

## JONES DROPPED AT OWN REQUEST

### President Withdraws Nomination of Chicagoan for Reserve Board.

## WILSON'S FIRST DEFEAT

### He Calls the Treatment of Harvester Director Grossly Unjust.

## PREDICTS FULL REDRESS

### Senators Reed and Hitchcock Rebuked as Traitors to Democratic Party.

WASHINGTON, July 23.—The bitter fight in the Senate against the confirmation of Thomas D. Jones of Chicago for the Federal Reserve Board ended to-day when the President withdrew the nomination. Mr. Wilson took this action at the request of Mr. Jones, who said that he was no longer willing to embarrass the President and to inflict a possible injury on the Democratic party.

While the President and Mr. Jones both assume in the correspondence which was made public that there was still a likelihood of victory for the Administration, it was apparent that President Wilson was beaten on this issue.

The President through to-day's development has in fact suffered his first serious rebuff at the hands of the Senate. The defeat is all the more marked because of the President's appeal for the confirmation of Mr. Jones on personal grounds—as his warm friend.

## Calls Treatment Unjust.

The President in his letter accepting Mr. Jones' withdrawal comes to the defense of the Harvester company directors in the strongest possible way. He characterizes the treatment accorded him by certain members of the Senate as "gross and manifest injustice" and attributes the attack upon Mr. Jones to partisan alignment and action.

President Wilson refuses to concede that the report of the Senate Committee on Banking and Currency against Mr. Jones represented the views of a majority of the Senate.

## LONG HIKE FOR CADETS.

### First Made by Entire West Point Corps in Four Years.

NEWBURGH, N. Y., July 23.—The entire corps of cadets at West Point will go on a hike across country starting on August 10 and ending on August 12. This will be the first long hike of the corps since 1910. They will march to the Peekskill State camp on Monday, to Lake Mahopac on Tuesday, to Amawalk reservoir on Wednesday, to Ossawakee Lake on Friday and on Saturday will return to the post. About 119 enlisted men and 225 horses and mules will be used on the trip.

The first class of cadets will leave West Point on August 16 for their annual visit to Fort G. H. Wright. They will have a week's practice with the big guns and in mine planting. The trip will be made on the mine planter General Samuel M. Mills.

## PHYSICIANS DENOUNCE WILSON.

### Attack President's Action in Commending Dr. Kemp's Sentence.

WASHINGTON, July 23.—The Washington Medical Society, an organization affiliated with the American Medical Association and comprising practically all the physicians and surgeons of the national capital, held a special meeting to-night, at which a resolution was offered criticizing the President for commending the sentence of Dr. Thomas J. Kemp, son-in-law of Senator Fletcher of Florida, a Democratic leader, who was convicted recently of misuse of the mails by sending information as to where illegal operations might be performed.

The meeting was the largest in the society's history. The participants were pledged to secrecy, but it became known that a resolution attacking the President's action and recommending the revocation of Dr. Kemp's license was offered. The meeting to-night was called solely on account of President Wilson's action on Dr. Kemp.

Dr. Kemp, who practiced in Washington, was sentenced to two years in prison and fined \$500 in the Supreme Court of the District of Columbia. President Wilson after the Court of Appeals and the United States Supreme Court had sustained the conviction, commuted his sentence to the payment of the fine.

## AUTO SMASH HAS FATAL END.

### Edward O'Connell, Whose Machine Met Prince Pignatelli's, Dies.

MERRICK, L. I., July 23.—Edward O'Connell, 1636 Sixty-third street, Brooklyn, died in the Nassau Hospital this afternoon as the result of injuries received last Friday evening when his automobile and that driven by Prince Ludovic Pignatelli of Aragon were in collision on the Merrick road near Bellmore.

Two of Mr. O'Connell's ribs were broken and he suffered internal injuries. One of the Prince's ribs were broken. He is spending the summer in Merrick.

## G. W. PERKINS, JR., JOURNALIST.

### Has Been One for a Week and May Be for Another Seven Days.

George W. Perkins, Jr., is a newspaper man. He has been on an evening paper for a week and expects that perhaps in another week he will have seen enough of the high spots in the profession to serve him in good stead when he goes back to Princeton to finish his course there.

He told his city editor yesterday that he just wanted to see a few things and that probably in another week he would have it. Mr. Perkins himself would not be interviewed.

## THOMAS D. JONES.

### Mr. Jones' Personal Letter.

Mr. Jones' letter was Mr. Jones' formal resignation, but he also wrote a personal letter to the President, and Mr. Wilson gave out a part of it as follows: "I cannot let the matter go without..."

Continued on Fifth Page

## LIGHTNING KILLS MILITIAMAN.

### Newark Guardsman Victim at Sea Girt Encampment—Four Stunned.

CAMP FIELDER, SEA GIRT, N. J., July 23.—As the result of a terrific electrical storm, accompanied by a seventy mile gale, one soldier is dead and four are in the encampment hospital to-night.

Albert B. Craig, a musician in Company A of the First Regiment of Newark, was killed when a bolt struck the tent under which he was taking shelter from the rain.

The injured are: Charles Trauter, Company A, Newark, stunned, condition serious; Lewis Weiss, Company I, Newark, stunned; John Dering, Company E, Newark, stunned; Anthony Wunsch, Patterson, paralyzed, perhaps permanently.

Craig was a member of the detail left in camp to guard the effects of the First Regiment, while the remainder of the troops were in the country on a tactical hike. With a number of fellow guardsmen he was sheltering himself from the rain when a bolt of lightning struck the tent pole.

## PRESIDENT MAY SPEAK HERE.

### Merchants Association Invites Him to Talk on Business.

WASHINGTON, July 23.—President Wilson may deliver a speech here long before the Merchants Association of New York. Abram L. Elkus and a committee representing the association, who called at the White House to invite Mr. Wilson to speak at their annual dinner, told him that he could not find anywhere an opportunity to reach a larger number of important business men if there was something he wanted to say to business men.

They asked that the President take their invitation under consideration, and said they would hold the dinner at any date between now and fall at which the President might find it convenient to come.

At the White House the belief was that the President would accept the invitation.

## IF NOT A KING, A LOAFER.

### So Says Keir Hardie in Violent Onslaught on Monarch.

LONDON, July 24.—Keir Hardie, the Socialist labor leader, contributes to the *Labor Leader* a characteristic onslaught on King George in connection with the Irish conference now being held at Buckingham Palace. He accuses the King of attempting to destroy the House of Commons and the constitution and of creating the most serious constitutional crisis since the days of the Stuarts. The action of the King, Mr. Hardie says, had no other object than to aid his Tory friends. The article continues:

"The King is not a statesman. He is not the pleasure loving scapegrace that his father was, but like his father he is destitute of even ordinary ability. If he had been born in the ranks of the working class his most likely fate would have been that of a street corner loafer."

It may be recalled that Keir Hardie as a member of Parliament is under an oath of allegiance to the King.

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## THINK WAR INEVITABLE.

### Germany and Italy Said to Support Austria.

VIENNA, July 23.—The ultimatum sent by Austria-Hungary to Serbia is generally approved here. It is said that Germany and Italy support the action of Austria, which many people think makes war inevitable.

It is reported that seven army corps have been warned to be in readiness and several river warships have gone to Semlin, opposite Belgrade. The mobilization of the Austrian army will begin if Serbia does not comply with the demands by 6 P. M. on Saturday.

King Ferdinand of Bulgaria has cancelled his promised attendance at the musical festival at Bayreuth on the ground that the political situation renders it impossible for him to leave his country.

## CAN'T PRINT MILITARY NEWS.

### Vienna Papers Under Ban—Report of Ultimatum to Serbia.

VIENNA, July 23.—The Government issued an order to-day forbidding the publication of military news in the newspapers. At Prague a number of papers have been confiscated for printing news of military preparations and movements. For the last few days the papers in Vienna have been freely discussing the prospects of war with Serbia, some of the publications taking the view that it is a case to come. There is a report that the Government has sent a note couched in the strongest of language to the Serbian Government demanding satisfactory assurance within two days regarding the Pan-Slavic movement.

## POLITICIAN SECRETLY WEDS.

### Frank M. Foster of Mount Vernon Became Bridegroom a Month Ago.

NEW ROCHELLE, N. Y., July 23.—It became known to-day that Frank M. Foster of 459 Dunham avenue, Mount Vernon, vice-president of the Westchester Reporting Company, and Miss Annabell Morrison Bell of Palm avenue, Bronxville, were married by the Rev. Charles H. Ross at the parsonage of the Methodist Church in Port Chester on June 23 last.

Mr. Foster is well known in political circles, having been the Republican candidate for Assemblyman of the second Assembly district of Westchester county last fall.

## EGG INSPECTORS ON STRIKE.

### Business Agent Gives a Breakfast Table Warning to All.

The Egg Inspectors Union is on a strike, and take it from Business Agent Sigmund Zeikel the city's breakfast table is going to be short just about 3,150,000 eggs daily if the strikers don't get what they want.

Competent egg candlers, you see, are born, not made, so Sigmund says, who advises the public to go slow on the eggs while the strike is on.

This is the first strike of the egg inspectors in eleven years and of course they sympathize with the public almost as much as they want a wage scale of \$20 a week. It's sympathy with a warning, however, so you had better cut out eggs for a while or prepare for the worst.

## BRYAN AGAIN ON THE ROAD.

### Saturday Chautauque Lectures No Longer Sufficient for Secretary.

WASHINGTON, July 23.—Finding that the Saturday half holiday in the State Department is inadequate for the pressing demands of the Chautauque circuit, Secretary Bryan has been obliged to make intrusions on other days to make the round of his speaking engagements.

This afternoon Mr. Bryan was heard in Mechanicsville, Pa., while yesterday he was heard at another Pennsylvania town, touching base at Washington during the night and spending the morning receiving the diplomats at the State Department.

It is difficult to keep up with Mr. Bryan's schedule now, as he no longer announces his departures nor leaves word as to where he is to get "half the gate."

## SERVIA GETS SHARP AUSTRIAN WARNING.

### Must Answer in 48 Hours Regarding Her Part in Archduke's Murder.

VIENNA, July 23.—Austria has sent a sharp ultimatum to Serbia in regard to certain events leading up to the assassination of Archduke Francis Ferdinand and his wife, the Duchess of Hohenberg, and demands an answer in forty-eight hours.

The note which was presented by the Austrian Minister this evening, declares that events of recent years, particularly the assassinations at Sarajevo on June 28, have shown a subversive movement in Serbia for the purpose of detaching part of Austria-Hungary. The note says that the movement originated under the eyes of the Serbian Government and led to various acts of terrorism. Serbia did not attempt to repress the movement. It allowed the criminal machinations of various societies, tolerated unrestrained language in the newspapers, allowed officials to share in the subversive agitation and otherwise permitted the incitement of the Serbian population against Austria.

The note declares that "this culpable tolerance of the Serbian Government had not ceased at the moment when the events of June 28 proved its fatal consequences to the whole world."

The note asserts that the depositions and confessions of the perpetrators of the crime of Sarajevo show that the assassinations were hatched at Belgrade. The arms and explosives with which they were provided were given to them by Serbian officers and functionaries and the passage of the assassins into Bosnia was organized and effected by the frontier service. The note continues:

"The above mentioned results of investigations do not allow Austria-Hungary to pursue any longer the attitude of expectant forbearance which has been maintained for years in the face of the machinations hatched at Belgrade and thence propagated in the territories of the monarchy."

"These results impose on the monarchy the duty of putting an end to the intrigues which are a perpetual menace to the tranquility of the monarchy. To achieve this end Austria-Hungary is compelled to demand of Serbia a formal assurance that it condemns this dangerous propaganda and will no longer permit these machinations and this criminal, perverse propaganda."

## TROOPS READY TO MOVE.

### Ultimatum Is Approved as Means of Stamping Out Anti-Austrian Plots.

Special Cable Despatch to The Sun.  
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## PHILADELPHIA GIRL THROWN FROM HORSE AT NARRAGANSETT PIER.

### NARRAGANSETT PIER, July 23.—Miss Constance E. Biddle, daughter of Mrs. George Biddle of Philadelphia, was riding here this afternoon when her horse took fright and swerved quickly, throwing her. Miss Biddle received several serious fractures, among them a broken rib.

Dr. Joseph Ledy of Philadelphia, who is attending Miss Biddle, said to-night that his patient was resting comfortably, but that the outcome cannot be told for another twenty-four hours. She, however, will probably recover.

The injured girl, who is the sister of Miss Georgina Biddle and Miss Alice Biddle, recently returned here from Bar Harbor.

## CONSTANCE BIDDLE BADLY HURT.

### Philadelphia Girl Thrown From Horse at Narragansett Pier.

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## ALL SHIPS NEEDING NOT MORE THAN THIRTY FEET OF WATER MAY PASS THROUGH.

### WASHINGTON, July 23.—The Panama Canal will be opened for commerce to all ships needing not more than thirty feet of water on and after August 15. This announcement was made by Secretary Garrison this afternoon. A majority of the merchant vessels that will use the canal do not draw more than thirty feet.

On that day Gov. Goethals will inaugurate the opening of the canal to regular commercial service by sending through the entire length of the canal one of the ships of the Panama Railroad Company, which is owned by the United States.

There will be no ceremonies incident to this opening. Newspaper representatives will be permitted to be aboard the first vessel passing through and a list of invited guests will be announced later.

The official opening of the canal will take place in March, 1915. The opening of the waterway to commercial service on August 15 will in no way interfere with the arrangements for the formal opening.

## WOMAN BEATS AVIATION RECORD.

### Lily Irvine Flies 70 Miles Over Water in 60 Minutes.

CLEVELAND, July 23.—Lily Irvine made a seventy mile flight in a hydroplane to-day from Cedar Point to Euclid Beach in 60 minutes, breaking the record for this trip made by Glenn Curtiss and making the longest overwater flight ever made by a woman.

Miss Irvine started her hydroplane flight at 2:12 P. M., gliding from the beach and mounting in a spiral. Then she headed craft directly for Cleveland. She landed at the beach at 3:12 P. M. She was accompanied by a mechanic.

A strong west wind helped Miss Irvine to make her trip in remarkably fast time. Glenn Curtiss made the same trip in 1910 in 70 minutes.

## ENGLAND PLANS BIG AIR FLEET.

### All Navy Waterplanes in Future to Exceed 400 Horse-Power.

LONDON, July 23.—While it is intended at first that the transatlantic liner America should be equipped with two 100 horse-power engines and now that an additional 100 horse-power engine has been added, it is interesting to learn that the British Admiralty demands far more than 300 horse-power for a hydroplane. A famous airman and also an aeroplane builder had a long conference at the Admiralty this week, where he was frankly told that the British Navy Department would not consider any waterplane in future orders whose engines did not exceed 400 horse-power. This is believed in aeronautical circles to indicate that the Admiralty is about to begin the construction of a fleet of cruisers, destroyers and dreadnoughts of the air.

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## COLOMBIAN TREATY SET ASIDE.

### Will Not Be Considered by Senate at This Session.

WASHINGTON, July 23.—Evidence of the intention of the Senate leaders to make the earliest possible getaway after the passage of the trust bills was seen to-day when several of the Senate committees made it known that matters pending before them cannot be considered further at this time. For instance, Col. Roosevelt probably will not be accorded any hearing in the Senate Foreign Relations Committee on the Colombian treaty at this session. It was said to-day that the committee would not be able to hold further hearings.

This means that the Senate leaders have decided to put aside for this session the Wilson-Bryan treaty with Colombia carrying the payment of \$25,000,000 and an apology.

From the present outlook the Nicaraguan treaty also will go by the board for the present session.

It was said to-day explicitly by leaders on the Foreign Relations Committee that Mr. Bryan's peace treaty also will not be taken up seriously at this session.

## GIRL'S FATHER KILLS CONFESSING ELOPER.

### Sent by Both Mothers, Youth Is Shot in Haverstraw Town Clerk's Office.

Haverstraw, N. Y., July 23.—A clean cut young fellow, Eugene B. Newman, walked into the office of William V. Cleary, Town Clerk, at the Town Hall this afternoon to make known his secret marriage to Mr. Cleary's daughter, Anna, last Saturday. Thirty minutes later he was carried out of the office with four bullet wounds in his body, dead.

Little or nothing could be learned about the manner of the shooting. There were three witnesses, men who had been in the office when the young man entered. They were County Supervisor Josiah Felter, Bernard Fox and John Seibold, all friends of Cleary.

It was fifteen minutes after the office door had closed behind Newman that the first of the four shots was heard. The three others followed in quick succession. There was no forewarning sound of a scuffle, no high words—nothing in fact—to indicate that trouble was brewing.

All Witnesses Silent.

All three witnesses declined to say a word about the shooting. Even Coroner Leonard at a late hour to-night could give no particulars and said he didn't know what had happened.

The District Attorney, Mr. Gagan, took the same attitude. The Sheriff, Larry Serven, declined even to say if he knew anything about the affair or not.

A moment after the shooting the town hall was in an uproar. Policeman Sheridan had been sitting just outside of Cleary's office, dashed in. Others started to follow, but the door was quickly shut and locked.

Later Cleary, who has been town clerk for fourteen years, came forth with his three friends and Policeman Sheridan. They got into a motor and drove to the county jail at New City. But there had been no commitment papers made out for Cleary's detention, so the party drove back and called on Michael McCab, editor of the *Rockland County Times* and an acting police justice. He executed the papers and Cleary was taken back to the county jail and locked up.

## CAPE RACE TO TALK 600 MILES.

### Radius of Wireless Station There to Be Doubled.

OTTAWA, July 23.—The Dominion Government is erecting a new wireless station at Cape Race which will practically double the present radius of the station and make Cape Race the first point of land communication for all vessels sailing from or to North American ports.

The new equipment will have a radius of at least 500 miles, instead of the present normal of about 250 miles. Even with the comparatively limited radius of the present station news of most of the Atlantic coast is now picked up by the Government operators at Cape Race. The new towers will be ready for operation next month.

## HANDLESS MAN HELD AS FORGER.

### Accused of Signing Mother's Name With Pen in His Teeth.

TERRER HAUTE, Ind., July 23.—Albert McQuilkin, aged 35, was arrested to-day and charged with forging checks, although he has no hands. Moreover, he has been under arrest before for forging checks and doing it so well he was able to pass them. He does the writing with his teeth.

It is his mother's name that he forges, and he is so adept that only experts can detect the false signature.

When arrested some time ago the mother made good the amount the son obtained and he was not prosecuted. He was bound over to the Circuit Court to-day.

## SUIT TO DISSOLVE NEW HAVEN BEGUN IN FEDERAL COURT HERE; OUTSIDE SETTLEMENT IS HINTED.

### NEW HAVEN HOLDINGS ARE SUMMARIZED IN THE COMPLAINT.

THE bill gives the following summary of present conditions as to New Haven holdings:

As a result of the unlawful acts, in the ways specified, or by similar unlawful methods, the New Haven company heretofore acquired and now controls:

Railroad lines having about 6,541 miles of main line out of the total of about 8,233 miles of such line in New England, or about 80 per cent. of the mileage and about 93 per cent. of the traffic, unless, as claimed by it, the contract relating to the Boston and Albany Railroad has been cancelled, in which case it controls about 6,149 miles, or 75 per cent. of the mileage and 83 per cent. of the traffic.

Of the ten originally competing systems of New England it controls eight, if not a ninth (the Boston and Albany). Of the 1,692 miles of railroad in New England (exclusive of the Boston and Albany) not controlled by it, 1,281 miles are not substantially competitive with those of the New Haven company system.

Trolley lines having about 1,500 miles of main line out of about 1,654 miles of such line, or 91 per cent. of the mileage and traffic, within that portion of New England south of the Boston and Albany Railroad and west of a line from Fitchburg, Mass., to Providence, R. I., including all the lines between that territory and New York city.

Steamboat lines doing 90 per cent. of the water transportation to, from and among the New England States, unless, as claimed by it, it has disposed of its interest in the Merchants and Miners Transportation Company, in which case it controls 85 per cent. of such transportation.

## Plan Has to Do With Procedure by Massachusetts Legislature Changing Attitude of Road's Directors—Government Makes Three New Demands.

### CRIMINAL ACTIONS ARE LIKELY TO FOLLOW.

The Government action to dissolve the New Haven railroad as a combination in restraint of trade was filed yesterday in the United States District Court for Southern New York by T. W. Gregory, who represents Attorney-General McReynolds and will appear for him in court.

In spite of Mr. Gregory's action the opinion was ventured last night that the door to an agreement between the management of the road and the Government had not been closed and that a new proposal is likely to be made which may obviate the need of a trial of the issue.

The plan, which not made known in detail, it is understood, has to do with possible procedure by the Massachusetts Legislature which would remove the reason for the New Haven directors' stand, at their last meeting, which caused the precipitate action of the United States Government.

The bill in equity discloses the compensations the Department of Justice was willing to make to effect a voluntary dissolution. It shows that the Government believes the New Haven started to monopolize New England transportation more than twenty years ago, citing a meeting held in 1893 at the home of the late J. P. Morgan in this city as the beginning of the alleged attempt to bring all the railroads, steamship lines and trolley companies in the section into one system.

## DEMANDS OF THE GOVERNMENT.

### The three demands which the bill of equity contains, but which were left out of the voluntary dissolution agreement, are:

- 1—The sale of the Rutland Railroad.
  - 2—The sale of the New England Railroad Company, which competed with the New Haven on practically equal terms when it was acquired in 1893.
  - 3—The sale of the Sound steamship lines.
- Coincidental with the filing of the suit Mr. Gregory announced that criminal action against certain New Haven directors would be taken as soon as possible in New York city.
- The charge against the New Haven directors in the criminal action will be conspiracy to restrain trade in violation of the Sherman anti-trust act. The penalty provided is a fine not exceeding \$5,000 or imprisonment for not exceeding one year, or both.
- New Haven stock went up yesterday after news of the filing of the suit reached Wall Street, showing that the action had been discounted. It sold as high as 53, the low for the day being 51 1/2, and the closing price 52 1/2, a gain of 1 1/2 a point over Wednesday's close. More than 4,000 shares of the stock were dealt in.
- The New Haven has twenty days in which to file its answer, which will be a general denial. All the New York directors were out of town yesterday. President Hustis went to New Haven early in the day. Chairman Howard Elliott is in Maine on a vacation.
- Large Group of Defendants.
- The bill names as defendants the New Haven railroad, sixteen other organizations, including banks, holding companies, railroad and steamship companies, all in the New Haven system, and twenty-nine directors, including Chairman Elliott.
- If the Government should win its suit the result would be to divorce the New Haven from most of its 333 subsidiaries and to make it little more than a coast line between New York and Boston.
- It is understood that the Government will lay especial stress on the agreement made at Mr. Morgan's home in 1893 between the New Haven and the Boston and Maine Railroad as tending to show the purpose that has actuated New Haven directors in building up a transportation monopoly.
- The only litigation similar to the present one was the Government suit against the Union Pacific and the Southern Pacific. The suit was filed in Salt Lake City on February 2, 1908, and was decided in favor of the Government on December 2, 1912, four years and ten months later.
- The bill in equity is signed by United States District Attorney H. Snowden Marshall, but he will not have any part in the trial of the suit. Mr. Gregory and Frank M. Swacker, his assistant, will have charge of that.

## GOVERNMENT BILL REVIEWS GROWTH OF NEW HAVEN ROAD.

### The suit is brought against the New Haven Railroad Company, the New England Navigation Company, the New York Central and Hudson River Railroad Company, the New York and Albany Railroad Company, the New York and Westchester Railroad Company, the Boston Terminal Company, the Boston Railroad Holding Company, the Boston and Maine Railroad, the Rutland Railroad Company, the Merchants and Miners Transportation Company, the Eastern Steamship Company, the New York Westchester and Boston Railroad Company, the New England Investment and Security Company, Providence and Danielson Railway Company, the Union and New Haven Trust Company, the Old Colony Trust Company, the Bankers Trust Company, and the following individuals, directors of the companies mentioned:

- William Rockefeller, Charles P. Brooks, Morton F. Plant, John T. Pratt, George F. Baker, William Skinner, D. Newton Barney, Robert W. Taft, James S. Elliott, James K. Henningway, A. Hazen Robertson, Frederick F. Brewster, Samuel Rea, Henry K. McHarg, T. De Witt Cuyler, James L. Richards, John L. Billard, Edward Milligan, Francis T. Maxwell, Howard Elliott, W. Murray Crane, Arthur T. Hadley, James H. Hustis, Edwin Porter, H. Hobart Porter, Richmond Talbot and Wynn Meredith.
- The complaint recites that about 1850 under arrest before for forging checks and doing it so well he was able to pass them. He does the writing with his teeth.
- It is his mother's name that he forges, and he is so adept that only experts can detect the false signature.
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The Government action to dissolve the New Haven railroad as a combination in restraint of trade was filed yesterday in the United States District Court for Southern New York by T. W. Gregory, who represents Attorney-General McReynolds and will appear for him in court.

In spite of Mr. Gregory's action the opinion was ventured last night that the door to an agreement between the management of the road and the Government had not been closed and that a new proposal is likely to be made which may obviate the need of a trial of the issue.

The plan, which not made known in detail, it is understood, has to do with possible procedure by the Massachusetts Legislature which would remove the reason for the New Haven directors' stand, at their last meeting, which caused the precipitate action of the United States Government.

The bill in equity discloses the compensations the Department of Justice was willing to make to effect a voluntary dissolution. It shows that the Government believes the New Haven started to monopolize New England transportation more than twenty years ago, citing a meeting held in 1893 at the home of the late J. P. Morgan in this city as the beginning of the alleged attempt to bring all the railroads, steamship lines and trolley companies in the section into one system.

## DEMANDS OF THE GOVERNMENT.

### The three demands which the bill of equity contains, but which were left out of the voluntary dissolution agreement, are:

- 1—The sale of the Rutland Railroad.
  - 2—The sale of the New England Railroad Company, which competed with the New Haven on practically equal terms when it was acquired in 1893.
  - 3—The sale of the Sound steamship lines.
- Coincidental with the filing of the suit Mr. Gregory announced that criminal action against certain New Haven directors would be taken as soon as possible in New York city.
- The charge against the New Haven directors in the criminal action will be conspiracy to restrain trade in violation of the Sherman anti-trust act. The penalty provided is a fine not exceeding \$5,000 or imprisonment for not exceeding one year, or both.
- New Haven stock went up yesterday after news of the filing of the suit reached Wall Street, showing that the action had been discounted. It sold as high as 53, the low for the day being 51 1/2, and the closing price 52 1/2, a gain of 1 1/2 a point over Wednesday's close. More than 4,000 shares of the stock were dealt in.
- The New Haven has twenty days in which to file its answer, which will be a general denial. All the New York directors were out of town yesterday. President Hustis went to New Haven early in the day. Chairman Howard Elliott is in Maine on a vacation.
- Large Group of Defendants.
- The bill names as defendants the New Haven railroad, sixteen other organizations, including banks, holding companies, railroad and steamship companies, all in the New Haven system, and twenty-nine directors