

GOOD EVENING

THE WEATHER

Tonight and Friday cloudy; winds mostly northerly.

Journal Circulation

Yesterday Was 23,200

VOL. IV. NO. 171.

PORTLAND, OREGON, THURSDAY EVENING, SEPTEMBER 21, 1906—FOURTEEN PAGES.

PRICE TWO CENTS. ON TRAINS AND NEWS STANDS, FIVE CENTS.

BEEF PACKERS PLEAD GUILTY TO ACCEPTING REBATES FROM RAILROADS AND PAY FINES OF \$25,000 TO COURT

Schwarzschild & Sulzberger Officials Admit Conspiring Together to Illegally Secure Rebates.

Samuel Weil, Vice-President, Fined \$10,000; Beth S. Cusey, V. D. Skipworth and C. D. Todd, Traffic Managers, \$5,000 Each.

(Journal Special Service.) Chicago, Sept. 21.—The first of the cases against the beef-trust magnates has resulted in a victory for the government, and four members of the packing firm of Schwarzschild & Sulzberger are in the custody of the United States marshal, sentenced to pay heavy fines, after having pleaded guilty to accepting rebates from railroads. The cases are not identified with those for violations of the Sherman act in forming a combine in restraining of trade.

In the United States district court this morning, Judge Bethea presiding, before a crowded courtroom, Samuel Weil, vice-president of Schwarzschild & Sulzberger, Beth S. Cusey, traffic manager, Vance D. Skipworth and Charles E. Todd, assistant traffic managers, were arraigned for "conspiring, combining, confederating and agreeing together, with divers other persons, to commit the offense of soliciting, accepting and receiving rebates" from various railroads between July 2, 1902, and March 2, 1906.

Each Fined Guilty. A plea of guilty as charged was returned by each of the defendants. The court sentenced Weil to pay a fine of \$10,000, and Cusey, Skipworth and Todd to pay fines of \$5,000 each, the costs to be distributed proportionately.

All Fines Are Paid. The clerk of the court a check covering the fines and costs. The government spent \$14,765 in expending and keeping the grand jury which indicted the fine, which aggregated \$25,000 and cost \$3. The government today filed a demurrer to the plea of abatement of the other packers, who alleged that the indictments were improperly returned.

Well is 65 years of age and in poor health. His family fear the result of the trial. Moody telegraphed his congratulations to District Attorney Morrison in securing a conviction and said that these cases were the opening wedge for the prosecution of all offenders under the law prohibiting rebates.

It is rumored that the district attorney has found evidence of more violations and that there will be other indictments when the present cases are finished. Morrison expects to have the cases of the packers under indictment for violations of the Sherman anti-trust law brought to a final hearing by October 2. He expects to get dilatory pleas out of the court by that time.

The indictment was returned by the federal grand jury that investigated the packing business on July 1 of the present year. Well has just returned from Europe. Cusey is also under indictment for alleged interfering with government witnesses before the grand jury. All of the men are connected with the traffic department of Schwarzschild & Sulzberger, which is the largest packing firm outside of the alleged beef trust.

The indictments state that the rebates were secured from the railroads by compulsion, the defendants threatening to deprive, and sometimes temporarily depriving, such common carriers as should refuse to make rebates of their share of the business. The following lines are named as having granted rebates: Michigan Central, Chicago, Rock Island & Pacific, Grand Trunk Western, Lehigh Valley, Boston & Maine and Mobile & Ohio.

Compelled Rebates. A long list of specific instances were cited showing the manner in which the rebates were secured. In one of them

Casey is accused of unlawfully presenting, on January 22, 1904, to the Michigan Central a claim for \$3,004.12 for supposed loss and damage on a cattle shipment, the claim being a veil for the rebate demanded.

The indictment recites that May 19, 1904, Cusey "unlawfully did deposit or cause to be deposited in the postoffice of the said United States, at Chicago aforesaid, for mailing and delivery to F. W. Birchett, assistant general freight manager, Mobile & Ohio Railway company," the following letter:

"F. W. Birchett, A. G. F. A., M. & O. Railroad, City: Dear Sir—I wrote you April 20 in regard to our claim No. 742—your F. C. A. No. 41,981; no reply. I have diverted what business we have been giving your line until we receive some consideration from you. Yours truly, B. S. CUSEY."

Another letter, which it is charged was deposited unlawfully in the postoffice of the United States, this time at New York City, reads as follows:

Withheld Business. "Mr. T. N. Jarvis, F. T. M., 4-L. V. Railroad, 26 Cortlandt street, City: Dear Sir—About March 4 we shipped L. V. car No. 68,813, containing 100 pounds nitrate of soda, to Chicago. I am just advised by our Chicago people that the Nickel Plate have presented them with an expense bill based on a rate of 20 cents, they claiming that the contents of the car is salt-peter, instead. I would like to have you take the matter up and arrange for the correct rate of 15 cents per 100 weight to apply.



NOT TAINTED MONEY FOR CAMPAIGNS

Roosevelt and Republican Leaders Purpose to Refuse Contributions From Corporations.

INSURANCE INQUIRY CAUSES THE ACTION

Rumor That President Insisted on Return of Policy-Holders' Money Given by Insurance Companies to Aid in His Election.

(Journal Special Service.) Oyster Bay, Sept. 21.—As the result of a conference last night at Sagamore Hill between the president, Secretary of State Root, Postmaster-General Cortelyou, Senator Henry C. Lodge and Joseph H. Choate, former ambassador to Great Britain, plans were laid for the elimination of contributions to future campaign funds by all corporations affected by national legislation.

There is a report that Roosevelt insisted upon the return of the campaign contributions made by the life insurance companies to the last Republican national campaign committee, and that his wishes will be carried out.

Radical and far-reaching measures were determined upon by the president, following disclosures of the contributions of policy-holders' money to the Roosevelt campaign as brought out by the legislative life insurance investigation committee. The conference was the most important ever held at the president's summer home, and it is likely will result in political sensations.

The insurance situation, was thoroughly discussed with a view to recommendations to be made in the president's annual message upon which he is now engaged.

FAMOUS WASHINGTON ELM RAPIDLY DYING

(Journal Special Service.) Cambridge, Mass., Sept. 21.—The famous Washington elm, a fine old tree, under which General Washington took command of the American army on July 3, 1775, is doomed. The tree, the age of which is estimated at 250 years, is gradually decaying and it is feared by the Cambridge park commissioners that it will soon have to be removed to prevent accidents. During the past summer several branches broke off and had to be removed, and the question is seriously considered of cutting down the tree and planting a young one in its place.

California Wins Prize. (Journal Special Service.) Philadelphia, Sept. 21.—The California drill corps won the first prize of \$500 for the best appearance in the parade of the Grand Lodge of Odd Fellows today.

EAST MORRISON IMPROVEMENT TO BE LONG DELAYED

Ordinance Providing for Filling and Planking of Street to Be Considered at Next Council Meeting and Relief Given Congested Traffic.

The improvement of East Morrison street is in a fair way to be pushed through. City Engineer D. W. Taylor said today that before the council at its next meeting will be an ordinance providing for filling and planking the street.

Everyone concerned—the property-owners, the executive department of the city, the common council, the Portland Consolidated Railway company and the Pacific Bridge company—have asked for this improvement for more than a year past. The elevated roadway has been falling to pieces, the planking has broken and these holes have remained untouched for days at a time. Occasionally a man from the city hall would come around and patch up the opening, and yet more than 19 months have passed and this busy street has not been improved permanently.

All the property owners, according to report, have been anxious for the work to be done for a long time, some of them were seen and each one said he very much wished it.

About a year ago agreements were reached for the filling of the street by the Pacific Bridge company and the manager, George Simonds, was instructed to procure signatures to definite contracts. He went from one to another and was unable to induce all of them to affix their signatures. It was to be a private contract; hence every owner of property must obligate himself, for it would not be a lien on his property otherwise.

Mr. Simonds said today that the report was untrue that he had had in his pocket for a year contracts for the work.

"There never were any contracts," said he, "only verbal agreements which were not put in writing."

The wish of the Portland Consolidated Railway company as expressed by Manager F. I. Fuller was that the street should not be torn up until after the exposition travel had ended. This wish, no doubt, was largely influential in delaying the work. Manager Fuller said that he had expressed such a wish

(Continued on Page Two.)

SHEEP TAX LAW IS HELD INVALID

Judge Ellis at Pendleton Holds Tariff Upon Imported Sheep Unconstitutional.

HOLDS STATUTE TAKES PROPERTY ILLEGALLY

Tax Is Not Uniform, Is a Per Capita and Not a Valuation Tariff—Decision Given in Case of W. P. Reecer vs. Umatilla County.

(Special Dispatch to the Journal.) Pendleton, Or., Sept. 21.—In a decision today Circuit Judge Ellis held unconstitutional the law passed at the last session of the legislature, imposing duties upon sheep brought into the state from outside points. The decision was given in the case of W. P. Reecer vs. Umatilla county, which has been pending since last fall. After he had paid the tax imposed by the stock deputy Mr. Reecer brought suit to recover the amount on the ground that the law was unconstitutional.

In its decision the court holds the law invalid because the tax is not uniform, and because it is a per capita tax and not a valuation tax, and also because it provides for taking property without due process of law.

WINS ANOTHER'S WIFE, BUT LOSES HIS FORTUNE

Col. Roger Morgan, Successful in Love, Makes a Failure in Business.

(Journal Special Service.) New York, Sept. 21.—Colonel Roger Morgan, once a multi-millionaire, son of the late Ellisha Morgan, founder of the envelope trust, who emulated the example of Sir John Mills by wedding a woman whom her husband freed to permit the nuptials, astonished his financial friends today when he filed a voluntary petition in bankruptcy. He gives his liabilities as \$81,618 and his assets as \$2,850.

Morgan's wife was Mrs. Sadie Pipp, wife of the baseball player. When Pipp ascertained that Morgan had won Mrs. Pipp's affection he offered to give her up. Mrs. Pipp went to California in 1900 and was granted a divorce on the ground of non-support. She was wedded to Colonel Morgan in December of the same year.

Colonel Morgan at the death of his father was regarded as one of the very richest men in the country.

PERKINS ONCE AGAIN

Vice-President Tells of Transactions Between New York Life and J. P. Morgan & Co.

M'CALL REAFFIRMS HIS CONTRIBUTIONS STORY

States That While Parker Did Not Ask for Gifts Himself, His Campaign Managers Did, and That Candidate Took Them When He Was Chairman of State Committee.

(Journal Special Service.) New York, Sept. 21.—President Perkins of the New York Life Insurance company was recalled to the stand this morning in the legislative investigation of insurance affairs. John F. McCullagh, typewriter in the Albany office of Andrew Hamilton, testified preceding Perkins. McCullagh was questioned about the checks handled by Hamilton from the New York Life, but apparently knew little about them and was not able to supply much information.

Perkins testified at length regarding the "joint account" transactions of the New York Life and the firm of J. P. Morgan & Co. Most of his testimony was a repetition of facts previously brought out. He stated that the transactions were made by President McCullagh and himself, without reference to the board of directors or finance committee.

President McCullagh stated this morning that he did not mean that Judge Parker appeared in person last year to ask for contributions, but he reiterated the statement that Parker's campaign managers frequently asked him for money for the campaign. He also reiterated his statement that Judge Parker, while chairman of the Democratic state committee, received an anonymous contribution of \$100 from the New York Life Insurance company.

JUDGE PARKER'S DENIAL

Democratic Candidate Says That He Did Not Solicit Campaign Contributions.

(Journal Special Service.) New York, Sept. 21.—Judge Alton B. Parker, Democratic candidate for president in 1904, makes the following statement regarding the testimony of President McCullagh of the New York Life, relative to the soliciting of campaign funds by the Democrats:

"My attention has been called to certain testimony said to have been given by John A. McCall, while a witness before the insurance investigation committee, in reply to Mr. Hughes' question whether he thought that in 1904 the interests of the policy-holders were so seriously endangered that the company ought to contribute."

"It is evident that Mr. McCall was laboring under great excitement in making his reply, for it is very incoherent. But if his answer is intended to convey the impression that in the campaign of 1904 I, either directly or indirectly, sought from him or his corporation, or any other corporations, any money or contribution, his statement is absolutely false."

"On the contrary, I repeat now what I said before the election, that I expressly notified and directed the chairman of the executive committee of the national committee that no money should be received from corporations."

"William F. Sheehan stated: 'I was chairman of the executive committee of the Democratic national committee. There was not a single man connected with the Democratic national campaign that solicited a dollar from Mr. McCall. If any such person made any such solicitation, Mr. McCall should name him.'"

President McCullagh, when shown the above, said: "The meaning I intended to convey when I mentioned Judge Parker was that when a candidate for president last year he did not personally ask me for campaign funds, but friends of his did so repeatedly."

"Judge Parker, as chairman of the state Democratic committee several years ago, did, however, accept preferred contributions to the campaign fund."

CONFESSES DISHONOR TO SAVE MAN WHO ONCE LOVED HER

Mrs. Minnie Bowen Secures Pardon of S. V. Dicks Who Killed Rival He Found With Her and Kept Her Reputation at Price of His Liberty.

(Journal Special Service.) Denver, Sept. 21.—Spencer V. Dicks today walked out of the state penitentiary after having served five years of a sentence of 25 years for the killing of D. R. Minor, near Greenwood, Colorado. In order that he might go free, Mrs. Minnie Bowen of Florence, Colorado, confessed her dishonor and established the fact that Dicks was not guilty of coldblooded murder.

BOY CARRIED 30 MILES IN RUNAWAY BALLOON

Klüber Leads Movement to Establish Market Men's Clearing House Here.

(Journal Special Service.) Binghamton, N. Y., Sept. 21.—Floyd Wallace, 16 years old, of East Oneonta, at Oneonta fair went up in a captive balloon. It had been pulled back within 200 feet of the ground when the rope broke and the balloon and boy shot skyward and were blown rapidly toward the northeast. The balloon contained 12,000 cubic feet of hydrogen gas.

FOR A GRAIN EXCHANGE IN PORTLAND

Passes Above Clouds but Makes Proper Use of Escape Valve and Lands Unharmed.

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READ THE STORY OF HALLELUJAH'S CONVERT

If you overlook the Journal's series of short stories you are missing the cream of modern fiction. "Little Hallelujah's Convert" is next Sunday's story and one of the best of a good series. If you have read them, you will know what that means. It is a short story.