



BIG MERGER IN DANGER. GOVERNMENT MAY END IT.

Interstate Commissioner Talks on Harriman Inquiry.

Chicago, Jan. 10.—The Interstate Commerce Commission today completed its inquiry into the Harriman railway combination...

It would not be proper for me to give a direct answer to that question while this hearing is pending. I can tell you, however, what we did in a similar case...

There exists an impression that an immediate effect of the inquiry may be a reduction of freight rates on the Harriman system...

Charles Knapp, at the commencement of today's hearing, announced that the present hearing would adjourn at noon to-day.

U. P. AND S. P. FORMERLY COMPETITORS. James H. Hilland, traffic manager of the Chicago, Milwaukee & St. Paul...

Mr. Hilland was asked if competition between railroads would still exist if all the railroads in the country were brought under one management.

He declared that in all probability competition in such a case would resolve itself into a question of personal rivalry between the separate managements of the railroads.

Mr. Hilland said that since the consolidation of the Union Pacific and Southern Pacific his road had experienced greater difficulty in handling certain classes of freight.

On cross-examination he was asked by John G. Milburn attorney for Mr. Harriman, if the consolidation itself was the cause of the increased difficulty.

"Yes, sir." "How does it work against your line?" "The greater part of the business I have mentioned goes by the Southern Pacific, and is, I presume, deflected in that direction in order to make a longer haul than would be the case if it went by the Union Pacific."

Julius Kruttschnitt, director of maintenance and operation on the Southern Pacific-Union Pacific system, followed Mr. Hilland.

Mr. Kellogg asked Mr. Kruttschnitt a series of questions regarding his duties, the substance of the answers being that the witness is in charge of operation on all lines of the Union Pacific-Southern Pacific system, except the lines in Texas.

TELLS OF HARRIMAN APPOINTMENT. When asked who had originated the idea of placing one director in charge of operation on all the Harriman lines except the Texas roads the witness said he presumed Mr. Harriman. He had received his appointment from that source.

E. O. McCormick, in charge of passenger traffic on the Southern Pacific-Union Pacific, was the third witness. He was questioned along the same lines regarding passenger traffic as Mr. Kruttschnitt had been concerning the operation.

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El Paso, Tex., Jan. 10.—Governor Francis of Missouri, now on his way to the City of Mexico, said to-day in reference to the charge made in the Texas Legislature yesterday that he had helped H. C. Pierce induce Senator Bailey to work for the readmittance of the Waters-Pierce company to Texas.

Mr. Francis and party were entertained at dinner here last night by the Toltec Club, and were officially welcomed to Mexico by Mexican Consul Mallen.

NOISE CAME FROM SENATOR'S DESK. Buzzing That Deaf Workmen Caused by Apparatus to Aid Mr. Pettus's Ears.

Washington, Jan. 10.—Much annoyance was caused in the Senate yesterday by a buzzing sound, which kept the engineers at the Capitol on a still hunt all day.

At the end of Mr. Munroe's evidence the hearing of the case was adjourned until January 21 at Seattle.

Interstate Commerce Commissioners Prouty and Clark to-day completed the taking of testimony relative to the objections made by the railroads to the rule of the commission requiring the filing of a plan of consolidation.

Continued on eighth page.

QUICKEST-PLEASANTEST-FLORIDA SERVICE. Seaboard Florida Ltd., electric light, by N. Y. & N. E. road, at St. Aug. 2.50 p. m. Inquire P. H. Jones of the B'way.

"SAND HOGS" IN PANIC. EIGHT INJURED IN FIGHT.

Struggle to Escape Inrushing Water a Hundred Feet Underground.

Eight half mad "sandhogs" battled with each other last night one hundred feet below the earth's surface in a caisson on the work of building the Hudson Tunnel Company's terminal at Fulton and Church streets.

Through this lock only one man could go at a time. This idea alone seemed to possess the minds of the struggling workmen.

THE INJURED. APPIREY, James, of No. 433 West 40th street; contusions on back and had abrasion on back. CARROLL, Lawrence, of No. 518 West 40th street; contusions on back and had abrasion on back.

According to Robert L. Christie, superintendent in charge of work at the time, the eight men were working under the pressure of two atmospheres, thirty-two pounds to the square inch.

One edge of the caisson, according to the superintendent, rested on silt, very soft even for silt. The air pressure forced out the silt.

At the first sight of the water the sand hogs, too amazed to speak, dropped their shovels and picks. In another second they were shouting to get out of the chamber.

As the water rose around the legs of the maddened men their frenzy increased. One man got to the opening above. Two men seized him by the legs, and down they went into the water.

Two more fell on top of them, and for a moment things looked bad for those under the heap. They got hold of the submerged rungs of the ladder finally, and pulled their heads out for a breath.

For fifteen minutes the men battled in their narrow iron bound hole. Hands were scratched, hair was pulled, eyes were blacked and heads cracked.

Meanwhile the sound of the fray had been heard above. The air pressure was eased off a bit, and hasty instructions were shouted down to the panicstricken "sand hogs."

Finally the pressure was reduced enough for it to be safe to open the safety airlock, and the men were hauled up to the top of the shaft in buckets.

A patrolman was called. When he learned what had happened he called an ambulance from the Hudson Street Hospital.

As soon as the men were out, half a dozen caisson experts were sent down, they used bundles of straw and hay to plug up the blow-out.

It was said by engineers that the caisson had been sunk all "made land." It was thought that the water had come from the Hudson River and settled into a pocket in the silt.

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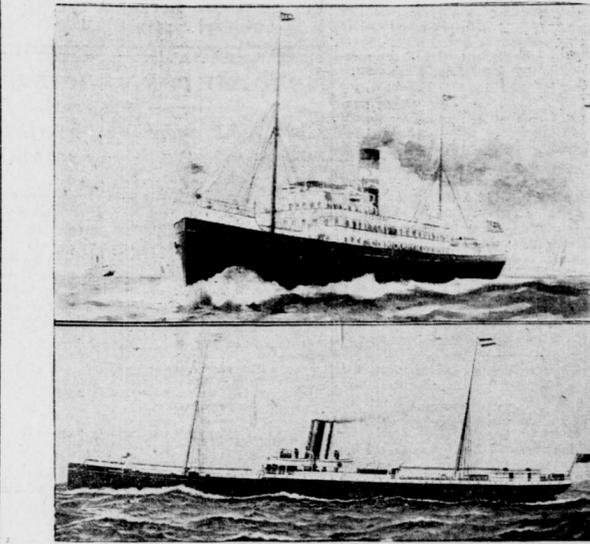
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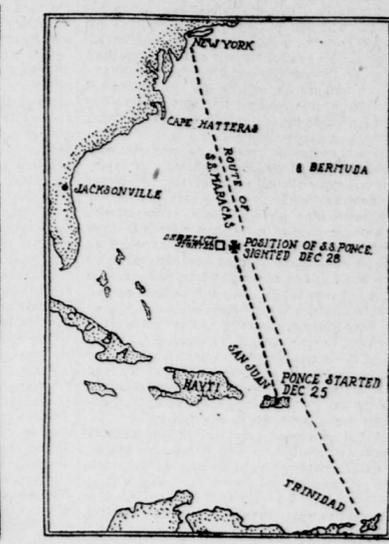
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THE VESSELS WHOSE FATES ARE UNCERTAIN. THE PONCE.



THE MARACAS.



MAP SHOWING ROUTE OF THE MISSING VESSELS.

HORACE BROCKWAY OUT

Resigns from Mutual Reserve and Goes South.

Horace Brockway, the proprietor of the Ashland House, has resigned from the Mutual Reserve's board of directors, a Tribune reporter learned last night.

Mr. Brockway was re-elected a director at the December election. A few days ago, however, distressed, his friends say, over the recent notoriety attaching to the Mutual Reserve, and especially over the indictment of President Burnham and Vice-President Eldridge.

Mr. Brockway resigned from the company, so strongly did he feel about the notoriety attaching to the company and its officers.

There were three counts in the indictment against the two companies: First, forming an illegal combination; second, conspiracy, and third, being a monopoly.

After the verdict had been announced, Special Attorney General Felix H. Levy, of counsel for the government, said:

"The verdict indicates that business men will not find business men guilty of violations of the Sherman law where conviction means imprisonment."

Special Attorney General Taft, for the prosecution, denied that the independent manufacturers had anything to do with bringing the case, and said that the evidence showed that the defendants had attempted to monopolize the sale of smoking and chewing tobacco through control of the raw product necessary to its manufacture.

Judge Hough, in charging the jury, laid particular stress upon the secrecy with which the alleged combination had been formed, and upon the importance of the case, involving as it did, the construction of an important interstate commerce law.

PASTOR REFUSES TO BURY OR WED. Richmond Minister Says Both Ceremonies Are Against Christ's Teachings.

Richmond, Va., Jan. 10.—The Rev. John W. Daugherty, pastor of the Apostolic Church, has created a sensation by refusing to bury the dead or to perform the marriage ceremony, holding that both are against the doctrines of Christ.

He says that his mission on earth is to save the living, and advises that "the dead bury the dead." He says that ministers of Christ have no authority to receive the authority from the state necessary to perform marriages. He advocates that all marriages be performed by state officials.

HEIRES WEDDED TO CHAUFFEUR. Marriage Culmination of an Automobile Tour in Europe Last Summer.

Syracuse, Jan. 10.—Miss Edith Marguerite Wilber, heiress to an estate of several hundred thousand dollars, was recently married at her home at Onondaga, to her chauffeur, Herbert Cole, a poor farmer's boy.

GIVES \$200,000 TO HOSPITAL. Pittsburgh, Jan. 10.—Mrs. James B. Oliver, widow of James B. Oliver, of the Oliver Iron and Steel Company, who died about a year ago, to-night announced that she had given \$200,000 to the South Side Hospital, to be used for the erection of an addition in memory of her late husband.

FLORIDA'S FAMOUS TRAINS. 2:10 P. M. 9:25 A. M. and 1:25 P. M. Unexcelled service via Penn. & Atlantic Coast Line R. R. Florida Information Bureau, B'way, cor. 20th St.—Adv.

LICORICE TRUST GUILTY

SHERMAN LAW VIOLATED. Verdict Found on "Illegal Combination" and "Monopoly" Counts.

At the end of a trial which has been in progress in the United States Circuit Court before Justice Hough for the last three weeks, the jury last night returned a verdict of guilty as against the MacAndrews & Forbes Company and the J. S. Young company, known as the licorice combination, for violation of the Sherman Anti-Trust law.

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MARACAS MISSING, TOO.

No News of Ponce—Mystery of the Vessels Grows.

Nothing was heard from the Ponce yesterday. Thirteen days have passed since the clipper ship Shenandoah signalled the missing steamer, some 230 miles northeast of the Bahamas.

The interval ships by the dozen have gone to and from the West Indies over the Ponce's course without sighting her.

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MORE P. R. SECURITIES

NEW \$200,000,000 ISSUE.

Half Stock, Half Bonds—Rumor That Plan Is to Reach Pacific.

Announcement of the intention of the Pennsylvania Railroad Company management to ask the stockholders for authority to issue \$200,000,000 of additional securities, one half in stock and one half in bonds, was made in Wall Street late yesterday afternoon.

The formal announcement stated that at the annual meeting of the stockholders of the Pennsylvania Railroad Company on March 12 next the management would ask for authority to increase the capitalization. It continued:

Although the exact amount has not yet been determined, it is likely that the proposed increase will be requested in the form of \$100,000,000 in capital stock and \$100,000,000 in bonds, to be issued in such amounts and at such times as the needs of the company require.

The amount of capital stock already issued, with that reserved for the conversion of the outstanding convertible bonds, very nearly approaches the full sum now authorized.

The laws of the State of Pennsylvania provide that capital increases shall first be authorized by a majority of the shareholders, and the most appropriate and convenient way for a company of the size of the Pennsylvania Railroad Company, which has over 40,000 stockholders, to obtain such necessary authority is at the annual meeting, of which notice is given to the stockholders, and such has been the custom of the Pennsylvania Railroad Company in the past.

On June 19 last the late A. J. Cassatt, then president of the company, announced that the Pennsylvania had negotiated a loan of \$50,000,000 in Paris, the loan being guaranteed as to principal and interest by the Pennsylvania Railroad Company.

The improvements now authorized and under contract include all the heavy work at present contemplated by the shareholders, and the most important relief lines referred to in the last annual report, and it will not be necessary to proceed with these for several years, except to secure the right of way, which is now being done. The company will not, therefore, as far as can now be foreseen, have to meet any large capital requirements for some years beyond what will be necessary to carry out the \$200,000,000 of notes maturing November 1, 1907, and to provide the money needed after the close of this year to complete the New York terminal. This expenditure, which will be spread over the years 1907 and 1908, is estimated at \$40,000,000.

On behalf of the Pennsylvania management it was said yesterday that Mr. Cassatt could not have foreseen when he made his statement the recent vast increase of the company's business and the required increase of facilities, since it had been necessary to contract for 17,000 additional cars, to cost \$19,000,000, after the 33,000 cars mentioned in Mr. Cassatt's report had been paid for.

The company's annual statement, it was said, would be sent to the stockholders three weeks in advance of the March meeting, to give opportunity to study the results of the company's operations in 1906. The report made to the Interstate Commerce Commission for twelve months ending June 30 last showed that the gross earnings of the entire Pennsylvania system in that period amounted to about \$276,000,000 and that the net earnings were over \$84,000,000.

The announcement of the Pennsylvania's coming increase of capitalization follows closely on similar announcements by other large railway companies. It was understood that recent sales of Baltimore & Ohio, Chesapeake & Ohio and Norfolk & Western stock by the Pennsylvania had brought at least \$50,000,000 in cash into the system's treasury.

The Atchison stockholders were informed about two months ago that they were to be asked at the annual meeting to authorize an increase of \$98,000,000 in the company's capital stock, and the directors decided to issue \$25,000,000 of the stock as soon as authorized. Since then an additional block of \$90,000,000 of Great Northern stock has been authorized.

The Northern Pacific stockholders a few weeks ago authorized an additional issue of \$95,000,000 of stock, and \$93,000,000 of the issue is on the market. St. Paul stockholders in October authorized additional issues of \$75,000,000 common and \$75,000,000 preferred stock. Recently the St. Paul management has issued over \$68,000,000 of the preferred and over \$33,000,000 of the common stock.

Philadelphia, Jan. 10.—An announcement of the Pennsylvania Railroad directors' purpose to ask the stockholders to authorize an additional issue of \$200,000,000 was made public in this city after trading hours, and how it will be regarded at the opening of the market to-morrow is the question here to-night.

It is said on good authority that there is nothing in the laws of the state under which the charter of the road was granted to restrict it in the issuance of stock, and that it could swell the total issue to a billion if the stockholders so decreed. What interests the Street to-night is as to the purposes to which the additional cash is to be devoted.

The official statement from the company is that the new issue is necessary to acquire full ownership in roads in the East now held under long term leases, but there are those who are inclined to credit a rumor that the Pennsylvania means to push plans for reaching the Pacific in view of the recent manipulations of Harriman. It is said that the proposition for the big increase is under plans practically matured during the lifetime of the late President Cassatt, and that President McCrea is familiar with them and is prepared to carry them out.

With the actual ownership of leased lines in the hands of the company a saving in operating expenses of fully \$500,000 a year can be made, it is said, beside the more economical expenditure of funds for maintenance.

The total mileage owned and operated by and affiliated in interest with the Pennsylvania system is nearly 11,000 miles. Of this mileage 4,867 miles are east of Pittsburgh and Erie and 6,133 miles are west of these points.

The authorized capital stock of the Pennsylvania Railroad Company is \$400,000,000, divided into 8,000,000 shares of the par value of \$50 each. The total amount outstanding on December 31, 1906, was \$300,000,000.

THREE-DAY TRIP TO WASHINGTON. Pennsylvania Railroad Tour, January 17, 18, 19 or 20, from New York, according to hotel selected. Consult C. Studds, E. P. A., 205 Fifth Avenue, New York City.—Adv.

WEATHER BUREAU FOR LIGHT CO.

Accurate Forecasts at Earliest Possible Moment Wanted in Binghamton.

Binghamton, N. Y., Jan. 10.—The Binghamton Light, Heat and Power Company announced today the establishment of a weather bureau of its own, in opposition to the government. The company finds it necessary to have accurate forecasts and to have them as early as possible, especially in summer, when a sudden thunderstorm means much damage.

Philip E. Glidden, the superintendent of the company, is in New York, and will purchase a sunshine recorder, barometer, rain gauge and other improved weather apparatus, and install an independent weather bureau, guaranteeing local accuracy.

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