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Court Rejects Nader's Request on I.T.T.

HARTFORD, Sept. 7 (AP) — A Federal Court judge today refused a request by Ralph Nader to open the case against the completed merger of the Hartford Fire Insurance Company and the International Telephone and Telegraph Corporation.

Mr. Nader and Reuben B. Robertson 3d, a Washington lawyer, had asked United States District Court Judge M. Joseph Blumenfeld to allow them to intervene in a previously settled case against the giant merger.

The two attorneys complained that the Justice Department had committed what amounted to fraud on the court by not disclosing all the reasons for its agreement with I.T.T. that opened the way to merger.

'Completely Unfounded'

Judge Blumenfeld, in rejecting the attorneys' motion, said: "The charge of fraud on the court made by the prospective intervenors is completely unfounded and unjustified."

The judge noted in a 32-page decision that much of their evidence supporting the request was based on testimony from the widely publicized hearings on the I.T.T.-Hartford Fire merger before the Senate Judiciary Committee earlier this year.

Judge Blumenfeld accepted their assertion that the Justice Department consented to consider a merger agreement partly because I.T.T. complained of hardship it would suffer if the merger were denied. But the judge said the department didn't necessarily have to inform the court of that detail.

The merger was approved by the United States District Court in September, 1971. The agreement provided that I.T.T. would get rid of its Canteen Corporation and the fire protection division of the Grinnell Corporation as well as four I.T.T. subsidiaries, including Levitt & Sons, Inc., and Avis. Inc.

Oglebay Norton to Expand

The Oglebay Norton Company is planning to enter the salt business through acquisition of the Diamond Crystal Salt Company for stock valued at $26.5-million, it was announced yesterday.

Under terms of the agreement in principle, Oglebay Norton would exchange 0.53 of a common share for each outstanding share of Diamond Crystal common. The transaction would involve the issuance of 758,000 shares of Oglebay Norton, which is traded over-the-counter at about $35 a share, according to that Cleveland-based company.

The transaction is subject to verification of the properties and businesses and to a definitive merger agreement requiring approval of directors and shareholders of both companies.

Diamond Crystal, which would become a wholly owned subsidiary of Oglebay Norton, would continue to maintain its principal offices at St. Clair, Mich., and operate under present management and policies. Diamond Crystal, the nation's third largest salt producer, earned $2,781,000 on sales of $41,612,000 in its fiscal year ended last March 31.

It has 1,403,095 shares outstanding. The stock traded in the over-the-counter market yesterday at 16⅝ bid, 17⅛ asked, up ¼.

Oglebay Norton operates vessels and docks on the Great Lakes, mines coal and iron ore and supplies basic raw materials for the steel, foundry, glass and ceramic industries. A division designs, installs and services special equipment. Last year the company's net income was $4,150,000 on revenues of $63,702,000. It has 926,481 common shares and 188,950 prefered shares outstanding.

Tyson Foods, Inc., has purchased the majority of the phyysical and operating assets of the Ocoma Foods division of the Consolidated Foods Corporation for $11.1-million cash and notes, of which $5.5-million was provided under a term loan arrangement with the First National Bank of Chicago.

Ocoma's main office in

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Omaha, Neb., is being phased out and merged into Tyson's administrative and marketing headquarters in Springdale, Ark. Measured in 1971 terms, the Ocoma acquisition represented about $35-million in sales. Tyson Foods in fiscal 1971 had sales of $71-million.

USLife Corporation and the Old Line Life Insurance Company of America announced yesterday that they were continuing acquisition discussions in the belief that problems that had caused postponement of the Old Line Life shareholders' meeting now appear resolvable.

The original exchange ratio of 0.8 of a share of USLife common for each share of Old Line Life common has been increased to 0.808. Federal and state regulatory approvals will still be required as well as approval by Old Line Life shareholders.