ADVANCED PRICES ONLY REAL EFFECT OF TRUST DECISION

Believed Will Be Necessary to Boose Charges to Consumer to Meet Additional Operating Expenses.

London Papers Comment.

Pall Mall Gazette—The decision is a theatrical but fruitless victory for the opponents of the money power. So far as the consumer is concerned, we do not expect the decision will make a hair's breadth difference. Moreover, it marks the beginning, rather than the end of the struggle.

Westminster Gazette—It will not be surprising if the trust continues as a loose federation. The difficulty is that the state cannot compel the companies to compete if they do not wish to do so.

Globe—The government won only a Pyrrhic victory. True, the trust will be dissolved, but the government's main argument is held unsound, namely, that all concerns monopolizing the field are combinations in restrain of trade. The decision mainly favors the trust idea. The dissolution of the Standard Oil company will be more or less nominal.

(United Press Leased Wire.)

New York, May 16.—Higher prices to the consumer for oil and its products, it is believed here today, will be the only real effect of the United States supreme court's decision declaring the Standard Oil company a trust and ordering its dissolution.

Business men generally agree that immediate advances in the trade are certain.

Not Change Ownership.

Discussing effects of the decision, it is pointed out that for the Standard Oil company of New Jersey to retransfer its properties to the original companies will not change its ownership, although the stock will be distributed to numerous stockholders instead of being in the possession of the parent corporation.

All the subsidiary corporations of the Standard Oil company, under the decision of the supreme court will be operated hereafter as distinct concerns and though their operating expenses will be thus increased, there is still no way to compel actual competition.

Reason for Advance.

For the reason that concentration has been destroyed, it is believed there is no doubt that it will be necessary to advance prices in order to meet the increased expenses of the companies' individual administration. While ostensibly there will be separate oil companies in the various markets, no court mandate can prevent them working along the lines now prevalent in the steel business, by "gentleman's agreements."

M. F. Elliott, chief counsel for the Standard Oil company, in a statement issued here today, declared that the Standard would obey the decree of the United States supreme court and would at once take steps to dissolve.

Elliott continued:

"Not having seen the court's decision, it is impossible for me to make a lengthy statement. It may be said now, however, that the Standard will obey the decree and that all companies embraced in the decree will conduct their business under the direction of their own offices through their own corporate organizations."

Buying by the short interests was on an enormous scale and bull operators took on large lines. The market closed strong. Bonds were firm.

WALL STREET BUSY; TONE IS STRONGER; BROKERS FLOODED

(Continued From Page One.)

National Packing company, the "beef trust"—I cannot see how the decision can affect the beef trust cases. It is an individual decision dealing with specific complaints.

Frank B. Kellogg, special assistant to the attorney general, who prosecuted Standard Oil—The dissolution of Standard Oil is inevitable. The government's victory is complete. It has been upheld in every point.

Great Government Victory.

Charles J. Bonaparte, former United States attorney general—I am naturally gratified, as I started the suit. The decision is a great government victory.

Victor L. Berger, socialist congressman from Wisconsin—They might as well try to dissolve the Atlantic ocean. The decision amounts to nothing. They simply cannot dissolve Standard Oil. The supreme court cannot change the ownership of the oil trust; it can simply change the form of ownership. The result will be exactly the same.

George W. Wickersham, United States attorney general—Substantially every proposition contended for by the government is affirmed by the supreme court.

Daniel Guggenheim, of the "smelter trust"—I am inclined to regard the judgment as fair and just. I interpret it as not limiting the activities or the mode of business of the great majority of trusts and corporations like the steel corporation and the American Smelting & Refining company, which do not aim at monopoly to overthrow competition.

NEW YORK NEWSPAPERS LOOK WITH FAVOR ON DECISION OF TRIBUNAL

(United Press Leased Wire.)

New York, May 16.—New York papers generally view with favor the decision of the United States supreme court. The Sun expresses disappointment. Here are some of the comments:

Sun: We now know the full possibilities of the statute, and it would be idle to minimize its possibilities of mischief. The supreme court has not met the expectations of the business community by pointing a way. To find the way out is the duty of the legislature.

World: The general opinion is that the Standard Oil company is prepared to reorganize its affairs and this will be accomplished without any disturbance to business.

Tribune: Amendment of the Sherman law to make it apply only to unreasonable restraint of trade has been seriously considered, but it was wisely left to the courts to develop a workable theory of the act's intent, which now has been done.

Times: The legitimate business of the country, which has so long trembled under the prohibitions erroneously attributed to it, will not now stand in fear of its provisions.

Herald.—The country's business interests for the first time in years now know what the law means and the path is free to normal activity and prosperity.

What Happened When Chicago Didn't Advertise

The twenty-four hour strike in Chicago last March, when the printers walked out of the American and Examiner offices, and all other morning and evening papers reduced to four pages, gave everybody a chance to see a city without advertising.

"On regular business days," says the Mail Order Journal, "when the Chicago papers come out with their usual amount of advertising, the streetcars are always crowded, the business parts of the city are filled with people, and the stores with shoppers. On the day when the papers carried no advertisements Chicago had a holiday appearance. The downtown business streets looked almost abandoned; there were no strap hangers in the streetcars during the hours from 10 a. m. to 4 p. m. and the great department stores, usually visited by thousands and thousands of people, were quiet and doing almost nothing. What the newspapers lost by not carrying the usual amount of week-day advertising was an insignificant percentage of what the big and small stores and the transportation lines lost in trade on that day. It was a day that made not only the business community but also the entire city of Chicago realize what advertising means to modern life and how little can be done nowadays without advertising."

"OIL TRUST" DECISION CAUSES NO EXCITEMENT IN LONDON STOCK MART

(United Press Leased Wire.)

London, May 16.—Despite the epoch-making decision of the United States supreme court in the Standard Oil case after the close of the market yesterday, stocks opened here today with no excitement. The early quotations showed irregular changes in prices, but in no case were they below last night's close. The general undertone was strong.

During the morning prices hardened and the bears who had been selling earlier for an anticipated decline, sought cover. American issues were strongly supported.

New York bought stocks here heavily, taking 75,000 shares of American issues before the New York opening. Many brokers kept open all night handling buying orders.

STANDARD OIL STOCK INSTEAD OF LAGGING TAKES UPWARD SHOOT

(United Press Leased Wire.)

New York, May 16.—Standard Oil stock opened on the curb market at 675 to 679 and went to 675 bid, 680 asked. It closed last night at this figure, although the last sale yesterday was at 679¾. Practically no stock was offered today.

American Tobacco opened at 467 to 475, with no sales. The last sale yesterday was at 470.

At 11:30 o'clock Standard Oil stock had advanced on the curb 5½ points per share over last night's close. American Tobacco advanced 15 points over last night's closing.

KRUTTSCHNITT THINKS DECISION WILL AFFECT MONEY WORLD LITTLE

Medford, Or., May 16.—Julius Kruttschnitt, vice president of the Harriman system, was acquainted with the decision of the supreme court dissolving the Standard Oil company by a representative of the United Press in this city. The decision in his opinion will not seriously affect the financial world.

"Such a decision has been expected for the past four months," stated Kruttschnitt, "and has been discounted. Its effect, I believe, will be slight in comparison."

Kruttschnitt left this city late Monday afternoon for San Francisco.

"LIGHT OF REASON"

(Continued From Page One.)

punity—to leave it to be determined by the light of reason, guided by the principles of law and the duty to apply and enforce the public policy embodied in the statute in every given case, whether any particular act or contract was within the contemplation of the statute."

It was on this phase of the decision that Justice Harlan commented, criticising the court for attempting to "amend" the Sherman law. He said:

Harlan's Comments.

"Every one knows that since 1897, at each session of congress, attempts have been made to get the Sherman law amended so as to make legal 'reasonable' restraint of trade. The law never has been amended in this particular. In my judgment it never will be amended along this line. The constitution provides there shall be three coordinate branches of the government—the legislative, the executive and the judicial—each with clearly defined duties. This decision today says the judicial by its action shall amend the constitution."

The third point is the one most widely discussed by trust lawyers and big business. To them it seems to open the way for the legal reorganization of the Standard, so that it can continue in business.

From White's Opinion.

The paragraph is from the opinion of Justice White:

"We say this, since it does not necessarily follow because illegal restraint of trade or attempt to monopolize or monopolization resulted from the combination and transfer of stocks of the subsidiary corporations of the New Jersey corporation that a like restraint from agreements to monopolize or monopolization would necessarily arise from agreements between one or more of the susidiary corporations after the transfer of stock by the New Jersey corporation. For an illustration, take the pipe lines. By the effect of the transfer of the stock the pipe lines would come under the control of various corporations instead of being subjected to a uniform control. If the various corporations owning the lines determined in the public interest so to combine as to make a continuous line, such an agreement or combination would not be repugnant to the act (Sherman law) and yet it might be restrained by the decree.

"As another example take the Union Tank Line company, one of the subsidiary corporations, the owner practically of all the tank cars in use by the combination. If no possibility existed for agreements for the distribution of these cars among the subsidiary corporations the most serious detriment to the public interest might be dealt."

DECISION AROUSES PROGRESSIVES' IRE

Disgruntled Members to Offer Amendment to Sherman Anti-Trust Act.

(United Press Leased Wire.)

Washington, May 16. — Disgruntled with the decision of the supreme court of the United States in the Standard Oil case an informal conference of progressives in the United States senate today decided to urge an amendment to the Sherman anti-trust act, reading:

"No combination in restraint of trade shall be regarded as reasonable under the terms of this act."

BREHM'S ESTATE TOTALS $500,000

Mother of Suicide Lumberman, '71 Years Old, Gets All His Property.

(United Press Leased Wire.)

Seattle, Wash., May 16.—No will having been found, the entire $500,090 estate of Edward E. Brehm, lumberman, who committed suicide, will go to his mother, Mrs. Louisa Ellen Brehm, aged 71, whose home is in San Francisco. On petition of three brothers, Judge Frater appointed the Union Savings & Trust company administrator of the estate under bond of $600,000.

The cause of Brehm's suicide remains a mystery. Ten days after he took his life Mrs. Katherine Matthews, a wealthy divorcee, formerly of Portland, Or., drank carbolic acid, after saying she had nothing to live for since Brehm was gone.

WRECK FATALLY HURTS SLEEPER IN BOX CAR

(Special Dispatch to The Journal.)

Medford, Or., May 16.—A man named Barnes was fatally injured in a wreck of two freight cars in the local yards this morning. When taken to the Southern Oregon hospital shortly after the accident it was found that he had sustained a bad fracture of the pelvis.

Through freight No. 221 of the Southern Pacific, southbound, was making a flying switch and had sent a heavy box car along the switch leading to the freight house, which struck a box car standing on the grocery company's siding. The car was not quite clear of the switch and the flying freight car struck it a glancing blow on the side. The great rate of speed caused a crash sufficient to throw both cars off the tracks and topple them on their sides.

Barnes and a companion, who were sleeping in the car on the sidetrack, were awakened by the crash, and as the car tipped over endeavored to escape by the doors. Whether the injured man was thrown through the door or was half way through is not known, but in some manner he became crushed between the ground and the side of the car.

Denver Has "Hope."

Denver, May 15.—A giant seven feet two inches in height and weighing 237 pounds is Denver's contribution to the army of "white hopes." He is 20 years old and his name is Carl Sandell. He will make his first public appearance in a ring in New York July 4.

DECISION'S FORCE IS GAINED THROUGH MISSOURI RULING

By Sustaining Finding of the Lower Court Holding Standard Oil Co. Monopoly Court Strengthens Decision.

(United Press Leased Wire.)

Washington, D. C., May 16.—Justice White's decision yesterday dissolving the Standard Oil company takes its force by upholding the findings of the lower court that the Standard Oil company, as holding corporation of the "trust," was an illegal combination engaged in an attempt to monopolize the oil industry contrary to the second amendment of the Sherman anti-trust act.

The lower court of Missouri commanded the virtual dissolution of the combination, therefore, by directing the transfer by the New Jersey corporation back to the stockholders of the various subsidiary companies entitled to the same, the amount of stock which had been turned over to the New Jersey company in exchange for its stock.

Decision Touches Conspiracy.

So far as the owners of the stock of corporations themselves are concerned, after the stock has been transferred, section 6 of the original decree enjoins them forever from in any way conspiring at a combination against violating the anti-trust law or monopolizing the oil industry or attempting to monopolize it in any way by virtue of the stock transferred to them, and prohibits all agreements between subsidiary companies or other stockholders in the future tending to produce violations of the anti-trust act.

By section 7 of the original decree, pending accomplishment of the dissolution of the combination by the transfer of stock and until it is consummated, the defendants named in section 1, constituting all the corporations held to be part of the combination were enjoined from engaging in or carrying on interstate commerce, and by section 9, among other things a delay of 30 days was granted for carrying into effect the directions of the decree.

Decree Held Appropriate.

The supreme court yesterday decided that so far as the decree of the lower court held that ownership of stock by the New Jersey corporation constituted a combination in violation of the first section of the Sherman law and an attempt to create a monopoly or to monopolize, under section 7, the lower court's decree commanding a dissolution of the combination was clearly appropriate.

And this also the supreme court held was true of section five of the lower court's decree, which restrained both the New Jersey corporation and its subsidiary concerns from doing things which would recognize or give effect to further ownership by the New Jersey company, of stocks which were ordered to be transferred.

Conclusion of Opinion.

In concluding his opinion yesterday, Justice White said:

"As penalties which are not authorized by law may not be inflicted judicially, it follows that, to meet the situation confronting us, application of remedies twofold in their character is essential; first, to forbid the danger in the future of acts like those found to have been done in the past which would be violative of the statute, and, second, exertion of such measures of relief as will effectually dissolve a combination found to exist in violation of the statute and thus neutralize the extension and continual operation of a force which the possession of power unlawfully obtained has brought and will continue to bring about.

"In applying remedies for this purpose, however, the fact must not be overlooked that injury to the public by prevention of undue restraint on or monopolization of trade or commerce is the foundation on which the prohibitions of the statute rest, and, moreover, that one of the fundamental purposes of the statute is to protect and not to destroy the rights of property."

SCHOOLBOYS' PARADE TO BOOST BOND ISSUE

(United Press Leased Wire.)

Oakland, Cal., May 16.—Following a parade of more than 5000 school boys, a demonstration unique in western politics, Oakland is today voting upon the proposed issue of $3,000,000 bonds, all but $500,000 of which are to be for the improvement and enlargement of the public and high school system of the city.

The $500,000 is to be used in the erection of a municipal auditorium. A short distance from each voting place high school students are posted with cards urging a favorable vote for the bonds.