PURCHASE DEAL ABORTED

Beef Producers Charge 'Double Cross'

By JACK PHINNEY
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Great Western United Corp. (GWU) was accused Wednesday of “doublecrossing” the Great Western Producers Cooperative, formed last fall to purchase Great Western Sugar Co., a GWU subsidiary.

Robert Y. Sakata, chairman of the cooperative, made the accusation, claiming that the co-op was “ready to make a deal” late in December. Financing had been obtained, Sakata said, and the co-op had prepared a press release dated Dec. 27 to announce the fact. Then, according to Sakata, GWU president Robert Everett persuaded the co-op to postpone the announcement.

In the meantime, Sakata said, GWU treasurer Wallace C. Kemper Jr. “went to New York and screwed everything up.”

Late last week, the co-op said Kemper had told the organization’s principal financial adviser that the co-op’s financial figures “weren’t factual” and that the co-op “couldn’t make it.”

“I was put in a terrible position,” Sakata said Wednesday. “How the hell can we succeed in this when United tells the world we haven’t got the money?”

Despite what the company’s management may believe, Sakata said, “sugar beet growers aren’t stupid.” They’re proving this, he said, by demanding that the sugar firm produce a bank’s guarantee of payment to the growers for their 1972 beet crop.

The demand was made Tuesday in a meeting between grower representatives and sugar company executives in Billings, Mont. The meeting was called to negotiate the growers’ 1972 contract with the sugar firm.

Sakata said GWU “has goofed on many, many enterprises” in the past several years and noted that the company’s stock has plummeted over this period.

“With all this instability and insecurity,” Sakata said, “a guarantee of payment is a legitimate request.”

William M. White Reports
C&W Stock Deal Called Off

William M. White, chairman of Great Western United Corp., disclosed Wednesday that a deal by which he would have become a major shareholder of Colorado & Western Properties Corp. has been called off.

Originally White was to have exchanged his GWU common stock—about 240,000 shares—for shares of Colorado & Western, plus cash. The cash part of the deal went through, but the exchange of stock didn’t.

Late Wednesday, White said he had sold 100,000 shares of his GWU stock to Colorado & Western and was registering 133,000 GWU shares that he still owned.

The registration would clear the way for White’s sale of this stock, but he said he has no “immediate plans” to sell the 133,000 shares.

The amount of cash paid for White’s 100,000 GWU shares was not disclosed either by White or James Neal Blue, chairman and president of Colorado & Western.

Blue said Thursday the original deal with White was extremely complicated and loaded with contingencies. The deal that evolved, he said, was the result of the process of reaching a “closable posture.”

When the original deal was announced in November, White was chair man and president of GWU. A month later White stepped down as president and chief executive of the company.

Chrysler’s Cricket
Price to Rise $4

DETROIT — (AP) — Chrysler Corp., announced Tuesday a $4 increase in the suggested retail price of its imported Plymouth Cricket, four-door sedan.

The new price, up 3.3 per cent from $1,953 to $2,017, is applicable to vehicles imported into the United States subsequent to the devaluation of the dollar and the cancellation of the supplemental duty charge.

The car is imported from England.

Disney Stock Boost Voted

BURBANK, Calif. — (AP) — Stockholders in Walt Disney Productions voted Tuesday to increase from 20 million to 75 million the number of authorized shares of 1.23 par value common stock.