

# OIL TRUST COMES UP FOR JUDGMENT IN HIGHEST COURT

### Attorney General Calls It the Most Important Case Ever Before Supreme Tribunal—Contentions of Parties.

(United Press Leased Wire.)  
Washington, Jan. 11.—The Standard Oil company in New Jersey, the Rockefeller holding company, today began its fight for life before the supreme court of the United States, pleaded not guilty to the government's charge of being the most colossal monopoly in the country, and through costly legal representatives entered into the final battle for preservation of its corporate existence.

Additional interest centers in the argument begun today by reason of the fact that Justice Willis Van Devanter, one of President Taft's recent appointees to the supreme court, participated as a judge of the eighth circuit court, in a decision against the trust. Therefore a justice called upon to sit in an appeal of a case tried before him in a lower court has always refrained from participation in the review, but in the case of Justice Van Devanter it was President Taft's desire that he should sit.

#### Talk of the Trust's Attorneys.

In brief the charges which Attorneys John G. Milburn of New York and John C. Johnson of Philadelphia are seeking to controvert in the day and a half of argument allotted to them include a conspiracy alleged to have had its conception in 1870; a growth into gigantic proportions, fed by illegal rebate, fostered by unfair competition and made almost impregnable through domination of the market. They must prove to the court, to secure reversal of the decision of the lower tribunal, that this growth has been the result of extraordinary business acumen; that the combination of interests was not a trust for evil, and that at present the Standard Oil company does not control the oil business.

Against their arguments Frank B. Kellogg, special assistant to the attorney general and Attorney General Wickersham will relate an amazing story of high finance, market manipulation and oppression of competitors.

#### What Kellogg Alleges.

Kellogg, who will make the main argument for the government, has been counsel in the two suits instituted by the government against the Standard Oil company. He has been working to accomplish the downfall of the Standard since early in 1906, first as the government's mainstay in the famous \$25,000,000 suit against the Standard Oil Company of Indiana, one of the subsidiary corporations of the parent, or New Jersey company, and since November 1906 in the present suit. His knowl-

edge of the company and its business is more extensive than that of anyone outside the concern.

#### Wickersham's Supreme Effort.

Attorney General Wickersham has been working on the argument which he will present to the court ever since early in the summer. He has been quoted as saying that he intends it to be the crowning achievement of his legal career. To Wickersham will fall the duty of "summing up" or closing for the government. Kellogg is to make the statement, following after John G. Milburn, who, as main counsel for the appellant, has the right to open the case.

## DETAILS OF BATTLE WAGED BY UNCLE SAM AGAINST GREAT TRUST

Washington, Jan. 11.—It was November 15, 1906, after many months of labor by the department of justice, that the government filed a complaint before the circuit court of the United States for the eastern district of Missouri, in St. Louis, against the Standard Oil company of New Jersey and its subsidiary companies, alleging that the company was conducting business in violation of the Sherman anti-trust law, and praying that it be dissolved. The defendants named in the government's bill of complaint were John D. Rockefeller, William Rockefeller, Henry M. Flagler, John D. Archbold, Oliver H. Payne, Henry H. Rogers and Charles M. Pratt.

The government, it is asserted, determined to go after the Standard Oil company after the supreme court of the United States had handed down its decision in the Northern Securities case, which was argued and won for the government by Attorney General Knox, now secretary of state. It was the Northern Securities decision that formed the basis of the opinion of the circuit court, which decreed that the Standard Oil company must be dissolved, and from which decision the Standard Oil company appealed to the supreme court of the United States.

#### Battle With Legal Giants.

The magnitude of the case and the millions of capital involved attracted the attention of the world. Against the government was pitted a brilliant array of legal talent, and every conceivable technicality was employed to embarrass the department of justice. The costs necessary to bring the case to trial amounted to thousands of dollars. Nearly every officer connected with any oil company that had the remotest connection with the New Jersey corporation was haled into court and examined. The record from the lower court makes a document of more than 1000 pages. To give an idea of how the Standard Oil company regarded the importance of the suit for dissolution, and the delays the company was able to bring about, it was not until April 5, 1909, or almost three years from the date of the filing of the suit, that the case came on for argument on its merits, and the decree of the circuit court was not handed down until November 20, 1909.

The decision of the circuit court caused a shiver to strike every trust operating in violation of the Sherman anti-trust law, and visions of other dissolution suits to be filed by the government appeared on every hand. But the Standard Oil company did not dissolve; its learned counsel held a con-

ference, and at once prepared for an appeal on a writ of error to the supreme court of the United States. The case was docketed in the supreme court December 9 a year ago. It was placed on the March calendar, and was argued on March 14, 15 and 16, last.

#### Case Set for Reargument.

The supreme court justices took deep interest in the arguments of counsel, and occasionally interrupted with questions. For some weeks after the hearing of the case everybody around the court was on the lookout for the decision, which it was believed would have an effect on the stock market, but week after week passed and no decision was handed down. On the day of the adjournment for the term, May 8, the late Chief Justice Fuller announced that the Standard Oil company case would be reargued before a full bench, there being two vacancies at that time. This was a surprise to everyone, but it was conceded by attorneys that the court had done the right thing, because of the great importance of the case and the vital law points involved.

When the October, 1910, term of court convened the Standard Oil case was on the docket for October 11, but on motion of Attorney General Wickersham the case was set for argument November 14. Because of the death of Chief Justice Fuller and the president having decided not to appoint a new chief justice and fill the two existing vacancies on the bench before the meeting of this session of congress, the case was again postponed until January 3, 1911.

#### Allegations in Government's Brief.

The government's brief covers more than 1000 pages, and gives an exhaustive history of the formation of the Standard Oil company and its operations, to sustain the contention that the corporation is one existing and doing business in violation of the Sherman anti-trust law. The government sums up its contentions under nine separate heads, as follows:

First—The trust agreements of 1879 and 1882 were in unreasonable restraint of trade, tended to monopoly, and were void at common law.

Second—The corporation combination of 1899 was void under the Sherman act, as a combination in restraint of trade and a monopoly. (a) The defendants are engaged in interstate commerce; (b) The amalgamation of the stocks of all these corporations in 1899, with the Standard Oil company of New Jersey as a holding corporation, was a combination in restraint of trade within section 1 of the Sherman act; (c) The control of the commerce in petroleum and its products by the Standard Oil company of New Jersey through its various subsidiary corporations constitutes a monopoly within section 2 of the Sherman act.

Third—If the court finds this a monopoly it is authorized by section 3 to enjoin the same and has plenary power to make such decree as is necessary.

Fourth—The evidence that the defendant company obtained rebates and discriminatory rates in the transportation of their products as against their competitors, and engaged in oppressive methods of competition, thereby destroying small manufacturers and dealers, is material in this case.

Fifth—In conspiracy cases, it is always permissible to allege and prove the history and various threats culminating in the final conspiracy.

Sixth—A person or corporation joining a conspiracy as it is formed and there-

after aiding in its execution, becomes from that time as much a conspirator as if he originally designed or put it into operation.

Seventh—This conspiracy was a continuous offense; every overt act committed in furtherance thereof was a renewal of the same as to all the parties; the statute of limitations does not begin to run until the committing of the last overt act.

Eighth—It is an elementary principle of evidence that where two or more persons are associated together for some illegal purpose, the acts or declarations of one or more with reference to the common object are admissible against all.

#### Reply of the Oil Trust.

Counsel for the Standard Oil company, in their elaborate briefs, replied as follows:

"The plants and properties of the Standard Oil company have always been in a common ownership since their acquisition or creation; the Sherman act has no application to the acquisition by the Standard Oil company of New Jersey of the stocks of manufacturing and mining or producing corporations; the alleged contracts or combinations which if not allowed would restrict the freedom of the parties in the conduct of their business; the acquisition of the stocks of the subsidiary companies by the Standard Oil company of New Jersey, 1899, was not a combination or conspiracy in restraint of trade.

"The Standard Oil company of New Jersey was not monopolizing or attempting to monopolize or combining with anyone else to monopolize when this proceeding was instituted.

"The ownership of the pipe line systems has not been the means of monopolizing them. The circuit court has no jurisdiction over the appellants."

## JOURNAL TURNS OVER \$165 FOR NEW OREGON NAVAL RESERVE FUND

To aid in the purchase of uniforms and necessary equipment, The Journal has turned over to Commander John McNulty, for the Oregon Naval Reserve, \$165, subscribed by public spirited citizens and organizations who hope to see the reserve grow and prosper. The \$165 was subscribed as follows:

H. Beckwith, \$25; C. C. Chapman, \$5; J. N. Teal, \$10; Commercial club, \$25; Friends of Naval Reserve, \$50; Ben Selling, \$25; chamber of commerce, \$25; total, \$165.

## MEDFORD THIRD WARD ELECTS A SOCIALIST

(United Press Leased Wire.)  
Medford, Or., Jan. 11.—For the first time in the history of Oregon, a member of the Socialist party was elected to office when George H. Miller, of this city, yesterday won a bitter fight for councilman in the Third ward. He defeated a Republican and a Democrat and ran ahead of E. E. Wolters, who was the Socialist, nominee for mayor.

W. R. Canon was reelected mayor on a high license platform, against W. W. Elbert, who favored a wide open town.

Journal Want Ads bring results.

## Bills Introduced in Oregon House

Salem, Or., Jan. 11.—The following bills were introduced in the house yesterday:

H. B. No. 1.—By Libby of Marion, protecting women and girls against the "white slave" traffic; second reading.

H. B. No. 2.—By Johnson of Marion, providing life imprisonment as the maximum punishment for murders; second reading.

H. B. No. 3.—By Cole of Multnomah, fixing October 13 as a legal holiday to be called "Discovery day" and commemorating the discovery of America by Columbus; second reading.

H. B. No. 4.—By Cole of Multnomah, providing for the publication and sale of reports of the supreme court of Oregon; second reading.

H. B. No. 5.—By Buchanan of Douglas, appropriating \$75,000 to remunerate survivors of the Oregon Indian wars of 1855-56 for loss of horses; second reading.

H. B. No. 6.—By Buchanan of Douglas, prohibiting the circulation or sale of the secret work of fraternal orders; second reading.

H. B. No. 7.—By Clemens of Multnomah, preventing the assignee of any claim against a county or county officer from instituting action; second reading.

H. B. No. 8.—By Clemens of Multnomah, enabling county courts in counties of more than 300,000 population to establish hospitals for paupers and patients; second reading.

H. B. No. 9.—By Clemens of Multnomah, requiring signers of initiative petitions to subscribe their names to statements declaring they are aware of the purpose of the petition; second reading.

H. B. No. 10.—By Clemens of Mult-

nomah, excusing members of the legislature from jury duty; second reading.

H. B. No. 11.—By Chatten of Multnomah, regulating trout fishing on the Willamette and tributaries and regulating dams and other obstructions; second reading.

H. B. No. 12.—By Chatten of Multnomah, providing for the construction of two new fish hatcheries; second reading.

H. B. No. 13.—By Abbott of Multnomah, enabling the state to cooperate with the federal government in making topographic maps and investigating water resources; second reading.

H. B. No. 14.—By Clyde of Multnomah, abolishing capital punishment; second reading.

H. B. No. 15.—By Graves of Yamhill, appropriating \$1500 for the Yamhill county fair association; second reading.

H. B. No. 16.—By Simpson of Linn, prohibiting the enticement of women and girls into resorts; second reading.

H. B. No. 17.—Simpson of Linn, making it a felony to detain women or girls or their possessions in a resort; second reading.

H. B. No. 18.—By Abbott of Multnomah, licensing and regulating sailor boarding houses and shipping masters; second reading.

H. B. No. 19.—By Clemens of Multnomah, providing for a uniform policy to be issued by fire insurance companies; second reading.

H. B. No. 20.—By Abrams of Marion, providing for the Oregon naval militia; second reading.

H. B. No. 21.—By Amble of Multnomah, providing for competition by architects on all public buildings; second reading.

## Bills Introduced in Oregon Senate

Salem, Jan. 11.—Senator Chase of Coos county introduced the first bill in the senate yesterday. Senate Bill No. 1 is a bill to authorize the purchase of state tide lands within port districts by the respective port commissioners for a nominal fee.

Other bills introduced in the senate yesterday were as follows:

S. B. 2.—By Hawley, for registration of farm names with county clerks on payment of \$1.

S. B. 3.—By Barrett of Umatilla, making the county treasurer the tax collector.

S. B. 4.—By Barrett of Umatilla, providing for deposit of county funds in approved banks showing certain collateral security, to draw 2 per cent interest on daily balances.

S. B. 5.—By Burgess, regularizing time of trains for transportation of livestock.

S. B. 6.—By Burgess, requiring depot agents to chalk up actual time of arrival and departure of trains.

S. B. 7.—By Burgess, prohibiting the sale of cannon crackers over 2 1/2 inches.

S. B. 8.—By Miller, amending the law in relation to road district meetings.

S. B. 9.—By Miller, authorizing the use of convicts from the penitentiary for road building.

S. B. 10.—By Malarky, amending the adoption law, by allowing petitions to be filed in places other than where the petitioner resides.

S. B. 11.—By Malarky, removing five day period in law as to recording conveyances.

S. B. 12.—By Joseph, increasing pay of county commissioners of Multnomah county to \$5 per day.

S. B. 13.—By Joseph, authorizing county hospitals in counties of 200,000 population or over to receive pay patients.

S. B. 14.—By Kellaher, authorizing special elections for annexation of territory to cities and towns.

S. B. 15.—By Kellaher, authorizing construction of Broadway bridge.

S. B. 16.—By Dimick, same as S. B. 11; withdrawn.

S. B. 17.—By Dimick, amending direct primary law to keep polls open all day.

S. B. 18.—By Albee, establishing a shipping commissioner and regulating sailors' boarding houses.

S. B. 19.—By Locke, providing for examination of nurses and certification of graduate nurses.

S. B. 20.—By Stanott, requiring rotation of names on primary ballot to avoid alphabetical listing.

S. B. 21.—By Locke, authorizing reception of pay patients in all county hospitals of the state.

Secretary to the Speaker.  
(Special Dispatch to The Journal.)  
Salem, Or., Jan. 11.—Miss Nettie Miller of Salem has been appointed secretary and stenographer of Speaker John P. Rusk. She served as a stenographer at the last session.

Man near Prineville sold two hogs that weighed 600 pounds each for \$120. They were a little over a year old.

## WOULD PROTECT PEOPLE'S PURSES

### Amme of Multnomah Presents Bill Aimed at Grafting Architects.

(Special Dispatch to The Journal.)  
Salem, Or., Jan. 11.—Representative Amme of Multnomah hopes to avoid possibilities of favoritism and grafting on the designing of public buildings through a bill he presented yesterday. One of the provisions requires the adoption of the rules of the American Association of Architects on this subject. There would be a board composed of architects, but their duties and the manner in which they shall select plans of the various competitors are minutely prescribed. Architects successful in the competition must furnish bonds and if the cost of the building is above their estimate they must pay the difference, under the provisions of the proposed measure.

## BILL WOULD BENEFIT OREGON STOCK GROWERS

(Special Dispatch to The Journal.)  
Salem, Or., Jan. 11.—A bill of interest to stockmen was introduced in the senate yesterday by Burgess of Umatilla. It requires that all stock trains of 10 cars or more shall be run at a speed of not less than 15 miles per hour. Local trains carrying less than 10 cars must be run at least once per week, the bill provides, on such roads as the railroad commission may designate.

Wearied by the practice of depot agents chalking up fake time of arrival and departure of trains, whereby passengers are kept in suspense for hours while waiting for late trains, Mr. Burgess introduced another bill requiring agents to post the actual time, within at least half an hour. He proposes to fine the agent \$25 for marking up false time.

## Little Fire Loss at Eugene.

(Special Dispatch to The Journal.)  
Eugene, Or., Jan. 11.—There were 29 fire alarms in Eugene during the year 1910 with a total property loss of \$10,850. This information was contained in the annual report of Chief Engineer W. T. Campbell of the local fire department, just filed with the city council. The department also responded to appeals for help from Springfield during a big fire there one night and the next night sent a hose cart to Junction City to help quench a blaze in the business part of the town. The cost of maintaining the department during the year was \$3229.

## A New Record Expected.

Nineteen eleven will make new records in many lines, but the record for swift shoe selling will be made tomorrow by the Oregon Shoe store, when the great closing out shoe sale begins. Read announcement, page 12.

# OREGON SHOE STORE'S CLOSING OUT SALE

## 15,000 Pairs of Men's, Women's and Children's Shoes, About 50c on the Dollar

The most amazing values—The most stupendous sale in the history of Portland's shoe selling—Buy shoes for the whole family now, for this is an opportunity never to be equaled again

### THE DOORS OPEN AT NINE

Remember the time, the hour and the place. Be one of the eager throng that wait for the doors to swing open, for this will be a sale that will be remembered for years to come—

The Stock of the Oregon Shoe Store, 247 Morrison Street.

## Thursday Morning at Nine o'Clock

## Is the Hour the Sale Will Begin

247 Morrison St., Bet. 2nd and 3rd—LOOK FOR THE RED SIGNS

High-grade stock of Men's, Women's and Children's Shoes at about 50 cents on the dollar of the regular price—Come, storm or shine, for these Great values will repay you for braving any sort of weather. Thousands upon thousands of pairs of the BEST SHOES MADE—LOOK FOR THE RED SIGNS

### 25 TRAINED SHOE MEN

To wait upon the buyers—skilled shoe-fitters that fit every customer carefully with fine shoes. We have 25 now, and can use 15 more experienced men. If you are a good shoe clerk, apply 8 a. m. tomorrow. Look for the red signs.

247 MORRISON STREET

# The Oregon Shoe Store Closes After 18 Successful Years

The quality of our shoes is known to every man, woman and child in Portland—We are selling agents for the best Shoes made in America—Every Pair must be sold at once—This entire stock to be sacrificed. Never before have such peerless qualities been offered at such low prices—stock too large to attempt description or prices

# 15,000 Pairs of High-Grade Shoes Go at About 50 Cents on the Dollar