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Pre-Contract Negotiations Of Growers, GW Are Standoff

DENVER — Beet grower-Great Western Sugar Co. pre-contract negotiations ended in a standoff Tuesday. Growers want further study of extractable sugar before subscribing to a totally new payment concept based on purity, or extractable sugar. Historically, growers contracting to GW have sold their commodity on a tonnage-per cent sugar basis.

Growers contend data assembled in 1976 from purity tests made at a number of Great Western factory laboratories are inconclusive. They want the tests to continue for at least another year before accepting the purity formula contract.

A grower spokesman said that purity test results, so far, have provided very little reliable information. "We need at least another year investigating purity in the five-state area which sells beets to Great Western before the contract could be equitable to both parties." Stephen Reynolds, of Greeley, executive secretary of the Mountain States Beet Growers Association, added that growers would continue to share costs of the purity research.

Purity investigations were assigned to a special committee last spring following the 1976 beet contract impasse. After a year's study, the committee recommended that purity data should continue to be collected in 1977.

The committee of five is made up of representatives from both the grower organization and Great Western and three impartial members.

Growers are also finding problems with the proposed uniform freight rate which has been proposed for the 1977 contract.

Growers and GW officials hope to iron out their difficulties during contract negotiations to begin in late January.

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Impact Of Factory Closings Studied

DENVER — The announced closedown of three Great Western Sugar Co. factories drew response from the president of the Mountain States Beet Growers Association — the organization whose growers produce beets for the plants that will be shut down in 1977.

Kish Otsuka of Sedgwick said, "We understand that the company, faced with present sugar prices, is forced to review each factory's performance and its capabilities to process beets at a profitable level." Otsuka added that the organization he represents shares the concern of individuals and towns which will be hurt economically.

Otsuka said GW's plans to cease operations in Brighton, Longmont and the molasses plant in Johnstown "will naturally affect all of us in the beet growing business and we are now assessing the impact." He said grower meetings now underway at Denver's Regency Inn are concerned with the 1977 contract. "We're not sure what effect the closings will have on the question of freight," Otsuka said.

Beet growers who raised beets formerly processed by the three plants will still find ample opportunity to produce sugarbeets, Otsuka said.

On Jan. 4 Great Western Sugar Co. announced plant closings in the three Colorado towns because of the press of high manufacturing, energy and freight costs compounded by EPA standards and restrictions.