HOME EDITION

THE MINNEAPOLIS JOURNAL.

FAIR TONIGHT AND FRIDAY; COOLER TONIGHT.

HOME EDITION

16 PAGES—FIVE O'CLOCK. THURSDAY EVENING, AUGUST 9, 1906. PRICE ONE CENT IN MINNEAPOLIS.

MINNESOTA HISTORICAL SOCIETY.

INDICTS OIL TRUST FOR REBATE TAKING

Federal Grand Jury Reports Violation of the Elkins Law.

ANOTHER JURY CALLED TO CONTINUE THE PROBE

Relations of Rockefeller Corporation and Roads to Be Looked Into.

Chicago, Aug. 9.—The Standard Oil company must stand trial upon the charges of having accepted rebates, in the form of remitted storage charges, from the Lake Shore & Michigan Southern Railway company, contrary to the provisions of the Elkins interstate commerce act.

The federal grand jury, which is in session in Chicago to investigate the Standard Oil company and its relations with the railroads, returned an indictment against the company yesterday, just four hours after it heard the first evidence in the case.

Will Investigate Methods.

By order of Judge Bethea a second grand jury was drawn and summoned to appear Tuesday.

This body will investigate the business methods of the Standard Oil company from where the first inquisitorial body was compelled to leave off.

The second jury will begin its investigation with March, 1905.

The indictment, which contains nineteen counts, makes no accusation against any individual official or employe of the oil company; neither are there any charges made against the railroad company or its officials or employees for granting the alleged illegal rebate.

This fact seems to bear on the report that the government would grant immunity to the railroads in exchange for testimony with which it could fasten its case upon the oil company. Of course, there is the possibility of the jury, which is still in session, voting an indictment against the railroad, but the fact that most of the witnesses upon whose testimony the indictments were returned are either officials or employees of the Lake Shore seems to preclude all prosecutions except against the railroad corporation.

Jury's Task Not Ended.

Just what line Assistant Attorney Robert Childs, who has charge of the jury, intends to take up next is not known, but it is believed that he will investigate the relations between the oil company and the other railroads. This is indicated by the fact that several railroad men are still waiting to be called.

The fact that the jury was able to agree upon an indictment so promptly came as a surprise to those who have followed the case. While all that transpires in the jury room is being carefully guarded, it is understood that the jury simply took up the evidence that was heard at the Cleveland hearing, called the witnesses before it, had them verify their testimony, and then voted the indictment.

The indictment is a lengthy document and sets forth the grand jury's accusation that the Standard Oil company did, in direct violation of the Elkins law, accept and receive from the railroad company a rebate and concession in the shape of a cancellation of the storage charges due the railroad company.

About $8,500 Involved.

The total amount of these charges is alleged to be $8,501.72, in sums varying from $316 to $564, each of the sums constituting a separate offense and each representing the total storage charges for a given month.

The Elkins law provides a fine of $10,000 to $20,000 for each violation. Under this indictment, should the government secure a conviction on the trial of the issues, a fine of $380,000, as a maximum under the Elkins law may be assessed.

The indictment alleges that by a system granting the Standard Oil company certain concessions the oil company benefited to the extent of $8,506 from August, 1903, to February, 1905. The indictment, as explained by the government attorneys, means that in nineteen instances certain consignments of oil for the Standard Oil company were stored by the Lake Shore & Michigan Southern Railroad company, and that the railroad company received no payment of 5 cents per ton per day from the oil company for such storage, but that its competitors were compelled to pay this amount. This is equivalent to granting a concession, it is charged, the non-payment of the storage charges being practically a rebate in favor of the oil company. Each count sets up a discrimination of varying amounts each in favor of the oil company. It will be necessary for officials of the Standard Oil company to appear in court and present a bond of $25,000 for the corporation.

BRUTAL WOMAN THUG TERROR IN CLEVELAND

Journal Special Service.

Cleveland, Aug. 9.—A woman thug operating on the East Side has created a reign of terror among women residents of the East End. Many women are afraid to venture from their homes at night without an escort.

Three women have reported to the police that they were held up by a tall, athletic woman who, they say, beat them brutally in attempts to wrest money and valuables from them. The police are working on the assumption that the culprit is a man masquerading in women's attire.

HATED TO SELL LIQUOR, SO HE KILLED HIMSELF

St. Louis, Aug. 9.—After writing a note stating that he took his life rather than again earn his living by selling liquor, Ernest Steinhardt, 57 years of age, whose home is supposed to have been at 205 West Seventy-eighth street, New York, committed suicide by drinking morphine. Steinhardt was formerly a traveling salesman for a Kentucky whisky house.

25-CENT GAS FOR K. C.

ORDINANCE BRINGING CHEAP RATE FOR NATURAL PRODUCT PASSED BY COUNCIL—MAYOR PROMISES TO SIGN IT.

Kansas City, Mo., Aug. 9.—Kansas City won its long fight for cheap gas when Mayor Beardsley today promised to sign the so-called Fleming-Wilson natural gas ordinance, granting a franchise to a syndicate of Chicago capitalists, which was passed by the city council last night.

The franchise is to run for thirty years and it provides that as long as the supply of natural gas is reasonably accessible it is to be furnished at 25 cents a thousand cubic feet for domestic consumption and at 10 cents for manufacturing purposes. If the supply of natural gas fails, then artificial gas is to be furnished at 75 cents a thousand cubic feet. The city may purchase the gasworks at any time, providing the grantees receive their profits for ten years.

The Kansas City, Mo., Gas company now holds a franchise to furnish gas at $1.10 a thousand feet. The new ordinance will be signed as soon as it reaches the mayor, which probably will be tomorrow.

FATHER IN RAGE KILLS HIS CHILD

Jug Is Instrument of Death in a Horrible Murder in Wisconsin.

Special to The Journal.

Menomonie, Wis., Aug. 9.—William Esler of Downsville killed his 7-year-old daughter last night at 9 o'clock by striking her over the head with a gallon jug. Her skull was smashed to a pulp.

Esler had been having trouble with his wife, who left him six months ago, claiming non-support. Since then she has been supporting herself and up to yesterday was employed as a domestic at Hotel Royal in this city.

Esler came to town yesterday and persuaded her to return home. She says she told him she would go home and take care of the child, but would not live with him and intended to get a divorce.

After their arrival home he went to the barn and on returning brought the ax in with him. This alarmed Mrs. Esler and she succeeded in getting outside. After several unsuccessful attempts to get her back in the house he took the ax and started after her. Timely interference by neighbors saved her.

The sheriff was sent for and upon his arrival he called upon Esler to open the door. Esler said he would in a minute and while the sheriff and his assistants were waiting he struck the child with the jug.

The door was then forced and the prisoner captured. He says he killed the child because the mother did not want it and he knew he would be arrested for attempting to kill his wife and he did not want the little one to suffer.

HARRIS ARRESTED; CHARGE, MURDER

Man Accused of Killing Frank Staffler Is Taken in Iowa.

Special to The Journal.

Centerville, Iowa, Aug. 9.—John Harris was arrested today at his home near here, accused of the murder of Frank Staffler in Minneapolis. Harris arrived home yesterday. His family and friends know nothing of the altercation of Saturday night, in which Staffler was punched in the eye with an umbrella, dying Tuesday, after Harris had left Minneapolis. Harris is of a prominent family which is highly respected. Sympathy here is with him. He has a wife and two children.

SLAVES IN FLORIDA TURPENTINE CAMP

Swede Declares Brutal System of Peonage Exists in the South.

New York, Aug. 9.—A story of alleged ill treatment in a turpentine camp in Florida was told today by Jacob Von Arx, a Swede, 24 years old, when he was arraigned in a police court in Hoboken, N. J., on a charge of vagrancy.

Von Arx said he and four other men were engaged by a New York employment agency to go to Buffalo Bluff, Fla., to work in the turpentine camp. He said he worked four weeks and was paid $2.40. The food given the men, he declared, was bad and the quarters unfit for habitation.

Von Arx said that he escaped from the camp but was captured, beaten and forced to return to work. He said he escaped a second time and made his way to this city as best he could on freight trains. He said his companions were still prisoners at the camp, so far as he knew.

THROWS CHILD TO STREET AND LEAPS AFTER IT

Cincinnati, Aug. 9.—Thomas McKenna, a waiter, threw his 3-year-old child from the third-story window of his home, and then jumped from the window to the sidewalk below. The child was dead when picked up, while McKenna died on the way to the hospital. McKenna is believed to have been mentally deranged.

MICHIGAN MAN VICTIM OF MYSTERIOUS MURDER

Special to The Journal.

Menominee, Mich., Aug. 9.—C. B. Post of Walsh, Mich., was found stone dead at noon today near his buggy. A bullet from a large rifle was in his head and murder is suspected, as there were no weapons about the dead man. Post was 50 years old and had a wife but no children. There is no clue to the murderer.

BOY KILLS MAN AT FATHER'S COMMAND

Youth Slays Neighbor After Quarrel Over Berries—Parent Jailed with Son.

Frederick, Md., Aug. 9.—At the command of his father, Fred Debold, 17 years old, son of John Debold, shot and killed George Smith, son of their neighbor, Edward O. Smith, near here last evening.

There had been feeling between the two families and yesterday they quarreled over blackberries the Smiths had picked on Debold's land. "Shoot him," said Debold to his son, pointing at the younger Smith. The boy fired a load from a shotgun which struck Smith over the heart, killing him instantly.

Both Debolds were arrested this morning and are now in jail here.

BOLTING DRIVERS CONTINUE 'STRIKE'

Teamsters, Foes of Shea, Ignore Overtures from Regular Convention.

Chicago, Aug. 9.—Confronted by the certainty that the International Brotherhood of Teamsters would reelect President C. P. Shea and his chosen ticket, the insurgents who bolted the regular convention of the International Brotherhood of Teamsters yesterday and started a rival meeting, kept up their "strike" today against the Shea contingent.

Overtures were ignored by the bolters, who proceeded to organize a convention of their own and planned to adopt by-laws and a constitution. They insisted that they would never be reconciled to the rule of President Shea.

Officers slated for election by the "regular" faction today are: President, C. P. Shea, Boston; vice presidents, Ed Mullen, J. H. McCarthy, George F. Golden, Chicago; C. F. O'Neil, Buffalo; W. J. Gibbons, Chicago, and J. Geary, St. Paul; secretary-treasurer, Thomas L. Hughes, Chicago; auditor, George W. Briggs, Chicago; trustees, James Welch, New Orleans; John Longstreet, Cincinnati; John Butler, Chicago.

New York, Aug. 9.—The fight to have the will of Russell Sage declared invalid will be inaugurated and sustained by a syndicate, the members of which will subscribe to a fund of $25,000 to start with.

LOFTUS URGED FOR BIG FEDERAL JOB

Minnesota Man for Place on Interstate Commerce Commission.

Declared to Be Thoroly Informed on the Ins and Outs of Railroading.

George S. Loftus of St. Paul, the shipper whose efforts at reform of rate abuses have made him such a thorn in the flesh of the railroad officials of the northwest, will be urged on President Roosevelt as a candidate for appointment to the interstate commerce commission.

There is now no vacancy on the commission. Its complement of seven members under the Hepburn bill has been named, but it is understood that F. M. Cockrell, the former Missouri senator, is soon to resign, and Commissioner C. M. Prouty may also drop out. Whenever a vacancy occurs the claims of Mr. Loftus will be pressed by his friends. He has been a leader in Minnesota, and his expert knowledge of tariff matters has made him of high value to shippers appealing for reduction and readjustment of rates.

Knows All the Kinks.

On account of his former railroad connections, he is exceptionally well informed. He has been relied on for data as to railroad rates by Senator La Follette of Wisconsin, by E. P. Bacon, leader of the movement for the new interstate commerce law, and by such searchers for light as Ray Stannard Baker. He has been of invaluable assistance in such quests, and would bring to the commission an expert and detailed knowledge of rate-making as a business, something no member of the commission has ever possessed in such a degree.

Begins Work Early.

Mr. Loftus is a Minnesotan by birth and only 33 years old. He entered the employ of the Minneapolis & St. Louis road as an office boy for the vice president when only 10 years old, and worked up rapidly in the general offices till at 19 he was chief clerk in the general freight department. It was remarkable for such a mere boy to hold a position requiring so much technical ability, but Loftus made good and held the position four years.

In 1896 he went with the St. Paul & Duluth as assistant general freight agent. He remained with the company till 1899, when he resigned to go into business for himself with Charles F. Hubbard, son of former Governor L. F. Hubbard. They formed the Loftus-Hubbard Elevator company, which has since engaged in the grain and hay business on the west side, St. Paul.

Fight From the Start.

Almost from the start they have been fighting railroad discrimination in favor of larger firms and more favored localities, and Mr. Loftus has kept things moving with the state railroad commission and the interstate commerce commission. He has secured some important legislation and many concessions from the railroad companies. Some of the abuses which he has shown have been stopped by orders of the state commission.

The members of the interstate commerce commission under the new law recive salaries of $10,000.

SHOWERS BREAK HEAT WAVE.

Philadelphia, Pa., Aug. 9.—Cooling showers last night broke the force of the hot wave and brought relief from the high temperature of the past five days. During the night, however, there were four additional deaths from heat, making a total of twenty-two fatalities during the heated term. The cases of prostration numbered eighty-three.

ST. PAUL MAN FOR I. C. C.

GEORGE S. LOFTUS.
Private Citizen Who Has Won Prominence in Railroad Rate Regulation.

STRANGLED, TIED, LOCKED IN A CAR

Young Drum Fell Among Philistines and Was Brutally Beaten and Robbed.

Special to The Journal.

Elroy, Wis., Aug. 9.—To fall among thieves at an uncanny time of night, to be beaten and strangled and tied fast, and helpless, to be cast into a freight car and locked up, there to die of thirst and starvation, if no one came to save, was the experience of L. O. Drum in Elroy last night.

Drum, an unsophisticated country boy of 21, stopped in Elroy while on his way to Chicago. At 1 o'clock this morning he was pounced upon in a dark corner by three men and speedily choked into submission and his feet and hands tied. When he had been strangled so that he could not speak, and when he could scarcely move hand or foot, he was lifted up and carried by the thugs to a half-filled lumber car. His captors threw him upon the floor as tho he were no more than a stick of timber, and nailing and locking the car left him in his misery. Robbery was the motive of the attack, for the men took $9 from their victim, all he had.

Hours later Thomas Hennessy, an Omaha freight brakeman, found the half conscious boy in the car. Prostrated with the torture he had passed thru and chastened and cowed in spirit, Drum was released from his prison and his thongs cut and a general alarm given. One of the desperadoes was caught here this morning and the other two are said to be in custody at Baraboo. Some $6 of Drum's money was found on the fellow taken here.

Rochester, Minn., Aug. 9.—Jumping into a swiftly running millrace, Fred Oestereich, a 12-year-old boy, seized Charles Wright, 6 years old, by the ear and succeeded in saving him from drowning.

A PORTRAIT IN OILS BY AN OLD MASTER.
A grand jury report from Chicago says that John D. Rockefeller has done Uncle Sam in oils.

CANNON TO BOOM FOR COMMANDER

Noisy Welcome Will Announce Arrival of Grand Army Chief Tomorrow Morning.

Official Party Will at Once Open National Headquarters at the West Hotel.

The fortieth annual national encampment of the Grand Army of the Republic will be informally opened tomorrow morning on the arrival in Minneapolis of Commander-in-Chief James Tanner of Washington and his staff. The party special is due to arrive in the city at 8:10 over the Wisconsin Central road. As the commander-in-chief arrives an official salute will be fired by a detachment from Battery B, M. N. G., stationed in Bridge square. This salute detail will be maintained thru the week fire the morning and sunset guns, and to fire the morning and sunset guns, and other times as ordered.

The Official Company.

General Tanner will be accompanied by his staff. In the party will be Adjutant General John Tweedale, Quartermaster General Frank Battles, Assistant Adjutant General William P. Rogers and others. The party will be met at the train by a delegation of prominent Minneapolis G. A. R. men headed by Junior Vice Commander S. H. Towler and Judge L. W. Collins of the executive council, Department Commander Levi Longfellow, Judge Ell Torrance, pats commander-in-chief and others.

Will Open Headquarters.

General Tanner will at once open his headquarters in rooms 128 and 130 at the West hotel. The quarters have been fitted and decorated for the reception of the commander, and everything is ready. The executive headquarters of the local committee will be transferred to the ground floor of the West hotel in the store at 502 Hennepin avenue, and everything will be ready for the formal opening of the encampment Monday morning.

The party to arrive tomorrow morning will have many prominent veterans not on the staff of the commander-in-chief and some not connected with the organization in any official capacity. In the party will be General John C. Black, who will be one of the prominent men of the encampment.

Plans for Campfire.

Elaborate plans are in preparation for the mammoth campfire to be held at the Auditorium Tuesday evening. This will be one of the largest gatherings of the encampment and will bring together practically all the veterans in the city for the encampment. General Tanner and all officials of the G. A. R. organization will be present and take part in the program. The chairman, Ell Torrance, of the campfire committee has secured the best to be had and a program of interest to the veterans is assured. Among the prominent speakers who will participate will be General John C. Black, President Cyrus Northrop of the university, former Governor W. D. Hoard of Wisconsin, Colonel C. A. Clark of Iowa, and others. The program includes many musical numbers.

Concert for All.

The local committee is preparing to handle a big crowd for the opening patriotic concerts Monday evening. This feature of the encampment is public and is arranged to appeal to everybody, visitors and residents. The concert is under the direction of the executive committee. A small admittance will be charged and the proceeds turned into the entertainment fund. The concert will offer everybody an opportunity to contribute to the G. A. R. fund.

St. Paul, thru the St. Paul Commercial club, will assist Minneapolis in the entertainment of the encampment. A committee from the St. Paul club consisting of R. F. Rees, F. J. Waterous and Grant Van Sant has been appointed to work with the Minneapolis committees in case assistance from St. Paul is needed.

POPE ILL WITH A WEAK HEART

Collapse Comes Following Celebration of Third Anniversary of Coronation.

London, Aug. 9.—A dispatch to the Exchange Telegraph company from Rome says that shortly after his return from the ceremony attending the celebration today of the third anniversary of his coronation, the pope had a severe attack of heart weakness. He was attended by Dr. Lapponi, who gave him relief.

The celebration in the Sistine chapel of the Vatican of the third anniversary of the coronation of Pope Pius X. was a brilliant affair.

Cardinal Merry Del Val, the papal secretary of state, celebrated mass in the presence of the pontiff, the cardinals, bishops, diplomats and members of the nobility.

PREACHER DIES IN AGONY; RABIES FROM DOG'S BITE

Morristown, Tenn., Aug. 9.—Rev. James Brady, a local Baptist preacher, died last night in the county jail of hydrophobia. Brady was bitten by his own dog. A few days later Brady developed symptoms of rabies, became uncontrollable and was placed in a cell.

NEED GIANTS TO PICK MAMMOTH SUCKER CORN

Journal Special Service.

Tampico, Ill., Aug. 9.—The corn on the farms in this vicinity has grown so high this year that the farmers are looking for tall men to pick it. Those who can't hire them will have to put on stilts or else use stepladders, as the ears on most of the stalks are way above the head of the average sized man.

CASHIER ACCUSES CHIEF OF LOOTING

Henry W. Hering, Officer of Wrecked Chicago Bank, Is Ready to Give Up.

INNOCENT TOOL OF STENSLAND, HE SAYS

Describes How Fugitive President Got the Funds of 20,000 Depositors.

NOT IN PORT ARTHUR.
Special to The Journal.
Port Arthur, Ont., Aug. 9.—Stensland, the fugitive American banker, is not in Port Arthur. Agents and passengers of all boats arriving today have not seen him and know nothing of his whereabouts.

To Give Up Before Night.

Chicago, Aug. 9.—Hering had not surrendered at a late hour this afternoon, but friends assert that he will give himself into custody before night.

Bank Examiner Jones, in an interview wherein he declared that only a bank examiner, who was a mind reader could have foreseen the impending crash, said that part of Cashier Hering's published defense he believed to be true. Other parts he said he believed to be untrue. He declined to be more explicit.

He pointed out that Hering, as cashier, was under heavy bond, while Stensland, the president, was not, as far as Mr. Jones has been able to learn.

Inspector Shippy today sent a detective to Baraboo, Wis., to interview a woman who is said to be well acquainted with the missing president and who is believed by the police to have some knowledge of his whereabouts.

Special to The Journal.

Chicago, Aug. 9.—The Chicago Tribune says this morning:

Henry W. Hering, cashier of the Milwaukee Avenue State bank, looted by Paul O. Stensland of over $1,000,000, is in Chicago. He has not been out of Chicago since Monday morning.

The police department can call in its circulars, take its detectives off the trail and rest assured in the belief that at 1 o'clock today, or rather, one minute after 1, Mr. Hering will be in the custody of Inspector Shippy. Hering intends to give himself up and is absolutely confident that in a short space of time he can show to the satisfaction of everyone concerned that he had no part in robbing the 22,000 depositors of the wrecked institution.

Yesterday the Tribune got on Mr. Hering's trail and pourparlers were entered into. The Tribune wanted to talk to Mr. Hering and Mr. Hering wanted to tell his story to the public.

The mutual "wants" were satisfied late last night and from 9 p.m. until 11 p.m. a reporter and the cashier sat on a bench in one of the city's parks. In these two hours Mr. Hering told the story of his connection with the bank from the time of his employment, seventeen years ao, until he closed his safe last Saturday.

Off for Rest Only.

The cashier does not think he had been described as a fugitive. It has been said that he ran away from town last Saturday and various surmises as to his whereabouts have been put forward by the police. He is alleged to have been in Canada, said to be on the way to Europe, to have sailed for the far east, to be in Michigan and either in or headed for every other spot of the habitable globe.

As a matter of fact, when Hering left the city on Saturday he simply went up the lake for a day's rest. He reached Chicago Monday morning, got on a car and rode straight to the bank. When the car stopped on the corner he jumped off, carrying his heavy grip. Just as he reached the edge of the sidewalk he saw a man pasting the notice of the closing of the bank on its doors. Instead of ascending the steps, he back-tracked and headed downtown.

Had Suspected Wrong.

The pasting of the notice on the window proved the culmination of suspicions aroused in his mind six or eight weeks ago that things in the bank were not right.

This suspicion was intensified by the unexplained prolongation of the ten days' absence that President Stensland said he was going to take when he left three weeks ago last Sunday. And suspicion became a certainty when he saw the mob of frenzied depositors around the bank's door.

Hering thought he would like a few hours to think affairs over before he jumped into the financial wreck. After he reached a friend's house he called the bank's phone, but he got the busy signal a dozen times and finally gave it up. Then he phoned an acquaintance on Milwaukee avenue, was told that the bank had failed and further information on the subject came to him in liberal quantities in the afternoon paper extras.

Says He Is Innocent.

Mr. Hering is insistent in is statement that he had absolutely nothing whatever to do with any peculation of the bank's funds. He swears he has not profited one penny by the irregularities brought to light. He asserts that altho cashier of the bank he was merely a clerk for Stensland; that all he did was to carry out Stensland's orders.

He declares that Stensland's instructions were such that there was no way on their face of determining that any crooked business was going on; it was only the culmination of a number of suspicious incidents and the piling of note upon note to carry on Stensland's real estate operations that finally made him morally certain that thievery was rampant in the institution.

Hering is a heavy set, stolid individual, looking not unlike Grover Cleveland when he was governor of New York. He has a good, square, honest face, with gray, unwinking eyes that look you thru and thru. Last night he had the repose of an innocent man and the story he told bore every superficial evidence of being true.

Blames Real Estate Mania.

While defending himself with the utmost vigor he made no valid accusations against Paul O. Stensland; he simply told what he said was a plain, unvarnished statement of the rise of Stensland and his downfall, brought

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