

MORE LIGHT SHED ON STANDARD OIL

Profits of Indiana Company 1000 Per Cent.

MUCH JUGGLING WITH BOOKS

Millions Transferred Between Two Companies.

PROFITS OF SUBSIDIARIES

Kellogg Gets Figures on Seventeen Tentacles of Octopus, Showing Over 100 Per Cent Profit. How Law Was Dodged.

Table with 2 columns: Company Name, Profit 1906. Includes Standard Oil Co. of Indiana, Atlantic Refining Co., etc.

NEW YORK, Sept. 18.—More light was shed upon the remarkable earning capacity of the various subsidiary companies of the Standard Oil Company today.

Queer Financial Juggling. Mr. Kellogg developed during the day, while Clarence G. Fay, assistant comptroller of the Standard Oil Company, was on the stand, a curious problem of financial bookkeeping or handling of accounts, which Mr. Fay failed to explain.

Dodging Texas Anti-Trust Law. Charles M. Pratt, secretary of the Standard Oil Company, recalled to the witness stand how he had held for the Standard Oil Company the stock of the Waters-Pierce Oil Company at the time when it was not permitted to operate in the state of Texas.

Trust Agreement Shut Out. H. E. Tilford, treasurer of the Standard Oil Company, was called to the stand late today and Mr. Kellogg made an effort to have spread on the records a copy of the trust agreement of 1892, but John G. Milburn, chief counsel for defendant company, objected on the ground that such an agreement was prior to July 2, 1890, when the Sherman anti-trust law went into effect.

Further efforts to obtain the records of the liquidating trustees of the Standard Oil Trust, who effected the dissolution of the trust and formed the present Standard Oil Company of New Jersey, were made by Mr. Kellogg.

Income of the C. M. Pratt Investment Company. He said that the income from this source in 1907 was \$135,400, and that the money was paid over to the Standard Oil Company by C. M. Pratt, who yesterday testified that he held stock of the Waters-Pierce Oil Company of Texas for the Standard Company, and that the Standard Company held the stock of the C. M. Pratt Investment Company in lieu of the Waters-Pierce Oil Company stock.

Trade in Waters-Pierce Stock. Mr. Fay testified that between 1899 and 1906 the stock of the Waters-Pierce Oil Company did not appear upon the books of the Standard Oil Company of New Jersey as an asset. In 1899 the latter company's balance sheet showed ownership of 2747 shares of the Waters-Pierce stock, valued at \$3,667,892.



Frank B. Kellogg, Assistant United States Attorney-General, who has unearthed inmost secrets of Standard Oil.

which issued certificates in exchange. In 1905 these Central Trust certificates were exchanged for \$100,000 in cash and \$500,000 worth of 4 per cent bonds of the Lehigh Valley Railroad Company.

Show Income of All Companies. Mr. Kellogg asked Mr. Fay to produce a statement showing the capitalization of all the companies in which the Standard Oil Company was interested. Mr. Fay said he would, if possible. It was agreed that Mr. Fay and an accountant of the Government should retire and check up the income accounts from the various subsidiary companies.

Mr. Kellogg then asked Mr. Fay if he had searched for the records of the liquidating trustees during the period between 1892 and 1899. Mr. Fay said he had hunted last night and found several Standard Oil Trust ledgers, the contents of which he had not examined and did not know what they contained. He said the company only kept the balance sheets of recent date, and that he had made no search for the balance sheets previous to 1899.

Mr. Pratt took the witness stand this afternoon. He said during recess that representatives of the Government were going over the ledgers of the liquidating trustees and that information concerning the liquidation of the trust was being prepared for presentation in court.

Mr. Pratt was shown a statement showing the income of the Standard Oil Company of New Jersey from the C. M. Pratt Investment Company and asked if the income was the total amount of dividends received from the Waters-Pierce Oil Company. He replied that it was. Mr. Pratt said that the certificates he held in the Waters-Pierce Oil Company were issued in blank by H. Clay Pierce, of St. Louis, the president. Prior to 1890 the Waters-Pierce Oil Company of Texas had a capitalization of \$600,000 and the Standard Company owned 2747 shares.

Bogus Sale of Stock. Mr. Pratt said that in March, 1904, he sold the Waters-Pierce stock to M. M. Van Buren, who, the witness said, had no connection with the Standard Oil Company. Mr. Van Buren paid about \$4,000,000 for the stock, giving \$150,000 in cash and the rest in notes. The cash and notes, Mr. Pratt said, were turned over by him to the Standard Oil Company. Mr. Pratt said he did not know why the stock was sold to Mr. Van Buren.

WILL ANNOUNCE HIS CANDIDACY

Bryan Soon to Issue Party Manifesto.

OUTLINE PLATFORM HE WANTS

Dictate Only Terms on Which He Would Run.

EXPECTS FIERCE CAMPAIGN

Nebraskan Would Rather Not, but Would Yield to Demand—Referendum, Revision and Extension Federal Power His Issues.

WASHINGTON, Sept. 18.—(Special.)—The most important piece of political news of the summer reached Washington today, to the effect that William J. Bryan will, within a few weeks, issue a statement announcing his candidacy for

in view of the fact that there seems to be a widespread demand that he be the Democratic standard-bearer, he will accept the nomination, if it is deemed best to give it to him on the terms he lays down. He will be more or less specific as to these terms.

There is no positive information at hand as to the important principles or policies which Mr. Bryan will put forth as his platform. It is assumed that he will make reference to the initiative and referendum, but whether the reference will be in the nature of demanding the full consummation of that idea at the present time must remain a matter of conjecture until the Nebraskan has spoken. Undoubtedly reference also will be made to the question of Government ownership, but, from information available, it is safe to say that no demand in favor of the immediate absorption of public-service corporations (primarily the railroads) will be exploited. The Bryan belief that Government ownership eventually will prove the only solution of the railroad problem may be enunciated with the qualification that the time for the change has not yet arrived. In other words, it may be sought to have it appear that Government ownership is not to be an issue next year. Tariff revision, Federal vs. state control, the centralization of power, and various other matters that have occupied the attention of Mr. Bryan recently and which are familiar to those who follow his teachings will receive special treatment.

Expects Terrific Campaign. The friends of Mr. Bryan who have been apprised of his plans for submitting his candidacy to the rank and file of the party say that he believes that next year's campaign for the party will be a terrific one. He may make this point forcible in his prospective statement. The 1908 campaign, Mr. Bryan believes, will, in its vigor and fierceness, parallel the cam-

PROFITS OF STANDARD OIL CO.'S SUBSIDIARY COMPANIES

Table with 7 columns: Name, Capital, Dividends 1905, Profits 1905, Dividends 1906, Profits 1906. Lists various subsidiary companies like Standard Oil Co. of Indiana, Atlantic Refining Co., etc.

TROTTERING RECORD BROKEN AT SALEM

R. Ambush Goes a Mile in 2:11 3-4.

ACCIDENTS CAUSE SENSATION

Horse and Driver Turn Complete Somersaults.

SURPRISE IN BIG STAKE

Ambush, Driven by Owner, G. W. Bonnell, Captures \$5000 Purse in Three Straight Heats—Run-away Adds to Excitement.

SALEM, Or., Sept. 18.—R. Ambush, G. W. Bonnell, of Redlands, Cal., won the Lewis and Clark \$5000 stake this afternoon in three straight heats, affording

to a perfect start. From third position Bonnell soon got clear of the field and took the lead into the back stretch with North Star at his flanks. The pair raced this way over the journey and when the struggle a 18th from home came, the crowd yelled "North Star wins," but he did not, for Bonnell shook his whip at Ambush and daylight separated the pair as they dashed under the wire.

"All right for the first heat," said the crowd. "Wait for the second heat." They did, and what they saw was Bonnell, after standing a drive for half a mile with Ambush, not only win the heat, but lower the Lone Track record for half a mile, and as an added glory the mark of 2:11 3/4 is the record for Oregon, Washington, Montana, Idaho and, in fact, of the entire Northwest.

The second and third races furnished thrilling accidents. In the second heat of the Valley stake, Sam Casto, one of the best-known of the Oregon drivers, received a fall right under the grand stand in which he sustained a broken leg. He was driving Vingora in the second heat of the three-year-old pace



Congressman John Daisell, Chairman of House Rules Committee, Most Recent Convert to Tariff Revision.

when Vingora, who was under a terrific drive, choked and fell. The horse turned a complete somersault, throwing Casto clear off the bike sulky. The old man, while in the air, also turned a somersault. At first it was not thought he was injured, but when he endeavored to stand up it was discovered that his left leg was broken. While the concern of the crowd was for the driver, there were cries of horror for the horse who, when she fell, landed with her neck and head under her body.

Chappell was the other driver who came near meeting with a serious accident. In the first heat of the 2:20 pace, The Prince, whom he was driving, broke down the back stretch and when Chappell attempted to pull him up, the bridle gave away.

The moment The Prince found himself without a bridle, he broke into a wild gallop and but for the fact that he was well up in the front division, (Concluded on Page 6.)

CONTENTS TODAY'S PAPER

- The Weather. YESTERDAY—Maximum temperature, 64 degrees; minimum temperature, 30 degrees. TODAY—Fair; westerly winds. Foreign. Secretary Garfield will not let up on land frauds. Page 5. Congressman Jones may be chairman of rivers and harbors. Page 5. Ballinger ignores political pull in Land Office. Page 4. Census bulletin on shipbuilding. Page 4. Bonaparte declares policy regarding trusts. Page 2. Politics. Bryan will declare his politics and expound his policy. Page 1. Clever satire on Bryan's political methods. Page 1. Oklahoma swept by Democracy with Mr. majority for prohibition. Page 4. Anti-saloon men demand action by Congress in support of prohibition. Page 2. Strong movement started against blue laws. Page 2. Senator Walton declares for third term. Page 4. Domestic. Government exposes Standard Oil's profits and tricks to evade law. Page 1. Wholesale arrests of Pennsylvania Capitol grafters. Page 1. Miss Tolson's double appears and solves mystery. Page 2. Associated Press approves fight with operators. Page 2. Pacific Coast. Northwest record broken at Salem race. Page 1. Oregon breed horses receive many premiums at State Fair. Page 6. Hoodlum murder mystery proves baffling. Page 6. Vancouver enjoys era of prosperity. Page 6. Sports. Los Angeles defeats Portland, 5-2, in hard-fought ball game. Page 12. Commercial and Marine. Oregon potato crop larger than last year's. Page 17. Chicago wheat market closes shade higher. Page 17. Advance in stock prices is checked. Page 17. Oil-tank steamer W. E. Porter performs novel feat in towing. Page 16. Portland and Vicinity. Gus A. Lovitt, of Eagle Department Store, revealed as Portland's champion borrower. Page 10. Increase in school attendance now 997. Page 11. Saturday Evening Post staff man pays Portland many compliments hither. Page 10. Brooklyn church seeks to retain Dr. Dyott as pastor. Page 11. Passionate love letters of Mrs. Reynolds to paramour read to murder trial jury. Page 15. Committee recommends makeshift building ordinance for passage. Page 10. Property-owners complain against Pacific Coast insurance combine. Page 10.

KEYSTONE STATE AFTER GRAFTERS

Fourteen Charged With Conspiracy.

CONGRESSMAN AMONG THEM

State Officers, Past and Present, Involved.

WILL SUE FOR MILLIONS

Only Four of Men Accused by Investigators Escape Accusation. Architect, Contractors and Manufacturers in Net.

HARRISBURG, Pa., Sept. 18.—The long-expected arrests of those held to be responsible for the frauds committed in the furnishing and decorating of Pennsylvania's \$30,000,000 Capitol were made today, the Attorney-General causing warrants to be issued for 14 of the 18 persons and firms named by the Capitol investigation commission as being involved in the scandal. Those for whom warrants were issued are:

Joseph H. Huston, architect, and his active assistant, Stanford B. Lewis, both of Philadelphia; John H. Sanderson, Philadelphia, chief contractor for furnishings; Congressman H. Burd Cassel, Marietta, Pa., treasurer and executive officer of the Pennsylvania Construction Company, contractors for steel filing cases; James H. Shumaker, Johnstown, Pa., former superintendent of public grounds and buildings, who received for the furnishings; George F. Payne and his partner, Charles G. Weller, both of Philadelphia, builders of the Capitol and contractors for \$300,000 attic; William F. Snyder, Spring City, Pa., former Auditor-General, who approved the warrants of the contractors; William L. Matthews, Media, Pa., former State Treasurer, who paid the bills of the contractors; Charles F. Kinsman, Wallace Boleau, John G. Nelderer, and George K. Storm, all of Philadelphia, stockholders in the Pennsylvania Bronze Company, organized by Sanderson for the manufacture of the \$2,000,000 lighting fixtures; Frank Irvine, auditor in the Auditor-General's office, who audited the accounts of the contractors.

The men for whom warrants were issued include all of the 18 persons and firms named by the investigation commission in its report to Governor Stuart as being involved in the Capitol contracts, with the exception of Frank G. Harris, former State Treasurer, and Edward B. Hardenberg, former Auditor-General, both of whom were members of the board of grounds and buildings during the Cassel contracts; George C. Kolm, broker in Shumaker's office, and the present deputy superintendent of grounds and buildings, and the International Manufacturing & Supply Company, an alleged "dummy" bidder against Sanderson.

Nearly all the defendants appeared during the day, waived hearing and entered bail for their appearance in the Dauphin County Court. Several were unable to appear because of illness. The principal defendants were held in \$50,000 bail, which was furnished in every instance by surety companies.

All of the defendants are charged with conspiracy to cheat and defraud the state by making false invoices, which were approved by Huston and Shumaker. Charges of obtaining money by false pretenses were also entered against Sanderson, Cassel, Payne and Weller, it being alleged they furnished fictitious bills for a greater amount than they were entitled to receive under contract.

WILL SUE FOR STOLEN MONEY. State Will Seek to Recover \$9,000,000 From Swindlers.

PHILADELPHIA, Pa., Sept. 18.—The arrests are based on the report made to Governor Stewart by the commission created by the Legislature to investigate the Capitol scandal. They will be followed by civil suits for the recovery of a portion of the \$3,000,000 collected by contractors for the furnishing and equipping of the Capitol.

In its report made public about a month ago the commission named 18 persons and firms as being involved in the Capitol contracts, and recommended prosecution of any and all persons concerned in the fraudulent transactions, named specifically, and all persons who may be directly or indirectly involved.

WHAT MIGHT BE DONE WITH THE STANDARD OIL'S HALF BILLION

Political cartoon titled 'WHAT MIGHT BE DONE WITH THE STANDARD OIL'S HALF BILLION'. It depicts a man in a suit holding a large bag of money, with various suggestions for its use: 'Would come in handy to pay the depositors of that defunct bank.', 'Our 14-dollar-a-month soldiers could find a place for it.', 'Central Oregon could get along without Hartman.', 'Bishop Moore could fit out those ill-dressed preachers.', 'It would enable the over-worked clerk to sleep mornings.', 'Mr. Average Citizen would welcome it about the first of the month.'