

FOOD OR CLOTHING CORNERS INVALID

Supreme Court Rules Cotton Operators Must Be Tried on Indictments.

DISSENTING OPINION READ

Tribunal Finds "Withholding" of Product From Market in Interstate Trade Is Carried On as Charged Against Brokers.

WASHINGTON, Jan. 6.—The Supreme Court of the United States today laid down the far-reaching principle that "corners" of interstate commodities, such as articles of clothing and food, are in violation of the Sherman anti-trust law, and held that as far as the Sherman law was concerned, the indictment in the New York Federal Court of James Patten, Eugene C. Seales, Frank H. Hayne and William F. Brown for conspiring to run an alleged cotton "corner" was valid. The case against them was sent back for trial.

Justice Vandevanter announced the opinion of the court. Justice Lurton delivered a dissenting opinion, in which Chief Justice Taft and Justice Holmes concurred. The majority of the tribunal held that the Circuit Court for Southern New York had decided that the indictment charged a "withholding" of the cotton from the market, a necessary element of a "corner," as admitted by the Government.

The minority held that the Circuit Court found the indictment did not so charge and for that reason the indictment was faulty.

Second Appeal Possible.

According to all the justices, the correctness of the holding of the Circuit Court as to the indictment charging a "withholding," and as to the sufficiency of the indictment on other technical points, had to be accepted at this time without question by the Supreme Court. The points thus left undecided today may be made the basis for bringing the case to the court again, if the defendants are convicted.

In his opinion Justice Vandevanter dealt at length with the defense that the accused men were not engaged in interstate commerce.

"The first section of the act, upon which the courts are founded," said he, "is not confined to voluntary restraint as where persons engaged in interstate trade or commerce agree to suppress competition among themselves, but includes as well involuntary restraints, as where persons not so engaged, conspire to compel action by others or to create artificial conditions which necessarily impede or burden the due course of such trade or commerce or restrict the common liberty to engage therein."

Corner Held to Be Evil.

Justice Vandevanter replied to the argument that running a corner stimulates instead of restrains interstate trade by saying that this might be true for a time, but that the corner was forbidden by the act because it thwarted the usual operation of laws of supply and demand, withdrew the commodity from the normal current of trade, enhanced prices and produced practically the same evils as the suppression of competition. He said that the statute did not apply to corners of purely intrastate trade, but that the effect upon interstate trade was indirect, and added that in the present case the trade was not intrastate and the effect was not indirect.

The court said that it made no difference that there was no allegation of a specific intent to restrain interstate trade. "The conspirators must be held to have intended the necessary and direct consequences of their acts and cannot be heard to say to the contrary," Justice Vandevanter explained.

TRAIN ROBBED BY REBELS

Spanish Passenger Taken to Hills to Be Put to Death.

TOLUCA, Mexico, Jan. 6.—A passenger train was attacked by a body of 50 Zapatistas yesterday, 15 miles south of this city. The rebels robbed the passengers and seized a Spaniard named Pedro Vela, whom they took into the hills with the intention of killing to avenge a grudge borne him by the rebel leaders.

The train was derailed by the rebels and the engineer and fireman killed.

REAL DISSOLUTION, DEMAND

(Continued From First Page.)

Washington regard it as not improbable that the railroad attorneys will present now to the government's proposal to allow the Union Pacific and Southern Pacific stockholders to share in the purchase of the stock. Such a plan would not require the stock to be dumped upon the open market.

Announcing the decision of the court today Justice Day said:

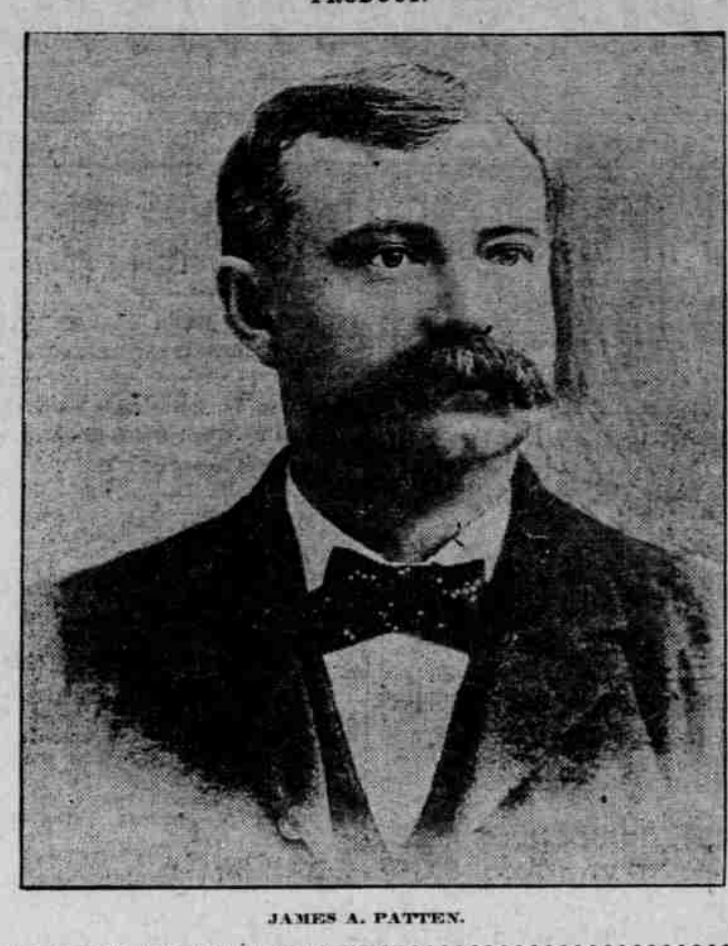
"The proposal to distribute the stock among the shareholders of the Union Pacific Company or to sell the stock to such shareholders, if granted, will in effect transfer the stock from the Oregon Short Line Company, which now holds it for the Union Pacific Company, to the stockholders who own and control the latter company. The court is of the opinion that this distribution of sale cannot be ordered.

Stockholders Are Corporation.

"The ultimate distribution of the affairs of a corporation rests with its stockholders and arises from their power to choose the governing board of directors. After such distribution as is now proposed, the stockholders of the Union Pacific Company may dominate and control not only the Union Pacific Company but the Southern Pacific Company as well.

"In rejecting the proposal for the transfer of the Southern Pacific Company's stock held for the Union Pacific Company (either by distribution among or sale to the stockholders of the Union Pacific Company), we do not mean to preclude the District Court from considering and acting upon plans which may be submitted to it under the former opinion and decree of the court. We are of the opinion, however, and now hold that the proposed plan of disposition of the entire stockholding of the Southern Pacific Company in the Union Pacific Company by transfer to the stockholders of the Union Pacific Company will not so effectually end the combination as to comply with the decree heretofore ordered to be entered by this court."

COTTON BROKER, WHO MUST STAND TRIAL FOR CORNERING PRODUCT.



JAMES A. PATTEN.

BANKS' CLASH BARED

Clearing-House Rules at Salt Lake Are Described.

STORY OF TROUBLE TOLD

Copper National Objects to Ruling Forbidding Payment of Interest on Open or Checking Accounts.

WASHINGTON, Jan. 6.—The operations of the Clearing-House Association of Salt Lake City, Utah, and its controversy with the National Copper Bank, of that city, were explained to the money trust investigating committee of the House today. Five Salt Lake City bankers testified.

W. W. Armstrong, president of the National Copper Bank, recounted the circumstances that resulted in the separation of his bank from the clearing-house. He said that when the Copper National declined to abide by a rule adopted by the clearing-house forbidding banks to pay interest on open or checking accounts, the eight other members of the clearing-house dissolved the association and immediately formed a new one, with a constitution including the rule to which the Copper National objected.

Extra Cost Necessitated.

The Copper National declined to subscribe to the rule or to enter the new association. Mr. Armstrong said it cost his bank \$25,000 a year extra to operate outside the clearing-house. He asserted that Salt Lake Clearing-House rules regulated rates and interest to be charged practically in every transaction between a bank and its clients and he endeavored to argue that the association was in restraint of trade, usurping the functions of the officers of the banks.

W. S. McCormick and three other members of the association said that Mr. Armstrong had stated the facts almost as they had occurred, but they disagreed with his view of the ethics of the situation, maintaining that the association was acting within its rights.

Just before the committee adjourned G. C. Henry, of the firm of Solomon & Co., New York City, was questioned by Samuel Untermyer, counsel for the committee, as to the details of the clearing-house. He said that the syndicate formed by his company, Hallgarten & Co. and Lewisohn Bros., Mr. Henry produced the agreements and contracts in connection with the marketing of the stock and the organization of the company. His examination will be continued tomorrow.

Partial Report Probable.

After the hearing of the committee, Mr. Untermyer went into executive session. The committee contemplates a suspension of hearings within a few weeks, to allow the preparation of an intermediate, partial report, to be submitted to this Congress before March 4.

It has been suggested that the committee endeavor to obtain from the incoming Congress a resolution continuing the investigation and that the hearings be resumed after the new Administration comes in.

LET TARIFF ALONE, IS PLEA

(Continued From First Page.)

Kentucky a pretty good customer," interjected Representative Longworth, of Ohio, while Senator-elect James, of Kentucky, a member of the committee, who loves a joke about his bald head, smiled indulgently and promised his patronage.

The committee interrogated M. Dorian, treasurer of the American Graphophone Company, of Bridgeport, Conn., so closely about its business that he said the members did not think of their business to ask about private details. Mr. Dorian wanted shellac and copal kept on the free list. He intimated that the effect of making them dutiable might be to shift the manufacture of their large export business to their London factory.

Foibles Are Laid.

Mr. Underwood drew from the witness that the graphophone company pays 7 per cent dividends, amounting to \$700,000, on a \$10,000,000 capitalization. He said the company's net worth is more than \$1,000,000 and that the suggested duty on these two articles on which the Democrats plan to raise about \$200,000 would mean an expense of about \$25,000 to \$30,000 to his company.

William H. Wadhams, representing soap interests, paid a tribute to the great need of laundry soap. He portrayed it as a necessity of life and contended that to put the burden of a tariff on the raw materials used in an article that goes into the homes of poor would be unjust.

Mr. Wadhams said the soap industry was subject to highly competitive conditions and had been split up on a

reliance on free raw materials. He said that while the manufacturers did not oppose a moderate reduction of duty on laundry soap, an elimination of the duty would have a very serious effect.

Tariff Aid Asked.

Albert Hart, of New York, wanted tariff encouragement for the infant industry of manufactured or bleached sponges.

"How many employes in your plant?" asked Representative Longworth.

"Eighteen."

"And you want to expand this great American industry?"

"Yes, to at least 36 men," Mr. Hart replied, adding, however, that he spoke for 30 other manufacturing firms.

"Are cotton seed oil and olive oil used interchangeably?" asked Representative Hill, of Connecticut, of M. B. Snively, of New York City.

"Not if the Department of Agriculture's pure food board can locate it," replied the witness.

Mr. Snively's slogan was: "Give us specific duties on vegetable seeds and oils in place of the ad valorem standard." He said the ad valorem system increased the assessment upon the ultimate consumer.

Change in Drug Duties Opposed.

H. J. Krebs, Newport, Del., objected to the change in the tariff as proposed by the last session chemical bill vetoed. The same position was taken by R. A. McCormick, of Baltimore, who objected to proposed changes in drugs, barks, etc.

Louis L. Brigham, of Randolph, Vt., held up specimens of domestic and foreign gelatin, and protested that they were paid just as much duty on raw materials as for the finished products. He thought that about double the present duty on the finished gelatin product would be fair in the proposed tariff.

T. F. Schoelkopf, of Buffalo, said the proposed reduction of duty on coal tar dyes, or colors, of which about \$7,000,000 worth annually are brought in from 20 to 18 1/2 per cent would operate unjustly to the American manufacturers.

Labor Cost Is 20 Per Cent.

Chairman Underwood drew from him that he regarded his total labor cost as 20 per cent of the cost of the finished product, and that if the coal tar dyes were expunged, there were many yet controlled by patents held by two big German companies.

"That's well known," replied Mr. Schoelkopf.

He asked the committee to let the present tariff of 30 per cent of value on coal tar dyes or colors and 20 per cent ad valorem on all other products or preparations of coal tar, not colors or dyes and not medicinal, stand unchanged.

"That's well known," replied Mr. Schoelkopf.

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EDDIE TO TESTIFY TODAY

Husband of Alleged Victim Is on Stand at Los Angeles.

LOS ANGELES, Jan. 6.—John Phelps, husband of Mrs. Alice Phelps, who accused Guy Eddie of having committed an offense against her, was principal witness for the defense today at the trial of the suspended city prosecutor.

Phelps testified that when he married at Bloomington, Ill., July 16, 1912, his wife had given her age as 21 years. That testimony coincided with the theory of the defense that Mrs. Phelps was not a minor at the time she alleged Eddie had contributed to her delinquency.

Several depositions from persons in the Middle West were read into the court record today. They related to Mrs. Phelps' past.

It was planned to place Eddie upon the stand in his own defense tomorrow.

PORT ORFORD IS ON LIST

Appropriation for New \$25,000 Light Vessel Recommended.

WASHINGTON, Jan. 6.—A bill appropriating \$1,250,000 for the improvement and extension of the lighthouse system throughout the country was reported to the House today by the Interstate and Foreign Commerce Commission. Among the principal items in the bill were:

New lighthouse at Cape St. Elias, Alaska, \$125,000; lighthouse, North Farallon Islands, California, \$100,000; improvement Point Pinos lighthouse, California, \$10,000; new light vessel for Point Orford Reef, Oregon, \$25,000; improvements of aids to navigation in Puget Sound, \$20,000.

The bill contains a proviso fixing the maximum salary for lighthouse tenders at \$3000 a year and recommending an average salary of \$2750.

Soldiers Sail for Hawaii.

SAN FRANCISCO, Jan. 6.—Two Army



Your Salesman at

forty must know that a buyer can change his mind quicker than you can change your glasses. Save the orders by combining two pairs into one pair of Kryptok Invisible Double Vision Lenses made our way.

Suggestion: Kryptok Lenses and Shur-on Mountings. Nothing better.

THOMPSON

Optical Institute
Second Floor Corbett Bldg.
Fifth and Morrison

ST. JOHNS FIGHT IS OVER

WIDTH OF PROPOSED BOULEVARD TO BE 80 FEET.

Hard Surfacing to Be Done Next Spring Will Give Highway to Center of Portland.

ST. JOHNS, Or., Jan. 6.—(Special.)—The long-waited question as to the width which Willamette boulevard will be given was amicably and satisfactorily adjusted today by the property owners interested. This question at one time threatened to estrange and make bitter enemies of the residents on each side of the street.

The matter was finally taken to the courts and a decision of 80 feet was given by Judge McGinn. Considerable protest was raised against this decision by the property owners on the east side of the street, who wanted it 100 feet wide.

An endeavor was made to have the City of St. Johns take the matter up to the Portland, where, in 1912, he refused to do. The dissatisfied property owners threatened to take it to the Supreme Court at their own expense, but allowed the time for appeal to expire. Now, with the exception of one property owner, they have agreed to accept 80 feet as the width and have signed petitions to have the boulevard hand-surfaced for a strip of 30 feet and have sidewalks laid on each side of the street. A week or so ago the City Council changed the name of Fillmore street to Willamette boulevard. This new section of the boulevard runs from Richmond street to the north city limits, and the property owners residing along the street have petitioned the Council to hard surface this its entire length next spring.

Portland will hard surface the boulevard to the St. Johns limits, and it is practically assured that a hard surfaced and continuous road will extend from the north limits of St. Johns to the heart of the business district of Portland.

BOY SHOOTS SISTER OF 9

While Parents Are Gone, 6-Year-Old Lad Plays With Revolver.

CHEHALIS, Wash., Jan. 6.—(Special.)—Last night at Morton, Ed Dunaway, 4 years old, accidentally shot his 9-year-old sister, Edith, with a pistol during a brief absence of their parents from home. The girl's recovery is expected.

The bullet entered the cheek near the left eye, ranging downward and coming out at the back of the child's neck. Henry Baumann, 17 years old, died last night at a local hospital from a gunshot wound received two weeks ago at the hands of a companion named Joe Murphy. The deceased is a son of Henry Baumann, Sr., of Adna. The injury was purely accidental and no blame was attached to young Murphy by his unfortunate victim. Murphy is distracted with grief over the accident.

FIREMEN ARE QUARANTINED

Aberdeen Force Only Allowed to Leave Buildings for Fires.

ABERDEEN, Wash., Jan. 6.—(Special.)—A fire department quarantined, but still able to "go to blazes," is the predicament of the local squad of firefighters through the plight of one man. Chicken pox in a mild form discovered on one member of the department brought the order from the health officer to quarantine all men in every fire house. The men are cut off from outside communication and can only leave the building in case of alarm.

GARIBALDI MAN IS DEAD

John Johnson Makes Toy Boat for Grandson, Then Dies.

GARIBALDI, Or., Jan. 6.—(Special.)—John Johnson, of this place, was found dead in bed at his late home last week. Mr. Johnson retired the night before apparently in the best of health, as he had just finished making a toy boat for his little grandson. Mrs. Towne, his housekeeper, went to his room in the morning to call him and, thinking him asleep, decided not to disturb him. At a later hour she investigated his unusual lateness in arising and discovered his dead.

Dr. Hawk, of Bay City, was called and pronounced death due from heart failure.

Mr. Johnson was born in New York harbor, aboard his father's ship, in 1820. His father was a well-known mariner, who ran a packet between Liverpool and New York. Upon his father's death, Mr. Johnson, with his

Here's another—the kind grandmother used to make "back East"—only better. Make them for breakfast to-morrow:

RECIPE NO. 2—BUCKWHEAT CAKES

- 1 1-4 cups buckwheat flour
- 1-4 cup white flour
- 1-2 teaspoon salt
- 2 1-2 cups thick sour milk
- 1 1-2 teaspoons soda
- 1 egg

Sift buckwheat flour, white flour and salt into mixing bowl; add sour milk in which soda has been dissolved, and beat very smooth; then add the well beaten egg. Bake on hot griddle and serve as rapidly as baked, that they may be enjoyed while crisp.

Buckwheats, of all cakes, require plenty of

TOWLE'S LOG CABIN SYRUP

There's something about the flavor of Towle's Log Cabin Syrup that just seems to complete the delicious perfection of buckwheat cakes—or any kind of cakes.

You never tire of Towle's Log Cabin Syrup—the more you eat the more you want. And it is comfort to be able to say "yes" to the children's pleadings for

"more" at the same time knowing that in giving them delight you are doing them good, for Towle's is wholesome and supplies a real need in the developing bodies of growing youngsters.

Your grocer has plenty of Towle's—the Log Cabin Can is your surety of full measure.

Towle's Log Cabin Syrup keeps the original maple mellowness, due to the Towle way of blending. The national preference is for Towle's, because it is a delicious article and because mother knows it is wholesome—a safe, delicious sweet for the family.

Try some candies, in the long winter evenings, using Towle's Log Cabin Syrup. If you don't know how, our free recipe book tells how—and don't forget to cut out this recipe for genuine New England Buckwheat Cakes. Paste it in your cook book—and make some of the cakes for breakfast.

Order Towle's Log Cabin Syrup from your grocer today. Then write to "Jack" for a free recipe book. If you also send five two-cent stamps, to cover postage, "Jack Towle" will send with the book, a miniature can of Towle's Log Cabin Syrup. The little can will please the children—and the syrup pleases everybody. Address "Jack Towle" care of



"From my camp to your table." —Jack Towle

Towle Maple Products Company
Dept. 10, St. Paul, Minn.

Silverton Club Elects.

SILVERTON, Or., Jan. 6.—(Special.)—At the regular meeting of the Silverton Commercial Club held Friday evening, officers were elected for the ensuing year as follows: President, S. E. Richardson; vice-president, H. F. Hubbs; financial secretary, A. L. Larsen; treasurer, L. H. Fischer; manager to serve three years, R. D. Ames; committee on athletics, Veron Wolcott, Fred Cavender and Alfred Jensen.

WHY DRINK WATER

WHEN YOU CAN GET

SALEM BEER

TO CURE A COLD IN ONE DAY
Take LAXATIVE BROMO QUININE Tablets
Dissolve in water and drink. If it fails to cure, E. W. GROVE'S signature is on each box.

Snow and icy pavements increase the cost of delivery.

PRESENT PRICES ARE LOW

Will Your Fuel Supply Carry You Through?
HOLMAN FUEL CO.
Main 353. Commercial Club Bldg. A 353B.

SALEM BEER

Phone to HENRY FLORENSTEIN CO., Distributors.
Main 115, A 2115.

Prompt delivery in case and barrel lots.

GIRLS! GIRLS! SURELY TRY THIS! DOUBLES BEAUTY OF YOUR HAIR

All You Need Is a 25c Bottle of "Danderine"—Hair Gets Lustrous, Fluffy and Abundant at Once.

Immediate?—Yes! Certain?—That's the joy of it. Your hair becomes light, soft, lustrous and beautiful as a young girl's after a Danderine hair cleanse. Just try this—moisten a cloth with a little Danderine and carefully draw it through your hair, taking one small strand at a time. This will cleanse the hair of dust, dirt or excessive oil and in just a few moments you have doubled the beauty of your hair.

A delightful surprise awaits, particularly those who have been careless, whose hair has been neglected or is

scraggy, faded, dry, brittle or thin. Besides beautifying the hair, Danderine dissolves every particle of dandruff, cleanses, purifies and invigorates the scalp, forever stopping itching and falling hair, but what will please you most will be after a few weeks' use of Danderine, when you will actually see new hair—fine and downy at first—yes—but really new hair growing all over the scalp. If you care for pretty, soft hair, and lots of it, surely get a 25-cent bottle of Knowlton's Danderine from any drug store or toilet counter and just try it.

The taxpayer, figuring the cost of sewerage systems, keeps in mind not only present but future worth—and he boosts for

PORTLAND GLAZED CEMENT SEWER PIPE



Open January 1st, 1913
Hotel Washington
Grant Ave. and Bush
SAN FRANCISCO
\$1.00, Room with Bath Privilege.
\$1.50, Room with Private Bath.
Located on a quiet corner, no car lines, one block from principal stores.
Charles H. Rowley, Mgr.

One feature of Imperial Grill service is its promptness and lack of "red tape."

Table d'Hote Luncheon, 50 Cents