

NEW HORIZONS—Giant new Zenith presses, spanning two stories at the Feed House, exemplify new installations that went into making the Staley corn plant the most efficient there is. Additional coverage of the ultra-modern wet milling process on Page 4.

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Staley NEWS

Vol. VII, No. 5

Decatur, Illinois

May, 1965

Company Sales Continue Gains For Six Months

Company sales, propelled strong demand in both industrial and consumer lines, continued in a record pattern for the second fiscal quarter ended March 31.

Net sales of \$53,250,000 were the highest for a January-March period in the Company's 59-year history. This compares to \$41,411,000 for the same three months a year ago.

The figures:

	Six Months Ended March 31, 1965	March 31, 1964
Net Sales	\$107,165,000	\$87,002,000
Federal Income Tax—Estimated	2,348,000	1,342,000
Net Income	3,408,000	1,953,000
Earnings Per Share—Common Stock	1.48	.85

Chairman A. E. Staley, Jr. told stockholders he expected continued high levels of performance over the next six months to result in significant improvements for the year in his report at the May 10 Annual Meeting.

	Three Months Ended March 31, 1965	March 31, 1964
Net Sales	\$ 53,250,000	\$41,411,000
Federal Income Tax—Estimated	1,232,000	342,000
Net Income	1,736,000	830,000
Earnings Per Share—Common Stock	.75	.36

Net income for the three months was \$1,736,000 or 75 cents a share, compared to \$830,000 or 36 cents a share recorded in a difficult quarter last year, when intense price competition was at a peak and soybean processing margins virtually nonexistent.

Bloodmobile Visit Deemed Successful

Four hundred seventy-three pints of blood were collected during the Red Cross Bloodmobile's semi-annual visit to the Staley Company April 15 and 16.

This tops last year's count by 32 pints.

Here is a breakdown of registered donors by area:

Administration Bldg.	90
Research	23
Maintenance	148
Process	156
Walk-ins, other pledges	101

Total registered donors 518

Of this total, 45 were rejected for medical reasons. This compares with 60 rejections a year ago.

There were 61 first-time donors, compared with 51 a year ago.

Blood drive chairman Emil Schimanski saluted Plant Clean-Up, Plant Protection and Yard Dept. employees for fine cooperation in helping bring the program off smoothly.

Manufacturing's 'Play-to-Win' Spirit Outlined in State-of-the-Plant Talk

"We're playing to win—and we're going to win!"

The team is Manufacturing. The game is producing expanded quantities of a growing number of products at new quality peaks and the economy necessary to maintain the Company's competitive position.

This play-to-win spirit highlighted a state-of-the-plant presentation by General Superintendent Nat Kessler at the April 23 management staff meeting.

Kessler commended Manu-

facturing employees for "a tremendous effort" in keeping pace with record demand amidst numerous construction obstacles during the past quarter.

He then pledged the kind of support needed by Marketing to sell the increased quantities of corn products that will be available with completion of the Company's large-scale plant expansion later this spring.

Kessler cited outstanding accomplishments in the Corn Plant, the Syrup Refinery, Dry

Starch, the Soybean Section and the Oil Refinery.

Tribute was paid to foreman, process workers and engineering for the successful startup of the combined fiber wash system in the Mill House, a sweeping change in process technology.

The Syrup Refinery crew came in for a salute for meeting capacity demand even though hampered by a line being unfinished during the quarter.

At the Oil Refinery, record production 10% above last year at high efficiency levels contributed handsomely to improved results in oil sales over the quarter.

The record oil production was accomplished without addition of any new facilities, Kessler noted.

The Staley General Superintendent commented on comparable performance in the Soybean Section, where employees cranked up to produce more than ever before, and in Dry Starch, where production is already meeting previously forecast sales for 1968.

"It's been a tough grind for everyone," he noted, "and we're still short on capacity for some products, but we're working on that."

"Although we're still running under difficult circumstances, conditions are rapidly improving—we're gearing for volume, and quality — from a clean plant," he concluded.

Fewer Staley Folks Injured; But They Lose More Time

Fewer Staley employees were injured but they lost more time from the job during the first six months of this fiscal year compared with the same period a year ago.

Since Sept. 30, 1964, we have had 829 First Aid cases, two less than a year ago, and 56 reportable accidents, one under last year's total for the same period.

But 27 Staley employees were involved in lost time accidents, compared to 16 for the same period a year ago.

The frequency rate of accidents is 9.99, compared to 5.87 for last year's first six months. Severity is 545, compared with 2380 a year ago.

Sixteen of the 27 lost-time injuries occurred on the second shift. Records show that the majority of all lost-timers happened at the beginning or end of work shifts.

Here is a breakdown of the areas where First Aid cases and lost-time accidents happened, using the 14 general categories employed by Safety in compiling the records. Departmental records are included in a "Safety Box Score" posted on plant bulletin boards.

	First Lost-Aid Time
Utilities & Specialty Feeds	50 2
Wet Starch	55 2
Elevators	34 .
Oil Refinery	50 .
Soybean	33 1
Shipping	2 .
Refinery	41 4
Dry Starch	168 9
Maintenance	319 7
Plant Protection	10 .
Laboratories	23 2
Pilot Plant	8 .
Office Janitors	8 .
Mfg., Gen. Offices	28 .

Improved Household Products Presented to Stockholders

Samples of two Staley household favorites were presented to stockholders attending the Annual Meeting as examples of the Company's continued emphasis on product and packaging improvement to better serve homemakers' needs.

Gifts for the Staley stockholders were blue "Rain Drops" water softener and "Diaper-Sweet."

Both have been reformulated recently for lighter weight and more stronger action, and repackaged in new streamlined containers for housewives' convenience.

Reformulating offers consumers more powerful action with a reduction in bulk from 24 to 14 ounces in the regular size of both Rain Drops and Diaper-Sweet. Users can treat the same number of diapers or soften the water in the same number of washes — more effectively — with only slightly more than 60 percent as much product.

New packages give the products a slim 'n trim look to compliment the new, harder working ingredients, contributing significantly to their shelf-life, a major why in buying.

Fourteen Staley Employees Step Ahead In Promotions



Geisen Hale Lupton Pressley

Fourteen Staley folks stepped ahead in promotions this month.

James Brown has been promoted from the hourly roll to shift foreman at 118 Bldg., where he has worked most of his nearly 15 years with the Company. He started on the Extra Board in Sept., 1950.



Brown

Seventeen Staley Folks In Service Anniversaries

Seventeen Staley folks mark anniversaries of a total of 315 years with the Company during the month of May.

Leading the list are Chief Shipping Inspector **Clark Gidel** and Elevator C & D Foreman **Ralph Rentfro**, both of whom pass the 40-year-mark this month.

Others commemorating May anniversaries:

35 Years

Laurence Alverson, Chemical Research, May 1

30 Years

Linzie Antrim, Millwrights, May 7

20 Years

Wallace Bean, Roundhouse, May 22

Herman Cook, 22-47-48-49 Bldgs., May 31

John Duke, Industrial Sales, Kansas City, May 15

Simon Harris, Jr., Machine Shop, May 7

John Wells, 17 Packaging, May 22

15 Years

Barbara Arrowsmith, Order Service, May 4

Joseph Reynolds, Process & Methods Engineering, May 29

10 Years

Dale Carter, Purchasing, May 4



Gidel Rentfro



Alverson Antrim

Benjamin Cochran, Engineering & Maintenance, May 2

5 Years

William Hagenbach, Director of Engineering Research, May 17

Clifford Hysore, Philadelphia Warehouse, May 2

William Shelton, Engineering Research, May 23

Gary Steinfeldt, Grocery Products, Atlanta, May 2

Robert Dickson has been promoted from Soybean MIT Clerk to supervisor of transit and billing in Transportation. He joined the Company in 1947 as a messenger, advanced to posts in the storeroom around a service stint, moved up to Chief invoice clerk in 1952, to rate clerk in 1955, and to transit clerk in 1957. He had been soybean MIT clerk since 1963.

Robert Douglas, Jr. has been promoted from grocery products territory manager in Philadelphia to supervisor of grocery products in San Francisco. He joined the Company in 1952 as a retail salesman in Virginia and advanced to territory manager in 1958.

Charles Geisen has been promoted from senior industrial sales representative in Cleveland to assistant district manager at Industrial Sales' Philadelphia office. He joined the Company in 1958 as an industrial sales trainee, moved up to salesman a year later, then advanced to senior industrial sales representative in 1964. He received his BS degree from Xavier University, Cincinnati, Ohio.

Edwin Hale has been promoted from the hourly roll to shift foreman in Plant Protection. After starting on the Extra Board in 1946, he spent his entire career in various posts on the Plant Protection staff.

Charles Lupton has been promoted from the hourly roll to shift foreman for packing & loading at 20 Bldg., where he has worked most of his years since starting on the Extra Board in 1942.

Leo Pressley has been promoted from the hourly roll to relief foreman in Production.

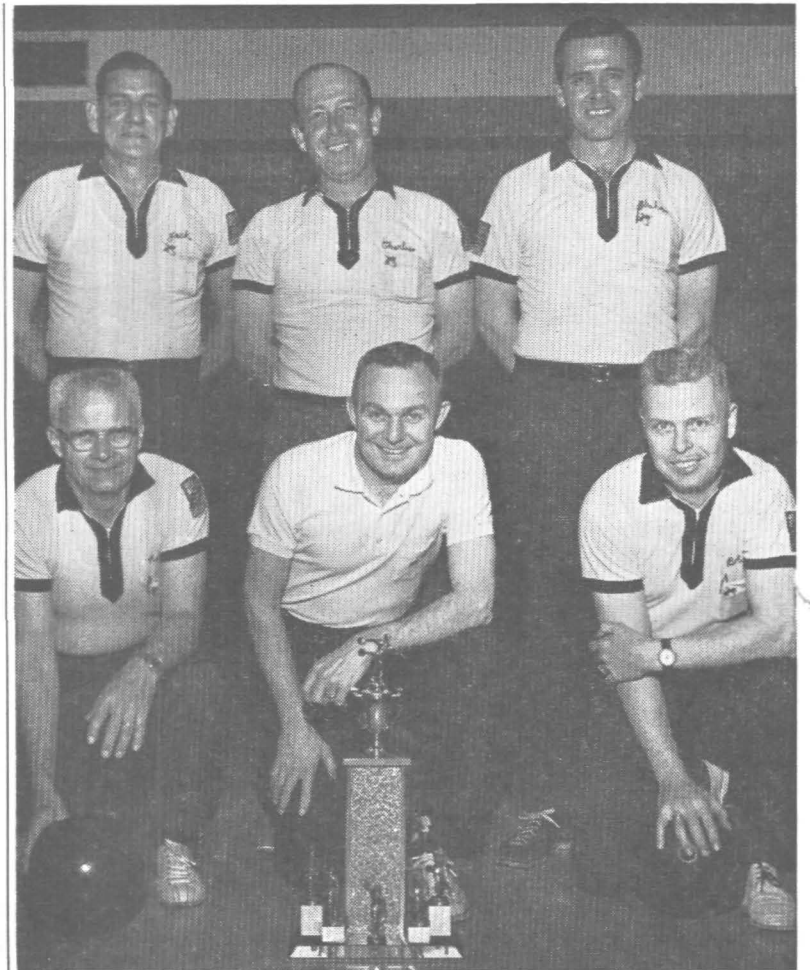
His first assignment will be in Dry Starch, where he has worked most of the time since starting on the Extra Board in 1949.

John Roland, Jr. has been promoted from industrial sales representative to senior industrial sales representative at the Philadelphia Branch Office. He joined the Company as a sales trainee in 1958, and advanced to salesman in Philadelphia a year later. He received his BS degree from Villanova University.

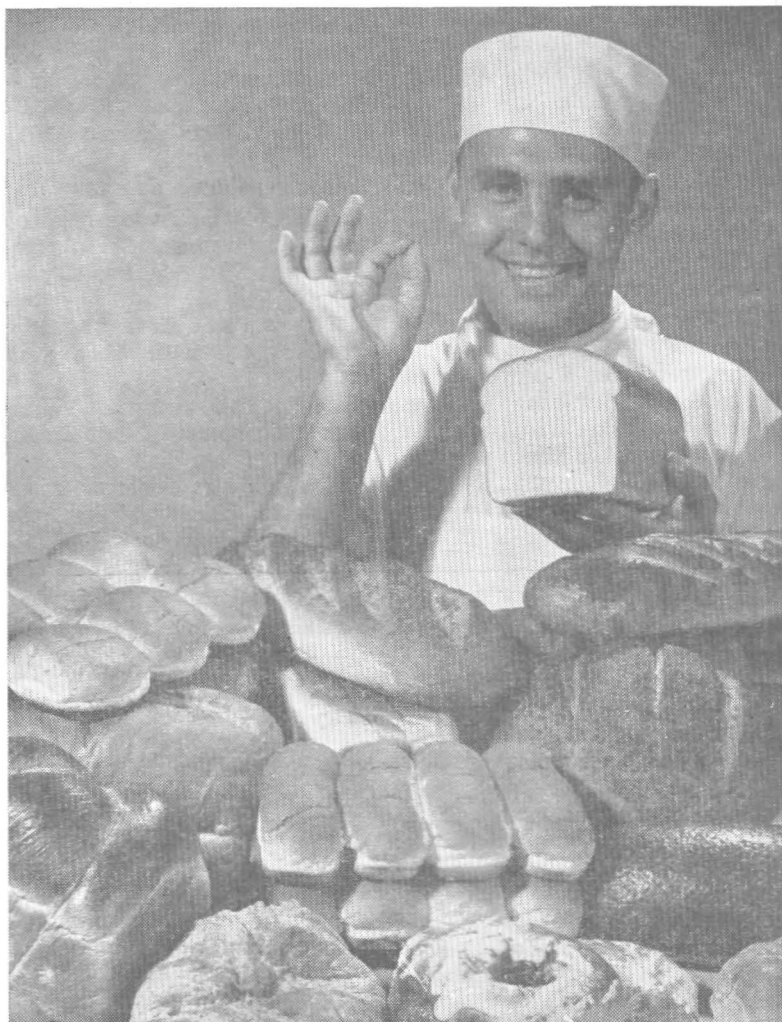
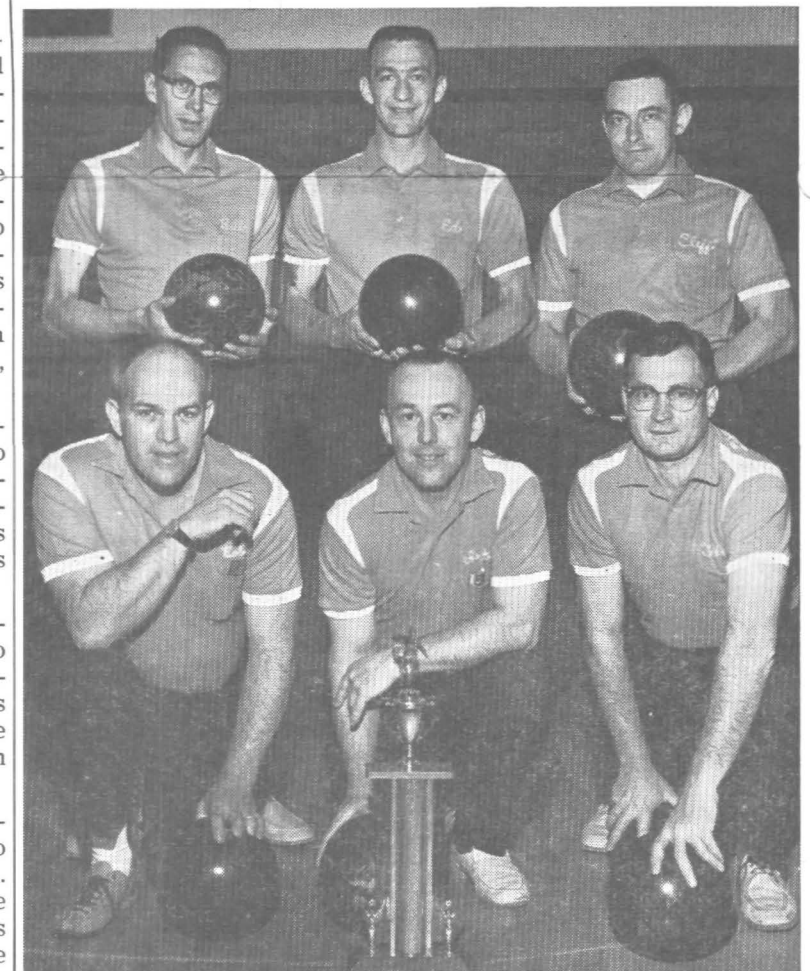
Marion Smith has been pro-



Dickson Douglas



TOP STALEY TEAMS—Here are the winning teams in two of the three industrial leagues made up of teams of Staley employees. Pictured above: the 48 Inn, winners of the Triple A Division; standing, from left, Jack Kunzeman, Charlie Lake, Bob Hawthorne; kneeling, from left, Roy Finney, Norm Kocher, Howard Hawthorne. Below, Ben's Barn, winners in the National Division; standing, from left, Bill Shelton, Ed Karcher, Cliff Blankenship; kneeling, from left, Bob Swift, Art Schoepfer, Ted Liermann.



ANOTHER HAT—Chemical Engineer Rod Simms dons another hat and plays the role of Guiseppe, the friendly baker, in a full-color photo to be used on advertising for new "Staleydex" dextrose. Ad will appear in trade publications serving the baking industry, a major user of dextrose in addition to corn syrups and starches from Staley.

moted from the hourly roll to relief foreman in Production. He joined the Company in 1949 on the Extra Board and has worked most of his years in the Feed House.

Other promotions:

Thomas Bissey, from utility lab man, Research, to tracer clerk, Transportation.

Daisy Simms, from clerk, Corporate Accounting, to secretary, Transportation.

Juanita Taylor, from tub file clerk to chief invoice & distribution clerk, Data Processing.

Martin Tomlinson, from messenger, Printing & Mailing, to reclamation clerk, Storeroom & Reclamation.

Richard Webb, from reclamation clerk to stock control clerk, Storeroom & Reclamation.

Staley Welcomes . . .

Marilyn Bentz, junior translation machine operator, Steno-Clerical.

Jerry Cearlock, engineering draftsman, Electrical & Mechanical Engineering.

Kathleen Cooper, office manager, Sno-Bol.

Jon Fisher, utility lab man, Research Staff & Services.

Marilyn Slaw, filing clerk, Transportation.

David Stewart, senior corporate accountant, Corporate Accounting.

Joseph Thaman, sales trainee, Industrial Sales.

Dick Lockmiller presented a talk entitled "Chemical Market Analysis" to the Central Illinois Chapter of the American Institute of Chemical Engineers.

Year's Paper Supply Would Pave a Path To Seattle, Wash.

The loose leaf paper we use in a year would pave a new two-lane road to Bloomington. Laid end to end in a single row, it would stretch from here past Seattle, Washington.

A year's supply of the Com-

7 Divisions 100 Percent in Hospital Drive

Ten of the Company's 20 divisions recorded 90 per cent and above participation in the recently-completed Decatur & Macon County Hospital Fund Drive.

Seven divisions computed perfect marks. They are:

- Legal
- Refined Oil
- Public Relations
- Crude Oil
- Feed Marketing
- Grain
- Executive
- Also finishing above 90 per cent were:
- Corporate Information Systems
- Grocery Products
- Market Development

All divisions scored better than 50 per cent participation in the community project.

Contract Talks Began Tues.

The Company and Union bargaining committees opened Contract talks Tuesday.

Up for discussion between now and July 1 are a new wage scale and the Company's retirement plan for members of the bargaining unit.

Women's Club to Hear Judge Morthland Talk

Judge Donald Morthland will speak on the court system at the Thursday, May 20 meeting of the Staley's Women's Club.

The group will convene at 6:30 p.m. at the Holiday Inn. Reservations must be received by Pat Fletcher (2W) no later than noon, May 18.

Willenbrink To New Plant Loss Engineer's Post



Willenbrink

Promotion of Ron Willenbrink to the new position of plant loss engineer has been announced by Plant Superintendent W. R. Schwandt.

Willenbrink had been on the chemical engineering staff since joining the Company in 1963. He received his BS degree in chemical engineering from Missouri School of Mines. Schwandt said the new plant loss engineer job will emphasize technical continuity and plant for control of and improvements in design and operation of our total waste treatment and disposal effort.

pany's pencils would stand nearly four miles high, taller than our tallest mountain (Mt. McKinley, Alaska) and deeper than the deepest ocean.

Compiling enlightening statistics like these is made easy by a new program in Purchasing, whereby all office materials are bought in two-year supplies, saving the Company considerable time and money.

Use of various office materials is estimated, based on past usage, and the estimates generally run fairly true, occasional upsets from paper-clip hoarders or a file reusing campaign notwithstanding.

Thirty IBM sheets detailing our office supply needs contain many interesting, some surprising figures. For example, do you realize that in a year we use:

- *Only 4,364 erasers (and that for 2,500 miles of paper)
- *2.5 million staples (not counting 190,000 electric ones); takes 176 staplers to accommodate volume like this
- *696 sticks of chalk (432 of 'em white, rest assorted colors)
- *3 dozen yellow and red crayons (no other colors in use)
- *234 clipboards (195 conventional; 39 legal size)
- *32 pencil sharpeners to put 4 miles of pencils on stream
- *270,560 paper clips
- *1,323 columnar pads; 1,404 memo books
- *10 pounds of pins
- *109 pounds of rubber bands
- *227 bottles of correction fluid
- *10 dictionaries
- *27 million labels
- *24 letter openers
- And 332 cans of hand cream. Watch girls, that's up two cans from '63.



COIN FIND—Conrad Hiser points to print of patching plaster at the Syrup Refinery. 1916 penny he found imbedded in concrete while

And He's A Collector . . .

Staley Employee Finds 1916 Coin Imbedded in Syrup Refinery Wall

To Conrad Hiser, like many of us, seeing is believing.

Only this guy believes in hidden treasure.

An explanation of why he does would never sell as non-fiction, but here goes.

He was busy repairing concrete near the ceiling in the third floor man-hoist vestibule at the Syrup Refinery—routine patching, part of the Company's modernization program there.

In the back of his mind, Conrad carried thoughts of his coin collection—specifically, on a 1916S series penny he needed to fill a gap in a pretty complete array, but didn't have much hope of finding.

Then lo and behold, what should appear imbedded in the concrete overhead, but (you'll never believe it) a 1916S series penny.

Observers didn't really think Conrad needed the ladder to

stair up in the air about that time. Cloud nine was taking care of that.

After carefully inspecting the rare coin and the impression it left in the concrete, fellow employees ventured that another Staley employee must have placed it in an original form when the building was built in 1919.

They figure moisture in the concrete helped preserve it over the years. In a dark corner, it went unnoticed.

How or why, a delighted Conrad Hiser isn't asking any questions. The coin polished up beautifully, he says with a glow that indicates better than words his pleasure at the unexpected addition to a cherished collection.

The coin's value? "Could go from 60 cents to \$25, depending on how badly a collector wanted it," says fellow employee—fellow collector Elzy Henderson.

"It's a rare one alright," says Conrad, "And this is sure a rare way of finding it."

Ray Eliot Speaks At Foreman's Club

Ray Eliot, assistant athletic director and former varsity football coach at the University of Illinois, will be the featured speaker at the Monday, May 17 meeting of the Staley Foreman's Club.

Meeting time is 6 p.m. at the Elks Club.

Eliot is renowned as one of the outstanding public speakers in the area.

This will be the last Foreman's gathering until September.

Company Cooperating in Campaign To Promote U. S. Savings Bonds

The Company is cooperating in a current U.S. Treasury Dept. program to encourage employees to buy Savings Bonds through payroll deductions.

A letter from President E. K. Scheiter and envelope stuffers explaining the advantages of this type of savings plan will be included with employees' pay checks this week.

Promotional literature put out by the Government emphasizes the tax advantages of bond-savings, particularly for use after retirement or for financing your children's educations.

Interest on Series E bonds may be deferred until the bonds are cashed in or reach final maturity, resulting in a low rate or even tax-free income to people using them after retirement, when their income is lowest.

In your child's name, the bonds' earnings will be taxed at lower rates, or perhaps not at all, if the dependent's income is less than \$900 (\$600 personal exemption plus \$300 standard deduction).

Also, cashing the bonds in only as needed to finance the education keeps most of the interest earning for you for longer periods of time.

Reprinted below is a timetable to guide you in charting future education fund needs.

Beyond their tax advantages, the Government publications stress a guaranteed return with little or no risk of loss, easy conversion to cash or other types of bonds and the patriotic aspect in addition to the ease and painless regularity of systematic savings through payroll deduction.

Savings bonds mature in 7 years and 9 months. They can be cashed in at any time after a two-month holding period.

Average interest rate to maturity is 3 3/4 percent.

The Series E bonds can be converted to Series H bonds at any time to provide current in-

come paid by Treasury check every six months.

If lost, stolen or destroyed, bonds will be replaced by the Government with no loss of interest or principal.

For the individual, bonds can be viewed as a direct expression of belief in the government and its functions in addition to the other advantages.

For the Government, long term holdings ease debt managing problems and lower the cost of necessary borrowing, bringing a more stable and easier managed debt by spreading the indebtedness among millions of small investors.

HERE'S HOW YOUR "DOLLARS FOR EDUCATION" GROW IN U.S. SAVINGS BONDS

If Your Child's Age Is:	Cash Value of Savings Bonds at Age 18 Through Monthly Investment of:			
	\$18.75	\$37.50	\$56.25	\$75.00
6 MONTHS	\$5,480	\$10,960	\$16,762	\$21,920
2 YEARS	4,857	9,713	14,570	19,426
4 YEARS	4,079	8,159	12,238	16,318
6 YEARS	3,359	6,717	10,076	13,435
8 YEARS	2,689	5,378	8,067	10,756
10 YEARS	2,066	4,131	6,197	8,263
12 YEARS	1,486	2,973	4,459	5,946

Corn Plant Geared to Grind More--More Efficiently

A several-million-dollar plan to grind more corn by the most modern means yet devised nears reality at the Staley plant.

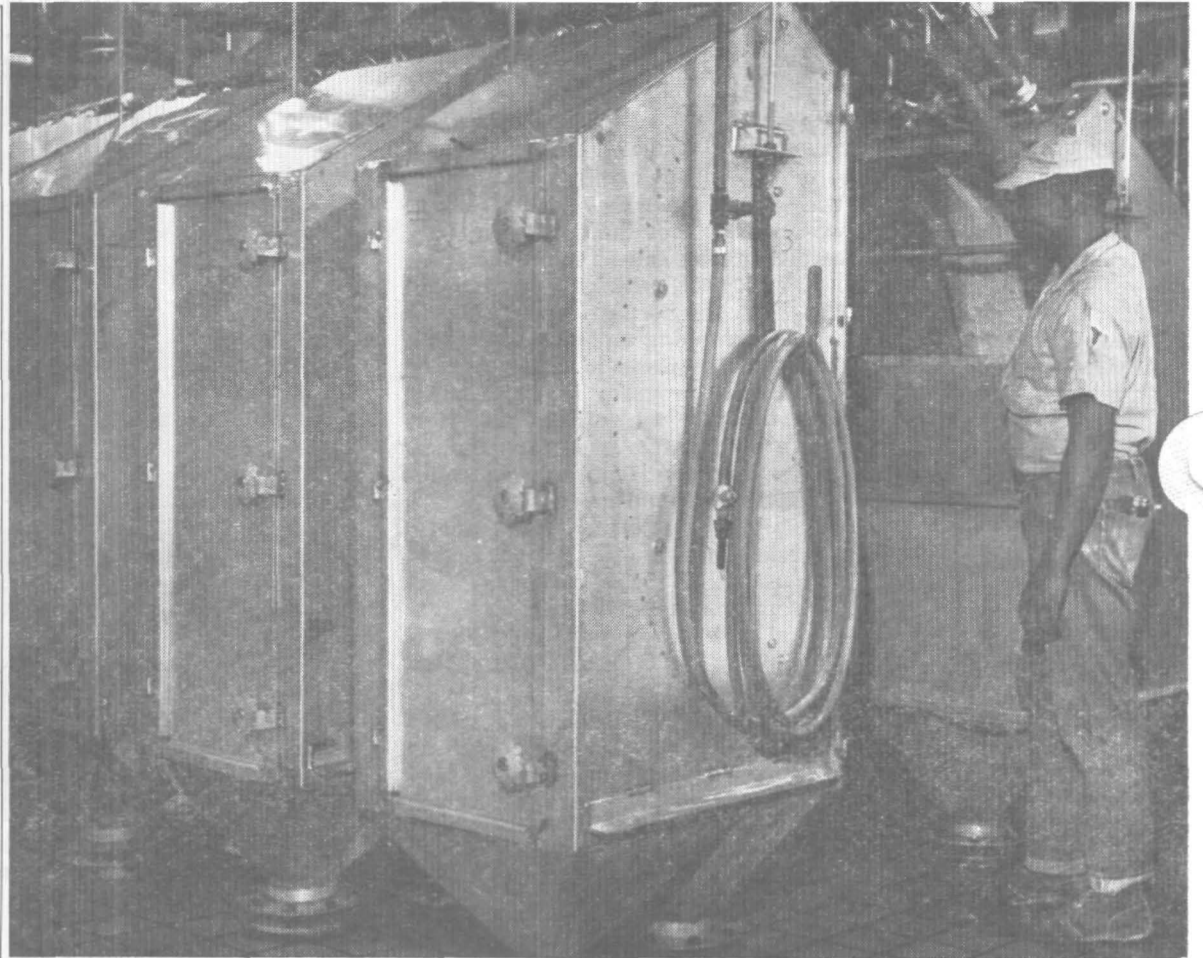
Over the past 18 months, the Company's steep-mill-feed house complex has been geared to get the most out of every kernel and to separate more kernels to feed basic materials for refining into hundreds of Staley products for home and industry.

Now, almost totally obscured but still in use, are some of the walls that contained A. E. Staley, Sr.'s original corn plant when he started up here 53 years ago.

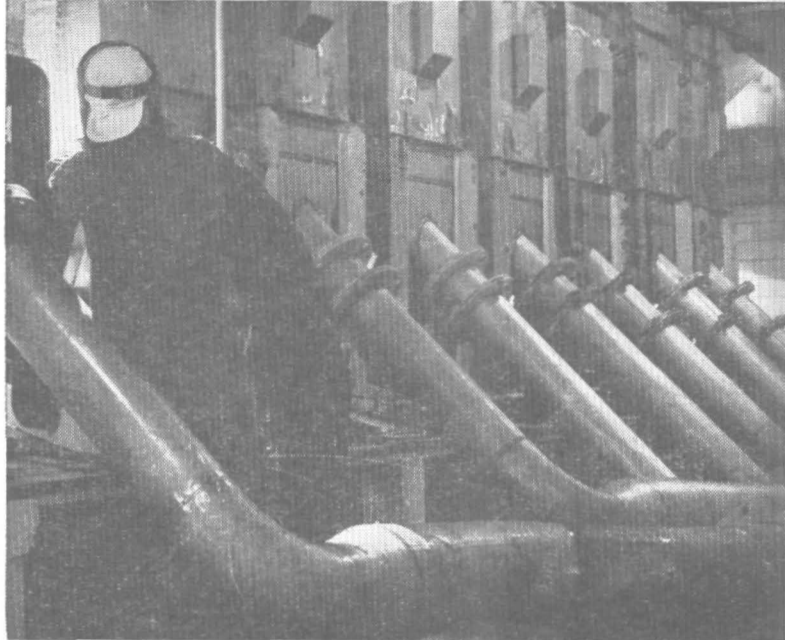
Around this historic core, the latest process equipment has been installed to separate corn germs, fiber, hulls, gluten and starch with maximum speed and minimum waste.

Completion of the large-scale corn plant project has been timed to coincide with expansion of the syrup refinery and startup of the new dextrose plant, center of attention in the largest building program in the Company's history.

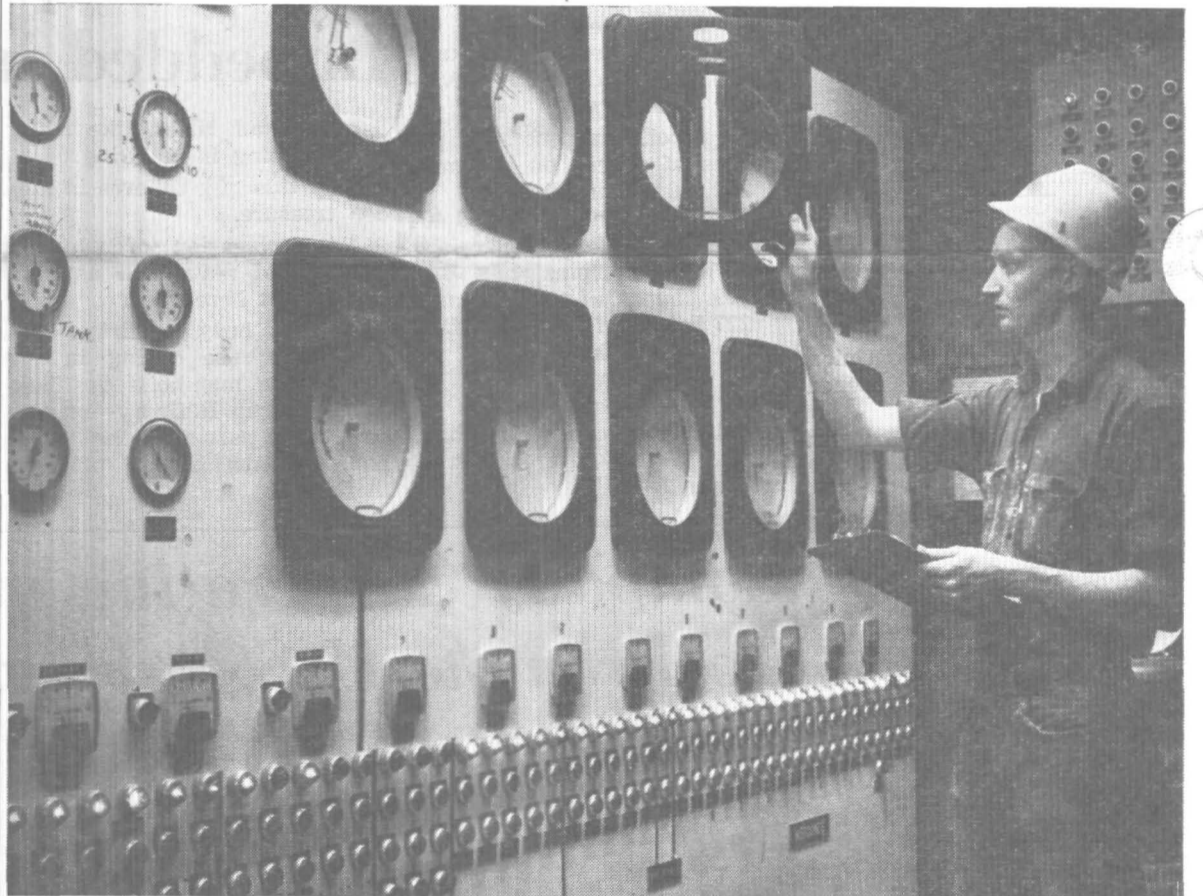
Pictured on this page are some of the installations playing key roles in helping build the Company's competitive strength through more efficient processing.



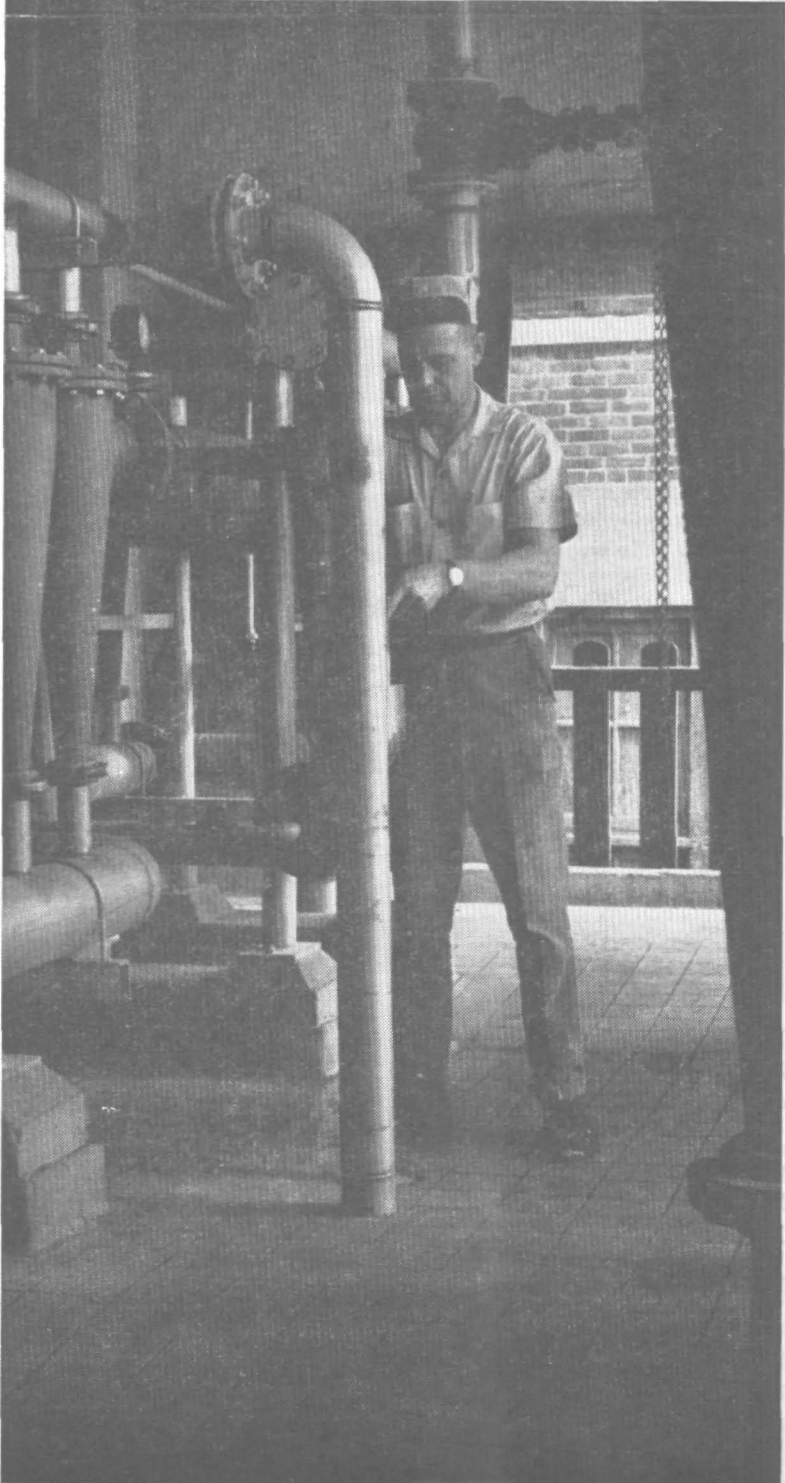
Operator Willie Dale regulates new bent screen cabinets to separate starch and fiber more efficiently in one-fifth the space at the Mill House. Ultra-modern five-stage series replaces shakers and Mercones formerly used for the process.



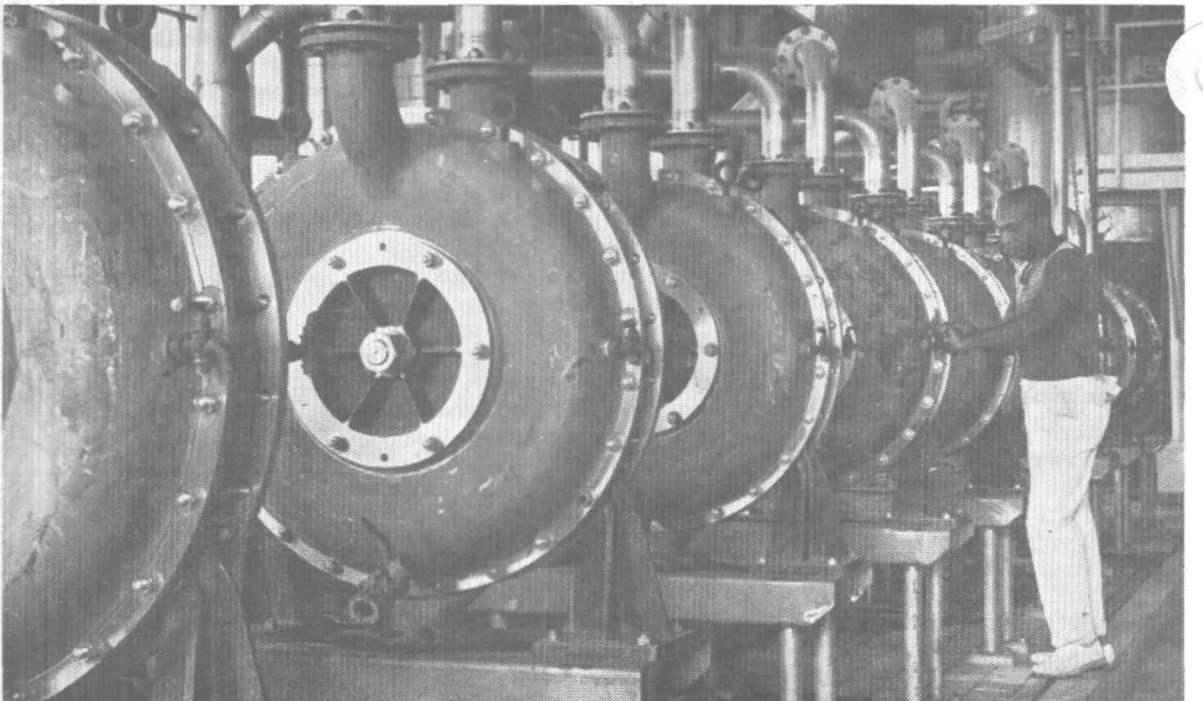
Dale Rees and Clarence Geisler do some final welding in preparation for startup of a new corn de-watering system in the Mill House. Equipment takes water from corn coming from the steepers and passes it along to Foos Mills for beginning separation.



John Rice checks operation of giant new Zenith Presses (pictured on Page 1) from new control panel in the Feed House. Presses take water out of corn fiber, preparing it for conversion to feeds.



Operator Bill Litz checks efficiency of germ recovery at new germ dorrclones in the Mill House.



Operator Kermit Conley adjusts one of a new bank of dorrclones installed in the Mill House to wash additional quantities of starch for modification and conversion to corn syrup and dextrose.