Suit against 2 GWU subsidiaries dismissed

Great Western United Corp. (GWU) said Tuesday that a California suit against two of its subsidiaries has been dismissed. The firm also announced election of Bruce Ducker as its general counsel.

Great Western Cities Inc., and California City Development Co., both GWU subsidiaries, were defendants in the suit, filed in Los Angeles Superior Court, which had sought $40 million in damages for alleged false representations in connection with land sales at the subsidiaries' project, California City.

Ducker pointed out that individual claims in the complaint were still pending, but agreement had been reached in principle to settle those claims.

The dismissal was ordered by Judge Jack A. Crickard in granting a joint motion by all parties to dismiss the class allegations. Judge Crickard said that a consent order agreed to in March of 1973 with the state of California provides "a superior place for members of the plaintiff class to obtain speedy relief."

In July GWU announced that a second class action relating to its subsidiaries' land sales and seeking $700 million had been dismissed on similar grounds. That suit, brought in the U.S. District Court in San Francisco, still is pending on behalf of individual plaintiffs, and the ruling dismissing the class aspects of the case in in appeal. A related state court action is also still pending.

Ducker, the new general counsel, has been vice president-legal affairs and secretary of GWU. He will continue as vice president and secretary while assuming his broader legal responsibilities.

Ducker received his bachelor's degree from Dartmouth College and his law degree from Columbia University in 1964. He is the author of several articles on corporate and antitrust law, and was a member of the English faculty at the University of Colorado. Ducker is married and has three children.

In other action last week, the board appointed executive compensation, stock option and audit committees. Board member Melvin J. Roberts was named chairman. Other members of each committee are J. Neal Blue, Fred C. Jennings, Ann D. Love and George K. Sarkisian.

As it had last month, the GWU board again indicated its support of continuing the negotiations with the Great Western producers cooperative regarding the proposed sale of the Great Western Sugar Co., a GWU subsidiary, with a view to selling the sugar company if satisfactory terms can be negotiated.

The board said it would review the final proposed terms before determining whether to authorize execution of an agreement.

The newly elected Board of Directors of Great Western United Corporation (GWU) re-elected the corporation's officers. The board also dissolved its executive committee.

The 13 member board, elected earlier in the day at the GWU annual meeting of shareholders in New York, re-elected James A. Kentler as Chairman of the Board, Robert G. Everett as president, Bruce Ducker as vice president-legal affairs and secretary, C. R. Haning as vice president finance and treasurer, and Robert A. Schwartz as controller.

The appointment of Larry Bardell as industrial account supervisor at Velazquez Goddard & People was announced by Ben Goddard, president of the Boulder-based advertising agency.

Bardell had previously been advertising manager for General Cable in Westminster, Colorado and before that had been advertising manager for Fairchild Camera and Instrument Corp. and account supervisor on the Olin Aluminum account.

GWU Subsidiary Suit Dismissed

DENVER (AP) — Great Western Cities Inc. and California City Development Co. announced today that a $40 million class action suit filed in Los Angeles Superior Court in connection with the California City real estate development project has been dismissed.

The suit charged misrepresentations in connection with land sales at California City, the development of the two subsidiaries of Great Western United Corp., based here.

Bruce Ducker, vice president and general counsel for the parent company, said individual claims in the suit are still pending. He said agreement had been reached to settle those claims.

Ducker said Judge Jack A. Crickard granted a joint motion by all parties Friday to dismiss the suit.

In July, another class action suit seeking $700 million in U.S. District Court in San Francisco was also dismissed. Individuals in that suit still have actions pending, Ducker said, and the dismissal of the class action is being appealed.