Great Western United Corp. May Pay Overdue Dividends

NEW YORK — Great Western United Corp. said its board will meet next Thursday to consider, among other things, organizational matters and payment of additional dividend arrearages on its $1.88 cumulative preferred stock.

The company didn't indicate whether it intends to further pursue a recapitalization plan.

Shareholders and debenture holders rejected a recapitalization plan Monday that included sale of the Great Western Sugar Co. unit to a growers' group.

Besides sugar production, the company has interests in land development and restaurant operations.

Sugar company profits prevent sale to co-op

NEW YORK (UPI) — The proposed $43.5 million sale of the Great Western Sugar Company to a sugar beet farmer's cooperative was turned down Monday in New York by holders of Great Western United (GWU) debentures.

The sale was squelched when holders of $4.6 million in GWU debentures failed to approve sale of the sugar company subsidiary by a two-thirds vote.

A GWU spokesman, Eleanor Buffing, said the defeat of the proposed sale to the Great Western Producers Cooperative followed a vote against it earlier this month by GWU directors.

"We needed the (two-thirds) debenture vote to proceed with the proposal and without that vote which we did not get, GWU will not be able to proceed with the sale," she said.

"Anything can happen but as of the moment, it is not possible to proceed with the sale," she said. "We needed the vote of both the debenture holders and the stockholders."

The decision against selling the sugar company was made by GWU officials because of sudden profits realized during the summer and the prospect of the revenues continuing, GWU officials said.

Farmers Threaten Retaliation After GWU Sale Is Canceled

DENVER (AP) — Sugar beet growers were threatening retaliation Tuesday in the wake of Great Western United Corp.'s decision not to sell the subsidiary Great Western Sugar Co. to the growers.

Robert Owen, president and chairman of the Great Western Producers Cooperative, said the growers would not give up their efforts to buy the company.

In a move to reorganize Great Western United, the corporation planned to sell the sugar company to the cooperative for about $43.5 million in cash and securities.

The recent huge price rises in the price of sugar caused the directors of the corporation to take another look at the sale. The directors voted against the sale.

Then in the annual meeting of the corporation held Monday in New York, the stockholders of Great Western United and the debenture holders of the corporation, both voted against the sale which has been pending for more than two years.

"I have great faith in rural America," said Robert Sakata, a sugar beet grower from Brighton, Colo. "We will continue the fight."

Several other growers appearing at the annual meeting were less poetic.

"I'm sure you're going to find there's not going to be many beets grown," said one grower. "I don't like to deal with a man who tells you one thing and then turns around and does another."

Another grower was also pointed in his comments. "You need us, we don't need you fellows," he told the directors.

Wilma Sloss, a shareholders' rights advocate from New York, accused Great Western United's management of "doing a little gambling here on a very important resource."