GWU Mails Conditional 2nd Payment

Great Western Sugar Co. has mailed a second 1974 crop payment to sugar-beet growers not involved in a class action against itself and its parent company, Great Western United Corp. (GWU).

The conditional payment, amounting to at least $19.49 per ton of beets, has gone to growers in Ohio and to those with sugar-company contracts covering fewer than 12 acres of beets. If he accepts the payment, a grower must agree not to join in any future 1974-crop lawsuit against the sugar company or GWU.

The present class action was filed in November in behalf of several thousand growers in Colorado, Wyoming, Montana, Nebraska and Kansas and seeks damages of $246 million. The growers claimed they should have received $60.31 a ton as the initial payment for their 1974 beets instead of the $36.25 a ton that was paid.

It is understood that any grower having a contract covering more than 12 acres of beets will receive the second payment if he disassociates himself from the class action. The first and second payments total about $46 per ton.

Some growers are partly in and partly out of the class action. For example, Brighton-area grower Robert Sakata has 14 1974-crop contracts with the sugar company, 10 covering more than 12 acres and four covering less. Thus he has received second payments on the four contracts, but not on the other 10.