

BIG BUDDIE EXPOSE INVOLVES PACKERS

High Finance Lessons Are Sensational.

HENEY UNMASKS YARDS RING

Beef Buyers Work Through Dummy Officers.

ARMOUR GETS LION'S SHARE

Testimony Before Federal Trade Commission Reveals \$2500 Clerk Who Was Supposed to Have Sold Stock for \$1,000,000.

WASHINGTON, Dec. 20.—From the seclusion of corporation records, the Federal Trade Commission today drew sensational disclosures of high finance, dummy officers and sham trustees in its efforts to determine the ownership of the Chicago stockyards and the terminal railroad facilities at the big packing plants there.

Establishment of ownership of the stockyards is only the first of the steps before the Commission, which plans to continue its investigation into every branch of the country's meat supply and the alleged control of the meat food of 100,000,000 people by five principal groups of packers. The Commission's report will be made the basis for recommendations that additional legislation be enacted to remedy the situation, if found necessary, and any evidence of lawbreaking will be turned over to the Department of Justice.

Packers Not Suspended.

It has been stated that subpoenas will not be issued for representatives of the packers, a step which might give them immunity in any subsequent prosecutions.

Organization of the Chicago Stockyards Company, under the laws of Maine, alleged to have been for the purpose of providing a legal method for the payment of millions in "pickings," or rebates, to the packing plants by the Chicago Junction Railway and Union Stockyards Company, of New Jersey, occupied Francis J. Heney, special counsel, and the witnesses called today at the first of a series of open hearings. Other witnesses tomorrow will be asked to tell what they know of J. Ogden Armour and F. H. Prince, of Boston, obtaining control of the Junction Railway Company, which was organized by Prince, and turning it over to the stockyards company, F. W. Croil, confidential secretary to Mr. Armour, is expected to testify.

Richard Olney and other citizens of New England appeared in today's testimony as sponsors for the plan of absorbing the money-making Junction Railway company by the new corporation, F. R. Hart, vice-chairman of the board of directors of the Old Colony Trust Company, of Boston, and E. V. R. Thayer, president of the Chase National Bank of New York, testified of their activities as members of the late Mr. Olney's organization committee which induced holders of 60,000 shares of the New Jersey common stock to surrender their stock and their right to more than \$30,000,000 surplus and accept in return a guaranteed 9 per cent from the new company.

"The whole plan was an entirely transparent proposition," Mr. Heney told the Commission, "to hide the real ownership and conceal the fact that Armour and other packers had an interest in the yards."

Woven through the testimony of millions controlled by bank presidents and packers was the name of Frank H. Packer, a retiring witness, for a quarter of a century bookkeeper and cashier for F. H. Prince & Co., of Boston. According to the minutes of the Chicago Stockyards firm's first meeting, Packer controlled the assets of the Junction Railway stockholders to the new plan and was given \$3,000,000 in Chicago Stockyards common stock for the assets and \$1,000,000 in cash. "My salary is \$2500 a year," Packer testified in reply to questions.

"No, sir, I never had a million dollars." (Concluded on Page 4, Column 1.)

AMERICAN SOLDIERS PLAY SANTA CLAUS

CHILDREN OF REFUGEES IN FRANCE TO HAVE GALA DAY.

Christmas Trees Being Planned for All Communities and Fighters Contribute \$7000.

(By the Associated Press.)
WITH THE AMERICAN ARMY IN FRANCE, Dec. 18.—The purchase of thousands of dollars' worth of Christmas toys and clothing for the children in this section of France was begun today by the Army. One purchase consisted of 200 overcoats for the children of refugees. Everything has been bought, from drums to toy rifles and dolls, and all the gifts will be presented on Christmas day.

One American air squadron will set up a Christmas tree in a hangar for the children of a nearby town. It will be lighted with regulation candles and there will be a present on it for every boy and girl. Each child will get the gift most desired, the officers having made a list of the names and written beside each what that particular child wanted.

FRANCE ON SHORT RATION

Serious Wheat Shortage Reported by Provisions Minister.

PARIS, Dec. 18.—The food needs and resources of France for the coming nine months were dealt with before the Senate today in a statement by Victor Boret, minister of provisions, who declared there was a deficit of 36,000,000 hundredweight in wheat.

"The United States and England will only give us tonnage to supply this deficit if we ration strictly," said the minister.

"For the civilian population I have a stock of only 607,000 hundredweight, or three days' consumption. Oats are no better and the rations of animals must be reduced. Saccharin will replace in part the sugar ration next month."

HOOD RIVER FILES PROTEST

Exemption of Horticulturists Must Be by District Board.

OREGONIAN NEWS BUREAU, Washington, Dec. 20.—Representative Sinnott today took up with the Provost Marshal protests received from apple growers of Hood River against the early calling in the draft of young men engaged in the apple industry.

BUTTER PRICES UP TODAY

Proposed New Quotations to Be Highest Ever Known Here.

Because of the scarcity of butter, usual during the midwinter months, and advancing markets at other points along the Coast, Portland butter prices will be raised 4 cents a pound by city creamerymen today. The wholesale quotation on plain wrapped butter will be 52 cents and on butter in cartons 53 cents a pound. These are the highest butter prices ever known here.

CHRISTMAS MAIL ARRIVES

Ship Reaches French Port With Gifts for Soldiers.

A FRENCH PORT, Dec. 20.—A ship carrying 20,000 sacks of Christmas mail for the American troops arrived today from the United States. The Army postoffice has 50 special freight cars and an extra heavy detail of men here to handle the mail, which will be delivered on or before Christmas day.

MR. McNARY NOT WORRYING

Credentials to Senate Are for Unexpired Term of Senator Lane.

OREGONIAN NEWS BUREAU, Washington, Dec. 20.—Senator McNary is not worrying over when his appointive term as Senator may expire. His indifference may be explained by the credentials given him by Governor Withycombe. These credentials, presented to and accepted by the Senate, on their face entitle Senator McNary to his seat "for the unexpired term of Senator Lane, ending March 3, 1919."

WEST TO BENEFIT FROM SHIP INQUIRY

Light Will Be Thrown on Secret Methods.

OREGON SENATORS ON ALERT

Belief Held That Pacific Coast Yards Are Most Efficient.

HANDICAPS TO BE SHOWN

Among Other Desirable Results of Investigation Will Be Definite Information as to Attitude of Board as to Wooden Vessels.

OREGONIAN NEWS BUREAU, Washington, Dec. 20.—Investigation of the Shipping Board by the Senate committee is expected to redound to the benefit of Pacific Coast shipbuilders, and, if expected testimony is brought forth, an impetus will be given this industry on the West Coast.

The best information obtainable under the policy of secrecy thus far followed is to the effect that relatively more progress has been made in shipbuilding in the three Pacific Coast states than on the Atlantic or Gulf Coasts, and so far as the wood ship industry is concerned, the Pacific Coast will be found to be away ahead of its competitors.

Senator McNary Acts.

That he may develop facts vital to the shipbuilding industry of the Pacific Coast Senator McNary today obtained permission from Chairman Fletcher, of the committee on commerce, to attend the hearings and cross-question witnesses.

Senator McNary's purpose is to compel a showdown on several disputed questions and if possible to bring about a change of policy which will enable Pacific Coast builders to take over more business than heretofore has been granted them.

Change of Policy Indicated.

It has been charged repeatedly by the various West Coast shipbuilders that an attempt has been made to discourage shipbuilding on the Pacific Coast, especially steel construction, with a view to forcing the removal of all steel yards to the Atlantic seaboard. This complaint was heard more frequently two or three months ago than since the retirement of Admiral Capps.

Lately there have been indications of a change of policy in this regard and negotiations now under way indicate that the Shipping Board, with new blood infused, is preparing to award a liberal number of steel ship contracts to Pacific Coast yards. However, Senator McNary wants to bring this question into the open and have all uncertainty removed. He wants the

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1 MAN SEES O.A.C. GIRLS' TRACK MEET

COACH PIPAL IS WITNESS TO SOPHOMORES' VICTORY.

Feminine Routers in White Trousers and Orange Sweaters—Co-Eds Clash Over Class Goat.

OREGON AGRICULTURAL COLLEGE, Corvallis, Dec. 20.—(Special.)—The first annual track meet of the women of the college was won here last night by the sophomores with a score of 23 points. Freshmen took second place with 15 points, and juniors third with 5 points. Seven events were run on the street course, was third, except one, Coach Pipal being a special guest.

Each class had its roster set led by girls dressed in Oregon Agricultural College rooster costume of white trousers, orange sweater and rooster caps. Between events there were serenades, songs and yells. The freshmen had a mascot, a large goat, with green bow decorating its horns, on which the sophomores made several rushes, but which they were unable to capture.

Miss Jean Kelly, attired as a police officer, kept order and separated clashing sophomores and freshmen on several occasions.

The sophomores took the posture test in all three classes. Miss Frances Brown, in riding habit, was first; Miss Hazel Hicks, in evening dress, second, and Miss Caroline Dick, of Portland, in tailored street costume, was third. Others wore afternoon gowns, gymnasium suits, bathing suits, tennis costumes and hiking outfits.

The shuttle relay went to the sophomores, the basketball games to the freshmen and sophomores, track relay and rope-climbing for speed, freshmen; for freshmen; tactics, sophomores, and obstacle race, juniors.

Infant Joins Red Cross.

GRANTS PASS OR, Dec. 20.—(Special.)—Williams, Or., claims the distinction of having the youngest member of the American Red Cross in Oregon, if not in the United States.

Leland Forest Lorris, three weeks old, was enrolled today when his parents took out a membership in his name.

WOOLEN GOODS MILL'S PAY-ROLL GROWS.

Shipbuilding is not the only industry locally that has experienced a wonderful growth because of wartime conditions. Largely increased demands for the finished product have been made on manufacturers of woolen goods.

One year ago the Portland Woolen Mills employed 300 operatives. Today it is running day and night shifts, has 419 people on its payroll and is disbursing nearly \$30,000 every month. The plant is operating on a basis of \$2,000,000 a year.

Several of the company's expert workmen have gone to war and their places are being gradually supplied from the ranks of women. If experienced help were available, the management would enlarge its mill and to that extent further assist to supply the unprecedented demand for woolen goods.

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CARFARE QUESTION UP TO COMMISSION

Hearings Ended; Decision Due Next Month.

DAN KELLAHER INTERVENES

Increase Hotly Protested by Commissioner of Finance.

FRANCHISE HELD CONTRACT

Any Advance in Fares Would Constitute Violation, Says Mr. Kellahe—Company's Case Is Set Forth by Its Advocates.

"A pink trip-slip for a six-cent fare punched in the presence of the passenger" may soon be the popular carol of the Portland commuter, for the Public Service Commission heard a hearing of evidence yesterday at its final hearing on this moot question at the Court-house and the balance of testimony was in favor of this desired relief for the supposedly overburdened Portland Railway, Light & Power Company. The six-cent case is now closed, unless further developments ensue, and the decision of the Commission is expected to be rendered soon after the New Year.

It will only be over the opposition of Dan Kellahe, however, that the increase will be granted, according to objections brought to the notice of the Commission yesterday by the commissioner of finance, of this city, who entered a vigorous protest.

He appeared, he said, as a representative of the people of Portland, acting wholly as a private citizen, and he characterized the plea of the company as "camouflage." He said the franchise given by the city to the company, stipulating a 5-cent fare, was held to be a sacred contract by President Griffith when the city ordinance, aimed to secure six rides for 25 cents, was before the City Council, and he held this contract is no less inviolable now.

The cause of the 5-cent fare was riding merrily along late yesterday afternoon, when Mr. Kellahe announced himself as the champion of the proletariat. Up to that minute, the hearing was innocent of any representatives of the public, other than officials, and Mr. Kellahe, for a time at least, soaped the rails and threatened to stop the wheels from whirling gaily on their way.

Franchise Contract Held Sacred.

"If the contract between the city and the company was sacred at the time the six rides for a quarter were asked, it is certainly a sacred now," he declared. "To allow the fare to be raised now would be to violate this contract, and I, as well as others, will stand by that contract at all times. Some argue that the courts passed on

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46 PERSONS KILLED IN RAILWAY CRASH

LOUISVILLE AND NASHVILLE PASSENGER TRAINS COLLIDE.

Accommodation Train Gets Full Impact From Rear of Heavy Through Train at Shepherdsville, Ky.

SHEPHERDSVILLE, Ky., Dec. 20.—Forty-six persons were killed and 39 injured when Louisville & Nashville passenger train No. 7, from Cincinnati to New Orleans, crashed into the rear of a Bardstown, Louisville & Springfield accommodation train tonight.

First reports, apparently authentic, had placed the number of known dead at 67 and the number of injured at between 50 and 60, but this was reduced when an official check of the figures was made.

No cause for the wreck was assigned by W. F. Sheridan, superintendent of the Louisville division, who would make no statement pending an investigation.

From other sources it was learned that the accommodation train had left the station after making a stop when the fast train came in sight, running at a high rate of speed, and plunged into the rear end of the train ahead. The two wooden coaches and the baggage car, which made up the lighter train, were splintered.

None of the passengers aboard the fast train was killed and none received more than minor injuries.

SHIP REPORTED IN DISTRESS

Motor Schooner Nuuanu Runs Aground North of Hueneme.

SAN FRANCISCO, Dec. 20.—Wireless distress calls were picked up here last night from the motor schooner Nuuanu, which reported herself aground two miles north of Hueneme, Ventura County.

The vessel is operated by the John B. Hopper, of San Francisco.

SAN FRANCISCO, Dec. 21.—The oil boat Nuuanu is off the rocks and is proceeding to San Pedro under its own steam, according to reports from the naval radio station here at 2 A. M.

Captain Hopper, in a later radio message, reported that the schooner was aground on a reef and an easy landing was expected, he reported. A tug will be sent from San Pedro to aid the stranded vessel.

FERRIS BILL REPORTED

House Public Lands Committee Recommends Passage.

OREGONIAN NEWS BUREAU, Washington, Dec. 20.—The House public lands committee favorably reported the Ferris bill authorizing the Secretary of the Interior to exchange isolated Government lands in the Oregon & California grant for adjoining private lands, of equal value, in order that both the Government and private owners reported to the committee and logging operations be carried on to better advantage.

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UNION OF NATIONS AGAINST U. S., PLOT

Luxburg Plan in South America Bared.

TREACHERY IS FULLY PROVED

Messages to Berlin Made Public by State Department.

SECRET COMPACT PLANNED

Alignment of All States of Southern Hemisphere Against United States Shown to Be Purpose of German Conspirator.

WASHINGTON, Dec. 20.—

Through a long series of telegrams exchanged between the notorious Count Luxburg, former German charge in Argentina, and the Berlin Foreign Office, the State Department tonight disclosed further facts about German diplomatic trickery and at the same time shed light upon some hitherto unexplained activities of certain Latin-American statesmen.

Luxburg, in one of his messages, dated August 1, last, reported that President Irigoyen of Argentina at last had made up his mind to conclude a secret agreement with Chile and Bolivia for protection against North America "before the conference idea is taken up again."

"The conference idea" is assumed to have been the plan for a Latin-American neutrality conference, strongly supported by President Carranza of Mexico and much discussed in some of the South American countries, while the proposed secret agreement may explain reports that have come from Buenos Aires recently of President Irigoyen's proposals for a league of South American nations.

Argentine Declaration Expected.

In Latin-American diplomatic quarters here it is regarded as certain that the disclosures will result very quickly in an Argentine declaration of war against Germany. Congress and a majority of the people favored this step when the American Government made public the "spurious verset" (sink without a trace) messages of Luxburg and it is believed that the President's opposition now will be swept away if it is not withdrawn.

The messages given out today were made public by the State Department in agreement with the Argentine government, which, in an accompanying statement by its Foreign Minister, says the "insinuations" of the German diplomat's reports are so surprising that no epithet will fit them. The messages "Paris" to Argentina soon after the State Department gave out the first series of intercepted telegrams, but heretofore demands for their publication have been in vain.

Crisis Precipitated in Sweden.

The first of Luxburg's intercepted telegrams were transmitted to Berlin by the Swedish legation at Buenos Aires in its diplomatic code and publication of that fact by Secretary Lansing not only threw Argentina into a turmoil, resulting in the dismissal of the charge, but precipitated a crisis in Sweden. No explanation is given of the means by which the latter messages were sent, though one or two of the telegrams in today's batch were among those given out previously.

Matter Settled by Submarines.

All of the correspondence was exchanged during July, August and early September and it is doubtful directly with the negotiations then in progress over the sinking of Argentine ships by German submarines. Before the messages fell into the hands of the American Government Germany virtually had settled the question by agreeing to pay indemnity and to treat Argentine ships according to international law. The secret reports now reveal that Argentina on its side was to keep its ships out of danger by not allowing them to sail for the war zone, an easy task in view of the fact that she had almost no shipping left.

Throughout the messages Luxburg dwells upon his differences with the Foreign Minister and upon his influence with the President. Finally he was conducting negotiations directly with the President, although the Foreign Minister's attitude made this troublesome. How far President Irigoyen's projects for an anti-North American alliance went the correspondence does not develop. It merely says he made up his mind to conclude the agreement with Bolivia and Chile, "a mutual rapprochement for protection vis-a-vis North America" being the purpose as described.

Luxburg Appears Confident.

In the concluding telegram of the series, however, Luxburg, addressing an unnamed person in Santiago, Chile, probably the German Minister there, says that as long as Chile is neutral, Germany after the war will be able to carry out her South American policy just as well as, if not more easily, in opposition to an "infatuated and misguided Argentina as with Argentina on

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