

GOULD LIKES DECISION. GLAD FINE IS SET ASIDE.

Supposed Confirmation of the Deal with Harriman.

George J. Gould returned from Europe yesterday on the Kronprinzessin Cecile feeling optimistic over the general business outlook, although with regard to his own properties he said: "We are not sure of the woods." Asked as to the truth of the report that E. H. Harriman would enter the ownership of the Gould lines he replied: "All I can say is that nothing would give me greater pleasure than to have him with me. We need all the help of able men that we can get."

Mr. Gould stated that he had kept in close touch with his railroad system during his absence and that he understood that while business was not back to last year's standard, his roads were now doing nearly a normal business. He laid stress upon the excellent road conditions, which, he said, particularly affected the welfare of his railroads. Concerning the receiverships of some of these roads he said that they were of a friendly nature and were designed to keep the properties intact and to protect them from hostile state interests.

Mr. Gould expressed himself as much gratified with the Standard Oil decision, of which he said: "I think that the fact that business was not back to last year's standard, his roads were now doing nearly a normal business. He laid stress upon the excellent road conditions, which, he said, particularly affected the welfare of his railroads."

Speaking of conditions abroad, Mr. Gould declared that from his observations over there, he thought there was more of a disposition on the part of foreigners to invest in American securities than there had been since the recent panic.

In reply to a question as to his political views, he said: "I am a Republican, and have always been one. I think Mr. Taft's election will mean a return of prosperity, and that a man of his experience is eminently fitted for the office."

Mr. Gould was accompanied by Mrs. Gould, his daughter, Miss Marjorie Gould, and his son, Jay, who recently won the Olympic championship at court tennis. Mortimer L. Schiff, of Kuhn, Loeb & Co. was also present on the Kronprinzessin Cecile, but Mr. Gould declared that fact had no significance.

Immediately after reaching his office at No. 155 Broadway Mr. Gould went into conference with E. T. Jeffrey and Winslow S. Pierce. The former is his chief adviser in regard to railroad matters and the latter is his personal counsel. Later, bankers identified with the Gould properties arrived, and the affairs of the different roads, particularly the Washington & Lake Erie and the Washburn & Pittsburg Railway Company, were carefully considered. It was reported that one of the matters discussed was a deal by which the Gould interests would give the Erie Railroad Company the joint use of those properties, and the strength of the Erie stocks yesterday was said to be based upon the knowledge that this deal would be consummated.

A close associate of Mr. Gould said yesterday with regard to the reports that he had formed an alliance with Mr. Harriman and other new interests: "It is a mistaken idea that Mr. Harriman and other new interests are to come in and dominate the properties that have borne the Gould name for so many years. If anything eventuates in this connection, it is being regarded as an extension of Mr. Gould's railroad and banking control."

BIG AQUEDUCT CONTRACT AWARDED.

Stewart-Kerbaugh-Shanley Company's Bid of \$2,368,920 Wins.

The contract for the construction of six and a half miles of the Catskill aqueduct, between Rondout Creek and the Ashokan dam, has been awarded by the board of water supply to the Stewart-Kerbaugh-Shanley Company, who bid \$2,368,920. This portion takes in all except a small part of the Ashokan dam, which will be built later as not to interfere with the work on the great dam. The line will be the same as the regular aqueduct line all the way to New York and will be seven miles long and seventeen and a half feet wide, the material to be concrete. It will run through the towns of Maletown and Olive. Four years will be required to construct this part of the line.

The board has spent or has now outstanding contracts amounting to about \$25,000,000. It has had appropriated some \$30,000,000 for its use. Bids have been advertised for the construction of three and a half miles of the aqueduct near the Wallkill Valley, to cost about \$10,000,000, and the Wallkill Valley siphon tunnel, to cost approximately \$5,000,000, will soon be readvertised.

A STEAMSHIP RATE CONFERENCE.

Hamburg, July 28.—Representatives of the great steamship lines interested in the South American passenger traffic are in session here. They hope to form a community of interest arrangement similar to that of the North Atlantic route. Albert Ballin, director general of the Hamburg-American Company, is presiding at the conference. It is expected to make contracts for a comparatively long period, as an experiment. The twenty-four delegates to the conference represent German, English, French, Dutch and Spanish lines. Following these negotiations the companies engaged in the Cuban and Mexican trade will try to effect a similar arrangement.

BUSINESS TROUBLES.

Petitions in bankruptcy were filed yesterday in the United States District Court as follows: Voluntary, against Morris Orntz, jobber in woolens at No. 109 Eldridge street, by Joseph Schultz and Michael Hirsch, whose claims aggregate \$27,675. The assets are stated to be worth \$3,000. Voluntary, against Louis J. Martin, jr., of No. 14 East 72d street, by Robert W. Martin, Peter Christensen and Edwin H. Murdoch, whose claims aggregate \$2,944. In the petition it is stated that the Martin estate is in liquidation and that the Martin interest and income in the estate of Louis J. Martin is being administered by the executor, who is making a preference.

Voluntary, Jacob F. Braun, of 126 Fifth avenue, jeweler, by Joseph F. Braun, of 126 Fifth avenue, whose claims aggregate \$5,076.94. Braun is the husband of the wife of the deceased, Joseph F. Braun, of No. 66 Maiden Lane, \$1,156.32, and E. H. Schwab, of No. 66 Maiden Lane, \$1,156.32.

The schedules of the Cooke Bank Note Engraving Company give the liabilities as \$7,270.45, and assets as \$8,862.18. The concern owns Frederick J. Grace, of No. 55 Cedar street, for money loaned to Grace, \$2,000. The concern owns Frederick J. Grace, of No. 55 Cedar street, for money loaned to Grace, \$2,000.

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SKIFF UPSET IN BAY.

Asbury Park Capizes Small Boat and Three Men Nearly Lose Lives.

A big swell kicked up by the Sandy Hook boat Asbury Park upset a small skiff off the Statue of Liberty yesterday, and three men barely escaped with their lives. No one aboard the Asbury Park knew of the accident. Had not the tugboat James A. Garfield chanced along a few minutes later the three men would probably have drowned.

Captain Daniel Gully saw the skiff drifting seaward, and the body of a man was lying prone upon the bottom of it. His men caught the skiff. After reviving the man in the boat he said he was John Rose, of South Brooklyn, and that he had two companions with him when the skiff capsized, but did not know what had become of them. Captain Gully got the tug under full speed and steamed down the bay. When he came abreast of the tramp steamer Cape Corso, anchored below Liberty, he saw two men clinging to the steamer's starboard anchor chain.

The ebb tide had about pulled them away when the Garfield came alongside. With considerable difficulty the two men were hauled aboard the tug. They faintly when they landed on the deck. They gave their names as John De Meyer and Joseph Caffer, both of South Brooklyn. The Garfield took the three men to Pier 35, Atlantic Basin.

RAISE RATES OR CUT PAY.

W. C. Brown Says That Is the Alternative for the Railroads.

W. C. Brown, senior vice-president of the New York Central lines, who has been a leader in the campaign to advance freight rates, came out flatly yesterday with the statement that it was absolutely certain that there must be a moderate increase in the earnings of the railroads or a very substantial decrease in the pay of railway employees.

Mr. Brown, when asked what he thought of the Interstate Commerce Commission's announced intention of investigating all increased freight rates in advance of complaints, said that he was heartily in favor of such action. He added that he did not believe such a course on the part of the commission would in any way affect the ultimate outcome of the present movement.

"As long ago as May 20 last," said Mr. Brown, "about the time the first conference on rates was held, I said publicly that no question could arise in the affairs of the roads with which I am connected, either as between the roads and their employees or between the roads and the public, upon which the Interstate Commerce Commission, as by the Interstate Commerce Commission. As to freight rates, the commission can only take the issue up in advance in an unofficial and mediatory capacity, and such a service will be welcome."

TO CONFER ON PARKS.

Civic Organizations Will Discuss Various Sites at Meeting To-day.

Representatives of 15 civic organizations have been invited to attend a meeting at 4 o'clock this afternoon in the office of Eugene A. Philbin, president of the Parks and Playgrounds Association, No. 42 William street, to consider a plan to be submitted to the Charter Revision Commission.

This plan relates not only to the administration of parks, but also to the laying out of sites for parks and playgrounds, so that the different sections of the city may be systematically cared for. "The movement," said Mr. Philbin yesterday, "is particularly important in respect to the boroughs of Queens and Richmond, where it is possible now to avoid the error that was made years ago in Manhattan in not providing such breathing places when the city was undeveloped."

"Great interest has been taken by the organizations in those boroughs as well as the organizations in Manhattan, Brooklyn and The Bronx. It is hoped that some proposed amendment to the charter will be submitted by the revision commission that will provide for an economical acquisition of desirable sites, possibly by a body having for its object solely that purpose and whose members will give their services without compensation."

Among the many organizations that have responded to the invitation to send representatives to the conference are the Chamber of Commerce, the Municipal Art Society, the Charity Organization, the National Arts Club, the Tree Planting Association of New York City, the Federation of Churches, the People's Institute, the Medical Society of the County of New York, the American Scenic and Historic Preservation Society, the Association of Neighborhood Workers and the City Club.

SHIPPERS ASK FOR CONFERENCE.

Invitations Sent out to Presidents of All Railroads in Eastern Territory.

Chicago, July 28.—Action toward an understanding between the railroads and the shippers in regard to the proposed advance in freight rates was taken to-day in behalf of the shippers by representatives of the Illinois Central and the Southern Railway. The Illinois Central, chairman of the shippers' committee, appointed here in May, prepared a letter which was sent out to the presidents of railroads north of the Ohio River and east of the Mississippi asking them to appoint a time and place for a conference with representatives of the shippers.

It has been generally understood that the roads have practically decided to postpone all further talks of the kind until December 1, and the proposed meeting of the shippers and the carriers is intended to clear up any doubts in the matter and to determine whether peace or war is to be declared. With the invitations were enclosed copies of the resolutions adopted at the shippers' conference protesting against the proposed increase.

PHILADELPHIA BANK SHORT \$15,000.

Philadelphia, July 28.—The disappearance of \$15,000 from the Tradesman's National Bank yesterday, which was the last for days was admitted to-day by Vice-President A. B. Leeb. He would not discuss the manner in which the money disappeared, but declared that an investigation was being made. He intimated that in any case the bank would not lose, as all of its employees are bonded. Asked whether any arrests would be made, Mr. Leeb said he did not expect any.

Whether the discrepancy was due to an error of bookkeeping or a defalcation could not be learned.

LACKAWANNA STRIKE THREATENS.

Scranton, Penn., July 28.—Returns of the strike poll among the Lackawanna switchmen have been received from all towns except Buffalo and Newark, and they are said to indicate a sentiment for a strike.

W. H. Truesdale, president of the Lackawanna, was in Scranton at his home in Greenwich, Conn., last night said he knew of no strike order and did not believe there would be a strike.

U. P. AND S. P. DIVIDENDS.

The directors of the Union Pacific Railroad Company declared yesterday the regular quarterly dividend of 2 1/2 per cent on the common stock and 2 per cent on the regular semi-annual dividend of 2 per cent on the common stock. The directors of the Southern Railway Company also met and declared the regular quarterly dividend of 1/4 per cent on the common stock. This action had been discounted to a large extent, and had little effect on the stock.

Union Pacific gained 1/16, and Southern Pacific 1/16, a net gain of 1/8 of a point. The stock of the company is selling at the time the last dividends were declared. The Union Pacific and the Southern Pacific dividends are payable on October 1.

JEROME WITH M. S. R. LAWYER.

District Attorney Jerome and Mr. Baldwin, one of the counsel of the minority stockholders' committee of the Metropolitan Steamship Company, met yesterday for a conference relative to the company's plan to have the minutes of the meeting of the board of directors, which contain the testimony of the Metropolitan investigation, sent to the Governor for his inspection.

REORGANIZATION PLAN. MORSE STEAMSHIP LINES.

Bondholders' Committee to Organize New \$40,000,000 Company.

The bondholders' committee of the Consolidated Steamship Lines, representing the holders of more than 90 per cent of the \$40,000,000 4 per cent collateral trust gold bonds of that company, the interest on which was defaulted on February 1, made public yesterday its reorganization plan. This provides for a new company to be incorporated, with a capital stock of \$40,000,000, divided equally into preferred and common stock. The preferred is to be non-cumulative 5 per cent interest-bearing stock, and 60,000 shares of each issue (par value \$100) are to be reserved in the treasury to be disposed of only upon a two-thirds vote of a majority of all the outstanding preferred stock.

The properties owned consist practically of the entire capital stock of the following steamship corporations: Clyde Steamship Company, Mallory Steamship Company, New York and Porto Rico Steamship Company, Eastern Steamship Company, and Metropolitan Steamship Company, control of which was acquired by Charles W. Morse for consolidation under the holding company.

To meet urgent needs of the four Southern companies the committee will offer for sale \$2,400,000 par value of 6 per cent collateral trust notes of the new company and \$7,200,000 par value of new notes will be secured by a lien amount of notes of corresponding dates made by the four companies, and these in turn will be secured by the pledge of first mortgage bonds of those companies, not to exceed 50 per cent of their face value.

Upon the acquisition of the four Southern companies at foreclosure sale the new company will issue \$15,000,000 collateral trust fifty-year gold bonds, of which \$10,000,000 will be issued to the holders of the old bonds deposited to the amount of 20 per cent of their par value; \$1,000,000 will be issued for the expenses of reorganization, cash requirements under decree of sale and other expenses incidental to the organization of the new company and the discharge of prior liens of the old company, and \$2,000,000 will be reserved for future needs.

A total of \$15,000,000 preferred stock will be issued to the holders of the old bonds deposited to the amount of 25 per cent of their holdings, \$7,500,000 of such stock. He added that he did not believe such a course on the part of the commission would in any way affect the ultimate outcome of the present movement.

Under this plan the holder of a certificate for one Consolidated Steamship Lines bond will receive as follows: Bond of the new company of the par value of \$200, non-cumulative preferred stock of the new company at par, \$250; common stock of the new company at par, \$125; a total par value of \$575.

As the committee has been unable to determine the requirements of the Metropolitan and Eastern companies, it is planned to acquire the stock of those companies now held under the lease of the old mortgage, and the stock of the four Southern companies of the Metropolitan and Eastern companies either to the trustee of the new mortgage or to the new company.

If the plan becomes effective Hayden, Stone & Co. of Boston and New York, will underwrite the entire issue of \$2,400,000 collateral trust notes, having agreed to pay the committee the cash required under the decree and terms of sale of the old bonds, and to purchase the new stock to be sold at foreclosure. Bondholders who desire to avail themselves of the plan must deposit their securities on or before August 12.

NO FARE INCREASE YET.

Coney Island Line May File Notice To-day with P. S. C.

Although the Coney Island & Brooklyn Railroad Company has deferred temporarily the increase in fare from Manhattan to Coney Island, it has no intention of letting the fare stay where it is, at 5 cents. At the second hearing on the proposed increase to 10 cents of the 19-cent fare, the Public Service Commission, informed Commissioner McCarroll that he had received word from the company's officials that they would file some time yesterday a formal notification of the increase in fare, with a statement annexed containing reasons why they were to take such action. The new tariff was not filed with the commission yesterday, but there is no doubt that it will be submitted to-day. This would make the 10-cent rate effective about August 25.

If the company gives the required thirty days' notice, the commission has no power to stop the increase in fare to Coney Island. It can investigate, however, the conditions of traffic and decide whether the fare is justified. None of the officials of the company was at the hearing yesterday morning, which was adjourned without date. It is possible that before the thirty days have passed a decision will be rendered in the original hearings on the question of the 10-cent fare.

The Coney Island & Brooklyn Company has promised to give the commission exact data of its receipts and expenditures since the open cars on its Franklin avenue line over Williamsburg Bridge were put into operation. If the commission is not satisfied, it can order a hearing to determine whether the increase in fare is justified.

CENTRAL PACIFIC NOTE SETTLED.

Check for \$2,939,661, Turned Over to the Sub-Treasury, Cancels Debt.

The final payment on the debt of the Central Pacific Railroad to the United States was made yesterday, when the Southern Pacific Company turned over to the Sub-Treasury in this city a check for \$2,939,661, representing the last installment on the Central Pacific's note of February, 1909. The transaction anticipated the final payment, due next February, and it was made in full, clearing the balance of the \$18,000,000 Central Pacific bonds, held by the government as collateral and recently sold in the open market.

These bonds were turned over to the government under the agreement of February, 1899, when that company became a part of the Southern Pacific. At that time the indebtedness of the company to the government amounted to \$5,812,761, for which the road gave the government twenty semi-annual payments, being interest at the rate of 3 per cent. This final payment by the Central Pacific discharges all obligations of the bond aided railroads to the United States, with the exception of \$3,575,197, from the central branch of the Union Pacific Railroad.

MANY LEASES REPORTED.

Slawson & Hobbs have leased for the Broadway and Cathedral Parkway Company, for a term of ten years, the large corner store in the building, the Hendrick Hudson, at the northwest corner of Broadway and Cathedral Parkway. The lessee is John F. Kilpat, proprietor of a number of drug stores in Manhattan and The Bronx.

John C. Prendergast and William H. McBride were the brokers in the sale of No. 119 Prince st., a three-story building, on lot 171-179 feet.

O'Reilly, Victor & O'Brien have leased for the Astor estate two stores at the southeast corner of Broadway and 106th st. to Benedetti Brothers and I. Deutsch.

Harris & Co. were the brokers in the exchange of No. 40 West 46th st., a six-story flat house, with three stories, on lot 127 West 31st st., a three-story dwelling house, on lot 171-179 feet.

De Blos & Eldridge have leased to C. O. D. Iselin for Mrs. John R. Livermore her place in Bellevue ave., Newport.

WOMAN BREAKS NECK IN FALL IN HOTEL.

Mrs. Julia C. McKeelin, thirty-five years old, fell from the third to the second floor of the Hotel Calvert, 41st street and Broadway, yesterday, and was instantly killed. Her husband, Mr. McKeelin, was in the hotel for more than two years. Coroner Shady, who investigated the case, was unable to learn anything about the woman. The certificate for the removal of the body to an undertaking establishment was signed by Percy Pickrel, a broker, who lives at the hotel. Mr. Pickrel said that he understood that the woman had relatives in Washington.

T. A. MCINTYRE DYING.

Former Broker Goes Home to Baltimore on Hearing Fate.

Norfolk, Va., July 28.—Suffering from cirrhosis of the liver, with his death only a question of a few hours, Thomas A. McIntyre, who was head of the brokerage firm bearing his name in New York, was moved to-night from the Chamberlin Hotel, Old Point, where he had been three weeks, to the Baltimore steamer. It was said at the Chamberlin that Mr. McIntyre could hardly live to arrive at Baltimore to-morrow morning.

When informed that his was a hopeless case and that he must die, Mr. McIntyre told his attendants to remove him to his home, that he might die there.

TO HEAR STANDARD CASE.

Maximum Fine on Tennessee Counts Would Exceed \$30,000,000.

Knoxville, Tenn., July 28.—A special term of the United States District Court for the Western District of Tennessee has been called for November to hear the case against the Standard Oil Company of Indiana. The indictment against the oil company contains 1,624 counts. Judge John E. McCall will preside at the hearing.

Each of the counts charges the transportation of a separate car of oil at a discriminatory rate in favor of the Standard Oil Company. The maximum penalty for all the counts, should it be imposed, would be over thirty million dollars, or more than that imposed against the same concern by Judge Landis, in Chicago. The minimum fine, should it be imposed, would not be less than one and a half million dollars. The case covers alleged shipments of oil from Whiting, Ind., to Grand Junction, Tenn., on the Illinois Central.

HOYT REACHES LENOX.

Lenox, Mass., July 28.—The conference which Attorney General Charles J. Bonaparte has arranged with officials of the Department of Justice for the consideration of plans for the next move of the government in the case of the Standard Oil Company of Indiana will begin probably to-morrow on the morning of the 29th, at Lenox, Mass., where Mr. Bonaparte is expected to reach here in the morning. The duration of the conference is uncertain, but Mr. Bonaparte said to-night that he believed no more than two days at the longest would be required to arrange the matters which he proposed to discuss.

Kellogg Expected To-day and Conference Will Begin.

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Late this afternoon Mr. Bonaparte had a preliminary conference with Solicitor General Henry M. Hoyt, of Washington, and District Attorney Edward W. Sims of Chicago, who came here during the day. James H. Wilkerson, of Chicago, Mr. Sims's assistant, was also present at the conference.

According to Mr. Bonaparte, no action was taken at this meeting, nor was any decision reached. Mr. Bonaparte said that when Mr. Kellogg arrived the case against the Standard Oil Company of Indiana would be completely reviewed and the recent decision of the United States Court of Appeals at Chicago would be considered in all its bearings. What action would be taken, Mr. Bonaparte declined to forecast.

Mr. Kellogg is expected to reach here early to-morrow, coming by automobile from Pittsfield, where he will leave the train. During the afternoon Mr. Bonaparte had a conference with Beekman Winthrop, Assistant Secretary of the Treasury, but he said afterward that this interview had no reference whatever to the Standard Oil case.

PLAINT OF SECOND WIFE.

Says Husband Considers Her a "Secondary Consideration."

According to the interpretation of Mrs. Enrique Banduy, of No. 257 West 112th street, a "second wife" is one whose husband treats her as a secondary consideration. That is the view she expressed yesterday in a public hearing before the police court, where she appeared against her husband, whom she charged with abandonment. The case was the denouement of a romantic courtship that began in Santo Domingo, Banduy was a prominent figure in Dominican politics at that time. His innamorata was Miss Louisa Houptman, daughter of a wealthy German. Santo Domingo was a favorite in society and had many suitors, of whom the young Banduy was the most favored. He was a widower with four children, but this proved no handicap in his campaign for the hand of the fair señorita. His first wife was a sister of ex-President Juan Irujo, of Santo Domingo, and his own career in the gunpowder and machete politics of the republic was promising.

However, there was an obstacle to their contemplated marriage. In the person of the young woman's father. He opposed the match vigorously, and banished his daughter to a convent near Paris, France. Absence and silence made no difference in this affair of the heart. When Miss Houptman returned to Santo Domingo the mutual affection was still strong.

Again Mr. Houptman sent his daughter away from the country, this time to New York. About the same time Banduy's future went up in the smoke of an insurrection and he, too, came here. Unhappily by parental objection, they were married in this city by a Spanish priest. Mr. Houptman disinherited his daughter upon hearing of her action, and soon after went to Bremerhaven, Germany, where he died, of grief, it is said.

Mr. and Mrs. Banduy were happily united recently. In the police court yesterday, Mrs. Banduy submitted a typewritten letter to Magistrate House, in which she said that she was the defendant's second wife "and as such has become a secondary consideration."

Magistrate House held the defendant in \$500 bail, in default of which he went to a cell until to-day, when the hearing will be continued.

WIN FRANK THOMSON SCHOLARSHIPS.

Merrit E. Gill, of Grand Rapids, Mich., and Harry W. Anderson, of Folcroft, Delaware County, Penn., were announced yesterday as the successful candidates for the Frank Thomson scholarships for this year. These scholarships amount to \$800 annually for two years, and are awarded upon a competitive examination, to sons of employees of the Pennsylvania Railroad system to enable them to obtain a college education.

The Frank Thomson scholarships were established by Ann Thomson, Frank Graham Thomson and Clark Thomson, children of the late President Frank Thomson of the Pennsylvania Railroad Company, who formed a trust fund of \$100,000.

KRONPRINZESSIN BREAKS RECORD.

The North German Lloyd liner Kronprinzessin Cecile, the latest steamer of the company, arrived here yesterday after a phenomenally quick passage from Cherbourg for a steamer with recording engines. She not only broke her own record, but clipped off six-one-hundredths of a knot from the best average speed of the Hamburg-American flyer Deutschland. The Kronprinzessin now holds the westward record of all German steamers coming to this port. She had two days of bad weather, but managed to make the passage from Cherbourg Breakwater to Sandy Hook Lightship in five days fifteen hours and twenty-three minutes. Her average speed was 22 1/2 knots.

WOULD SHOOT MILWAUKEE MAYOR.

Milwaukee, Wis., July 28.—A disgruntled politician drew a revolver in the ante-room to the Mayor's office to-day in time to be seen by the Mayor's private policeman, who took the weapon from him. The Mayor has ordered that the man's name be suppressed, as he has been a lifelong friend of the man. It is said, was a defunct candidate for city office on the ticket with the Mayor.

GOOD STEEL REPORT.

Earnings for Second Quarter Two Million More than for First.

On a basis of 45 per cent of normal production earnings for the United States Steel Corporation for the second quarter of May, after the current year made an extremely favorable showing, according to the statement presented at the meeting of the directors yesterday. Total net results after deducting all expenses incident to operations, including those for ordinary repairs and maintenance of plants, and interest on bonds and fixed charges of subsidiary companies, were \$20,255,756, which compares with \$18,750,000 in the same time last year, the latter being larger than in any preceding quarter in the history of the company.

Compared with the first quarter of the year, the earnings just reported presented an increase of a little more than \$2,000,000, while the detailed statement for each month of the last quarter showed that May returns increased over those of April, and June returns over those of May. After the deductions for sinking funds on bonds of subsidiary companies, and depreciation and reserve funds there was a balance of \$15,358,900, and after other charges and dividends there was a surplus for the quarter of \$195,555.

Unfilled orders on hand at the close of June amounted to \$3,818,756, and the daily bookings for the first twenty-four days of July were in excess of the first quarter of the year, equivalent to 72 per cent of the corporation's full capacity. This tonnage has been well distributed, being composed of all grades of finished steel, with the single exception of rails, of which up to July 24 there had been no material increase in sales.

To pay regular dividends, provide interest, sinking funds, depreciation, etc., based on deductions for the second quarter of May, after the United States Steel Corporation must earn approximately \$7,284,500 in 1908, and as earnings since the first of the year have been proportionately in excess of that amount on less than one-half of the concern's normal production, while since the beginning of July tonnage has increased to 72 per cent of its capacity, shareholders are sure of their regular dividends. The dividends for the current quarter were declared yesterday, 15 per cent on the preferred and 1/2 of 1 per cent on the common.

The Steel Corporation, notwithstanding its small production, is making a much better showing than in the depression of 1903-'04. As an example, earnings in the last quarter of 1903 were \$18,077,181 and in the first quarter of 1904 \$15,445,231. In the second quarter of this year they were \$20,255,756. The corporation produced 4,372,750 tons of steel for sale in 1904, whereas it has been making larger earnings since the first of the year on a production at the rate of approximately 5,000,000 tons a year. This is due largely to the lower operating costs of the corporation and the fact that prices for steel products have been well maintained, which is in contrast with the 1903-'04 depression.

HART WILL CASE UP.

Counsel for Adopted Daughter Seeks \$400,000 in Securities.

Another step was taken yesterday in the case of the will of Benjamin Hart, who died in Paris on May 11. A motion before the Surrogate was made by Donald Harper, a lawyer of Paris and New York, who represents the adopted daughter of Mr. Hart. His motion was to have the Surrogate order the handing over to her of the \$400,000 in securities that were placed in trust for her by Mr. Hart with the United States Trust Company at the time of her marriage in 1894 to Jean Guillemin, who is now counsel to the French Embassy at Vienna.

Deputy Attorney General Miller, representing the State Controller, asked that the state transfer tax be ordered paid should the motion be granted. Mr. Harper contended that the securities were settled on her at her marriage as a gift outright and had always been her property, although held in trust. This, he said, was according to the French custom, which Mr. Hart was following, and should be so considered. Counsel received three days in which to file briefs.

The main action regarding the will, which will involve a question of domicile as affecting the form of such a document, will get under way to-morrow when papers will be filed by Mr. Harper on behalf of Mme. Guillemin and by Franklin Hen, of No. 6 Beekman street, counsel for Mrs. Estelle Kitty Hart, who says she is the widow of Mr. Hart. She raises a question as to the legality of the will.

MRS. RAISBECK DROWNS.

Husband's Clothes Found Floating in Minnesota Lake.

Annandale, Minn., July 28.—The body of Mrs. George Raisbeck, wife of the vice-president of the Hake Paper