. We have announced the building of a new boiler, a new plant at Painesville and the addition to Elevator C. We have been able to tell you about our new products, Waffle Syrup and Levulinic Acid, and about our pouring spout syrup package which is now gaining wide acceptance. We had to tell you of a net loss in 1937 but we were able to report a profit in the next two years and probably will be able to do so again at the end of this year. We have described general business conditions and the effect which they, and World War II, have had on our operations. We announced the establishment of a Standards Department and the savings made through refinancing our bonded indebtedness.

We have hoped, through this medium, to give you a better picture of your company and its problems, successes, faults and hopes than you ever had before. We hope to continue doing that job in the future because with world conditions and American business conditions as they are at present it is vitally necessary that all of us see our problems clearly and face them more steadily. Much will happen in the world in the next year and alert well informed employees will be just as necessary to this company as alert well informed citizens will be to this nation. The STALEY NEWS will attempt to continue its role as a source of accurate information to Staley people.



The fellow who is "just working to wear out his old clothes" may find those old clothes wearing him out if he doesn't discard them. This is not an argument for wearing your best clothes on the job but for safe suitable work clothes. The flapping sleeve of an old shirt can wrap around a perfectly smooth shaft and jerk the wearer in like lightning. The torn cuff of an almost discarded pair of trousers can catch on any number of things and trip the wearer and the thin soles of a worn out pair of Sunday shoes won't provide protection against nails or sharp edges.

If your job requires you to work around moving machinery look out for these things. Sleeves should be cut off above the elbow or buttoned tight around the wrist. Neckties, except bow ties, should be tucked inside your shirt. Finger rings belong in your locker, *not on your fingers while you are working*. Handkerchiefs should be tucked completely inside your pockets and sharp edged tools, if carried in your pockets, should be protected by a leather holster or turned so that the sharp point does not project. Pencils in shirt pockets should always be *point down*. Shoe soles should be in good repair and the heels should not be run over because they will cause extra fatigue if they are. The toe caps should be able to stand a blow of 1,000 foot pounds without denting enough to injure the toes. Socks, preferably white and heavy enough to absorb perspiration, should be changed every day. Clothing that meets all these requirements will not absolutely insure you against accidents but it will go a long way in that direction. It is worth noting that the fellow who is careful about his clothing is usually careful about other things too and is seldom involved in any kind of accident.

Published Twice Each Month  
By The Personnel Department

For The Employees Of

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

W. G. Reynolds, Manager of Personnel  
Roy L. Rollins, Editor

**WHY EMPLOYERS INSURE  
THEIR COMPENSATION  
LIABILITY**

After Workmen's Compensation Laws defined the employer's responsibility for accidents, he wanted to go a step further. He wanted to know how much accidents would cost over a given period so that he might figure their cost into the price of his product. If he had to pay doctor bills and compensation claims to the amount of \$50,000 one year and \$500 the next, he could not predict his costs. His selling price might run so high that his product could not be sold or so low that he had no reserve for accidents when they occurred.

The possibility of catastrophe was another specter which hung over his head. If a catastrophe caused a claim of \$100,000 against a company which was worth \$90,000, the company would be bankrupt and there still would not be enough to pay the injured men. No employer can exactly predict his accident experience. The past is not always a reliable guide. So all but the largest called upon the insurance men for help.

The insurance companies looked at it like this. They said, "We can't tell how much Jones & Co. or any other company in the machine tool industry will have to pay for accidents next year, but we do know that the bill for the whole industry has averaged \$1,000,000 per year for the last ten years. We also know that the industry has paid \$50,000,000 a year in wages. The ratio then, is \$2 for accidents to every \$100 for wages. If every company in the industry will pay us \$2.60 for every \$100 they pay in wages, we will be able to use the \$2 to pay claims made upon them and the 60c will pay us for our work and build a reserve for bad times."

Of course, the problem is not as simple as that because there are

many insurance companies and none of them insure a whole industry. It is also true that competition between them has a hand in setting rates. But basically the idea is as outlined. The insurance company must have enough clients that it can average out its losses against its income and make a profit besides. It may insure a thousand companies in a hundred different businesses, but it must know how much it expects to pay in claims and its premiums must be high enough to cover them.

The service rendered the assured company is obvious. It knows that its accident expense will be in proportion to its payroll and that the cost is fixed for they ear no matter what the actual loss may be. It knows that the insurance company will do all in its power to prevent accidents and that it will provide the best of medical care because, as losses go down, the insurer's profit goes up. Of course, the insurer will try to keep its rates high enough to cover all costs, but if they go too high a competing company which can do a better safety job will take the business with a lower rate. The insurance company, therefore, is trying to prevent accidents so that premiums will be reduced, its customers satisfied, and its business increased.

So the employer must insure his compensation liability with an insurance company which covers enough risks that it can average them out against each other and meet any emergency without danger. No one can tell when someone's laxity or bad judgment will cause a catastrophe and, because no one can tell, the employer buys insurance.

**FELLOWSHIP CLUB—(Cont.)**

tional injury was then presented to the Governors and discussed. In view of the circumstances it was:

*Resolved* that the check be given the member.

The Treasurer's Report for July was presented and approved.

A report was given on a Fellowship Club member whose illness has exceeded the time allowance for sick benefits and after a discussion on the case, it was:

*Resolved* that the family be supplied with necessities until more definite information is obtained.

Mr. Dayton stated that he had been asked about the possibility of the Fellowship Club sponsoring a skating party at one of the rinks in the city. After a discussion of this matter, it was:

*Resolved* that the matter be referred to the Social Committee. Meeting adjourned.



There are 13,959 telephones in use in Decatur. You can reach 170 of them by calling 4141.

\* \* \*

*If your clothes closet is dark put a strip of white linoleum on the floor and you'll be able to find things in a hurry.*

\* \* \*

Maize was the most important crop of our early colonists because it yielded more food per acre than small grains, furnished stalks for cattle feeding, could be cultivated with the crudest implements and grown with a minimum of labor.

\* \* \*

*An oboe is an ill wood wind that nobody blows good.*

\* \* \*

The annual money value of the corn raised in this country is greater than the value of our annual production of any two of the metals we mine.



By Tony Romano

The Staley hard ball team hiked itself off to Mattoon on the 11th of August for a game with Brady's Colts and were taken for a ride ala tite tune of 8-7. The Colts, however, were pretty nigh broken as every man on the Staley team collected at least one hit with D. Hopkins getting two hits in two trips to bat and Jeschawitz collecting two hits in three trips, for the most consistent batting performances of the day. Meanwhile, Joe Hilberling, Irv Smith and Pete Kelley each collected two for five. The loss of the game was a hard one for Joe Hilberling who yielded only six hits while walking two, and striking out eight of the Colts.

★ ★ ★

S. O. S. — Pass out the steel helmets - - - The hard ball team put on a Blitzkreig against the Newman Nighthawks, there, August 20, only to lose the game 4-3 in the ninth when Newman's pulled a counter Blitzkreig. The counter attack saw Irv Smith and Don Hall give way to a high fly ball in the closing stages of the game meanwhile, a triple at the expense of Joe Hilberling's offering, a sacrifice by a second batter, another hit by a third and three straight walks accounted for the two runs which tied and won the ball game for the Newman boys to give Staley's its second loss within the fortnight.

★ ★ ★

Sad as the task may be, the record must be preserved which calls for the spreading of the outcome of the soft ball game Staley's played at Lincoln with the State School team. Staley's lost the fracas 7-6. On the bright side we record, however, that Staley's collected four home runs as follows: Koshinsky, with one man on, Rex, Withrow and Kuhl with one man on.

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### BOWLERS ATTENTION!

Call B. Woodworth at once if you wish to bowl in the Staley League this year.

## Domesticated Cyclones

Perhaps some morning while friend wife was driving you out to work she has looked up at the roof of the Starch Grind and said, "John, what are those cone shaped silver colored things up there?" You, being a fellow who knows about such things, said, "Cyclones" and stepped nimbly out of the car and into the Clockhouse. Then you got to wondering. There are more than a hundred cyclones around the plant and you see them every day but they don't have any moving parts and —how *do* the darn things work anyhow?

In a process like ours many things (starch, feed, soybean cake, etc.) have to be conveyed from one place to another in airlines. Getting such material started on the way is easy. You merely feed it, together with a certain amount of air, into a fan or blower and it is blown out through the discharge pipe. But, when it arrives at its destination, you have to get rid of the air that is mixed with the material. There are several separation devices which can be used and most of them make use of the fact that the material being conveyed is heavier than the air which carries it. The cyclone collector is one of those devices and is usually the most practical.

### An Old Idea Made Over

The material and air enter the cyclone through the intake pipe which projects tangentially from the upper part of the cone. As it comes in it strikes the wall and is whirled around. From there on the action is similar to that of a cream separator. The material, being heavier than air, is thrown to the outside wall and swirls around until its weight causes it to settle to the bottom where it is drawn off. The air is forced to the center and whirls in a faster tighter vortex until it finds an escape through the outlet at the top of the cyclone. The separation is not perfect because a few of the lighter particles will be blown out with the discharged air. None of it need be wasted, however, because the discharged air can be returned to the fan and used over again or put through a dust collec-

tor of the type we recently installed on top of the Starch Grind.

### Large? Or Small?

Several things must be considered in designing an efficient cyclone. The size and weight of the particles to be conveyed, the volume and speed of the material and the amount of air necessary to carry the material must all be taken into account. Because the separation of air and material is dependent upon the amount of centrifugal force created the cyclone should be as small as possible so that the material will whirl in a tight fast spiral and will keep on whirling clear to the bottom of the cone. Because an excess of material will clog it and stop the system or create a fire hazard the cyclone must be large enough to handle the volume being conveyed without plugging. If the material is light in weight and in small particles the air outlet pipe is extended down into the cyclone to prevent material being sucked out with the air. If the material is heavy the outlet pipe should not extend down very far because it will impede the escape of the air.

### Solves Many Problems

The advantages of the cyclone collector are that, correctly designed and installed, its original cost and upkeep is not high and it will do a pretty fair job of separation. Its disadvantage is that the best of them lose enough dust to be a nuisance. Used in conjunction with dust collectors, however, or with a return line which takes the air back to the blower it solves a great many of our conveying problems.

When next you have a chance to tell the good wife all of those things you can also tell her that Allington and Curtis of Saginaw, Michigan, are generally conceded to have invented the cyclone collector, although a contemporary, H. L. Day, of Minneapolis, got a similar idea about the same time. She should be sufficiently impressed by that time to change the subject.