

Boston Bankers Controlled "Dummy" Directors of Chicago Stockyards Company

HENEY DIGS DEEP INTO AFFAIRS OF BIG PACKERS

The late Richard Olney, of Boston, former Secretary of State, was one of the organizers of the Chicago Stockyards Company, a corporation formed by Boston bankers with "dummy" directors, to take over the stock of the packers' trust when the trust was ordered dissolved by the Federal courts.

The Federal trade commission brought out this fact today in the first session of its investigation of food profiteering. Papers produced by Commissioner Heney showed that the plan for organizing the Chicago Stockyards Company was worked out in Boston on September 27, 1911, by a committee of six men shortly after the packers' trust was ordered dissolved. The six men were Richard Olney, Samuel Carr, Guy Norman, S. L. S. Shoemaker, E. V. R. Thayer, and F. R. Hart.

At this meeting the scheme for purchasing 35,000,000 shares of stock of the old packers' trust for \$1,000,000 in cash was formulated. The entire transaction was carried out in the name of F. R. Pegram, who was the first witness in the commission's investigation today.

Only Dummy Director.

Pegram showed that he is merely a dummy official, and that a banking syndicate controls the organization. The members of this syndicate, according to Francis J. Heney, investigator for the commission, are the Old Colony Trust Company, Boston; Merchants National Bank, Boston; Chase National Bank, New York; F. S. Moseley & Co., brokers, Boston, and F. H. Prince & Co., bankers and brokers, Boston. Pegram admitted that he was the holder of 79,000 shares of stock in the stock yards company which he has never seen.

Pegram has been the treasurer of the Chicago Stockyards Company for the last two years. He admitted under cross-examination that he was only a "dummy" treasurer, and would sign anything the bankers in control of the company put before him. In the transactions that led up to the formation of the Chicago Stockyards Company Pegram also was the dummy in whose name the negotiations were carried forward.

Didn't Understand Plan.

He said on the stand that while he was "in on" the plan, he understood little of what it all meant, and the only service required of him was to sign various papers without reading them.

The officers of the Chicago Stockyards Company elected when the corporation was formed also were "dummy" officials, Pegram admitted. They were George F. Doherty, president; Clarence R. Yeaton, vice president; Normal J. MacGaffin, secretary, and William M. Wadden, treasurer. All of them were employees of the bankers who controlled the corporation.

Heney's questioning brought out the fact that Pegram, two years treasurer of the stock yards company, was for many years a bookkeeper with F. H. Prince & Co. Pegram said on the stand that he is merely a dummy in the company he confessed:

"Yes, I'll sign anything they put in front of me."

"They" it developed, were the other officials of the company.

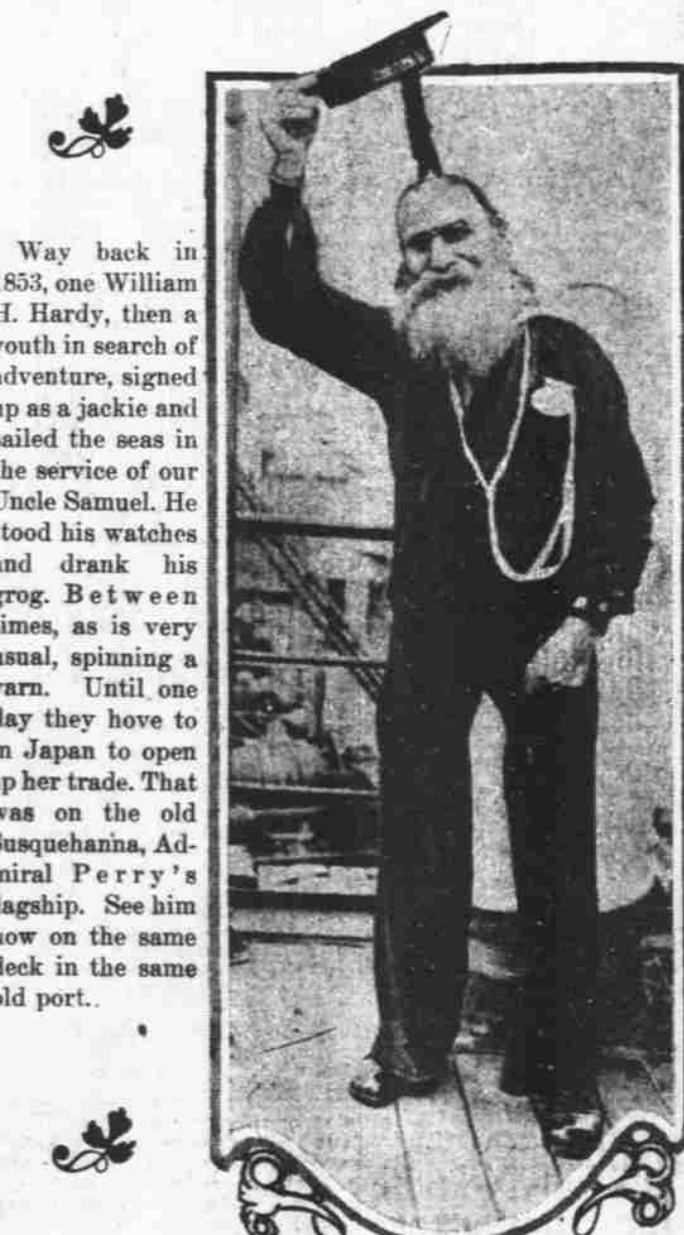
Heney also showed that communications from the Federal Trade Commission to Pegram were not answered by him, but that he merely "went through the motions" of replying, the answers being dictated by others. Letters addressed to the company at Chicago were found in the Prince offices at Boston, Heney charged.

BILLY SUNDAY HANGS UP SERVICE FLAG FOR SON

ATLANTA, Ga., Dec. 20.—Billy Sunday has a service flag on the pulpit at the tabernacle. His son George is now a lieutenant in the aviation corps. Although he was exempted on account of his wife and two children, George enlisted anyway.

"He said he felt that his country needs him," stated Billy in describing the incident. "So I told him I'd take care of Harry's duties two children while he was gone. Now I'm having a hard time keeping Billy, jr., seventeen, from enlisting, too. These aeroplane go about 125 miles an hour, only so that they'll be too slow for George."

Sole Survivor of the Perry Expedition to Japan



Way back in 1853, one William H. Hardy, then a youth in search of adventure, signed up as a jackie and sailed the seas in the service of our Uncle Samuel. He stood his watches and drank his grog. Between times, as is very usual, spinning a yarn. Until one day they have to in Japan to open up her trade. That was on the old Susquehanna, Admiral Perry's flagship. See him now on the same deck in the same old port.

Mr. Hardy, the only living survivor of the expedition sent to open up the closed ports of Japan in 1853, just happened to be revisiting, on November 17 last, the scene of his old cruise when there was a celebration to commemorate it. Some one discovered him. He was dressed again in a "jackie's" uniform and taken to Perry's old flagship, the Susquehanna, where he again trod the decks.

Roland S. Morris, our new ambassador to Japan, heard of him and insisted upon taking him to see the Emperor. Mr. Hardy had no formal clothes, so the wardrobes of the city were ransacked until he was outfitted with a frock coat and silk hat. Then, as he stood before his imperial majesty, the ruler of Japan, it was discovered that the bell-shaped bottoms of his "jackie's" pants were sticking below the dress trousers. Also, his sailor's blouse was in evidence around the neck. But he came back from the party happy that he was showered with such honors and the last one of the old crowd left.

ANTIQUATE MACHINES AT U. S. ARSENAL, INQUIRY REVEALS

Earlier testimony concerning the wisdom of adoption of the modified Enfield rifle for the American army. "The modified Enfield rifle is better than British rifles," said Hansen. "It was wise also to stick to American ammunition. British ammunition is the poorest in the world. It is 50 per cent less effective than the German ammunition."

"The American troops, equipped with the modified Enfield rifle and American ammunition will be as well equipped as the Germans. Neither the French nor the British guns or bullets equal the German, but ours will."

Hansen, who was a member of the civilian machine gun board early in the war, said, in his judgment, the War Department should have bought Colt machine guns, of which many were available, while tests were being held to determine what machine gun would be officially adopted for the army.

"The men in cantonments, who have few or no machine guns now, could at least have had practice in the use of all machine guns," said Hansen.

"Now the cantonments have a few guns, of three different types. The result is that our men are getting little or no practice, when they all might have had plenty right from the start."

Hansen added, however, that any training given American troops with other machine guns than the Browning, which has been officially adopted, will have to be done over, in part.

Would Learn Quicker.

"The only benefit of having men trained in the use of other machine guns is that they would familiarize themselves with the general use of that sort of mechanism," said Hansen. "The result would be that when they came to learn the Browning gun they could do so more rapidly than untrained men."

Hansen's testimony on this point established the fact that the American forces will not get their first real machine gun training until next spring or summer, as Browning guns will not be delivered until next April. Quartermaster General Sharpe, who was to have testified this afternoon, was prevented from appearing. He will be questioned tomorrow regarding camp conditions disclosed in Surgeon General Gorgas' report.

GENERAL WHO DEFENDED LIEGE FREED BY GERMANS

ZURICH, Dec. 20.—The Belgian general, Leman, who was in command at Liege, August 21, 1914, when that fortress was taken by the Germans, arrived here today, back from captivity. He had been in Magdeburg prison most of the time. General Leman is returned in exchange for German prisoners.

Congress What It Did Yesterday

Secretary Daniels on Naval Preparations—The Army and Its Equipment—Price-Fixing or "Arranging" for the Food Supply. The Censorship.

By W. V. BYARS.

The Administration scored yesterday in Congressional investigations of the conduct of the war. The impression grew that in spite of all blunders, now admitted, both army and navy have been getting ready for action as fast as any reasonable person could expect, if not somewhat faster.

On the evidence so far in hand the charge of bungling the war officially falls on the Scotch verdict of "not proven."

In the forenoon Secretary of the Navy Daniels appeared before the House naval subcommittee, followed in the afternoon by Admiral McGowan, paymaster general, with experts on clothing and general outfitting, covering that field of investigation in a way that seemed wholly satisfactory to the investigators.

Secretary Daniels was a willing witness. Except for a tilt with Mr. Britten of Illinois, he was harmonious and harmonizing. The tilt related to published reports of relations between the Secretary and Admiral Sims. Mr. Daniels dismissed the matter as "petty and small." He refused charges of bungling the 350 submarine chasers the department has under construction and made public the fact that besides these smaller craft he is now getting in readiness 428 "capital and important" ships, including battleships.

The issue between steel and wood in shipbuilding belongs to the merchant marine. It will be investigated, with its related topics, by the Senate Committee on Commerce under the Harding resolution.

Before the Senate Committee on Military Affairs, the day's investigation of preparation in the army related chiefly to rifles, with machine guns incidental. Leaving open the question of whether machine guns might not have been handled to better advantage, the testimony of the day as to rifles and ammunition cleared the whole situation. Vice President Stoddard, of the Marlin Arms Company gave testimony unfavorable to General Grozier.

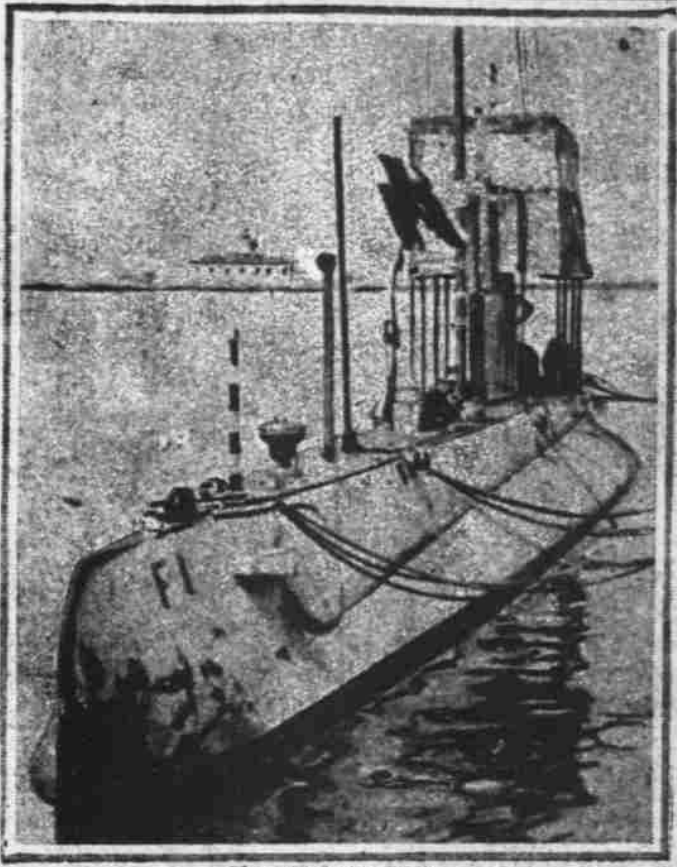
President Henry S. Kimbal, of the Remington Arms Company, and J. T. Otterson, president of the manager of the Winchester Arms Company, confirmed each other in a general explanation which showed the work of rifle making "speeding up" beyond limits precedent as soon as an agreement could be had, nationality and internationally, on the types of rifles and ammunition required.

In making the "British Enfield" rifle as nearest to the old Springfield. Mr. Otterson explained that American manufacturers had overcome difficulties with which British manufacturers were also confronted at the beginning of the war. Changes in ammunition involved changes in the gun and in costly machinery. The highest possible "interchangeability of parts" had also to be provided to meet the requirements of the War Department. When these preliminary difficulties were overcome, the work had progressed until it was now reaching the point of rapid deliveries in totals of from 80,000 to 100,000. The investigation will extend to aeroplanes and all other "ordnance" used in the war. Aside from questions of friction between officials or between officials and manufacturers, the total result to date is that all concerned are now making good. The matter of preliminary failures may belong to historical criticism rather than to the conduct of the War from the date.

Earl D. Babst, president of the American Sugar Refining Company and member of the International Board of Mr. Hoover's Food Administration, spent the day on the stand before the Senate Committee on Manufacturers. The committee wished to learn, more particularly, how and by whom food prices had been fixed; whether they had been so fixed by the international board or other members of the Food Commission as to allow Mr. Babst and others concerned in fixing prices an opportunity for extraordinary profits, and finally the results of the system in selling prices, and the prices paid by the public since October 1.

Mr. Babst testified with the greatest readiness. He knew nothing whatever about "price-fixing," except that he had taken the utmost pains not to involve himself or his associates in anything which might justify a suspicion that they had been concerned in fixing prices with Government authority on anything they might sell as private manufacturers and jobbers. Finally, on the question of Senator Lodge, it was agreed that prices might be spoken of as "arranged," not "fixed" by Mr. Hoover and the Food Administration in general. As the prices were "arranged," Mr. Babst explained, that his private interests in large quantities of raw sugar had not interfered with his desire to relieve the sufferings of other manufacturers and the public. Chairman Reed was especially anxious to learn if as a representative of the American manufacturing company, Mr. Babst had not marketed large quantities of sugar in neat cartons or in sacks above the "arranged price" to grocers who wished to buy granulated or other barrel sugar at the arranged price. Mr. Babst gave the committee information to show that as far as this was done at all, it was

U. S. Submarine F-1, Just Sunk By the F-3



The F-1 was one of the old type submarines and a sister boat of the F-4, which was lost in Honolulu harbor three years ago. All the men and officers at that time were suffocated. At the time it was found that the submarines of this class were generally faulty in construction. The F-1 was 143 feet long, was built in 1912, and cost \$500,000.

HURLEY TO TESTIFY AT SENATE SHIPPING INQUIRY TOMORROW

Chairman Hurley of the Shipping Board will be the first witness at the Senate shipping investigation. Senator Fletcher, in charge of the inquiry, announced today that Hurley will take the stand tomorrow afternoon, and will be followed by other members of the Shipping Board.

Senator Fletcher asked the Shipping Board to furnish him copies of all contracts let for wood and steel ships, with complete data on the number of ships completed, those under construction, and those being built for private owners.

FIRE SWEEPS KY. TOWN; PRO-GERMANS SUSPECTED

WHITESBURG, Ky., Dec. 20.—German sympathizers are believed today to have caused a fire which swept the little town of Wayland, north of here, destroying mining and other property valued at \$100,000. Armed guards have been stationed to prevent further loss of property.

Men Directing World War Nearly All Over 60.

The combined ages of the generals on the new war council amount to 205 years, thus:

Chief-of-Staff Bliss, 64.
Major General Crozier, 62.
Major General Weaver, 63.
General Squires, chief-of-aviation, 62.
General McIntyre, war censor and chief-of-insular affairs, 52.
General Kuhn, 53.

Following are the ages of some of the generals of the armies now fighting in Europe: General Haig, 66; Gen. Sir John French, 65; General Cadorna, 72; General Pétain, 61; General Joffre, 66; Sir William Robertson, 68; General Nivelle, 62; General Hindenburg, 71; General Von Bulow, 71; General Von Mackensen, 68.

Vital Records of the District.

The following births and deaths have been reported to the Health Department during the last twenty-four hours:

Births.
Herman T. and Edith M. Esler, boy.
Charles P. and Katie M. Queen, boy.
Bernard and Betty Cooper, girl.
George E. and Annie E. Weber, girl.
John P. and Ella C. Seftel, girl.
Frank C. Hildner, and Ethel girl.
James B. and Alice Shaw, boy.
Charles A. and Edna Marshall, girl.
Arthur and Florence Brown, boy.

Deaths.
London C. Tucker, 21, and Mollie Schumaker, 2, both of Richmond, Va. The Rev. J. Henry Nims.
Harry B. Lord, 31, and Orson V. Sturgis, 31, both of Washington, D. C. The Rev. Charles C. McLean.
James O. Ray, 21, and Carrie D. Lacy, 19, both of Hoadly, Va. The Rev. Howard P. Downs.
John Ryan, Jr., 41, of Mount Rainier, Md., and Rose E. Ryan, 39, of Washington, D. C. The Rev. A. M. Mark.
Howard W. Brown, 33, and Lillian M. King, 21, both of Washington, D. C. The Rev. Frank M. Hildner.
I. Johnson, 51, and Julia Jackson, 31, The Rev. D. Washington.

Deaths.
Butler Allen, 25 yrs., 24 E. St. N.W.
Joseph J. Herfurth, 33 yrs., Sibley Hos.
Francis S. Gross, 43 yrs., St. Elizabeth Hos.
Charles M. Mackintosh, 52 yrs., 1347 Virginia St. N.W.
Mary Farrell, 52 yrs., 212 1/2 St. N.W.
Rosetta Swain, 64 yrs., 127 Prospect ave. N.W.
John W. Thomas, 62 yrs., 124 Martin St. N.W.
George E. Wagman, 72 yrs., 1 Grant pl. N.W.
William B. Cousins, 58 yrs., 128 L St. N.W.
James W. Tillman, 52 yrs., 1311 Monroe St. N.W.
Annie Kiley, 28 yrs., 3rd and H Sts. N.W.
Infant of Mattie Childs, 4 yrs., Casualty Hos.
Herman Brunson, 32 yrs., Freedmen's Hos.
Jessie Newman, 71 yrs., Blue Plains, D. C.
Charles Gibson, 74 yrs., Freedmen's Hos.
John Owens, 38 yrs., Freedmen's Hos.
Mary Hill, 19 yrs., Tuberculosis Hos.
Ferdinand Pyle, 39 yrs., Wash. Aer. Hos.
Julia Owens, 37 yrs., Freedmen's Hos.
Ella Egan, 4 yrs., The Children's Hos.
Frank Henderson, 1 yr., Freedmen's Hos.
Edward Dyer, 1 mo., Freedmen's Hos.
Ruth Matthews, 8 mos., Freedmen's Hos.
Morris Ray, 2 wks., 222 1/2 St. N.W.
Infant of Marie Andrews, 1/4 hr., 112 1/2 St. N.W.
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Gertrude Montague, 19 mos., 212 1/2 St. N.W.

DEATHS.
GOULD—On Monday, December 11, 1917, DENNIS M. GOULD, beloved husband of Mrs. Mina A. Gould.
Funeral services will be held at Wright's Funeral parlor, Thursday at 5:30. Interment at East Woodland, New York.

MURPHY-SUTER—On Monday, December 17, 1917, at her home in New York city, LOUISE SUTER-MURPHY, daughter of the late John T. and Louisa Weibour Suter.
Services at Joseph Gawler's home chapel, 1739 Pennsylvania avenue, Friday at 2 p. m. Interment at Greenwood Cemetery.

WATKINS—On Tuesday, December 18, 1917, Mrs. MARGARET S. WATKINS, devoted mother of the late Mr. Richard J. Watkins.
Funeral at St. Patrick's Church, on Thursday morning, December 20, at 10 o'clock. Interment private.

WOOD—On December 19, 1917, at 128 P. M., at his residence, 75 Thirteenth street, southeast, JOSEPH J., beloved husband of Julia M. Wood, in the sixty-sixth year of his age.
Funeral at chapel at Congressional Cemetery on Saturday, December 22, at 2 p. m. Friends and relatives respectfully invited.

IN MEMORIAM.
CHRISTMORN—In loving remembrance of our darling, RAYMOND E. CHRISTMORN, who died four weeks ago, December 20, 1917, aged eight years and six months. In this world of pleasure, happiness and cheer, we are all glad that Christmas is near. It brings forth pleasure of the entire year. But, sadness when you lose the one you love dear.
—Papa and Sister.

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PRESERVE JAR HAS MOST OF SUGAR SUPPLY, SENATORS TOLD

America's sugar supply instead of being in the sugar bowl is in the process of being served in the jam pot. This is the explanation of the sugar shortage offered today to the investigating subcommittee of the Senate by Earl D. Babst, president of the American Sugar Refining Company. The great canning campaign of the past summer was blamed by Babst for increasing sugar consumption.

Delay in the beet sugar crop, lack of proper distribution system, cane shortage, and freight congestion have all added to the sugar shortage, Babst declared.

The food administration was given a clean bill by Babst. He declared that under the guidance of the food administration the low of supply and demand has been suspended. Retail prices which would have gone to a new high level have been held to a "fair profit" by the food administration, Babst said.

Sugar Plentiful Next Year.

Furthermore, Babst was confident that if all of the plans of the food administration are successful, the sugar supply in the United States next year will be greatly increased and all dangers of another sugar shortage will be wiped out.

When Babst citing figures, declared that for the quarter ending in September, his company had made but \$400 on one brand of sugar, Chairman Reed interjected: "It's a wonder to me you are not in the hands of a receiver."

"It amazes me, and I shall certainly see that the price on this brand of sugar is increased," declared Babst.

Senator Jones gave Babst a chance to make the statement which he has persisted upon, and which Chairman Reed has consistently deferred.

Babst explained the difficulties in the sugar market early last spring, which he declared were due to labor troubles, caused by "I. W. W. agitation." Babst declared that these troubles had given the sugar market its first increase, and had left it in a depleted condition.

Capital Hounded Supply.

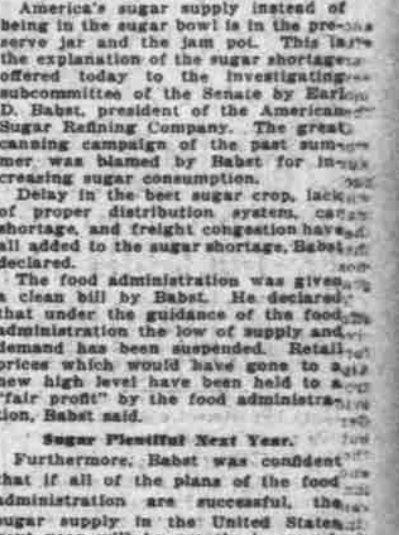
"Seasonal stocks were spread by agitators early last spring," Babst said. "And this resulted in a great deal of sugar hoarding. In places but this situation become more serious than in the city of Washington," Babst said.

"The great mid-summer canning campaign," also added to the growing sugar shortage, Babst said. Chairman Reed wanted to know what part the Food Administration had in this campaign. Babst knew the Food Administration had been but one of many urging canning and preserving.

Chairman Reed began to interject questions and Senator Jones declared he wasn't getting many questions in. Chairman Reed then blamed Babst for giving "involved and evasive answers."

U. S. ACTION PLEASES DANES.

COPENHAGEN, Dec. 20.—"America's Christmas gift to the Danish people" is what Copenhagen newspapers termed the United States Government's release of Danish ships today. All comment expressed warmest gratitude over the action.



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The Makings of a Nation

"BULL" DURHAM TOBACCO

The first smokes have reached Pershing's men.... "It came in the nick of time," said a strapping Texas infantryman, "I was just thinking about going back home to get the 'Makings'."

GENUINE "BULL" DURHAM TOBACCO

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