Fair to-day and to-morrow; light west winds.
Yesterday's temperature—Maximum, 52; minimum, 27.

THE WASHINGTON HERALD

The Herald has the largest morning home circulation, and prints all the news of the world each day, in addition to many exclusive features.

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TAFT'S ULTIMATUM REACHES MEXICO

In Final Warning to Madero No Time Limit Is Named in Which He Is to Meet Demands of United States.

VIGOROUS LANGUAGE USED IN AMERICAN MESSAGE

President Taft's ultimatum to Mexico was telegraphed yesterday to Montgomery Schuyler, jr., American charge d'affaires at the Mexican capital, in the absence of Ambassador Henry Lane Wilson.

The American note was not addressed to the Mexican government, but to Francisco I. Madero personally. It is couched in language as vigorous as words can make it, short of an actual declaration of war.

It was stated at the State Department yesterday that it was feared that President Madero did not quite understand the urgency of the September note, which demanded punishment for the murderers of Americans and indemnity for the loss of American life and property. In drafting the message sent yesterday, care was taken that its language be made unmistakable. The services of Attorney General Wickersham were brought in to assist the President and Secretary Knox in completing the draft.

Has Reached Mexico.

Although there is an impression that the ultimatum is to be conveyed to Madero by Ambassador Wilson, and although the State Department intimated yesterday that the draft has not been fully completed, The Washington Herald has positive information that the ultimatum has already reached Mexico.

In the final warning to Madero no time limit was named in which he is to meet the demands of the United States. The setting of a time limit was avoided purposely in order that the United States may not be precluded from prodding the reluctant Madero from the time he reads the ultimatum until he acts or discloses his inability to satisfy his obligations to the United States.

Although not contained in the ultimatum, it will be strongly suggested to Madero that his reply to the American note should be before the State Department before the time President Taft returns from Panama. This will be on January 1.

In addition to the reports furnished the President and State Department by Senators William Alden Smith and Albert B. Fall and several citizens' committees, President Taft was moved to the summary action of Thursday by a speech recently made by Madero in Mexico in which he said that the only sufferers from the Mexican disorders were foreigners, and that Mexicans could well look on the situation with equanimity.

Stir in Washington.

The news of the President's ultimatum created a stir in Washington, and general approval of his position was expressed. Those familiar with conditions in the southern republic have long foreseen that drastic action by this government was inevitable.

FRANCISCO I. MADERO,
President of Mexico.

While it is not apprehended that there will be any immediate resort to arms by this country, the President will keep in touch with the State, War and Navy departments and with the Mexican border on his Panama trip. The Mexican trouble has been brewing so long that the touching of a button will be sufficient to entrain the forces of the United States.

If the reply from Madero is not either immediate or satisfactory, the United States probably will carry out the first step in its programme by dropping the neutrality bars on the Mexican border.

There is some criticism of this step, on the ground that it will lead to the pouring of arms and ammunition into Mexico that may later be used against the United States, if neither the Madero regime or any administration which may follow persists in ignoring the demands of this government.

Would Remove Barrier.

If the ultimatum fails of its purpose, it is probable, however, that President Taft and his advisers will first adopt the course of removing the neutrality restrictions in the hope that a more stable and competent government in Mexico will follow this move.

Additional details on conditions in Mexico were given yesterday by George Fred Williams of the subcommittee of the Senate Committee on Foreign Relations, which has been investigating the Mexican situation all summer.

He told a thrilling story of the dangers faced by Gustave E. Trager, manager of a mine near Almoyla, in which he is interested. He said that the fact that the mine has not been already destroyed is due to the bravery of Trager and one other American citizen at the works.

$1.25 to Baltimore and Return.
Saturdays and Sundays, via Pennsylvania Railroad. Tickets good returning until 9 a. m. Monday. All regular trains except Congressional Limited.

DISTRICT CAN NOW HOPE FOR CONSIDERATION

Members of Committee Declare Dove of Peace Is with Them.

NO MEETING SINCE APRIL 12

The Washington Herald Trusts that They Will Now Meet and Accomplish Something.

To refute a story published Monday last in The Washington Herald, members of the House District Committee have signed a statement denying that any friction exists between the chairman of that committee, Representative Ben Johnson of Kentucky, and its members.

That these members have changed their mental attitude toward Chairman Johnson, or he toward them, should convey a message of hope to residents of the District. That members of a committee so largely responsible for the conduct of the National Capital should remain away from committee meetings because they are not in perfect accord with their chairman is not a charge which should stand unrefuted, and residents of the District will be happy to know that, if the condition did exist previously, at any rate it does not now exist.

The mere denial, while it must be accepted at its face value, however, should meet with some more substantial proof of the harmonious condition in the committee. If the committee is in harmony now, doubtless the members will have no hesitancy in meeting and disposing of the mass of District business which it has neglected since April 12, the date of the last meeting of the House District Committee.

The only substantial denial of the report possible must come in an evident desire on the part of the committee to meet and transact the business intended for it.

The House District Committee failed to assemble a quorum on nineteen successive meeting days last session and has made no evident attempt to meet on either of the two meeting days this session. Here is the list of Fridays upon which the committee failed to meet last session after April 12:

April 19 and 26; May 3, 10, 17, 24, and 31; June 7, 14, 21, and 28; July 5, 12, 19, and 26; August 2, 9, 16, and 23. Congress adjourned August 26. This session there have been two opportunities to meet, December 6 and December 13. Neither of them have been taken advantage of.

Doubtless members of Congress who were surprised to learn that something prevented the District Committee from meeting will watch with interest for the first meeting day after Congress reconvenes next month.

Demand of U. S. Excites Mexico

Mexico City, Dec. 20.—The demand of the United States that the disorders be promptly suppressed is causing tremendous excitement here. The result probably will be renewed activity on the part of the rebels, as they are seizing every opportunity to embarrass the government.

The whole town of Coatepre in the State of Morelos has risen in arms against the government. A rebel attack has been made on the town of Juchitepec, several railway stations, and a number of other buildings being burned and robbed.

All Zapatists have received fresh supplies of ammunition and are now forcing hacienda owners to pay large tributes. It is reported that large shipments of arms and ammunition have been received by steamer for the rebels, and it is certain that they are now well supplied with war munitions of all kinds. It is said that they also have huge stores of provisions in the mountain caves in the State of Morelos.

Gen. Blanquet is still waiting for reinforcements before beginning the active campaign, but when he will get them is uncertain, for such troops would have to be withdrawn from the north, where they are needed, as there are no reserves.

LEADERS FOCUS ATTENTION ON CABINET JOBS

Speculation Rife as Result of Coming Visits of Bryan, Clark, and Underwood.

WILSON KEEPS SILENCE

Confers with President Gompers and Secretary Morrison, of A. F. of L.

Trenton, N. J., Dec. 20.—The impending visit to President-elect Wilson of William J. Bryan, the coming next week of Speaker Champ Clark, and the prospective call to be made within a short time by Floor Leader Oscar W. Underwood have stimulated interest in and given rise to much speculation as to the composition of the next Cabinet.

Gov. Wilson insists that he has not decided on a single name for any one of the portfolios. He declines also to discuss the various candidates for the Cabinet. This evening he went so far as to say that he had no one in mind for any appointment, and that "I never have any one in mind until I take a pencil and write the name down on a piece of paper. The correspondents who followed my course after being elected Governor will tell you that."

The Governor was asked if it was true that he had found some difficulty in getting his friends to suggest the names of high class lawyers for the position of Attorney General. It is a well-known fact that successful lawyers do not care to sacrifice lucrative practices for the honor of serving the government.

Is Seeking Opinions.

"What I am sincerely trying to do," replied the President-elect, "is to look over the field of choice. I cannot forecast; therefore, I am trying to get as many opinions that are worth while as possible."

"What about the report that suggestions for Attorney General have been hard to get?" was asked.

"Given that is a mistake," said the Governor promptly. "I have asked several persons and they have been quite ready to make suggestions. I cannot, of course, tell whether the position will be acceptable to the person to whom it is offered when the time comes."

"Does that mean you now have a man in mind for the position?"

"It does not. No, sir; I have no one in mind."

The Governor was asked if he would announce any appointments on January 1. Sometime ago he thought he might do this.

"No; I will wait until quite late," he said.

"Are many recommendations being made by letter?"

Recommendations Filed.

"I haven't received any to-day, but then my secretary, Mr. Tumulty, is placing all such letters on file. I shall read them all at the proper time and give them the consideration they deserve."

"Will you wait until the Cabinet is

— Continued on Page Six.

GRAVE CHARGES MADE BY HALL

Former Oregon Official, Pardoned by Taft, Alleges Jury Packing.

Portland, Oreg., Dec. 20.—Was United States Senator John S. Mitchell of Oregon a land-fraud criminal, or was his conviction secured by Francis J. Heney and W. J. Burns by packing the jury?

Whether the convicted Senator, whom the disgrace virtually killed, should be vindicated is suggested by a statement from John H. Hall to-day. Hall spoke after eight years of silence. He had just received news of President Taft's pardon. United States District Attorney for Oregon in 1904, he was removed by President Roosevelt on Heney's recommendation, then was convicted on an indictment secured by Heney for conspiracy to defraud the government, and on June 1, 1909, was sentenced to sixty days in jail and $1,000 fine. His case was on appeal to the United States Supreme Court. President Taft pardoned him on the ground of innocence. As the news was told him, Hall's long-locked lips opened. He said, in substance:

"In December, 1904, Mr. Heney walked into my office and said, 'I have the dope on Binger Hermann (then general commissioner of the United States Land Office), and I can smirch old man Mitchell but cannot convict him.'

"I told him I was ready for any legitimate prosecution, but that my office could not be used to smirch any character without evidence of guilt. He looked hard at me and left silently. We met again after that. Heney went ahead, and after begging the Federal jury almost an hour got it to indict Senator Mitchell. Then on December 21, 1904, he wired President Roosevelt as follows:

"'Absolutely necessary in order to secure conviction against Hermann and Mitchell that John H. Hall be removed.'

"That day President Roosevelt peremptorily removed me, giving no reason, and appointed Heney."

Hall then explained in detail how Heney secured his indictment for bringing civil instead of criminal proceedings in a case that has never yet come to trial.

"Although I know no persons connected with this case," said Hall, "I was convicted by a jury selected by Mr. Burns and his agents who were sent over the country to interview prospective jurors whether they were for or against land fraud convictions. If for conviction they were put into the jury box."

Similar intimations have been made in reference to Senator Mitchell's conviction by Heney and Burns. A movement is now under way here to erect a public monument to Mitchell.

FORGOT "MISSION" TO ENJOY DANCE

Suffragist "Hikers" Given Royal Entertainment by Wappingers Supporters.

Wappingers, N. Y., Dec. 20.—Tired and swollen feet notwithstanding, the five hiking Albany-bound suffragettes attended a ball arranged in their honor at the Academy of Music to-night, and for two hours danced with the Wappingers elect. After the ball Surg.-Gen. Dock administered to the weary suffragette feet, and the band retired, to make an early start to-morrow.

Gen. Rosalie Jones, carrying a staff ornamented with roses and carnations presented to her at Fishkill, led the way to Wappingers at 3 o'clock to-night, followed by Surg.-Gen. Dock, Col. Craft, Jessie Stubbs, and Sibyl Wilbur. They had just dropped forlornly into chairs in the Wappingers Falls Hotel when they spied scores of girls at work in a factory across the way. Col. Craft rushed to the factory and invited the girls to stop in the town square on their way home from work. The most enthusiastic meeting of the trip was the result. More than 500 people listened to Col. Craft and the other speakers.

The suffragettes covered only ten miles to-day, against the twenty-two of yesterday. They have now traversed sixty-five miles, and have about eighty-five still to go.

PROTEST AGAINST EUSTIS AND THOM

Factions of District Democracy Unite in Objection to Latest Candidates.

With Eldridge E. Jordan practically eliminated as a candidate for the chairmanship of the inaugural committee and all the factions of the District Democracy united in protest against the choice of William Corcoran Eustis for the position, yesterday saw a burning of wires between here and New York.

The proposal of Mr. Eustis for the chairmanship, together with the knowledge, gained at a later date, that certain men had been planning to that effect for some time, the District Democrats yesterday came together with a rush for the first time since the primaries. Leaders of the factions conferred, as a result of which it can be stated on the highest authority, the following decision was reached:

National Committeeman John F. Costello was authorized to withdraw his support from Eldridge E. Jordan and has wired National Chairman William F. McCombs in New York that he is absolutely opposed to the selection of Mr. Eustis and that he will support for the chairmanship either Robert N. Harper, William V. Cox, or Henry E. Davis.

Union Men Protest.

Learning from a friend of Mr. Eustis that he will make no pledges regarding the letting of contracts for the stands and other work in connection with inauguration if he is chosen chairman, union officials have protested in the name of the Central Labor Union against the selection of Mr. Eustis.

The same fight that is being directed against Mr. Eustis, also is being made against Corcoran Thom, whose name also has been suggested.

It is generally conceded that a selection will be announced to-day from Princeton. The situation has dragged so long, and has come to such an end that it is rapidly approaching the stage of being a joke on somebody. The local Democrats are not in accord with the dilatory tactics being pursued by their New York brethren.

Their pocketbooks, too, are suffering. Enough money has been spent on long-distance telephones, telegrams, railroad and Pullman fares, and hotel bills by local Democrats, travelling between here and New York in the last two weeks, to pay, it is estimated, for the erection of the President's stand at the inaugural parade.

Clever Hand at Work.

They now recognize that during the entire controversy a clever hand has been at work beneath the surface, and that while they have been quarreling between themselves a common enemy has been looking toward the plums.

The Democrats last night made veiled references to a mysterious "boss" who is credited with having Washington somewhere under his little finger. He, they say, is the man behind the dark horse, who has so suddenly assumed startling proportions, and it is against his fine Italian hand that they intend to direct a club. The "boss," they say, is all powerful. Not only is he a power, but he represents still more power, huge interests, which are spoken of in a low voice.

A large disgust is evident in the attitude of local business men toward the whole business. The selection of an inaugural chairman has been delayed longer this year than ever before. For this reason, it is believed, much hard work will have to be done to obtain the necessary $100,000 guarantee fund before the time expires. Many enemies have been made by all factions in the tactics pursued in the fight for the chairmanship, and this is certain to militate against the quick collection of the fund.

McCombs, Ill, Denies Himself To All Callers

New York, Dec. 20.—William F. McCombs, chairman of the Democratic National Committee, is ill with the grippe. Except for a few hours since his conference with President-elect Wilson on Wednesday, the chairman has been confined to his rooms at the Plaza. He hopes, however, to go to Princeton tomorrow to be present at the conference between Gov. Wilson and W. J. Bryan.

FILE $250,000,000 SUIT.

Los Angeles, Cal., Dec. 20.—The United States government's $250,000,000 oil suit involving 46,726 acres of oil land in the Coalinga Oil Fields of California, contesting rights of the Southern Pacific Railroad Company and its thirty-three subsidiary corporations, was filed in the Federal District Court here to-day.

CHARGES AGAINST POSTAL OFFICIAL BEING PROBED

Office of First Assistant Postmaster General and Manufacturing Concerns Implicated.

SENSATION MAY FOLLOW

Investigation Concerns Bids for Renting of Mail Canceling Machines.

Sensational charges of collusion between the office of the First Assistant Postmaster General and certain large manufacturing firms bidding for contracts under the Postoffice Department may result from an investigation which now is being made by a subcommittee of the House Committee on Expenditures in the Postoffice Department. Representative Walter I. McCoy of New Jersey is conducting the probe and already has spent several days in examinations of Dr. Charles P. Grandfield, First Assistant Postmaster General, and members of the office of the purchasing officer of the District.

As a result of the investigation, and in compliance with a request made by the Congressional Committee that no contracts for the renting of canceling machines to the Postoffice Department be made pending the result of the investigation, Postmaster General Hitchcock yesterday revoked an order calling for the opening of bids for the renting of 100 canceling machines of a special type, and the bids were returned to the bidders unopened. The canceling machine contracts involve the renting of some 2,000 machines of various types for a period of four years from June 30, 1913. There are now, under the existing contracts, 1,799 cancelling machines being rented by the Department.

Involves Chicago Firm.

The present investigation hinges around the alleged irregularity with which a bid made by the B. F. Cummins Company, of Chicago, of which a brother of Senator Cummins of Iowa is the proprietor, was treated. Early in July of last year bids were advertised for by the purchasing officer of the department, using a formula for the advertisement suggested by Dr. Grandfield. The advertisement called for bids for the renting of all types of machines necessary for the next four years. It was required that bidders specify their bids on the various types of machines, such as automatic, medium grade automatic, nonautomatic electric, and handpower. Bids were to be opened in October of last year by a committee appointed by the Postmaster General to determine upon the merits of the bidders' propositions.

Five or six bids were received. Among the bidders was the B. F. Cummins Company, of Chicago. A few days before the day set for the opening of the bids Mr. Cummins himself called upon Dr. Grandfield, according to the latter, and informed him that in order not to let the other bidders know what individual prices he was asking for the rental of the different types of machinery, he had submitted a lump sum bid. He then handed Dr. Grandfield a letter containing the item prices called for in the advertisement, asking Dr. Grandfield to hand it to the Postmaster General with the request that it be considered confidential until after the bids had been opened. Dr. Grandfield testified that Cummins

Continued on Page Three.

BULL MOOSERS ANNOUNCE PLANS

Chairman Dixon Tells of Organization to Wage Battle for Four Years.

New York, Dec. 20.—"We have mapped out a programme, through which we expect to hold not only the 4,000,000 votes cast for Roosevelt, but add enough to elect a President in 1916," said Chairman Joseph M. Dixon, of the Progressive national party, at the conclusion of a two days' conference of the executive committee.

"Whether our candidate will be the colonel again or one of a dozen others," continued Chairman Dixon, "we confidently believe that through our campaign of education and publicity we shall carry the country four years hence. Our forty-eight hours' work has been devoted to the establishment of bureaus, by means of which we can get closer to the people and cause them to know and espouse Progressive ideas and principles.

"We have decided to maintain a publicity bureau at Washington, with O. K. Davis in charge. Miss Frances Keller will be at the head of the Progressive service bureau. It probably will be located in New York.

"Jane Addams is to look after social and industrial conditions, while Prof. Samuel McCune Lindsay, of Columbia University, is to be the chief of the division of education.

"Gifford Pinchot's duties will be to look after conservation, while Charles S. Bird, of Massachusetts, is to have charge of the bureau dealing with the cost of living and corporation control.

"George L. Record, of New Jersey, will officiate as head of the popular government bureau, and Dean William D. Lewis, of the University of Pennsylvania Law School, is to head the legislative committee. This committee will prepare and have introduced in Congress and the various Legislatures bills reflecting the principles of the party.

"The heads of bureaus and divisions I have named will have capable assistants. As for myself, I shall go back to Washington and serve out my term. Then I shall return to my Montana home and run a ranch for a while. I shall, however, be quite as active as ever in Progressive party matters during the next four years, and expect that the party will win the next election easily."

FALLS FROM WINDOW; FRACTURES PEDESTRIAN'S SKULL; HIMSELF UNHURT

New York, Dec. 20.—As Charles J. S. Garrott, a salesman, was passing 540 Broadway to-day, James Smith, a window cleaner, fell from the second story where he was at work, landing on Mr. Garrott's head. Garrott was removed to St. Vincent's Hospital with a fractured skull, while Smith dashed back up the stairs, unhurt, to continue his work, fearful that he would be docked.

BRITAIN PAYS LAST TRIBUTE

Memorial Service for Ambassador Reid Is Stately and Solemn.

London, Dec. 20.—Britain's tribute to the late Ambassador Reid found solemn expression to-day in the memorial service at Westminster Abbey, where the notables of the old country gathered to join the American sojourners in honoring the man who was the living link between the two nations.

Inside the spectacle of the gray old abbey filled to the doors with black clad mourners was most impressive. Almost every phase of British life was represented—the court, society, politics, diplomacy, the church, army, navy, art, science, and literature, all headed by Prince Arthur, of Connaught, the King's representative.

With the prince in the choir stalls were Earl Howe, representing Queen Alexandra; Maj. Murray, representing the Duke and Duchess of Connaught; Maj. Martin, representing Prince and Princess Christian; Capt. N. Lane, representing Louise, and the Duchess of Argyl. Capt. Seymour, representing the Duchess of Albany.

The members of the British Parliament present included Premier Asquith, Sir Edward Grey, with several members of the foreign office staff; Augustine Birrell, Louis Harcourt, Earl Crew, Lord Morley, Viscount Haldane, and Reginald McKenna. Every foreign legation or embassy was represented in most cases by its head. The Archbishop of Canterbury and the Bishop of London were the chief church dignitaries among the congregation. Sir Vesey Strong represented the Lord Mayor. Mrs. Cummins represented the Society of American Women in London, and the International Arbitration Leagues, the International Law Association, the Pilgrim's Club, the Civil War Veterans, and the Dante Society also sent representatives.

Notable among the general congregation were Admiral Prince Louis of Battenburg, the Duke and Duchess of Roxburg, the Duchess of Marlborough, the Duchess of Wellington, the Duchess of Somerset, Princess Hatzfeldt, the Earl of Chesterfield, the Earl and Countess of Craven, Earl and Countess Granard, Earl Cromer, Earl and Countess Grey, Earl and Countess Arran, Lord Brassey, Lord Blyth, Viscount Iveagh, Lord Strathcona, Lady Durand, Lord Fairfax, Lord and Lady Stamfordham, Viscount and Viscountess Acheson, Lord and Lady Desborough, Lord and Lady Revelstoke, Lady Inmett, Lord Channing, Lord Reay, Sir John and Lady Lister Kaye, and Mrs. Joseph Chamberlain.

ALLEGE FRAUD IN STOCK SALES

Seven Officials of Sterling Debentures Company Placed Under Arrest.

New York, Dec. 20.—The government spread out its net to-day and swooped up seven officials of the Sterling Debenture Company in indictments alleging a gigantic fraud by which $10,000,000 was obtained on inflated stock.

The Sterling Debenture Company, according to Post-office Inspector Dickson, extravagantly misrepresented the stock of more than half a dozen concerns, inducing thousands of investors throughout the country to buy.

Six officials of the accused concern were arrested in this city. They are Frank W. Shumaker, former president of the company; Samuel E. Findlay, Harry H. Platt, Edwin A. Barron, Sidney Rosenbaum, and Wilbur M. Stone, all either directors now or former directors of the Sterling. Besides these, George H. A. Middlebrooks, a former president of the company, was arrested in Chicago. The government is looking for two more men associated with the arrested promoters.

The arrests are the outcome of a year's work by the Post-office authorities. While flagrant fraud is alleged against the Sterling, the government officials make it clear that they do not indicate any wrongdoing by the companies whose stock the Sterling handled. The offense, as alleged, is confined to the Sterling concern in misrepresenting the stock of the companies it helped to promote.

Among the companies whose stocks were taken up was the Telepost, but some time ago the latter concern withdrew. The Sterling picked up the Telegraphone Company of Washington, the Dictograph, the Bartica Rubber Company, the Oxford Linen Mills, of North Brookfield, Mass., and other enterprises.

The six officials arrested in this city were taken before United States Commissioner Shields. Bail was fixed in all the cases at from $2,500 to $5,000, excepting that of Shumaker, whose bond was put at $10,000. All but Shumaker were released on bail being furnished. Shumaker went to the Tombs for the night.

LENIENT IN CHICAGO.

Chicago, Dec. 20.—"Have all the fun you want, but don't get too gay" was Chief of Police McWerney's warning today to those contemplating a "big night" New Year's Eve. Celebrators will be allowed the same privileges as last year.

"Those who choose to have a good time are privileged to do so, provided they keep within bounds of decency," said the chief. The chief stated he would permit liquor to be dispensed in cafes until 3 o'clock in the morning, providing the proprietors do not allow customers to enter their places after 1 a. m.

$1.25 Baltimore and Return
Baltimore and Ohio.
Every Saturday and Sunday. Good to return until 9 a. m. train Monday. All trains both way, including the Royal Limited.

GEORGETOWN GAS COMPANY RAISES PRICE TO DOLLAR

Increase of Fifteen Cents Per Thousand Feet Announced by Directors.

HIGHER PRODUCTION COST

Action Probably Will Result in Haste in Public Utilities Legislation.

By I. A. FLEMING.

Directors of the Georgetown Gas Company, at a meeting held on Friday morning, decided to advance the price charged for gas from 85 cents to $1 a thousand cubic feet, net.

Unless the month's gas bill is paid on or before the tenth day of the following month the price will be $1.15 a thousand.

About a year ago the directors passed the resolution that cut the price from $1 a thousand to 85 cents.

They did this on the recommendation of the practical gas men on their board, Richard H. Goldsborough, that with 85 cent gas increased consumption would more than make up for the loss in price, and he added that gas could be manufactured at a price that would give the company a good profit at this figure.

Some of the directors dissented for a time, but the motion prevailed and the Georgetown Gas Company, despite its small capitalization, has been able to make but little more than the annual dividend on the $150,000 stock; its capitalization from its organization, July 30, 1854.

Price of Ingredients Cause.

Since the segregation of the various entities that composed the Standard Oil Company the price of oil, one of the chief ingredients entering into the manufacture of gas, has advanced nearly 40 per cent from $2.07 to $4.53 per 100 gallons.

The price of coal is about 50 cents a ton higher.

With these increases in cost of production, the Georgetown Gas directors were face to face with a problem that had to be met. They understood that it would be much more difficult to put gas to a higher level than to cut the price, and hesitated for some time in doing so, first advocating a 10-cent advance, but when the actual figures and the entire situation were reviewed yesterday the advance to the old-time schedule was decided on.

The territory of the Georgetown Gas Company is by no means as thickly settled as that of its neighbor the Mid of Rock Creek, the Washington Gas Company, which is selling gas at 85 cents, and just ending one of the best if not the most prosperous years in its record.

The Georgetown Gas Company has been compelled to lay mains to much outlying territory that will not begin to bring in much profit to it for years to come.

The Washington Gas Company is fortunate in that it still has on hand or under contract at the low price about 15,000,000 gallons of oil and, of 80,000 tons of hard coal purchased in anticipation of a strike on the part of the coal miners some months ago, it still has nearly 5,000 tons on hand.

The directors of the Georgetown Gas Company made a plain statement of facts to Commissioner Judson in explaining just why they were forced to the action taken yesterday.

The advance will go into effect January 1, so that all bills maturing during that month will bear the dollar rate, net.

Thirty Thousand Affected.

The increase in price will mean an added expense to 30,000 people in the Georgetown district of about $2,500 a month or nearly $30,000 a year.

The company pays $2.50 a share annual dividend on 16 per cent on the par value per share, $25, and a capital stock of $150,000, as stated before, the same as when the corporation was organized.

The proposed increase in the cost of gas in Georgetown was not generally known in financial circles yesterday afternoon, but the few who did know of it were inclined to the opinion that the action would but hasten the establishment of a utilities commission and also a consolidation of the two gas companies, the Washington Gas Company, now owner of the majority of stock in the Georgetown Gas Company, and the latter corporation.

The Washington Gas Company is in no way responsible for the advance of the price to Georgetown Gas Company's consumers, as the control of the board of directors of the latter company refuses to accord the officials of the former company the right to vote Georgetown Gas Company stock in the Washington Gas Company's treasury, nor will they pay dividends on that stock. This unpleasant status has existed for nearly ten months.

While it is admitted by the Georgetown directors that the increase in price is necessary, those familiar with the situa-

Continued on Page Fourteen.

3 Days For Shopping Before Christmas

No matter whether it is snow or sunshine, fireworks or carols, Santa Claus will make his usual visit.

Nothing can stop him. His spirit is everywhere. It is up to you to be prepared for his coming.

It is the custom. Don't be a grouch. Remember what happened when you were young.

WASHINGTON HERALD