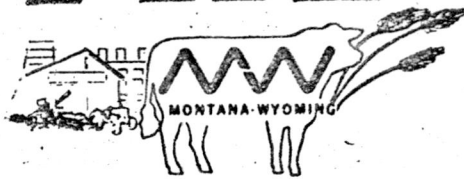


THE NEWS

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GW, four states still in stalemate

The contract purity issue still remains unresolved between Great Western Sugar Co., and sugar beet grower associations in four states. Nothing was accomplished towards ending the dispute during the most recent meeting between company and association officials held Tuesday, Feb. 8, in Denver.

It appears now that an understanding will have to be reached between the company and the Mountain States Beet Growers Marketing Association (covering Colorado and Kansas), the Nebraska Non-Stock Cooperative Beet Growers Association and Wyoming's Big Horn Basin Beet Growers Association before the contract can be implemented and the crop planted.

Stephen Reynolds, executive manager of the Mountain States Sugar Beet Growers of Colorado-Kansas, said Thursday that the company was informed Tuesday that its in-

terpretation of the purity report was still unacceptable to the associations. The company, Reynolds said, rejected a proposal to go without implementing the purity clause for this season. He also said that the company requested what possible legal steps were being considered by the association in the matter. Nothing was divulged.

"We are currently like a couple of animals of the forest cautiously observing each other for the next move," Reynolds said.

Reynolds said that association officials are now contacting elected state and national officials as well as leaders of affected communities to explain their stand and to seek support.

Meanwhile, the company is

continuing its efforts to contact growers on an individual basis. Jack Powell, GW president, has continued to declare that this move does not reflect any company intention of "destroy the effectiveness of the beet grower associations."

With regard to the present situation, Powell said further that since members of six and possibly two additional associations have ratified the purity formula, it would be unfair on the part of the company if it offered better conditions for purchase of beets from the association that to this point are rejecting the purity formula.

Powell further expressed hope that these association leaders "will not lose sight of the extremely unsettled conditions that prevail in the sugar industry today." He also cited the recent closure of two Colorado processing plants.

Grower association officials said that GW appears to be encouraging foreign concerns and that the company has told them that it was looking into mill possibilities on the East Coast. Sugar beet growing areas there are in upper New York state and Maine.

In his latest statement, Kish Otsuka, Mountain States president, declared that he considered the move to individual contract talks to be direct interference with the contractual relations between his association and its members and that also, "Great Western Sugar may be in direct violation of the criminal statutes of Colorado."

"We have no doubt that our members will remain united behind growers, the association effort. In light of this we

are on record on behalf of 1,200 growers, requesting GW officials to undertake negotiations at the earliest possible date for the 1977 crop year," Otsuka said.