Great Western United Clears $7.4 Million Plan To Improve Subsidiary

By a WALL STREET JOURNAL Staff Reporter

DENVER—Great Western United Corp. said expenditures of more than $7.4 million were approved by the new management to improve facilities at its major subsidiary, Great Western Sugar Co.

The program, originally proposed by the sugar company officials, will replace, improve and add equipment for manufacturing and agricultural operations. About $6.4 million is earmarked for factory equipment and $1 million for agriculture-related equipment.

Great Western said most of the improvements will be completed before processing of the 1975 sugar beet crop begins in early October. A few of the projects won’t be completed until sometime in 1976 because of their size and complexity.

One of the largest single expenditures, $1.3 million, will be used for the conversion to coal-fired boilers from gas at the Fort Morgan, Colo., factory and installation of a boiler flue gas scrubber. The addition of the scrubber is necessary to comply with state and federal air pollution regulations.

In addition, Great Western said the new management is examining ways to restructure the organization. One possibility is the previously announced consideration of disposing of or reorganizing Great Western Cities. In this connection, a special audit of that subsidiary is being conducted.

Shakey’s Inc., a pizza subsidiary, is continuing with a planned program of dealer-owned parlor acquisitions designed to enhance its competitive position where a concentration of parlor exists. In recent months Shakey’s has acquired dealer-owned parlors in Little Rock, Ark., Orlando, Fla., and Austin and Corpus Christi, Texas. It is expected that additional acquisitions will be completed soon in Texas.

Great Western also announced that G. Michael Boswell has been elected executive vice president and chief operating officer. The corporation’s three subsidiaries will report to Mr. Boswell, who is also a director. He acted as financial advisor and consultant to W. H. Hunt and N. B. Hunt during their recent successful tender offer.

In December, N. B. Hunt was named chairman of Great Western and W. H. Hunt was named president.