



VOL. XXVI.—NO. 27.

PORTLAND, OREGON, SUNDAY MORNING, JULY 7, 1907.

PRICE FIVE CENTS.

STANDARD MEN BEFORE COURT

Great Crowd to See John D. Rockefeller.

TESTIFIES ABOUT OIL PROFITS

So Long Out of Business Knows Little About It.

PRATT GIVES INFORMATION

Parent Company Pays 40 Per Cent Dividends and Controls Indiana Company—Rockefeller Issues Denial of Lawbreaking.

FACTS ABOUT STANDARD OIL. Judge Landis obtained the following information about the Standard Oil Company of New Jersey from officials of that and its subsidiary companies at the hearing yesterday: Capital stock, \$28,300,000. Business, buying and refining of petroleum. Dividends in 1903, 1904 and 1905, 40 per cent. Net earnings, 1903, \$51,300,000; 1904, \$61,500,000; 1905, over \$57,000,000. Properties admitted to be worth vastly more than outstanding capital at par value. Owns controlling interest in Union Tank Line Company, which transports its oil, having capital of \$3,000,000, debt of \$5,000,000 and not having paid a dividend since 1905. Owns 4995 out of 10,000 shares of \$100 each (total capital \$1,000,000) in the Standard Oil Company of Indiana, and individual stockholders in the Standard Oil Company of New Jersey hold a very large proportion.

CHICAGO, July 6.—John D. Rockefeller, president of the Standard Oil Company of New Jersey, occupied the witness stand in the United States District Court today, while Judge Landis plied him with questions regarding the financial strength and the business methods of the corporation of which he is the head. Mr. Rockefeller was a very willing and an equally unsatisfactory witness. He was ready to tell all that he knew, but he said that he knew practically nothing. The net result of his examination was that he believed during the years 1903, 1904 and 1905, the period covered by the indictments on which the Standard Oil Company of Indiana was recently convicted, the net profits of the Standard Oil Company of New Jersey were approximately 40 per cent on an outstanding capitalization of \$100,000,000.

Find Basis for Fines. The investigation held today by Judge Landis was instituted by him for the express purpose of determining whether or not the Standard Oil Company of Indiana, which was convicted of violation of the law, was really owned by the Standard Oil Company of New Jersey, whether the Union Tank Line Company, whose cars were used for the shipments, made in violation of law, was similarly owned, and also to obtain an idea of the financial resources of the convicted corporation in order to inflict a fine proportionate to the offense and the assets of the convicted company. It was stated by officers of the Standard Oil Company of New Jersey that it owned the greater part of the stock of both the Union Tank Line Company and Standard Oil Company of Indiana. Specific figures as to the earnings of the parent corporation were given by Charles M. Pratt, its secretary, and they were close to the estimate given by Mr. Rockefeller.

Crush to See Richest Man. The prospective appearance in court of the man reputed to be the richest man in the world brought about a spectacle the like of which has never been witnessed in the vicinity of a Chicago courtroom. The hour set for the appearance of Mr. Rockefeller was 10 o'clock and an hour before that time the hall outside the courtroom door was densely packed by a crowd of persons, all of whom were anxious to obtain seats and hear the testimony. A large squadron of United States Deputy Marshals, under the direction of United States Marshal Hoy, and numerous details of police were on hand, but even they were unable at times to control the crowd. The people pushed and at times by sheer weight actually bore the police down the hall. The crowd was so dense that frequent cries for assistance were heard and people who were jammed against the wall frantically begged for relief against the pressure to which they were subjected. Admission to the courtroom was by card only, but many people succeeded in evading the guards and, when Judge Landis took his seat upon the bench, the courtroom was packed to the last inch. Lines of people were around the walls, dozens of chairs held two occupants, every inch of standing room was occupied and men sat upon the steps of the jury box and squatted upon the floor. Even after the courtroom was filled, the crowd became so heavy and so insistent

that Mr. Hoy was compelled to telephone to police headquarters for further assistance. This was promptly sent and from that time on the crowd was held in check. Inside the courtroom perfect order prevailed at all times except at the immediate opening, when Judge Landis threatened to clear the room if absolute quiet was not preserved.

Rockefellers Well Guarded. John D. Rockefeller and William Rockefeller arrived at the Federal building in the automobile of Harold F. McCormick, the son-in-law of Mr. Rockefeller, at 9:30 o'clock. The party first crossed the street to the offices of the Standard Oil Company in the Commercial National Bank building and after remaining there a short time returned to the Federal building, where a large crowd had gathered. So curious were the people to see Mr. Rockefeller that it was necessary for 30 policemen to use force in pushing back the crowd to make a pathway for him. On the steps of the Federal building the party was compelled to halt while the police fought with the crowd. Five local



John D. Rockefeller, President of Standard Oil Company, and Witness Before United States Court.

detectives and a number of secret service men gathered closely around Mr. Rockefeller, protecting him from the crush or from possible injury at the hands of some crank. Crowd in Courtroom. Mr. Rockefeller, closely attended by the officers, entered the building and made his way to the elevators on the north side. Here a car, devoid of lights, was under the special guard of police and, entering it, Mr. Rockefeller was quickly taken to the sixth floor of the building to the courtroom. He was shown a seat to the left of the Judge's desk and was well up into the room before his arrival was noticed. There was considerable excitement among the crowd and some confusion resulted from the efforts made by all the spectators to obtain a quick view of him. He looked about with some curiosity for a moment and then commenced a whispered conversation with one of his attorneys. Mr. Hoy approached and asked, "Are you comfortable here, Mr. Rockefeller?" "Perfectly, thank you. I am all right," he answered.

William Rockefeller, who had been sitting behind his brother, came forward in response to a signal and sat by the side of John D. Rockefeller, secretary and treasurer of the same corporation. Other witnesses in the group were H. E. Felton, president, and W. M. Hutchinson, secretary and treasurer of the Union Tank Line Company; Fred A. Wann, former general freight agent of the Chicago & Alton Railway, and a number of attorneys completed the group.

Objections Brushed Aside. Before the hearing of the Standard Oil Company case began, Judge Landis disposed of several other matters, among them the sentencing of several prisoners.

(Concluded on Page 3.)

STATE TO SMASH WHOLE DEFENSE

Prove Moran Went to Denver for Cash.

SHOW ORCHARD HAD NO GRUDGE

Sold Interest in Hercules Long Before 1899.

TERROR RULED TELLURIDE

Colorado Witnesses Will Tell of Alleged "Peaceful" Days Before Martial Law—Haywood to Tell Story, but Not Adams.

BOISE, Idaho, July 6.—(Special.)—A little at a time the outlines of some of the features of the rebuttal testimony to be introduced by the state in the Haywood case leak out. It is found that among the witnesses for the defense whose testimony will be demolished is Pat Moran, the Cheyenne saloonkeeper. Orchard testified that Moran went to Denver for him in June, 1894, and got \$500 from Pettibone. That was when Orchard and John Neville, with the latter's boy, reached Cheyenne on the occasion of the flight from Independence after the depot explosion. Orchard wanted more money for his trip. Moran was a friend of Pettibone and he readily consented to run down to Denver to get the money, as Orchard did not feel safe in showing himself in the Colorado city just then. Moran denied that story in every feature. He did not even know Orchard's name, hearing him called "Shorty," and he could not recognize pictures of the famous witness when these were shown him while he was on the stand. Though he was "saddly" rattled and discredited on the cross-examination, he stuck to his denial. Nevertheless, the state will have witnesses to prove Moran was in Denver at that time, though he testified he was not there at any time within some weeks of that date.

Disprove Personal Malice. The state will also have witnesses to prove the correctness of the statement made by Orchard about being with the mob that blew up the Bunker Hill & Sullivan mill in 1899, thus putting Dr. McGee and the two Mullan witnesses to rout, while it will prove conclusively that Orchard parted with his interest in the Hercules mine long before the trouble in 1899 and therefore could not have the grudge which, it is alleged, he entertained against Governor Steunenberg. All the impeaching witnesses have stated Orchard charged that Steunenberg prevented his becoming a rich man, as he had to sacrifice that property when martial law was declared and escape from the country. Charley Neville, the son of Jack Neville, will go in rebuttal. Nothing whatever has leaked respecting his testimony, as he has kept his own counsel well, but he is credited with having said: "Pa and Orchard talked of many things during that trip which were not intended for my ears, and I guess they thought I did not comprehend it." The trip referred to was the flight from Cripple Creek through Colorado and Wyoming. In all it is said six or eight of the leading witnesses for the defense will be utterly smashed by the rebuttal, while the testimony of many others will be squarely contradicted. Sheriff J. C. Rutan, of Telluride, Colo.

(Concluded on Page 3.)

and R. M. Wright, of the same place, have arrived to testify in rebuttal. They will tell of conditions that led to martial law in that district. Mr. Wright is a mining man whom the peaceful element, talked of on the stand by Judge Stevens and others, delighted to shoot in those "peaceful days" before the advent of the military that were described by so many witnesses. Others are on the way, including Bulkeley Wells.

Today the attorneys for the defense held a long conference with Haywood in his cell, presumably going over the ground preparatory to his taking the stand. It is not thought he will be on before Wednesday. The understanding is that he will go over his entire life and every feature of this case. If that is done, he may occupy the stand in direct and cross-examination for several days. It was authoritatively announced today for the first time that the defense will not put Steve Adams on. The terrible story told by Orchard respecting the exploits in which Adams assisted him will

(Concluded on Page 3.)

CONTENTS TODAY'S PAPER

- The Weather. TODAY—Fair and warmer. Northwest winds. YESTERDAY—Maximum temperature 80 degrees; minimum, 57 degrees. Foreign. Scandal in German court spreads to more noble families. Page 2, Second Section. Mark Twain banqueted in London. Page 3, First Section. Prediction Japan will invade Europe and fight Germany. Page 1, Fourth Section. National. Cohau Jenkins recalled for favoring Zelaya in Salvador. Page 2, Second Section. General Bell says Nation not ready for war. Page 1, First Section. Providing coal, guns and drydocks for fleet on Pacific. Page 1, First Section. Domestic. Rockefeller and other Standard Oil men testify before Judge Landis; huge crowd to see them. Page 1, First Section. Runyan and Mrs. Carter remain in jail after hearing. Page 10, First Section. Thompson arrives in New York in custody of Joe Day. Page 3, First Section. Crisis near in telegraphers' dispute in Chicago. Page 2, First Section. First reports on Colonel Tucker's case show no basis for charges. Page 2, First Section. Railroads adopt campaign of publicity to conciliate the people. Page 1, Second Section. Pacific Coast. Rebuttal evidence in Haywood case will knock out main points of defense. Page 1, First Section. Astoria plans day of entertainment for Fair-July 12th. Page 4, Fourth Section. Lumber rates will be advanced. Page 10, First Section. Ankeny may give way to Jones. Page 3, First Section. Oregon National Guard learning art of coast defense at Fort Stevens. Page 1, First Section. Sports. "Bacquet" gives some hints on tennis etiquette. Page 8, First Section. Multnomah may send four-man team to Jantown. Page 4, Fourth Section. Work of Portland team shows improvement. Page 4, Fourth Section. St. Johns beats Trunkmakers. Page 5, Fourth Section. Automobile Club plans endurance run to Salem. Page 5, Fourth Section. Beavers shut out by Los Angeles. Page 2, Second Section. Larned again wins Middle States' tennis championship. Page 2, Second Section. Commercial and Marine. Old hop surplus burden on market. Page 7, Fourth Section. Week closes strong in stock market. Page 7, Fourth Section. Bank statement a disagreeable surprise. Page 7, Fourth Section. Free selling breaks Chicago wheat market. Page 7, Fourth Section. C. J. Mills, manager of the Portland-Coos Bay Steamship Company, entertains friends at luncheon. Page 6, Fourth Section. Portland and Vicinity. Wood dealers ridicule plan of labor unions to break up trust. Page 12, Third Section. Another suit for damages growing out of car shortage filed against O. R. & N. Co. Page 12, Third Section. B. S. Josselyn, newly elected president of Portland Railway, Light & Power Company, reaches city. Page 10, Second Section. Executive board of Oregon conference, Women's Home Missionary Society, upheld by National organization. Page 8, First Section. Real estate and building news. Page 2, Second Section. Visiting Christian Endeavorers to be entertained in Portland. Page 1, Fourth Section. Successful session of Western Oregon teachers at Salem. Page 8, Fourth Section.

ARMY NOT READY FOR GREAT WAR

Bell Gives Warning Officers Are Needed.

INCREASE NUMBER, PAY MORE

Necessary to Train Army When Volunteers Called.

PREPARE FOR EMERGENCY

Chief of Staff Says We Must Have Framework for Training Patriot Soldiers Quickly When the Occasion Arises.

OMAHA, Neb., July 6.—(Special.)—The United States is in no way prepared for a conflict with Japan, according to Major-General J. Franklin Bell, chief of staff of the Army of the United States, who is making a general inspection of the country's armament. General Bell spent the day going over matters at the headquarters of the Department of the Missouri. General Bell is probably the foremost authority on military affairs in the United States, and he has come to the conclusion that the country should not only have a largely increased personnel of officers of all ranks, but that they should also receive a compensation which will make it profitable for them to remain in the Army and give their best efforts. General Bell believes that Congress should pass a law providing for a substantial number of officers who may be assigned to staff and technical duty in order that there may be a full quota of line officers and that each regiment may be fully equipped for duty at all times.

Must Train More Officers. "A nation which depends for defense upon patriotic and citizen soldiery, as we do, who are to be enrolled and mustered into the service in enormous numbers when trouble arises, ought for selfish reasons, if for no other, to keep a fully equipped framework with which a large expansion could be quickly and efficiently accomplished when sudden necessity arises. It is a mistake to assume that any intelligent person can perform without previous training the duties of a staff officer. The blunders and mistakes for which the War Department was so severely arraigned during the early days of the Spanish-American War were unavoidable because of an insufficient number of well-trained officers available for assignment to administrative staff duties. "Now that we have a large portion of our standing army serving in colonial possessions, the necessity for keeping the standard up is greater than ever. At times like the present it is necessary to keep our Philippine detachment equipped with a full detail of officers of the line. We never can tell what minute they may be called upon for field service. Used for Other Service. "At present there are many different duties assigned to our Army officers which take them away from their regiments. The officers are usually well-equipped for these duties and the demand is becoming greater all the time. The Army officers have proven themselves so proficient in various lines that it has become a custom to call upon the War Department whenever any other department of the Government is in need of a well-qualified man and has no appropriation to cover the expense. An Army officer

TRAIN SOLDIERS IN COAST DEFENSE

Mimic Warfare at Fort Stevens.

WARD OFF LANDING PARTIES

Practical Work in the Field for Oregon Troops.

CAMPAIGN OF TEN DAYS

Boys of the National Guard Will Participate With Regular United States Artillery in Maneuvers at Mouth of the Columbia.

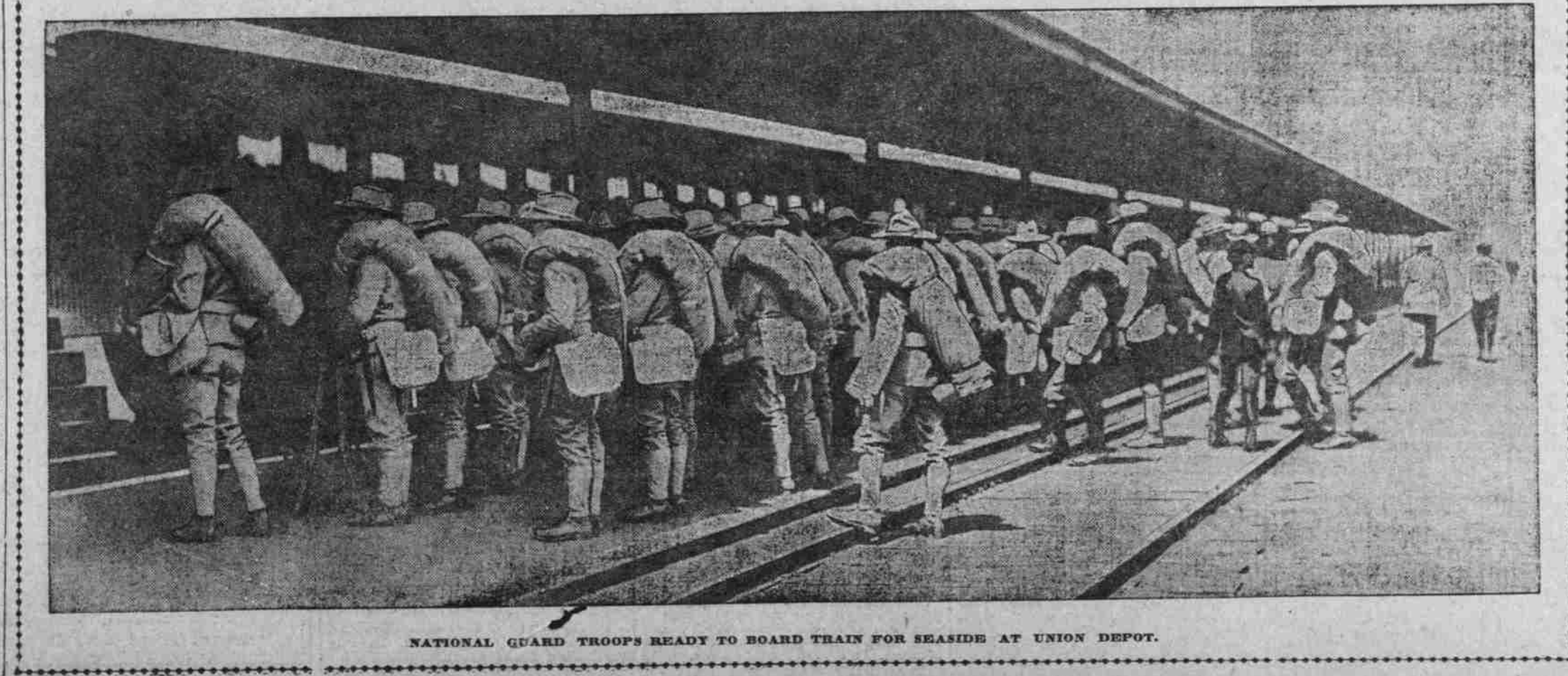


William Rockefeller, Director of Standard Oil Company, Who Appeared Before Judge Landis Yesterday.

FORT STEVENS, Or., July 6.—(Staff Correspondence.)—Seven companies of the Oregon National Guard arrived at this garrison late today to participate with the regular United States Artillery in coast defense maneuvers, which are to occupy the next 10 days. Two companies were immediately transferred to Fort Columbia across the harbor, the other five pitching camp west of the Fort Stevens barracks. The troops will be mustered tomorrow and with the sounding of reveille on Monday will take up the important work of instruction in coast defense. Five days will be spent in the instruction work and then will follow the period of simulated hostilities. The mouth of the Columbia River will be in danger theoretically of an invasion by warships conveying troops for landing. It will devolve upon the Oregon Infantry to support the regulars in warding off this invasion. There will be mimic warfare under every possible condition. Sea bombardments will be met and landing parties which have made the port under cover of fire from warships will be attacked and ward off. The use of torpedoes and submarine mines will figure largely in the exercises. Practical Warfare Training. These maneuvers are significant as indicating the Government's intention of being prepared for any emergency that may arise in the event of a possible crisis in the Far East. Coast defense is a fine art in warfare and with great strips of territory to defend along the western shores it is regarded as important to have large forces drilled to assist the regular defenders should the necessity present itself. The value of having a trained reserve force in the state service near at hand is obvious. Seven well-trained companies could well form the nucleus of a large coast defense force in time of need. The Oregon Infantrymen are to be drilled in all matters pertaining to the coast defense. It is to be no outing or vacation trip for the Oregon Infantrymen. Officers and men will be kept busy throughout the ten days of drills and maneuvers. "It will be business from the start and during each day of the encampment," said Colonel L. H. Walker, district artillery commander, today. While seven companies were detailed for this work at the instance of the Government, substantially the whole National Guard will figure in the maneuvers. The Third Oregon Infantry is under orders to leave Portland on Monday and will camp near Seaside. Colonel Walker has decided to regard this camp as a force of the enemy, which has succeeded in effecting a landing. Attacks will be made by the forces of both camps. The Third Infantry leaves Portland by special train at 11:15 A. M. on Monday, and is due in camp by 5 P. M.

Big Guns Will Boom. During the period of simulated hostilities the mouth of the Columbia River will take on a warlike aspect. Blank ammunition is to be used in the big guns and mortars and by the infantry supports. There will be no prescribed hour for repulsing attacks. It is learned that the forts will be constantly alert. Observers will remain on duty steadily in the various range-finding stations and will report through tactical channels to the battle commander the approach of vessels other than fishing smacks. Each incoming vessel will be regarded as a squadron of four battleships, four cruisers and four torpedo-boats. Call to arms will be sounded and all manning details assigned to gun and submarine mine detachments will get to their posts in double time. Colonel Walker has completed the official order outlining the maneuvers. The essential points of this order follow: Will Handle Submarine Mines. "The instruction will include drill in close order, drill in extended order, drill in fire discipline; instruction in battle tactics; instruction in tent pitching, in opposing landings and resisting attacks from landing parties and instruction in the services of submarine mines. "Selected men will be detailed from the companies of the Oregon National Guard to receive instruction in handling these submarine mines with a view to having a volunteer detachment competent to assist in performing these duties in case of actual hostilities. Such information relating to these mines as is prohibited by the War Department, will be withheld. "During the first or drill period of the

(Concluded on Page 2.)



NATIONAL GUARD TROOPS READY TO BOARD TRAIN FOR SEASIDE AT UNION DEPOT.

(Concluded on Page 10.)