PACKERS INDICTED AS FOES OF TRADE

National Packing Company and Ten Subsidiary Concerns Accused.

ALL BIG FIRMS INVOLVED

Control of Smaller Companies Is Alleged to Have Been Bought Up. Suit for Dissolution Begins. Company Enters Denial.

CHICAGO, March 21 .- Eight weeks aftcrit had begun its investigation of si-leged violations of the Sherman anti-trust law, the Federal grand jury to-day returned indictments against the fa-tional Packing Company and 10 subsidi-

tlonal Packing Company and 10 subsidiary concerns.

Immediately upon announcement of the indictments before Judge Kenesaw M. Landis, the Government filed a suit seeking the dissolution of the packing company. The suit is one in equity and, beside those indicted, 16 firms and individuals are made defendants.

In a statement issued on behalf of the Newtons Packing Company Ralph Crews.

National Packing Company, Ralph Crews, its general counsel, tonight gives some inkling of the determination to fight the Government to the limit. His statement follows:

Violation of Law Denied.

The company was organized in March, 1903, for the purpose of economizing in operation of certain subsidiary corpor-ations named jointly with it in the indictment returned today by the Federal grand jury for the northern district of Illinois. Its organization was directed by the best counsel obtainable, who then believed and now believe its organization and the operation of its subsidiary companies in no way transgressed the privileges of the Sherman act; and in this respect it is practically similar to nearly all the large corporations of the

"The total percentage of the business, done by the corporations controlled by the National Packing Company forms but a small part of the whole volume of the packing industry.

Competition Still Continues.

"This proportion could not constitute a monopoly in any sense of the word. Instead of operating to restrain the trade of its subsidiary companies, as alleged in the indictment, it is a fact the com-panies have all shown a healthy increase since the formation of the National. The company is operated by its officers purely as a competitive and independent factor

The indictment today returned and "The indictment today returned and the bill in equity today filed by the District Attorney are directed at the organization and operation of this company. These operations have, at all times, been frank and open, and we are confident that the courts will sustain our contentions on their legality."

Many Big Packers Involved.

The defendants are: The National Packing Cempany, G. H. Hammond Company, Hammond Packing Company, Omaha Packing Company, Anglo-American Provision Company, Fowler Packing Company, United Dressed Beef Company, St. Louis Dressed Beef & Provision Com-pany, Western Packing Company, Colopany, Western Facking Company, Continental Packing Company, New York Butchers' Dressed Meat Company, Continental Packing Continental Packing Continental Packing pany, Conginental Packing Company, Armour & Co., Swift & Co., Morris & Co., Edward Tilden, Louis F., Swift, Edward F. Swift, Charles H. Swift, L. A. Carton, Frank A. Fowler, J. Ogden Armour, Arthur Mecker, "Thomas J. Connors, Edward Morris, Thomas E. Wilson and L. H. Heyman.

The bill charges that prior to May 10. Thomas E. Wilson and L. H. Heyman.

The bill charges that prior to May 16, 1902. Armour & Co., Swift & Co., and Morris & Co. were parties to an unlawful combination to fix prices and restrain trade in fresh meat; that on that day suit was brought by the United States under was brought by the United States under the Sherman anti-trust law to prevent their violations of the law, and that as a

result Judge Grosscup on February 18, 1908, filed an opinion stating he would grant an injunction in accordance with the Government's bill. The final order in the case, however, was not entered until April 4, 1993. Meanwhile, on March 18, 1963, the National Packing Company was organized, all of the stock of which was owned by the Armour, Swift and Morris interests, the parties to the original alleged combina-

Competing Companies Bought.

On the date of its organization, the bill states, there was turned over to the National Packing Company by the Armour, Swift and Morris interests control of a number of packing con-cerns which up to that time had been competitors, not only of the Armour, Swift and Morris Companies, but of each other

These independent competing con-zerns which the bill alleges were turned over to the National Packing Company are the concerns named as defendants in the indictment The bill charges that the necessary effect of the union of these interests in the management of the National

in the management of the National Packing Company is to destroy com-petition, not only among the constitu-

ent companies, but also between those companies and the Armour, Swift and Morrison Companies The prayer of the bill is that the management and control by the National Packing Company of its subsidiary companies may be declared to be in violation of the Sherman act and uniawful and void, and that each of the individual defendants and the National Packing Company and the Armour Swift and Morris mour, Swift and Morris companies may be enjoined from exercising any control whatsoever over the subsidiary companies; that the subsidiary companies may be enjoined from paying any dividends to the National Packing Company, and that the defendants may be enjoined and prohibited from conversions on any interest. ited from carrying on any interstate commerce until such time as they have satisfied the court they are no longer party to any unlawful combination in restraint of trade.

HOUSE BECOMES PEACEFUL

(Continued from First Page.) attitude toward the men he had denounced Saturday night, and there was almost a certainty "that the Speaker had been misquoted in his remarks," or something of that kind.

Minority Leader Clark was to be a member of the committee, he believed Mr. Payne also should be on the com-

mittee.

Half the House appeared to find something humorous in the situation and the bitterness and rancor of the last few days appeared gradually to dissipate. Whether it has in it any greater significance than a mere incident of one legislative day cannot be torstold.

Republican Caucus Saturday.

The Republican caucus on the selection of the new rules committee, it was announced by Representative Cur-rier, would not be held before the latter part of the week, probably Saturday

Nearly all the insurgents, both those who voted for and against the Speaker last Saturday, announced they intend to enter the caucus. Representative Hayes and one or two others early in the day declared they would not, under any circumstances, enter the caucus unless they had assurances as to who the new members of the committee would be and that they would be satisfactory to the insurgents.

Many regular Republicans volunteered the opinion that the insurgents should be represented on the rules committee. A few, but only a few, asserted that they should not have representation. Leaders of the insurgents said they would hold no meeting before the Republican caucus.

Norris Explains Position. Nearly all the insurgents, both those

Norris Explains Position.

Representative Norris, author of the resolution which overthrew the old rules committee, said today. "We don't insist on representation. All we want is a committee of fair All we want is a committee of fair men. I have no doubt the insurgents will enter the Republican caucus unless something is done by the regulars to cause trouble. It all depends upon the attitude of the other fellows. If they want to accept the opportunity they now have to go ahead, everything will be all right. What will happen cannot be foretold."

"I voted against the Burleson reso-

"I voted against the Burleson resolution to declare the Speaker's chair vacant," said ... Norris, "because it was a fight for principle and not one of personalities. I did not wish to see the House precipitated into chaos and

the House precipitated into chaos and disorder from which it probably would not emerge for weeks, to the detriment of important pending legislation.

"Our victory already had been won when we deprived the Speaker of his most powerful weapon—the appointment of the rules committee. I had only a moment to think it over and I decided it was better to place party welfare above personal rovenge.

Norris Supported Cannon.

"I voted for Cannon for Speaker at the beginning of the present Congress, not because I was for him. He had insuited and humiliated me and he had taken me from all important committees. We had not spoken for two years. But I voted for him regardless of these facts, because I did not want him to

nacts, because I did not want him to have opportunity in future to discriminate against me and declare that he did so because I was a bolter.

"I still think I did right Saturday when I voted to retain Cannon in the chair. Events, I beneve, will justify

It was suggested to Mr. Norris if the Republican caucus should name six men dominated by Speaker Cannon the new rules committee scarcely would differ from the old one and the "in-surgent" victory on the rules question would be practically vitlated.

Victory Is for Future.

"The victory may not show so much in the present Congress," answered Mr. Norris, "but in the years to come it will be in evidence. We have taken the Speaker himself from the rules committee and have taken the naming of the other members out of his hands. The members of that committee hereafter members of that committee hereafter will not be under the slightest obliga-tion to the Speaker, but will be responsible to the House slone for their ap-

pointment.
"Also the House can change the rules committee if it does not obey the wishes of the House."
Mr. Norris vigorously denounced the

In the party and making our own in-surgency more intense. We are not cow-ards, but were honest, conscientious men when we voted last Saturday not to dewhen we voted last Saturday not to dethrone the Republican Speaker of the House."

Democratic Caucus Wednesday.

The Democrats, through Minority Leadr Champ Clark, acting for their caucus hairman, Representative Clayton, of Alabama, who is absent, called their caucus for Wednesday night. Three of their selections are sure to be Champ Clark, of Missouri; Fitzgerald, of New York, and Underwood, of Alabama. Nothing but unanimity of sentiment is expected

in the Democratic caucus.
Some of the committees began work again today and by tomorrow it was expected that the grind of legislation, including measures of President Taft, again will be in full swing.

Change of System Suggested.

A complete revolution in the system of business in the House-a change that proposes to transfer the control of the egislative business to a committee on committees—is impending as the result of Speaker Cannon's denunciation of the insurgents in his speech before the illinois Association Saturday night. Already a proposed measure has been drawn by a prominent Republican insurgent and may be introduced at any moment.

could be distributed geographically, so that the interests of every section would be protected. The resolution tional Board of Fire Underwriters and it proposes even greater power for that committee, jurisdiction of conference reports and of appropriation bills, thus enabling the 15 members representing both parties to control the House's

It is puroposed to give the general committee power to take business out of the regular standing committees in the event of dissatisfaction with the way business is being administered in the regular committees.

Chairman and Floor Leaders Ineligible for Rules Committee?

WASHINGTON, March 21.-Inasmuch s the Speaker has been barred from he rules committee, it was suggested oday in informal discussion among regular Republicans that the two floor leaders and chairmen of committees also might be declared ineligible to serve on almost a certainty "that the Speaker had been misquoted in his remarks," or something of that kind.

Payne to Go on Rules Committee.

One of the strongest evidences of the day's tendency toward peace was the nomination of Majority Leader Payne for a place on the new rules committee by Representative Norris, the leader of the insurgents and author of the resolution that precipitated the recent war.

Representative Norris sald that as

German Insurance Companies Spend More at Albany Than American.

BILL IS 'BOUGHT THROUGH'

Investigation Brings Out Startling Testimony of Bribery Among Legislators Who Pass Law of Benefit to Reinsurance.

NEW YORK, March 21 .- Out of mass of promising generalities that has characterized the fire insurance inquiry there came today testimony that three foreign insurance companies had paid handsomely to have the so-called Grady reinsurance bill passed by the Ligisla-ture at Albany in 1904.

The bill was passed and is still a law, notwithstanding it was opposed by domestic companies who subscribed \$10,000 for the purpose and placed it in the hands of the late George P. Sheldon, one time president of the Phoenix Insurance Company of Brooklyn.

Bill Is "Bought Through."

These incidents were described on the stand by E. H. A. Correa, vice-president of the Home Fire Insurance Company, in whose opinion the bill in question was "bought through" the Legislature by the foreign companies. Just how the fund raised to combat the measure was spent was not made clear, except that Mr. Shel-don used it in employing counsel for traveling expenses and "for entertain-

ments in going to Albany."

But New York State's capital was not the only point of interest to the National Board of Fire Underwriters, according to the testimony of the day. There were intimations of an organized system of influencing legislation throughout the country.

Graft in Other States.

It was shown that in the years to which the inquiry has been congined, 1901 to 1906, large sums were spent for the most part nominally as "counsel fees," to put through or to suppress bills in many states, according as they affected the interests of the company. No companies were specified because

were specified, however.

It was even suggested that the work of the insurance men extended to Con-

William Hotchkiss, state superintendent of insurance, touched on this point during Correa's examination. He introduced in evidence a bill for \$10,000 allowed by the National board of fire underwriters, of which Correa was a member. This bill was presented by Emmett Rhodes, "for services rendered in connection with the repeal of the stamp tax act." The bill was dated July 16, 1903, but it was not shown in what capacity Emmett Rhodes acted not because I was for him. He had William Hotchkiss, state superinten not because I was for him. He had

Congress May Be Involved.

The law in question was one passed y Congress at the time of the Spanishserican war, levying a tax upon fire

"Was this \$10,000 spent in connection with the repeal by Congress of the stamp tax act?" Correa was asked. The witness said he did not know. and Mr. Hotchkiss dropped the matter. He said later, however, that he would

'Two Companies Dominate.

Pressed for details on the passage of the measure, Correa was unable to saw how much had been expended by the foreign companies, but he said "Possibly \$5000." He said, however, that this was paid

to lawyers and not to legislators. Mr Correa said the bill in question was one in reference to the reserves which insur-ance companies are required to maintain and was so worded it gave an unfair ad-

with which the companies writing poli-cies divided the risk,

"Two of these reinsurance companies wanted to deminate things at Albany, and they succeeded," said the witness. They were the Munich Reinsurance Companies and the Pressient Reinsuranc pany and the Prussia Reinsurance Com-pany. The Munich Company made no pany. bones about admitted that it was spending money to have the bill passed,

More to Be Found Out.

"Who told you so?" Mr. Hotchkiss "Carl Schreiner, a manager of the Munich Refusurance Company." drawn by a prominent Republican insurgent and may be introduced at any moment.

The resolution would create a committee on committees to consist of 15 members, nine Republicans and six Democrats, all to be elected by the House. This committee could be vested with the duty of selecting committees instead of leaving that power in the Speaker's hands. The membership could be distributed geographically, so surance Company."

Munich Refusurance Company."

Mr. Hotchkies told hisk clerk. "I agree with you," continued Hotchkies, "that this is a bad bill, and I would like to learn more of the fight against it."

Various large payments to influence legislation were brought out today. The could be distributed geographically, so surance Company." was largely through his testimony that the activity of insurance men in other parts of the country was brought out. He said the late George P. Sheldon had received \$1300 from hi mas a part of a fund of \$19,000 which was to be used

GRAFTERS ARE TO CONFESS

agy nst hostile legislation, chiefly in the West.

(Continued from First Page.) OTHERS MAY BE BARRED, TOO Weber was unable to remember all the men to whom he had paid money, but he checked them up by having the list of councilmen read to him from a city

Money Received in Many Ways. The ways in which fhe money was delivered to them were maney, as de-scribed by the confessing councilman. Some had it thrust into their hands, while standing in public piaces; some received it in the mail; while others had envelopes adroitly slipped into their pockets while they admired adjacent buildings.

District Attorney William A. Blakeley today extended the time limit by 24 hours within which others may come within his immunity proposition. After that time warrants will be issued for all who have failed to appear and these will be vigorously prosecuted.

The jury was ordered to report and continue the investigation temorrow. In the indictions the many are

all the indictments the men are recon

nended to mercy if they come into court

Two Gangs Bribed Men. While many of the indictments were made in connection with the passage of the ordinance naming banks as city de-positories, fully as many more bribes were in connection with the ordinance in which the city vocates a South Side street for the use of a manufacturing

District Attorney Blakeley said the method of bringing the men before a special court and granting them immunity was deemed for the best interests of the public and threatened the limit of the law to those who persisted in fighting their cases. ing their cases,
Klein is still guarded by the detectives. He said today:

Why Klein Confessed.

"You know there is supposed to be honor among thieves, but I stood it as long as I could. When the highest court in the state refuses to hear your appeal, they (referring to his attorneys) can't help you much.

"I followed the advice of my attorneys and as a result I served a Medays' served.

and as a result I served a 30-days' sen-tence in fall for contempt. I also had the advice they gave me, which landed me in jall. Now, I believe when your attorneys can't help you any further, a man had better try to help himself and his family as well as do something for the public."

CHILD'S SUCCESS, STUDY

PROF. KNOX OBJECTS TO PRES-ENT-DAY SYSTEM.

Student's Own Ideas, Not Those of Writer, Textbook or Teacher, Make for Development.

How to educate the child to make a uccess in life was the subject of Professor Knox's second lecture last night at Christensen's hall, Eleventh and

Yamhill streets.

In speaking of the pian of educating children the professor said that there were many kinds of schools and teachings, but the chief cornerstone is man, who is now to be studied. The child has not been taught or en-

couraged to express his or her ideas, but is continually being scolded for not getting and repeating what some-one else has said. The child has always led all advancements and has decided

one else has said. The child has always led all advancements and has decided its career before it reaches the age of 12 so-called years.

China established a system of teaching that the child was bad and a thing evil, but the cat, dog and rat is good and this system of teaching is being carried out in our present teaching and the children are being carried. ing and the children are being sent to the reform schools and to the juv-enile courts. The statistics show that but 5 per cent of the graduates from our schools succeed as business men and women. Columbus, when a child of 7, decided on his success and carried out his ideas.

Franklin, when a boy of 14 years, was writing articles for his brother's

was writing articles for his brother's paper, under a nom-de-plume. Edison exercised his own individuality without exercised his own individuality without parental restraint and made a success. It is intelligent men who do things, yet we have been singing that we were not equal to an angle worm and put on an inquisition law to the child to crush out his ambition and tell him continually to stop asking questions. "I do not condemn any system of teaching, yet there is not money enough to induce me to teach the child to be a wreck and failure in life as he is today under the present system of instruction. The child is the only textbook that any teacher needs. Individbook that any teacher needs. Individ-uals, as they develop their bodies, build their own thoughts into them. This is all the teacher need know. "It is the student's own ideas that will make the successful, and not the

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VIOMAN owes it is her-W self, her family and posterity to be beautiful-well kept teeth lend an added charm of beauty to the face

Dr. Lyon's **Tooth Powder**

cleanses, preserves and beautifies the teeth, prevents tooth decay and imparts purity and fragrance to the breath.

ideas of the textbook writer or the teacher, either."

The lecture for tonight will be on the "Law of Mental Healing."

Coos Poultry Men Organize. MARSHFIELD, Or., March 21.—(Special.)—Poultry raisers of Coos County beld a meeting at the Armory in North heid a meeting at the Armory in North Bend and organized the Coos Poultry & Pet Stock Association. A. W. Myers, a North Bend merchant, is the temporary president. Another meeting will be heid soon to elect permanent officers and adopt a constitution and bylaws. The purpose of the organization is to further the poultry interests of the county.

On account of the high price paid for eggs in the local market and the fact that dressed poultry always brings a that dressed poultry always brings a good figure, the industry as a money-making one has attracted many, and quite a number of poultry ranches have been established.

IT WILL BE A **GREAT SATISFACTION**

If You Have a

CHESTERFIELD SUIT

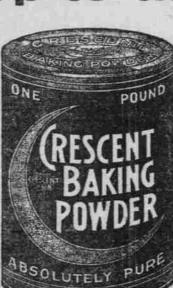
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and its economy in the baking. It contains nothing but what is found in the egg and the grain of wheat-the vital phosphates. Price 25c per pound—no more, no less.

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