



PRICE FIVE CENTS.



'In the investigation conducted by the

Fraudulently Made by Harriman, Rogers and Stillman at the Expense of the Company.

NEW YORK, March 12 .- (Special.)-Charges that E. H. Harriman has caused a loss to the stockholders of the Union Pacific Railroad of over \$40,000,000 by his stock speculations, with the funds of that corporation were filed with the board of directors today. A formal demand was made that suit be brought against him and the other directors of the system who have been parties to his speculations. to recover. pany through the illegal transactions.

Make Harriman Disgorge.

The action is preliminary to a suit to be instituted by a powerful group of stockholders to force Mr. Harriman to disgorge the profits he and his associates have made in stock market operations with Union Pacific funds and through the unloading of a large amount of securities of other corporations upon the company's treasury at prices far above their present value The action is designed to forestall the plan of the Union Pacific executive committee to segregate these securi les under a holding company, which is now being formed for the purpose. The charges contained in the papers

preferred stock and 20,000 shares of its n stock at a to il cost to the a Japanese merchant, of Wenden, Aria, sues O. E. Young, Postmaster at Wenden, for \$5009 damages, alleging that Young failed to forward a registered letter to the Phoenix National Bank. Tanaka sub-Union Pacific of \$20,331 540, and interdiscussion indicated that a common ground of understanding shortly will be est at the rate of 4 per cent from February 1, 1906. reached and perhaps within a week a measure will be drafted which will be satisfactory to all parties. Interstate Commerce Commission in Jan-uary and February, 1907, into certain sequently drew a check on the amount registered and says he was placed in the light of a felon and was arrested, spend-ing 30 hours in the Phoenix jail. Exempt Unions and Railroad Pools. transactions of the Union Pacific Railroad Company Mr. Harriman refused to divulge when he acquired said stock and amount of his profits in the sale CONTENTS TODAY'S PAPER thereof to the Union Pacific. The Weather, Sold at Highest Price. TESTERDAT S-Maximum temperature, 35 degrees; minimum, 14. 'Second-In or about the month of TODAT'S-Showers: southerly winds. August, 1996, EL H. Harriman caused the orporation to purchase from himself 221. Foreign. obery sounds alarm against Socialism in Britain. Page 3. 230 shares of the common stock of the Railroad Securities Company at a cost to present shape. National. the Union Pacific of \$4,495,977.88 and 12,359 Represent holds conference on revised anti-trust bill. Page 1. shares of the preferred stock of the Railroad Securities Company at a cost to the Union Pacific of \$1,253,552.79. House makes important amendments to post office bill. Page 5 Joker in amendments to land-grant resolu-tion exposed. Page 1 'Third-in or about the month of July Tailey names men who worked submarine boat scheme and details charges. Page 7. or August, 1906, Mr. Harriman caused the orporation to purchase from himself 20, 000 shares of the capital stock of the Illi Pleet prepares for target practice at Mag dalena Bay. Page 5. nols Central Railroad Company at the Politics. price of \$175 per share, ex a dividend of Missouri Republicans start Hughes boom \$3,50 per share, or almost, if not quite, Page 1 the very highest price at which said stock Nebraska Republicans for Taft and fariff revision. Page 1. has ever been quoted.

today. The girl, who is now in the care of a society, told of nights spent at the Hitch-cock home at Great Neck, L. I., and of visits to a furnished room in this city-where the defendant had temporary lodg-ings. On each of these excursions she was accompanied, she said, by either Flora Wriston or Elsie Voecks. At the time, more than a year ago, Flora was 15, the witness was 15 and Elsie was 12 years of age.

ears of age.

no one professing to represent the railroad availed himself of the opportunity to make a statement Various counsel for purchasers of rail-

road land were requested to suggest a form of amendment which would protect all innocent purchasers for value who are District Convention, although the delegates were not instructed.

could be disposed of by the railroad a it saw fit. The results of the conventions mark a seculiar situation existing in the two districts, in that two conventions have Elijah Smith, representing the Southbeen held in each district and two sets ern Oregon Company, which acquired the of delegates elected to the National Con-Coos Bay wagon-road grant, was the last witness, and appeared in favor of each district, elected on February 21, were instructed for Taft.

Large Fraudulent Profits.

"Fourth-The petitioners are advised and believe, and so aver, that E. H. Harriman unlawfully and fraudulently realized large profits on his sale of the above mentioned St. Joseph & Grand Island stock, Railroad Securities stock and Illnois Central stock to the Union Paelfic Raffroad Company; that Messrs. Rogers and Stillman unlawfully and fraudulently realized the large profits on their sale of Illinois Central stock sold by Kuhn, Loeb & Co. to the Union Pacific, which has been sold, and was so sold by them for and on account of certain of the directors of the Union Pacific, who unlawfully and fraudulently realized large profits at the expense of the Union Pa-

Powerful Men Behind Demand.

ciffe."

According to Leonard M. Walstein, who said he represented the signers of the denands, copies had been sent to most of the directors today. Mr. Waldstein appeared as one of the counsel for Stuyvesant Fish in the latter's fight for contro of the Illinois Central, but he stated that Mr. Fish was not behind the present ovement. Mr. Waldstein also explained that the action was not to be construed as an attack on Mr. Harriman personally. While the names of but four stockholdtra are signed to the petition. Mr. Waldfinancial interests were united in support The petition bears the signatures of Lewis A. Starrs, of Hartford; William A. Arnold, of Willimantic; Albert C. Rates, of East Granby, and Henry R. of Hartford, in the order named, and is dated March 9.

Buildings for Albany and Pendleton.

OREGONIAN NEWS BUREAU, Washbuildings committee reported favorably

Domestic.

General reduction of wages in cotton mills. Page 3. Alin

is convicted of murder and sentenced to hang. Page 7. Union Pacific stockhoiders domand Harri-man and associates refund profits on stock. Page 1.

Powerful argument for lumbermen in rate inquiry. Page 4. Trial of Raymond Hitchcock begins, Page 1.

Hughes anti-betting bill makes stop for-ward. Page 7. Sports.

Beavers shut out White Sex in practice game. Page 12.

Pacific Coast.

gives rebuting in California a new

New rules against liquor at Stanford Uni-versity. Page 7.

Complaining witness in Albany liquor case said to be an ex-canvict. Page 5. Washington Railroad Commission reduces express charges on Great Northern. Page 6.

robable course of hop market in Fall. Page

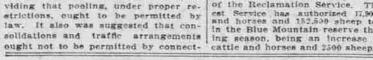
Irregular movement in stock prices. Page

Matine business has doubled in last ten years. Page 16.

neon. Page 13. New ordinance introduced in Council invit-ing bids for city lighting. Page 10. W. S. U'Ben and G. W. Stapleton meet in joint debate. Page 16. W. S. U'Ren withdraws as Senatorial can-didnte. Page 10.

narticular interest of the la officers is to accure an amendment to the Sherman law, which will exempt the unions from the practical operation of the act, as conspiracies in restraint of trade. A proposition of that kind now is pending in Congress, but in the opinion of some of the participants in the White House conference, it would be unconstitutional if enacted in its

Amendments were proposed relating to the operation of railroads, one pro-



In his opening address, following the filling of the jury box today, the prose-cutor had charged that Hitchcock had been guilty of misconduct with all three of these children. When her testimony was interrupted by adjournment, the Von Hagen girl had aworn confirmation was interrupted b Hagen girl bad confirmation the state's allegations so far as she was oncerned.

Portland Man Appointed.

OREGONIAN NEWS BUREAU, Wash- true of the West Side grant under the sale ington, March 12.--T. W. Zimmerman, of Portland, has been appointed clork of the Reclamation Service. The For-cet Service has authorized 17,900 cattle and horses and 152,520 sheep to graze in the Blue Mountain reserve the ensu-ing season being an increase of 2000 ing season, being an increase of 2000

THE RECALL

the innocent purchaser amendment. He was highly embarrassed when, upon amendments made any distinction as to ross-examination, Mr. Townsend brought Mr. Townsend called attention to the

from him the admission that his com-pany had last July formally requested the Attorney-General to bring suit against fact that in 1870 the East Side Company conveyed its entire grant to the Oregon & California Company, so that the com-He was forced to admit, however, that it hoped for a purely formal suit, which, it believed, would be decided in its favor and confirm its title. He was not in favor of a suit which might be depany, under the proposed amendments. could be regarded as a "purchaser for value and without fraud." The same is cided against it. He said his company of 1890. Moreover, there are two trust also was an innocent purchaser. deeds of 1881, which convey the entire land grant to the preferred stockholders DEFENSE MAKES CHARGE

without condition. Again the "innocent purchaser." On July 1, 1887, a \$39,000,000 mortgage was given to the Union Trust Company

a la

FEDERAL COUNSEL SAID TO WITHHOLD GOOD EVIDENCE.

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Two Sets Claim Seats.

Republican State Chairman W. S. Dickey declared that by reason of the fact that district committees of the two districts were ousted by the state com mittee, the conventions held on February 21 were illegal and the delegates were filegally elected. He called the two conventions held today and declared them held under the auspices of the Republi-can State Committee in regular form and therefore legal. As a consequence the rival sets of delegates from the two districts will contest for seats in the

Chicago convention.

NEBRAKSA SOLID FOR TAFT

Instructs Delegates Strictly and Wants Tariff Revision. OMAHA, March 12 .- Without a voice of

Government, in Turn, Declares Accused Los Angeles Men Seek Grand Jury's Material.

Elijah Smith in a Corner.

LOS ANGELES, March 12 .- In somewhat dramatic ending to an all-day session in the Federal Court today the defendants in attorneys Oregon land-fraud cases charged the Government with attempting to with-hold documentary evidence that would show the innocence of at least two of the indicted men. The incident followed a shrewd move on the part of counsel for the defense. They served Special Government Agent, compelling him to go on the stand as a witness for the defense,

Counsel desired to ask him whether he had in his possession certain docu-ments that are supposed to contain matter favorable to two of the defendants. Tracy C. Becker, special assist-ant to Attorney-General Bonaparte, made a strenuous objection to this testimony, and he was joints by States District Attorney Lawlor. Both Government prosecutors contended that the only way to get such evidence be-fore the court was to call the two men as witnesses.

It was asserted that the "defense was It was asserted that the "defense was fishing for Government evidence, and was apparently seeking to discover what documents were pisced in the hands of the Oregon Federal grand jury. Attorneys for the defense indig-

United States Commissioner Van Dyke stated that he would rule toforrow on the various propositions inolved.

Admitting that an attempt was made y Oregon men to secure Government nd by fraudulent means, the defense the present proceedings asserts there not one particle of evidence to show that any of the local men indicted had any knowledge of such land transac-

The hearing will not be concluded to, morrow, but attorneys expect all evi-dence will be submitted by Monday,

dissent the candidacy of William H. Taft for President of the United States was indorsed by the Republican State Convention of Nebraska today, and a solid delegation for the Secretary will go to Chicago instructed to vote for his nonilnation first, last and all the time.

It was a Taft convention from start to finish, despite talk of a division, and, when the question of selecting delegates at large came up for consideration, the slated delegation-Governor Sheldon, Senator Norris Brown, Victor Rosewater and Judg; Allen W. Field, of Lincoin, went through with a rush.

One Lone Man Opposes.

The Second and Sixth Districts held their conventions during the forenoon, and representatives of organized labor made a demonstration on the floor of the Second District gathering, Tony Donabue, an Omaha labor leader, who was a delegate, made a formal protest against the candidacy of Mr. Taft. He said that he represented 5000 votors in the Second District, who were unalterably opposed to Mr. Taft, and asked that himself and 15 other delegates be placed on record as opposed to sending a delegation to Chi cago instructed for the War Secretary. Mr. Donahue was heard respectfully, but the convention took no action The matter was not brought to the attention of the state body.

La Follette Boom Dead.

A large delegation from the Sixth District, where the La Follette movement received its greatest impetus, arrived late last night, and at once made it distinctly known that opposition to Mr. Taft had ceased.

Mention of the name of Mr. Taft, made y Temporary Chairman Daniel Nettleion, caused the convention to cheer up-

(Concluded on Page 5.)



name. Page 4. Man and woman arrested in San Prancisco for using Governor Guild's name to swindle. Page 5. Defense in Los Angeles land-traud trial bries to force Government's hand. Page 1.

Milwaukie witnesses become confused at rate-hearing case. Page 6.

Commercial and Marine.

Vheat market at Chicago is nervous. Page

Portland and Vicinity.

Oregon stockmen will benefit immensely by establishment of Independent packing house. Page 10. War to knife declared by opposing factions in City Council, Page 10 Monot Hood Railway Company and city of-ficials agree on franchise. Page 12. Rose show bonefit matinee this after-noon. Page 13.

Rose show benes, noon. Page 13.