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.

PROFITS OF STANDARD OIL CO.

- Aggregate capital of 17 substillary mpanies, \$59,255,200, Aggregate dividends in 1903, except for three companies, figures for on of which are for 1904, another for 1905, a third not given, \$47,808,685.
- Profits in 1903, \$62,928,028. Dividends in 1906, except Vacuum Oil Company for which figures are not
- given, \$41,918,659. Dividends in 1906, \$56,025,815. Percentage of profits in 1903, 100.2; in 1906, 94.55.

NEW YORK, Sept. 18. - More light was shed upon the remarkable earning capacity of the various subsidiary companies of the Standard Oil Company today, when Frank O. Kellogg. who is conducting the Federal suits, succeeded in placing upon the record the profits of 17 of the principal subsidiary companies in the years 1903 and 1906. The statement of earnings of the Standard Oll Company of Indiana, which was recently fined \$29,240, 000 by Judge Landis, of Chicago, for rebating, disclosed that in 1906 the company earned \$10,516,982 on a cap-Italization of \$1,300,000, or over 1936 per cent a year. The Indiana com pany in 1906 earned more than any subsidiary company of the big com-

Queer Financial Juggling.

Mr. Kellogg developed during the day, while Clarence G. Fay, assistant comptroller of the Standard Oll Company, was on the stand, a curious handling of accounts, which Mr. Fay failed to explain. From figures submitted, it was shown that the Standard Oil Company of New York, in 1904, made a profit of \$7,775,760, and paid as dividends to the Standard Oil Company of New Jersey the total sum of \$32,988,430. This transaction re duced the net assets of the New York tompany from \$40,425,900 to \$15,179,too, while the liabilities leaned from \$47,646.235 in 1903 to \$81,395,145 in The gross assets of the New York company, however, increased from \$88. 674,561 in 1908 to \$96,574,852 in 1934. Meanwhile the accounts receivable o the Standard Oil Company of New Jersey grow from \$19,945,041 in 1903, to \$58,272,924.

Mr. Fay was closely questioned as to the nature of the increased liabilities of the New York company and the increase in the accounts receivable of the Standard Oil Company of New Jersey, but he said he could not tell until he had examined the books of both companies, which he told Mr.

Kellogg he would do. Dodging Texas Anti-Trust Law.

Charles M. Pratt, secretary of the Standard Oil Company, recalled to the witness stand, told how he had held for the Standard Oil Company the stock of time when it was not permitted to convenience and not to avoid the antitrust laws of Texas.

lights on the Waters-Pierce Oil Coma long period by M. M. Van Buren, who ras not connected with the Standard Oil Company. Mr. Van Buren purchased the stock from Mr. Pratt and early this year the Standard Company bought it back. The nature of the transaction showed that Mr. Van Buren received from the Standard Oil Company exactly during the time he held it the dividends were paid to the Standard Oil Company.

H. H. Tilford, treasurer of the Standard Oll Company, was called to the stand late today and Mr. Kellogg made an effort to have spread on the records 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 Sher-

of the liquidating trustees of the Standard Oil Trust, who effected the dissoluent Standard Oil Company of New Jersey, were made by Mr, Kellogg.

Mn Few man augationed shout the

income of the C. M. Pratt Investment from this source in 1962 was \$138,400, 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 Off Company stock. Trade in Waters-Pierce Stock.

Mr. Fay testified that between 1899 nd 1906 the stock of the Waters-Pierce Oll 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 atter company's balance sheet showed outline PLATFORM HE WANTS ers-Pierce stock, valued at \$3,067,892.

Mr. Fay was questioned about certain Central Trust Company's certificates, held by the Standard Oll Company between 1899 and 1904. A statement from the company showed that the stock of the National Storage Company was sold in exchange for Lehigh Valley Railroad bonds and deposited with the Central Trust Company



Frank B. Kellogg, Assistant United States Attorney-General, Who Has Unearthed Inmost Secrets of Stan-

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 onds of the Lehigh Valley Railroad

Show Income of All Companies.

Mr. Kellogg asked Mr. Fay to produce statement showing the capitalization of all the companies in which the Standard Oll 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. The par tial list submitted contained the names of seventeen subsidiary companies. Mr Fay said that practically all the stock of the original nineteen subsidiary companies was obtained by the Standard Oll Company of New Jersey between 1899 and

Mr. Kellogg then asked Mr. Fay if he and scarched for the records of the liquidating trustees during the period b tween 1892 and 1899, 'Mr. Fay said h hunted last night and found several Standard Oil Trust ledgers, the contents 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. Fay testified that he had seen no balance sheets of the Waters Pierce Oil Company.

"Why is it that your office, which has information of other companies, has no information of the Waters-Pierce Oil Company?" asked Mr. Kellogg. "I don't know," replied Mr. Fay

Standard Gets Waters-Pierce Profits

representatives of the Government were going over the ledgers of the liquidating the liquidation of the trust was being prepared for presentation in court.

ing the income of the Standard Oil Company of New Jersey from the C. M. Pratt Investment Company and asked if dends received from the Waters-Pierce Company. He replied that it was. Mr. the Waters-Pierce Oil Company at the Pratt said that the certificates he held in the Waters-Pierce Oil Company were in operate in the state of Texas. He said dorsed in blank by H. Clay Pierce, of that he held the stock as a matter of St. Louis, the president. Prior to 1900 the Waters-Pierce Oil Company of Texas had a capitalization of \$400,000 and the Standard Company owned 2747 shares. Mr. Pratt said he paid out of his pocket \$475,000 for the stock and held it in the interest of the Standard Oil Company.

In May, 1905, the New Waters-Pierce Oil Company was formed and Mr. Pratt exchanged the old certificates for the certificates of the new company. "Why did you hold this stock for the

Standard Oil Company?" asked Mr. Kel-

"As a matter of convenience," was the "Now, as a matter of fact, did you no hold this stock to evade the anti-trust

laws of Texas?" "I do not know," was Mr. Pratt's an

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. "The dividends the first year he held the stock amounted to \$1,800,000, and

HIS CANDIDACY

Bryan Soon to Issue Party Manifesto.

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 paign, Mr. Bryan believes, will, in its

in view of the fact that there seems t Democratic standard-bearer, he will accept the nomination, if it be 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 publicservice corporations (primarily the railroads) will be exploited. The Bryan belief that Government ownership eventually will prove the only so lution 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 camstatement announcing his candidacy for vigor and fierceness parallel the cam-

TROTTING RECORD

R. Ambush Goes a Mile

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...Runaway Adds to Excitement.

BY WILL G. MAC RAE. SALEM, Or., Sept. 18 .- R. Ambush, G. W. Bonnell, of Redlands, Cal., won the Lewis and Clark \$5000 stake this after-

BROKEN AT SALEM

in 2:11 3-4.

PROFITS OF STANDARD OIL CO.'S SUBSIDIARY COMPANIES

Indiana Pipe Line Co." Atlantic Refining Co. Buckeye Pipe Line Co. Continental Oil Co. Eureka Pipe Line Co. Galena Signal Oil Co. National Transit Co. New York Transit Co. Northern Pipe Line Co.	5,000,000 10,000,000 800,000 3,000,000 1,000,000 2,455,200 5,700,000 1,000,000	Dividends 1905. \$ 8,491,500 5,793,000 8,489,830 1,499,953 408,000 2,949,440 1,125,500 2,543,165 3,949,280 *79,902	Profits 1903. \$ 8.753,410 4,190,694 9,794,190 4,592,147 588,969 3,119,395 1,492,271 5,340,042 3,035,639 80,522 1,122,489	Dividends 1998. \$4,495,500 2,179,340 2,249,955 5,799,798 405,000 3,949,634 1,377,200 5,050,340 2,099,958 2,000,000	Profits 1996, 082 2,314,585 5,306,237 7,023,362 5,77,047 2,433,140 2,533,056 1,024,76 2,344,282 1,301,014
Sular Refining Co. Southern Pipe Line Co. Standard Oil Co. of Iowa. Standard Oil Co. of Kentucky. Standard Oil Co. of New York. Standard Oil Co. of Ohlo. Vacuum Oil Co.	1,000,000 1,000,000 15,000,000	1,488,128 559,868 1600,060 997,200 10,498,650 174,970	1,139,016 1,089,418 1,772,173 14,391,046 960,184 1,314,461	4,500,838 3,904,096 1,994,490 1,149,090 174,960	4,000,306 673,900 1,307,750 9,556,031 1,009,528 1,449,327
Totals	\$59,255,200	\$47,698,685	\$62,928,028	\$41,918,659	\$56,025,815

next year and submit an outline of the platform upon which he will run, M his party wants him to make the race.

This information was brought to the capital by close friends of Mr. Bryan, who recently have conferred with him regarding the approaching Presidential next time. campaign. Another and more formal conis most trusted advisers from various sections of the country, for the purpose of deciding upon details respecting the course to be pursued by the Nebraskan, originally was scheduled for September 15. For some reason, however, this con-ference has been postponed. But it is the acceptance of his views and of his stated that Mr. Bryan's statement will issue early in October and that it will fight. supply material from which Democrati-

name the Presidential ticket Mr. Bryan, it is stated upon high au thority, will tell the members of his party that he would rather not again be

calculations and maneuvers will be con

structed throughout the period ending

the Democratic Fresidential nomination paign of 1896. In the 1896 campaign the the thousands who filled the grandstand country was agitated as it had not been and infield at Lone Oak track a genoverwhelming defeat, but up to the counting of the ballots he had his opponents The chance for Democratic sucon edge. cess, Mr. Bryan declares, will be better

The latest news changes the aspect of ference between Mr. Bryan and some of affairs considerably. Instead of waiting what he thinks ought to be the Demo cratic plan of campaign and let the rank and file of his party thresh out the whole

PREFERS TO STAY CANDIDATE Clever Satirist Represents Bryan as

NEW YORK, Sept. 18.—(Special.)— Will the old-time Cleveland Demo-

own availability as the man to lead the

in years and years. Mr. Bryan suffered | uine surprise. Driven by the owner R. Ambush captured the rich stake, but in each heat Bonnell was forced to drive for the best that was in the horse. Overlooked entirely by the gossip

for there is no betting here-Ambush went to the post unspoken of. Wise think they follow the doings of the light harness brigade, talked of nothing but Freddle C., North Star, Carlakin and Satin Royal.

Nine Start in First Race.

Nine of as high-class harness horse as ever faced a starter caught Judge Wood's eye as they scored for the first time. There were cheers for North Star, cheers for Durfee and Carlakin and for Satin Royal. All the time a venerable gray-headed man, seated behind a big brown horse, watched only the pole horse and was ready to go away at the word. There was tiresome

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

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 wir the heat, but lower the Lone Track record for half a mile, and as an added glory the mark of 2:11% is the record for Oregon, Washington, Montana, Idaho and, in fact, of the entire North-

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 grandstand in which he sustained a broken leg. He was driving Vingora in the second heat of the three-year-old pace

Congressman John Daizell, Chairman

Recent Convert to Tariff Revision.

rific drive, choked and fell. The horse

turned a complete somersault, throw-

ing Castro 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 dis-

overed that his left leg was broken

While the concern of the crowd was

ror for the horse who, when she fell,

landed with her neck and head under

Chappell was the other driver who

came near meeting with a serious ac-

cident. In the first heat of the 2:20

pace, The Prince, whom he was driving,

broke down the back stretch and when

The moment The Prince found him

self without a bride, he broke into a

wild gallop and but for the fact that

he was well up in the front division,

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empted to pull him up, the

for the driver, there were cries of hor-

House Rules Committee, Most

KEYSTONE STATE pair raced this way over the journey AFTER GRAFTERS and when the struggle a 16th 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 Fourteen Charged With

CONGRESSMAN AMONG THEM

State Officers, Past and Present, Involved.

Conspiracy.

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 in-vestigation commission as being involved in the scanc' I. Those for whom warrants were issued are: Joseph H. Huston, architect, and his

assistant, Stanford B. 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 receipted for the furnishings; George F. Payne and his partner, Charles G. Wetter, both of Philadelphia, builders of the Capitol and contractors for \$303,600 attic; William P. Snyder, Spring City, Pa., former Auditor-General, who approved the warrants of the contractors; William L. Matthues, Media. Pa., former State Treasurer, who paid the bills of the contractors; Charles Kinsman, Wallace Boileau, John G. Neiderer, and George K. Storm, all 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 isfirms mentioned 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 that awarded the Cassel contracts; George C. Keim, bookkeeper 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 durug the day, waived hearing and entered County Court. Several were unable to appear because of iliness. The principal defendants were held in \$50,000 bail, which was furnished in every instance by surely

All of the defendants are charged with consp.racy to cheat and defraud the state by making false invoices, which were apwed by Huston and Shumaker, Charges of obtaining money by false pretenses were also entered against Sanderson, Cassel, Payne and Wetter, 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 civil suits for the recovery of a portion of the \$9,000,000 collected by contractors for the furnishing and equipping of the Capi-

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. John H. Sanderson and Joseph M. Huson, of this city, left for the state capital at 10:30 this morning to appear before a magistrate. Both were accompanied by counsel. Both had spent the Summer away from home during the investigation of the fraud charges, and returned to this

Huston's commissions as architect for the Capitol Commission for the construction of the building and of the Board of Public Grounds and Buildings, by which it was furnished and equipped, amounted to \$525,000. Huston collected all of his commissions except \$104,000, which the State Treasurer refused to pay on the ground that there was evidence of fraud and collusion in his transactions with the

architects of Philadelphia, John H. Sanderson, of Philadelphia, collected more than \$5,250,000 for lighting

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





