## HILL IS HAPPY

Court of Appeals Is Against Harriman.

### DECIDES MERGER CASE

Northern Securities Plan of Distribution Legal.

WILL BE TAKEN

Harriman's Claim for Return of Original Stock Denied, but He Will Still Fight\_Stock Rises in Consequence of Decision.

PHILADELPHIA, Jan. 8.-The United States Court of Appeals for the Third Judicial District, in an opinion filed here today, reverses a decision of the New Jersey Circuit Court which restrained the Northern Securities Company from dis-tributing certain stock of the Northern Pacific Railroad Company. The decision is a defeat for the interest represented by E. H. Harriman.

By a decree of the New Jersey court the Northern Securities Company was re-strained from disposing of 270,320 shares of the common stock of the Northern Pa-cific Railway Company, alleged to have been received from E. H. Harriman and Winslow S. Pierce, and of 387,990 shares of the company tock of the Northern Paof the common stock of the Northern Pa

of the common stock of the Northern Pa-cific Railway Company received by the Northern Securities Company from the Northern Pacific Company.

Today's decision gives the Northern Se-curities Company the right to dispose of the stock. Harriman and Pierce, when the Northern Securities Company had been declared by the United States Su-preme Court to be an Illegal combination, demanded the return of the original stock they had contributed at the time of the organization of the combination. The organization of the combination. The Northern Securities Company, it was claimed, intended to make a pro rata dis-tribution of the stock of the contributing company. The opinion was written by Judge Dallas. After reviewing the or-ganization of the combination and sub-sequent history, the decision says:

Questions at Issue. 'Harriman averred that the shares of rallway stock in question were acquired by the Securities Company; that it held them as custodian depository, or trus-tee, and that the owners of the said tee, and that the owners of the said shares were the parties who originally exchanged the same for stock in the Northern Securities Company. "The Northern Securities Company claimed that it acquired the stock by purchase and that it owns the stock out-

right."

After quoting the resolution under which the stock was acquired, the opin-

ion says the resolution contemplated a purchase, and not a trust, and that the resolution was adopted at a meeting at which Harriman was present. The opin-

on continues:

'The Northern Securities Company is the owner of 1.57.594 shares of the stock of the Northern Pacific Railway, which has been restrained from voting or receiving dividends, and in view of this restraint all the parties agree that it should not continue. The Northern Securities Commany accordingly proposes curities Company, accordingly proposes to assign them pro rata to its sharehold-ers, including not less than 2500 persons, whose shares are unquestionably acquired by purchase, and who are not parties to this suit, and as such disposition of them would effect a ratable, and therefore, equitable division of them amongst all who are entitled to participate in a distribution of the corporative assets, we are of the opinion that the injunction which prohibited should no longer remain

What Supreme Court Said.

"If the question before us had been in-volved and decided in the suit of the United States vs. the Northern Securities Company, or it had been passed upon, though but incidentally, by the Supreme Court of the United States in disposing of the appeal in that case we, of course would not regard it as an open one. But it was neither decided nor considered at any stage of that Bilgation. The peti-tion or bill of the United States did pray that the sockholders of the railroad comcurities Company should be required to surrender any stock of the Northern Se-curities Company so acquired, and held by them, and to accept therefor the raliway slock in exchange for which the same is issued but the decree, insofar as it was mandatory, went no further than to prohibit the doing of the spe-cific things which, being done, would efresult denounced by the act-

"This was all that was requisite, and was accomplished by that part of the coree which has been already quoted, among the members of the co added clause, though apparently

### Decision Is Reserved.

"But nothing herein contained shall be construed as prohibiting the Northern Securities Company from returning and transferring to the stockholders of the Northern Pacific Railway Company and the Great Northern Company, respective-ly, any and all shares of stock in either of said railway companies which said, the Northern Securities Company, may have heretofore received from such stockholders in exchange for its own stock; and nothing herein contained shall be construed as prohibiting the Northern be construed as promoting the Northern Securities Company from making such transfer and assignment of the stock aforesaid to such person or persons as may now be the holders and owners of its own stock originally issued in ex-change or in payment for the stock claimed to have been acquired by it in the aforesaid railway companies. This decree was affirmed in its entirety and the complainants asked leave to intervene in the Minnesota

The decision here reviews the "From all that has been said in the foregoing, the decision below must be reversed."

One Judge Dissents.

Judge George Gray, of Delawars, led a dissenting decision. He said: "I dissent from the judgment of the ajority of this court. I do not majority of this court I do not think the judge below exercised other think the judge below exercised other than sound judgment in granting the injunction. Nothing but a clear conviction that the bill was without equity would have justified the court below in refusing the injunction. As I am of the opinion that the majority has given due consideration to all the parties to the suit and a case estab-

lished to entitle complainants to the protection of the injunction, I am is favor of affirming the decree."

HARRIMAN WILL APPEAL.

Case Will Go to Supreme Court of United States.

NEW YORK, Jan. 3.—the adjourned annual meeting of the Northern Securities stockholders in Hoboken today has again been adjourned until January 2.

The only persons present at the meeting were W. P. Clough, the fourth vice-president, and the secretary-treasurer. No action except that of adjournment was taken.

Representatives of the Harriman faction were in conference today and it can be authoritatively stated that application by writ of certiorari will be made before the Supreme Court at Washington. It is understood that the decision handed down by the court in Philadelphia is not effective or operative before 26 days.

J. J. Hill was seen at his office. He said he was pleased, but not surprised at the decision. There will be no haste, he said, in distributing the assets of the Northern Securities Company. He had not yet received a copy of the decision, but expected it later in the day. He was asked:

"Does this mean a settlement?"

"Why, yes, the court settles it."

Mr. Hill was asked whother there would be a meeting of the opposing interest as Representatives of the Harriman faction

Mr. Hill was asked whether there would be a meeting of the opposing interest as a result of today's decision. He said be knew of no reason for such a meeting. Mr. Hill was reminded that Mr. Schiff had appeared before the directors of the Northern Securities Company last Summer with a settlement proposition. To this Mr. Hill replied that Mr. Schiff on that occasion showed that he stood alone in his occasion showed that he stood alone in his attitude.

#### MERGER STOCK RISES.

Decision of Harriman Case Sends Up Price on Exchange.

NEW YORK, Jan. 1.-The annous of the Northern Securities Company caused a jump in the price of Northern Securities on the curb from 135%, at which it closed on Saturday, to 135. The price then fell back to below 134. The high price of Union Pacific was 115%, com-pared with 113%, on Saturday, and that stock then fell back a point. The whole

list on the stock exchange was a field in sympathy with Union Pacific. St. Paul shot up his and Southern Pacific 18.

The railroad list generally was a point or more higher than Saturday, but did not hold, and the market became dull with the uncertainty caused by the fluctu-ations in these dominant stocks.

#### JUDGES EVENLY DIVIDED.

Harriman Says They Have Stood Two and Two.

NEW YORK, Jan. 2.—E. H. Harriman, when he was shown the bulletin announc-ing the decision of the court in the Northern Securities case, said:

"The matter now has been before four Judges, and so far it is an even decision, two having deciared for us and two against us."

Mr. Harriman declined to say anything further regarding the case.

Quarreling.

WASHINGTON, Jan. 3 .- (Special.)-There is a well-defined movement on foot to secure legislation during this session of Congress that will abolish the lethmian Canal Commission and place the construction under the direct supervision of a board of engineers, of which Chief Engineer Wallace is to be the executive head, and the other members, five in number, are to be consulting engineers. It is understood that Secretary of War Taft, who made a recent visit to the 1sthmus under the direction of the President has recommended the abolition of the commission, which will include the retirement of Governor-General Davis, of the

There is slight prospect of any canal legislation this session, although known that President Roosevelt feels strongly in favor of the adoption by Congress of some working plan under which more satisfactory progress can be made. The Administration favors an amendment to the present Spooner 'law embodying the reorganization.

Although there is strong sentiment i Congress in favor of the abelition of the nmission, any attempt to secure such legislation will meet strong opposition The brief limitation upon the life of Congress may enable the opposition success fully to delay reorganization

It is betraying no confidence to an nounce that the President is displeased with the present management of affairs by the commission. He feels that the embers should be on the ground and not direct the construction of the canal from Washington. He is also displeased over panies who had exchanged their stock the fact that the commission has already awarded contracts for supplies amounting in value to \$1,500,000 without competitive bidding. It is understood that, if the desired canal legislation can not be secured at this session of Congress, the President has decided to order the members of the commission to take up their residence upon the canal zone, and, under the powers given him by the Spooner law, he will define the duties

There is a wide diversity of opinion among the members of the commission suggested by the prayer of the bill to which it referred, was obviously not intended to have any obligatory effect. It was permissive merely, and this so plain-ly appears from its terms that it is necessary only to direct attention to them. They are: as to the methods to be pursued. No residence upon the Isthmus might en able the commissioners harmoniously to unite upon some pian.

#### TO FORCE HER RELEASE. Habeas Corpus Writ May Secure Ball for Nan Patterson.

effort to secure the release from the Tombs prison on ball of Nan Patterson, accused of the murder of Caesar Young, was begin today. Following a statement by Abraham Levy that such a step was to be taken, a representative of the law firm which acted for Miss Patterson in her recent trial appeared in the Suprems Court before Judge Greenbaum and succeeded in getting a writ of habeas corpus, ordering Warden Flynn, of the Tombs, to produce Miss Patterson in the court tomorrow. At that time the Justice will be neked to fix a reasonable ball for the prisoner's release. District Attorney Je-rome has announced that the motion for

Runaway Soldiers Drown in Bay. NEW YORK, Jan. 2 - During an evident-ty designed stampede of the officers' horses at Fort Hamilton early today, four prisoners escaped from the guardhouse and plunged into the harbor. One was recaptured, but the other three are believed to have been drowned.

Russian Scouts All Talk of Making Peace.

JAPAN WILL BE MODERATE

President Roosevelt Ready to Intervene Whenever Either Belligerent Asks Him to Act for It-Russia Will Fight to End.

ST. PETERSBURG, Jan. 3.-The report circulated in St. Peters effect that an armistice is assured be-

ST. PETERSBURG, Jan. 4, (2:40 A. M.)—The telegrams from abroad bring-ing talk of peace arouse little senti-ment in official circles here and many Liberals who are urgently pressing the government for reforms, aroused by the dreafful story of heroism and suf-fering of the Port Arthur garrison, declare emphatically against any cessa-tion of hostilities until Russia's honor is vindicated by a victory in Manchu-ria. Equal resentment is aroused by foreign criticism of General Stoessel for blowing up the ships in the harbor and destroying the town when he could no longer defend them. The gov-erament's position is difficult. It has enemies ready to take advantage of whatever course it adopts, and peace under present conditions would prob-ably compromise the dynasty more than the determination to continue the war to the bitter end.

The Emperor will arrive here today, and a council of his advisors will likely be held immediately. Much as the situation is complicated by agitation at home, the war party seems still com-pletely in the ascendancy and it is likely the Emperor's advisors are unan-imous that Russia's prestige abroad and the security of the dynasty at and the security of the dynasty at home make it impossible for Russia to accept a humiliating peace dictated by Japan as the conqueror. Still there is every evidence that Japan would offer moderate terms, and it is possible an offer of generous terms would make a good impression and pave the way for the reception of proposals in a conciliatory spirit.

The suggestion that President Rossevelt would be willing to tender the good offices of the American Gov-

the good offices of the American Gov-ernment in case Russia intimated that it would be acceptable, has aroused a most friendly feeling; but from official GET DOWN TO WORK.

Canal Commission Fools Away Time

GET DOWN TO WORK.

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GET DOWN TO WORK.

Intimation and will continue to refuse anything except direct proposals from Japan.

### READY TO MEDIATE.

President Will Offer Good Offices if One Belligerent Asks.

WASHINGTON, Jan. 1-(Special)-President Roosevelt has decided that he will offer his good offices to bring about peace between Russia and Japan whenever either party to the conflict shall request him to do so. He has herotofore insisted that both parties must request his good offices before taking any action. This view has been modified so that either can secure his interposition by asking it. The President does not think any step in the direction of peace will be taken in the immediate future, probably not for two or three months. He thinks the first pro posal will come from Japan. He is now prepared to act when a request is made.

### WILL NOT OFFER MEDIATION Not Till Both Parties Are Willing

WASHINGTON, Jan. 1.-Whatever effect the fall of Port Arthur may have on the ultimate issue of the war, the attitude of this Government toward the belliger-ents has not undergone the alightest change. More than once the American Government has let St. Petersburg and Tokio know that it stands ready at any Tokio know that it stands ready at any time to render neighborly assistance whenever both belilgerents are prepared to welcome it. Further than this, the Government has not gone. Reports that President Roosevelt is likely to initiate negotiations of friendly mediation are premature, at least, and entirely unauthorized.

It is stated most positively today that no negotiations looking to mediation on the part of this Government are pending, and it is not known that such negotiations will be initiated in the immediate future. President Roosevelt has let it be understood that nothing would afford him greater satisfaction than to be instrumental in bringing about a cessation of hostilities in the Far East, but he appreciates the fact that an offer of mediation at a time which eliher one of the contending powers might regard as inopportune might retard, rather than advance, the prospects of peace. the part of this Government are pending

might return, rather than advance, the prospects of peace.
Should the time come when diplomatic assurances are received from both Russia and Japan that consideration would be given to suggestions of mediation, then, very likely, the President would embrace the consequents the consequence. opportunity to promote the cause of in any effective way that might

The subject of mediation was not cor The subject of mediation was not considered at today's meeting of the Cabinet, which was comparatively brief. Secretary Taft discussed with the President the army medical bill, the enactment of which be has recommended to Congress. It provides for the experiment of a system of contract surgeons for the army. Postmaster-General Wynne announced that tomorrow he would send to the Senate the report called for by that body on the subject of Postmasters in Idaho who, it was alleged, are living in polygamy.

PAVING THE WAY FOR PEACE Purpose of Japan's Generous Termi

to Port Arthur Garrison. TOKIO, Jan. 1.—Some of the foreign diplomats here believe that there will be an early renewal of efforts looking to the securing of peace. Outwardly the Japanese government gives no indications of its desires in that direction, but it is known that it is prepared to discuss the question and to make terms which are characterized as reasonable.

Those who predict a movement for

characterized as reasonable.

Those who predict a movement for peace declars that the Japanese Emperor's commendation of General Stoessel and the determination of the Japanese to give honorable terms to the surrendered garrison will soften the blow to Russia and create an opening for the discussion of the question of peace. The United States, Great Britain and France are named as possible direct or indirect intermediaries, though it is not improbable that Japan will broach the subject directly.

able that Japan will close to the directly.

The fall of Port Arthur immensely strengthens the hands of Japan. In the actual conduct of the war Port Arthur has been a stumbling block to Japan, which for six months has had engaged there over 190,000 troops and practically her entire navy. This fact compelled Field Marshal Oyama to fight the battle

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Our Great Sale Offers

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Our Great Sale Offers

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The values we offer for today in women's novelty Neckwear are tempting enough to induce you to buy by the dozen. Never has the neckwear store shown prettier styles -never have prices been at as low a notch.

25c and 35c 15c Stock Collars

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**Our Great Sale Offers** 

## Remarkable Suit, Waist and Coat Values

Suits at \$11.45

At this price Women's high-class Tailor-Made Suits, made of black and colored all-wool broadcloths, cheviots and novelties, made in coat and blouse styles, actual values are more than double today's selling price.

### Suits at \$18.50

At this price Women's high-class Tailor-Made Suits, made of broadcloths, panne cheviots and fancy men's wear materials in black, brown and navy, made plain and fancy trimmed styles; actual values are more than double today's selling price.

### **\$20 Tourist Coats \$12.75**

Tourist Coats are by far the most popular outer garment of the season-those on sale are in the most desired length, 40-inch, made of tan covert cloths, navy blue cheviots and an endless variety of fancy cloths in brown mixtures, gray mixtures and black and white effects; trimmed with plain cloth collar and cuffs and braids; were always \$20.00; choice today at ......\$12.75



Suits at \$14.75

At this price Women's High-Class Tailor-Made Suits, made of black and colored all-wool broadcloths, cheviots and men's wear materials, made in vestee and fancy tailor-made effects. Actual values are more than double today's selling price.

### Suits at \$21.50

At this price Women's High-Class Tailored Suits, made of fine imported broadcloths, panne cheviots and novelty cloths, made in coat and fancy blouse styles, elaborately trimmed, tucked and plaited; actual values are more than double today's selling price.

### \$4.50 to \$6.50 Waists \$2.98

No woman who can find room in her wardrobe for an extra silk waist or two ought to pass by this special. Made of superb black and colored silk, in this season's most approved tucked, plaited and fancy trimmed styles. Every one of them this season's make. Sold heretofore at \$4.50 to \$6.50; choice of them today at the low price of ... \$2.98

**Our Great Sale Offers** 

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COUCH COVERS VERY LOW

Oriental Tapestry Couch Covers, three yards long and 60 inches wide-The \$5.00 quality at.....\$3.95 The \$6.00 quality at.....\$4.95

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In Cable and imitation Brussels Nets 234, 3 and 31/2 yards long, 45 to 60 inches wide in white, cream and Arabe col 

 The \$1.50 quality at
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 The \$2.00 quality at
 \$1.65

 T. \$2.50 quality at
 \$1.98

 The \$3.00 quality at
 \$2.39

 The \$3.50 quality at..... The \$4.00 quality at..... The \$5.00 quality at.....



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of Liso Yang short-handed. Now the entire navy is free to prepare to meet the Russian second Pacific squadron and to attend to the Vladivostok squadron. A heavy force of troops will be immediately available for service in Manchuria, and this possibly will allow the under-taking of other independent enterprises

RUSSIA MUST MOVE FIRST. Hayashi Says Japan Will Not Offer

Terms of Peace. LONDON, Jan. 3.—The Associated Press is informed at the Foreign Office that the British government has heard nothing officially of any intention of Japan to propose poace to Russia through the American Government. The Foreign Office believes, however that Japan would be very

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moderate in her demands should any negotiations be opened.

Baron Hayashi, the Japanese Minister, said to the Associated Press:

"I know nothing whatever about the proposal for peace overtures. They must come from Russia.

"So long as the views of the Russian government are unknown. I do not see

government are unknown. I do not see an opportunity for mediation or for the exercise of good offices. I regard the statements on the subject as purely con-jectural. The report that Japan will of-fer terms of peace is absolutely unfound-

In all other well-informed quarters in London the Associated Press received the

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assurance that the talk of mediation is

MISTRUSTS THE POWERS.

Japan Fears They May Again Steal Fruits of Victory. ROME, Jan. 3-Japan, it is asserted

here fearing that the powers may again have in contemplation a solution of the Far Eastern problem which would deprive her of the fruits of her victory, is endeavoring to ascertain the tenor of any exchange of views which may have taken place between the powers regarding pos-

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Our annual sale has commenced and will continue during the present month. It would be impossible in this space to even attempt to enumerate the wonderful bargains we are offering in Fur Jackets, Boas, Stoles, Muffs, Rugs, etc. Such price cutting as we are making this season is unusual in the fur trade and can't help but meet with a hearty response from the purchasing public. We must reduce the stock and this is the only successful method to accomplish our purpose.

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