

WILL RETURN TO PRE-WAR STATUS, GIVING CONTROL TO CUSTODIAN PALMER

Decision Reached Yesterday On Advice of W. F. Frear and Washington Has Been So Advised By Cables

Same Loyalty Which Induced Attempt To Make Firm American Now Induces New Directors To Withdraw

The "unscrambling" of the reorganized Hackfeld & Co. began yesterday morning when cablegrams were sent to A. F. Humburg, San Francisco; Walter F. Frear, Oakland, and A. Mitchell Palmer, custodian of alien enemy property at Washington.

While the present directors feel confident of the legality of the reorganization carried through by them and rest assured that their motives and their loyalty are unquestioned at Washington, they also recognize the fact that through the lack of ready communication their position is not completely understood at Washington and that now, as a further demonstration of the good faith and loyalty that brought them into the reorganization, they should meet the desires of Mr. Palmer and rescind their reorganization plans, leaving him a free hand to carry through the reorganization that has to come as he deems fit.

WILL SELL STOCK BACK

The purchase of the stock of J. F. Hackfeld, Limited, which with the power of attorney for the period of the war over other stock held by local German stockholders gave the five new American members of the directorate control of the company of Hackfeld & Co., is to be rescinded and all the J. F. Hackfeld stock will be placed in the hands of the Trent Trust Company, the local depository of the alien property custodian.

It will be impossible completely to unscramble the reorganization. Department heads have been compelled to resign, employees have been replaced by other employees, actions have been taken on the various matters that have come out in the ordinary course of the business and various ventures have been carried through or launched. No attempt will be made—even if it were possible—to undo many of the things that have been done, but the status quo ante will be returned to as far as possible.

BACK TO OLD STANDING

This will place Hackfeld & Co. in the same position it held in regard to the custodian of enemy property on the day that war was declared, with all the stock of J. F. Hackfeld, Limited, which is owned practically all by J. F. Hackfeld, in the hands of the custodian. This, with other enemy stock, will give the custodian control of the company, with the right to vote in any new directors desired.

ONE REORGANIZATION

An indication of what may be done is afforded in the case of the reorganization of J. F. Hackfeld, Limited, now made public for the first time. The stock of that corporation was turned in to the Trent Trust Company and voting that stock, the custodian placed a new board of directors in control, consisting of Richard A. Cooke, president; Frank C. Atherton, secretary, and Richard H. Trent, treasurer, the three forming the board. It is a certainty that the custodian will have strong representation on the Hackfeld & Co. directorate, if not the majority of the seats.

Announcing the decision of the new directors to return to the status quo ante, Walter F. Dillingham, secretary of the reorganized directorate and the guiding spirit of the reorganization, made the following statement:

FREAR ADVISES IT

"We are in receipt of advices from Governor Frear, who, at the request of H. Hackfeld & Co., Ltd., and particularly the new directors, went to Washington to explain to the Alien Property Custodian the reorganization of Hackfeld & Co. and to obtain from him an order authorizing the sale of all of the alien stock to place the full control of the company in the hands of American citizens for all time, that the department of the Alien Custodian has worked out a set plan and policy as to the manner in which all corporations, alien controlled, are to be reorganized and that in order to carry out that policy the custodian requests that the sale and purchase of the shares of stock by the new directors from J. F. Hackfeld, Limited, be rescinded in order that the company might be placed, so far as possible, in the situation it occupied prior to the sale.

STOCK OFFERED BACK

"In the meantime the custodian has been advised that in order to carry out his wishes the new purchasers of stock stand ready to rescind their purchase and they have so notified Richard Trent, treasurer of J. F. Hackfeld, Limited, signifying their willingness to rescind the contract insofar as they are concerned and awaiting his action along the same lines.

No question of the bona fide efforts of the new management to Americanize the company has been raised, the action of the custodian being predicated solely upon the rule of the department that all reorganizations be left entirely with them.

The present board that will go out, handing back the control to the German stockholders, both alien and resident, is: W. F. Dillingham, secretary; F. J. Lowrey, W. F. Frear and G. E. Wilcox, directors.

of the J. F. Hackfeld, Limited, which was the holding corporation of the shares of Mr. Hackfeld in Hackfeld & Co., the resident vice-president and manager of the company here was empowered to vote the Hackfeld stock. That meant that Mr. Hagens held voting control so long as Georg Rodiek was not in the Territory. Rodiek was expected back on any boat and it was essential, if he were not to control the reorganization it must be carried through without delay. At this time, and practically ever since, the firm was denied the right to use the cable or wireless for communicating with the mainland and the loyal directors were unable to learn definitely whether Rodiek was on his way back or not. Mrs. Rodiek had written that she and her husband would be in Honolulu on January 12. The legal reorganization then, it was decided, had to be completed by the eleventh if it were to be completed at all.

Acting in good faith and believing that their loyal intentions to Americanize the corporation to the possible limit of the law would be recognized by Mr. Palmer, the reorganization was put through. Such attorneys as Judge Stanley, M. F. Prosser, Henry Holmes, Judge Frear, Frank Thompson and others were consulted and all endorsed the plans as legal. United States Attorney Huber was likewise consulted, in order that the federal government might be kept apprised of the moves.

Following the reorganization, a meeting of German heads of departments was inaugurated, even some unaligned Americans being dropped. A pledge of loyalty to the United States was drawn up and every employee was required to sign or explain why. Prior to the presentation of this pledge, F. W. Klebahn, in charge of the shipping department; Bertram von Damm, head of the insurance department, and Carl DuRo, manager of Ehlers & Co., were permitted to resign. A few under employees, in whose loyalty there was not complete faith, were discharged. Later, Christian Castleyak, German manager of the important branch at Hilo, was let out, his place being filled by an American-born manager.

As owners of twenty-five percent of the stock of The Pacific Guano and Fertilizer Company, the Hackfeld directors desired to replace A. Falke, the manager, by another. The directors of the majority stock voted down this proposition, however.

Reorganization of the many important "subsidiary" corporations was delayed, due to the failure of Washington to give official recognition to the new directorate and due to the fact that the cable and wireless privilege was not given back to the firm, thus making it practically impossible to remove doubts, apparently carefully cultured by local opponents to the new directors. Various excuses were injected into the question, going so far as to make Washington believe that the arrest of R. H. Trent on a charge of sedition had been inspired by Mr. Hagens, a ludicrous perversion of the truth but sufficient to complicate things in the eyes of the custodian in Washington.

While lacking recognition themselves, the new directors were forced to go slow in wading out suspected employees, while this delay was used against the directors to prove their lack of sincerity in their Americanizing plans.

Money Deal and Death Governor Frear, who went to Washington to explain and clarify the situation, was unable to communicate with his principals here to explain to them what misunderstanding he found and what the custodian desired, while it was equally impossible for the directors here to reply promptly to what delayed cables finally came through from Washington or to advise Mr. Frear of the local situation.

Falling under a new satisfactory understanding, and knowing that the original ruling of the custodian was that he could recognize no after war reorganizations except such as were carried out in cooperation with his office, the directors have decided to "unscramble" as far as possible and give the custodian a free hand.

At the same time, the new directors, in their statements, make it plain that they continue to believe that they have acted as loyal Americans, in good faith, and wholly within the law.

CALIFORNIA WOMAN TRIED FOR MURDER

(Concluded from Page 1) Atrea. He was notified of his wife's arrest and the circumstances surrounding it and started immediately for the United States, arriving in time to be with his wife when she was arraigned on January 16.

CHINA TO SEND GREAT FORCE TO WEST FRONT

One hundred thousand Chinese regular troops will be sent to the west front in France, according to Col. Tsak Tchi and Commander T. C. Lio, Chinese officers who passed through Honolulu yesterday who have been military and naval attaches, respectively, in France with the French armies. They are en route to Pekin. They say the plans for the use of the Chinese army have been worked out by the French general staff.

ACCESS TO WATER-FRONT RENDERED MORE DIFFICULT

United States Marshal To Have Supervision of Issuance of All Passes After Today

PERMITS MUST HAVE PICTURE OF BEARER

All Previously Issued To Become Void—Close Record of New Ones Will Be Kept

After today the United States marshal's office will, under regulations received yesterday from Attorney General Gregory, take over complete supervision of passes issued for entrance to waterfront property, the temporary jurisdiction of the board of harbor commissioners coming to an end, and the waterfront guards assuming their role of "identification inspectors" only.

All passes issued by the board of harbor commissioners will become null and void as soon as the instructions of the attorney general may be carried out, and in place of these passes will be permits bearing the official United States seal, and full information concerning the employee and business upon waterfront property.

Regulations more strict than ever before will become operative with reference to the passing of ships' crews, teamsters and chauffeurs, longshoremen, lightermen, commercial representatives and all other persons.

Under the detailed instructions received from the United States marshal's office, all persons having business on waterfront property will be required to keep a record of their employees to whom passes are issued, and another record will be kept in the office of the United States marshal, each record bearing a photograph of the bearer of the pass, the United States seal, and signature of the holder of the pass, his employ, and the United States marshal.

Upon information furnished the office of the attorney general at Washington, Marshal J. J. Smiddy received ten thousand pass forms, all numbered consecutively, and each number being printed in triplicate for proper recording.

To all owners and operators of each waterfront facility the marshal will distribute these triplicate passes, which are to be prepared by them for each of their offices, agents, and employees engaged in or about their respective waterfront facilities, which are then to be returned to the United States marshal. Each of these waterfront passes must be signed by the proposed holder of the pass, his employer and the United States marshal and "must have securely affixed to the pass in the space provided therefor a photograph of the proposed holder of such pass not larger than one and one-half inches square."

Strict Regulations The regulations stipulate that the cost of the three photographs must be borne by the holder of the pass or his employer without any rule that binds the employer to furnish the photographs.

Of the three passes the United States marshal retains one which is filed in his office, another is returned to the employer, and the other is kept by the bearer. Strict regulations are imposed upon the "identification inspectors" relating to trusting to memory instead of insisting upon seeing the pass.

A further regulation of the new instructions is to the effect that the holder of the pass shall be entitled to enter only the particular wharf, pier, dock, or other waterfront facility mentioned in his pass. The regulations go on to stipulate that "the description in the waterfront pass of the wharf, pier, dock or other waterfront facility for which such pass is issued must be accurate and definite, in order that its use may be limited to the particular premises therein described."

The new rules are an elaboration and supplementary explanation of Regulation Thirteen of the proclamation of the President issued November 16. This established a barred zone about the waterfront facilities covered by instructions which were enforceable by the United States marshal. It is especially noted in the instructions received yesterday that the United States marshal shall have discretion in the case of all persons for whom passes are applied, and that in no case shall passes be issued to German alien enemies.

Detailed Information The passes are printed on yellow cards about four and a quarter by two and a half inches. The face of the pass contains information as to the name, residence, nationality, and occupation of the bearer. It also contains the number of the pass, the name of the port, the name of the employer and his location, the signature of the marshal and the date issued. The back of the pass contains the signature of the holder and of the employer.

The pass will be issued under the following conditions: 1. It will be taken if offered any person other than one to whom it is issued and the person who presents it will be arrested if any fraud is discovered. 2. It is not good for the baggage enclosure. 3. It does not relieve the holder from examination of packages that are being removed from or carried into the premises.

SLAYER ADMITS HE DELIVERED THRUST

Private Walker of Twenty-fifth Infantry Confesses Stabbing of Sailor

Grueling examination of only half an hour by the city detective staff was all that was needed yesterday afternoon to make James Walker, a private in Company M, Twenty-fifth Infantry, confess that it was he who fatally stabbed E. V. McCall, a fireman third class of the Pearl Harbor station, last Friday night, near the corner of Kukui and River Streets.

Walker's confessions followed one previously made by Horshell Andrews, private Company M, Twenty-fifth Infantry, who admitted yesterday he was the companion of the knife wielder when the attack was made on McCall. Police Officer David Kupa Kaluhoukani is credited at the police station with being the first important clue to the discovery of Andrews, and the arrest of Walker which followed at Schofield Barracks.

Self defense and the accusation that he had been insulted by McCall and his companions, Frank Haley and C. A. Sullivan, was the only justification Walker made for his crime when making his confession, or rather admissions, to the detectives yesterday evening. He claimed he had been called a "nigger" by the sailors and that he used the knife because there was a "crowd of them."

Walker showed no fear of punishment for his crime and whistled defiantly as he was being taken under a double guard to the Oahu prison after he had been questioned at the police station by Detectives McDuffie and Kellett and County Attorney A. M. Brown.

Walker was arrested yesterday afternoon about three o'clock at Schofield Barracks, after his name had been secured from Private Andrews, who is in the company stationed near Fort Armstrong. He was brought to town at once, arriving here about half past four. At five o'clock he was on his way to the Oahu prison where he will be held for trial by the Territory on a charge of first degree murder.

Walker's first admission to the detectives yesterday was that he was in Honolulu Friday night, and that he heard a "colored sailor" had had some trouble with sailors. Also that he noticed two men looking over all the soldiers when the midnight train left for Schofield on Friday night, by which he returned to his quarters. On the following day, Saturday, he said he came to Honolulu and remained until that evening.

As it was not generally known to the other soldiers on the train leaving for Schofield Barracks that a search was being made for a negro suspected of committing the attack on the sailor the detectives then found it easy to pin him down until he admitted he was the man wanted.

Queen Officer Helps The arrest of Walker primarily resulted from the keenness of Officer Kaluhoukani, generally known as "Kupa." Kupa told McDuffie of having seen a negro soldier in uniform call another negro in civilian clothes from an automobile at Nuuanu Avenue and Beretania Street and that they both walked up Nuuanu toward Kukui Street long before the stabbing occurred.

Kupa was certain he could recognize the negro who was in civilian clothes if he saw him again, and so the detectives and the police officer went to the camp of the negro company near Fort Armstrong, where the negro companion of Walker was identified.

After Andrews had been pointed out by Kupa he was placed in custody and held as a witness. It took little questioning to get him to admit that he was nearly when the stabbing happened. As soon as he gave the name of Walker and his company, Schofield Barracks was notified and Walker's arrest followed.

As the officers in command of the negro company now on guard here had advised the soldiers to tell whatever they knew of the crime, it is believed Andrews would have confessed eventually to being an eye witness, even if he had not been so readily identified by Kupa.

Saw Knife Bought Andrews says he and Walker visited several Chinese stores before Walker found a knife which suited him and which was purchased at the corner of Kukui Street and Nuuanu Avenue. He claims that Walker gave him the details of his reason for looking for the sailor and that he was not with him when there was any previous trouble, or when Walker thinks he was insulted.

Andrews' statements regarding the crime are given below: "I was standing at Beretania and Nuuanu Streets when Walker drove up in an automobile and after dismounting it asked me to follow him. I was in civilian clothes, as my uniform was wet, and I had left it at the Siren boarding house to dry and had borrowed a suit from the proprietor.

PILOT MACAULAY'S SON NAVY OFFICER

John R. Macaulay, 814 Queen Street, whose name was included in the list of Honolulu youths published as being delinquent in filling out their questionnaires, is not John R. Macaulay Jr., formerly of 814 Green Street, who is now a lieutenant in the United States naval reserve and on duty aboard a troop ship in the Atlantic.

However, through lack of some system of checking off registrants who have entered the nation's service as volunteers, it is very likely the same man is meant in the list given out by Local Board No. 1.

But that the list is in error was made evident by Capt. John R. Macaulay, port pilot, yesterday when he was shown the published list. He took steps at once to rectify the mistake and told how young Macaulay had gotten into the naval service as soon as possible. This was not generally known here, as the captain explains he did not want anyone to think he was boasting because his boy was doing his duty.

Lieutenant Macaulay was first assistant engineer of the Associated Oil tanker Herring when war was declared against Germany. He was at sea when the registration date came, but registered as soon as his ship touched at Linton, Oregon. Young Macaulay gave his Honolulu address and his card was issued here.

Later Lieutenant Macaulay applied in San Francisco for enlistment in the United States Navy. As his registration card was here he could not be taken into the service immediately, although he had left the Associated Oil boat and was very anxious to do so. He wrote to his father of his predicament, and Captain Macaulay sent Lt. Capt. H. Gooding Field, the selective draft officer, who dictated and filed this wireless:

"Present this Ferry Building, San Francisco. May join navy. No draft yet in Hawaii. Released from this district."

Very shortly after this Lieutenant Macaulay took his examination for a rating as a naval marine engineer and was given a commission for the rank he now holds. Two weeks later he was ordered to New York and four weeks ago he wrote to Honolulu that he had been assigned to a ship, and was soon to leave on his first voyage across the Atlantic.

Lieutenant Macaulay, who is now about thirty years of age, is well known here. At various times he was on the transports Logan, Warren and Slocum. His record and his actions are not those of a "slacker," as his father emphasized yesterday.

QUEEN'S TRUST ESTATE VALUED AT \$183,928

That part of the estate of the late Queen Liliuokalani which is included in the Liliuokalani trust, including real and personal property, is valued at \$183,928, according to the sixth annual accounting of the trust filed yesterday in the circuit court by the trustees, W. O. Smith, Col. C. P. Hauka and A. G. M. Robertson.

In the report the trustees charge themselves with \$29,472 and ask to be allowed \$29,877.

MORRIS LOSES HOPE OF EVER AMOUNTING TO MUCH

NEW YORK, February 21—Carl Morris has finally decided that he was never intended for an illustrious pugilistic career. He announced today that he will retire to the seclusion of his ranch. He is reported to be the owner of a ranch near Los Angeles.

FISH STILL SCARCE

The shortage of fish in the Honolulu market continued yesterday when only two fishing boats returned with catches which could be placed on sale at the market. These brought only ten baskets which totaled 285 pounds. In addition to this about 200 pounds of mullet were available from the ponds, all of which was disposed of in the early hours of the market.

HATHAWAY IS CONFIRMED

Col. Howard Hathaway, collector of internal revenue, learned yesterday through advices received from Washington that his nomination by President Wilson for the position had been confirmed by the senate.

LIHUE POSTMASTER NAMED

M. G. Santos has been nominated postmaster at Lihue, Kauai, by President Wilson, according to advices received yesterday from Washington.

UNLISTED SECURITIES

Honolulu, March 14, 1918.

HONOLULU STOCK EXCHANGE

Honolulu, March 4, 1918.

STOCK

Table with columns for Stock Name, Bid, Ask, and Price. Includes entries like Ewa Plantation Co., Hilo Sug. Co., etc.

MERCHANDISE

Table with columns for Commodity, Bid, Ask, and Price. Includes entries like Sugar, Coffee, etc.

MISCELLANEOUS

Table with columns for Commodity, Bid, Ask, and Price. Includes entries like Rubber, Tin, etc.

BONDS

Table with columns for Bond Name, Bid, Ask, and Price. Includes entries like U.S. Bonds, etc.

BETWEEN BOARDS

Text regarding market news and board activities.

NEW YORK STOCKS

Table with columns for Stock Name, Bid, Ask, and Price. Includes entries like American Sugar, etc.

NEW YORK CUB STOCKS

Table with columns for Stock Name, Bid, Ask, and Price. Includes entries like Cuban Cigar, etc.

QUESTIONS ON THE FOLLOWING

Table with columns for Stock Name, Bid, Ask, and Price. Includes entries like Hawaiian Sugar, etc.

SAN FRANCISCO QUOTATIONS

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