

Suit: Russ Wheat 'Leak'

AMARILLO (Tex.) — (AP) — Five West Texas wheat farmers have filed a suit claiming that a conspiracy between seven grain companies and one government official in the sale of American wheat to the Soviet Union cost Texas farmers \$60 million in payments for their crop.

During July and August, American grain companies sold more than 400 million bushels of wheat to the Soviets.

Named in the class-action suit filed with U.S. Dist. Judge H. E. Woodward yesterday were Continental Grain Co., Bunge Corp., and Garnac Grain Co., all of New York; Cook Industries

of Memphis, Tenn.; Louis Dreyfus Co. of New York, and Cargill Inc. of Minneapolis.

Also named in the petition is Clarence Palmby, formerly assistant secretary of agriculture for international affairs and commodity programs who is now a vice president of Continental Grain Co.

"This is very similar to a price-fixing suit," said Bryan Poff, the farmers' attorney.

"We believe that Palmby and others who had knowledge of these impending wheat sales to Russia told certain grain operators and conspired not to let anyone else know.

"As a result of this the price that our farmers sold their wheat for was a depressed price," Poff said. "If the sale had been known then, the price would have gone up by the simple law of supply and demand.

"Most of our farmers sold their wheat in June for \$1.35 to \$1.44 per bushel and in August, when the sale was known, the price jumped to \$1.90 and on up to nearly \$2.50."

Poff said wheat growers in Texas and other early harvest states were hurt more than those in states farther north, because the southern crop was in long before word of the huge sale leaked out.