

Fair and cold to-day; to-morrow fair and warmer; diminishing northwest winds. Highest temperature yesterday, 30; lowest, 8. Detailed weather reports will be found on editorial page.

THE BEST IN ITS HISTORY The New York Herald, with all that was best of The Sun intertwined with it, and the whole revitalized, is a bigger and better and sounder newspaper than ever before.

HARDING TELLS CONGRESS TO DELAY BONUS OR USE SALES TAX; ADVOCATES DISORGANIZED AS FARM BLOC REJECTS LEVY; FORDNEY STILL INSISTS WAY BE FOUND TO PAY SOLDIERS

BUNCO GANG MAKES HAUL OF \$1,500,000 IN FLORIDA RESORTS

Dupes, Following the Arrest of 19 Operators, Admit Immense Losses.

STATE IS UP IN ARMS

Murder of Leader Follows a Quarrel Over a Division of the Plunder.

Special Dispatch to THE NEW YORK HERALD.

JACKSONVILLE, Fla., Feb. 16.—Tourists to the Florida resorts have been fleeced out of \$1,500,000 by confidence men so far this season. Losses of this amount have been admitted by victims at preliminary hearings following the arrest of nineteen men here as bunco steers and wire tappers.

The largest haul so far reported is that admitted by Morris Heller of Newark, N. J., who was fleeced of \$75,000, his life savings, last week at St. Augustine by the old game which should be well known.

The season for the confidence men closed last year with the murder of one of their number, Claude Willard Powell, known over the country as the "Waco Kid." It was ushered in this year with the slaying of Roxie Casoletto, another of the gang. Both were victims of the avariciousness of their "pals" or of deep seated grudges.

The "Waco Kid" fell dead with six bullets through his body fired while he was seated in the dining room of a crowded St. Augustine hotel. Casoletto's body was discovered in an Orlando hotel room after the firing of three shots, which aroused guests. The slayers have never been caught.

Before the tourist season set in Gov. Cary A. Hardee sent a special message to the State Senate recommending them to exert their strongest efforts to keep Florida clear of the bunco men, gangsters and automobile thieves who migrate there each year. They have got in and now the fight is on to root them out.

Defense Coeffers Full.

A strongly knit organization backed by seemingly unlimited capital, however, is proving its worth to the "bunco steers." Despite a law drafted especially to cope with them and passed by the Florida Legislature last spring, highly priced lawyers employed by the underworld syndicate seem able to circumvent the statutes and obtain the release of their clients on bail which is no evidence against them.

Federal Agents Busy.

To return to the murder of Casoletto at Orlando in November, his perpetration brought to light that postal inspectors were making great efforts to break up the gang. In Casoletto's room was found a circular sent from Atlanta by Inspector P. N. Graham to the banks of Florida, asking their assistance in preventing the confidence men from securing money by checks and drafts.

Continued on Page Seven.

BUCKET LAW LACKING TO SHIELD INVESTORS

No Guaranties or Responsibility Required of Swindlers. Who Can Be Checked Only After They Have Appropriated Victims' Money—Business Easily Entered, Even After Prison Term or Bankruptcy.

This is the eighth of a series of articles being published by THE NEW YORK HERALD to show the ravages of the bucket shop evil. Previous articles have described the widespread extent of bucket shop activities and the methods used by these financial bandits in robbing the public. This article undertakes to show the utter lack of legal restraint thrown around these criminals and to indicate some suggestions for elimination of the bucket shop. The ninth article will appear to-morrow.

For a decade the New York Legislature has seen bills designed to throw restrictions about the stock brokerage business in order to eliminate the bucket shop and other forms of crookedness and swindling. Yet each bill which had anything that looked like restriction in it has heaved its little sigh, turned over on its back and expired almost before the breath of life hit it.

Why this sort of thing always happens to such measures is another story. But the fact does remain that any sort of a swindler—no matter what his record, criminally or ethically—can get into the bucket shop business with perhaps greater ease than he can pursue any other form of preying on honest people. The further fact that the toll of bucket shops is admitted to be more than \$100,000,000 a year would make it appear that it would be worth while to take a chance on some sort of restrictive measure even if it did not prove to be all it should be.

That aspect of the situation, however, is aside from the point of the present article. The matter of existing laws and proposed additional legislation or revision of present statutes will be discussed in a future article.

No Bar on Criminals.

The deplorable state of affairs is that a man can step from Sing Sing or the Atlanta Federal penitentiary, buy a new suit of clothes, rent desk space and a telephone in New York and set himself up as a broker of stocks and bonds. He can be indicted by the Grand Jurors of New York county for anything from mayhem to grand larceny, be tried and convicted, serve his term and go right back to his bucket shop. He can go through the bankruptcy courts and be shown to be devoid absolutely of any honesty or honor. Yet there is nothing to prevent him from going right back to his swindles and thefts and plunder the public as of old.

Exchange Cleans House

None of 476 Members to Be Spared in Inquiry, Says George F. Silkworth. Another New York brokerage house, with branch offices in Ohio, was forced into bankruptcy just an hour or so before men from the District Attorney's office sought to seize the books. It was revealed yesterday. The firm was Anderson, Brown & Co. of 32 Broadway. Legal proceedings here followed fast on the word that similar action had been taken in Cleveland. District Attorney Banton has on file complaints against the company, whose liabilities are estimated at \$100,000, with assets of \$50,000.

Water Had \$1,000,000 Firm.

Here is an actual case which well illustrates the point: A waiter in a restaurant in the financial district—probably encouraged by the evidences of "easy money" he saw on all sides of him and heard in the conversations of the patrons of his restaurant—a year or so ago was taken with a keen desire to enter high finance. He learned the game, prospered for awhile, but ultimately found himself face to face with insolvency.

Nothing daunted, the waiter immediately conceived the idea of organizing a bond and mortgage company with a capitalization of \$1,000,000. His clients consisted mainly of school teachers, physicians, engineers and other professionals.

The fact that he was without capital did not bother him. He simply pulled himself up by his bootstraps, through the simple expedient of capitalizing the good will of his bankrupt name at \$270,000. He caused stock to be issued to himself in that amount and placed himself in control of the corporation.

The bond and mortgage company is in the bankruptcy court to-day, and the good will, presumably, is among the "assets." All attempts to serve the waiter-financier with court processes have proved unavailing so far, and it isn't likely that any one will hear of him again until some time in the future a man operating under an alias is discovered to be none other than the missing waiter.

The alias is the most common means by which the bucketeer with a known bad record gets back into the game. Inasmuch as a person can change his name as he pleases, the bucketeer simply transforms himself as many times as occasion arises. Sometimes when a bucketeer has made use of a large number of assumed names, he works a new scheme by incorporating under the laws of this or some other State and conducts his bucketeer banking business under the guise of a corporation charter, as was the case of the waiter.

The District Attorney's office has the names of between twelve and fifteen men who are operating bucket shops in the financial district under assumed names. They are under in-

Continued on Page Six.

ENO'S MIND UNSOUND, HIS WILL NOT VALID, IS VERDICT OF JURY

Amos Pinchot and Other Relatives Win in Contest for \$13,000,000 Estate.

APPEAL ALMOST CERTAIN

Columbia, Public Library, Art Museum Lose Big Bequests if Decision Stands.

The jury in the Surrogate's Court that for seven weeks has been hearing the contest brought against the will of Amos F. Eno by Amos Pinchot and other relatives, returned a verdict last night at 9:45 o'clock declaring that Mr. Eno was of unsound mind and that the will, executed on June 18, 1915, was invalid for that reason.

Under the terms of this verdict large legacies will be lost to Columbia University, the New York Public Library, the Metropolitan Museum of Art and other institutions, and the bulk of the Eno fortune will go to the contesting relatives. Columbia alone will lose a bequest of \$5,000,000.

As soon as the verdict had been announced Clarence J. Shearn, attorney for the proponents of the will, moved that the verdict be set aside on the ground that it was contrary to and against the weight of the evidence.

Surrogate Reserves Decision.

After a conference with Mr. Shearn and with Max D. Steuer, attorney for the contesting relatives, Surrogate Foley said that he would reserve decision on the motion. Even in the event that the Surrogate denies the motion, however, there undoubtedly will be an appeal from the verdict to the higher courts, so that it will be some months yet before the case is finally settled.

Should the contestants be sustained throughout, they will seek to have probated a will executed by Mr. Eno on January 9, 1914, in which the bulk of the estate is left to them. The relatives contend that at times the aged man was of sound mind and of testamentary capacity. All of the contestants shook hands with the jurors as they left the box.

Trial Started January 7.

The trial began on January 7 and the jury's verdict will make at least temporary disposition for the estate, some agreement can be reached between the contesting parties it will certainly be appealed—of an estate which at Eno's death amounted to \$13,000,000 and has since then grown to more than \$13,000,000, as because of the contest no one has been allowed to spend the income.

During the last trial various persons connected with the case have endeavored to estimate what the trial has cost, but because neither side is in possession of all the figures no one knows exactly. The contest was tried once before, in 1915, and the cost of that trial, which lasted two months, was estimated at more than \$500,000. John B. Stanc'feld, who was counsel for the contestants and tried the case for them, received a fee of \$100,000, and August G. Fox, who was his opponent, was paid another large fee. Transcribing the testimony alone cost \$32,000, and as in the trial which has just ended many of the witnesses were brought long distances and their expenses were paid at high priced hotels while they were here.

One witness used in the latest trial lives in France and has been here since before Christmas. Also all the institutions mentioned.

Complaint against Anderson, Brown & Co. was submitted to Mr. Simmons a day or two ago and had to do with transactions originally carried on in Akron, Ohio. The complaint, it is understood, charged the non-delivery of a large amount of stock. Note of the case was made in THE NEW YORK HERALD at the time. Yesterday, as the result of the complaints, Detectives Curran and Markey of the District Attorney's staff were sent with a wagon to seize the books at the office of the concern in this city.

Late for Second Time.

"When we backed the wagon up to the curb we learned we were just too late," said one of the officials last night. "That is the second time the same thing has happened in the last month. We were just too late in getting the evidence in the case of Dier & Co."

In the Anderson & Brown bankruptcy matter in the Federal Court Bertha Rembaum was named temporary receiver, and her bond was fixed at \$15,000.

From Cleveland last night came a dispatch announcing that the office of Anderson & Brown there had been

Continued on Page Six.

Deerfoot Farms Sanages. Be insistent when deerfoot manages something else. One familiar with Deerfoot you cannot be deceived.—Ad.

CRIPPLED VETERANS PLEAD WITH HARDING TO POSTPONE BONUS

Demand Priority for Congressional Action in Behalf of Disabled.

FEAR INSURANCE LOSS

Request Relief Be Extended to All Men Hospitalized for One Year.

Special Dispatch to THE NEW YORK HERALD.

Washington, D. C., Feb. 16.—Wounded and crippled World War veterans from Walter Reed Hospital to-day asked President Harding to use his influence against the enactment of a general soldier bonus bill while their condition remains unremedied. They said the American Legion, which is now urging the enactment of a general bonus bill on Congress, had voted at its last three national conventions to give priority to legislation for the disabled, but those votes had been up to the present time ignored by the Legion's legislative committee.

In a statement presented to the President of the action taken by a mass meeting of the Walter Reed patients last night, George L. Walters, secretary, said: "A general bonus at this time will materially prevent these patients who are suffering only second to the supreme sacrifice from receiving benefits under their insurance contracts."

The plea of the disabled soldiers was taken to the White House in the form of a memorial by a delegation representing the Walter Reed patients. Members of the delegation were all badly maimed, most of them being minus a leg or an arm. They called while the President was putting finishing touches to his letter to Chairman Fordney of the House Ways and Means Committee recommending a sales tax to pay the general bonus or, as an alternative, that the whole bonus scheme be abandoned for the present.

Full Text of Statement.

The following is the statement in full of the Walter Reed patients, including their memorial to the President: "The patients at Walter Reed general hospital have decided to take the matter of securing the adjustment of their insurance will differences in their own hands. At a mass meeting last night in the Red Cross auditorium they voted unanimously to appeal direct to the President.

"The conditions at the hospital as the result of the inconsistent and discriminating action of the Veterans' Bureau, as declared by the patients to be well nigh intolerable. The director of the Veterans' Bureau says his hands are tied because of the ruling of the Comptroller-General of the United States.

"Repeated overtures have been made to the leading ex-service men's organizations to assist in securing legislation which will alleviate these conditions. These efforts have been in vain. The American Legion at its last three national conventions has voted to give legislative priority to the disabled priority over all legislation for ex-service men, but at the present time these resolutions are ignored by the legislative committee of the Legion.

"These men are the best of the most seriously injured and disabled of the war, some having two dozen or more operations to their credit and have been continuously receiving treatment for over three years. They are the residue left in the bottom of the crucible of war; and to use the words of their secretary: 'To let this situation exist is to materially prevent the patients who are suffering only second to the supreme sacrifice from receiving benefits under their insurance contracts.'

"For these patients, there call has never sounded, the war is still on, the

Continued on Page Two.

The President's Letter

Special Dispatch to THE NEW YORK HERALD.

The text of President Harding's letter on the bonus follows:

MY DEAR MR. FORDNEY: In accordance with the promise made to yourself and your associates on the Senate and House committees charged with the responsibility of formulating the proposed bonus legislation I have carefully looked into the program of taxation which has been suggested. In addition thereto I have made inquiry into the feasibility of issuing either short time Treasury notes or long time bonds to meet the financial obligations which the proposed legislation will impose. It is not possible to commend to you either of the plans suggested.

It continues to be my best judgment that any compensation legislation enacted at this time ought to carry with it the provisions for raising the needed revenues, and I find myself unable to suggest any commendable plan other than that of a general sales tax. Such a tax will distribute the cost of awarding the ex-service men in such a manner that it will be borne by all the people whom they served, and does not commit the Government to class imposition of taxes or the resumption of the burdens repealed, the maintenance of which can be justified only by a great war emergency.

It is fully realized how great is the difficulty which confronts the Congress in solving this difficult problem. I am aware of the strong sentiment in Congress in favor of this adjusted compensation. I have spoken approvingly myself, always with the reservation that the bestowal shall be made when it may be done without such injury to the country as will nullify the benefits to the ex-service men themselves which this expression of gratitude is designed to bestow.

It is not an agreeable thing to suggest that action be postponed again, but frankly I do not find myself favorably to the piecemeal payment plan, which is manifestly designed to avoid embarrassment to the Treasury. The long drawn out payments will not afford an effective helpfulness to the service men.

We have no serious problem in beginning the allotments of public lands and the immediate issue of paid up insurance. The real difficulty lies in the payment of the cash bonus. Rather than provide that the maximum cash payments shall extend over a period of two and one-half years, it would be a vastly better bestowal if we could award the day when we may safely

undertake to pay at once in full, so that the award may be turned to real advantage. Inasmuch as the Treasury is to be called upon to meet more than six billion dollars of maturing obligations in the sixteen months immediately before us, it is not possible to recommend the issue of several hundred millions of additional short time notes. Further excessive borrowing would likely undo all that has been accomplished in readjusting interest rates and stabilizing the financial world, both vitally essential to the resumption of industrial and commercial activities.

Granting that it is not fair to oppose any proposed plan without offering a substitute, let me repeat that I believe the American people will accept the levy if thereby no difficulties are added to the problems of readjustment. If Congress will not adopt such a plan, it would be wise to let the legislation go over until there is a situation which will justify the large outlay. We are driving for large economies, we are pushing the disposition of surplus war property, and have other transactions under consideration which ought to prove a great relief to the Federal Treasury.

It is not consistent to enact legislation in anticipation of these things, but it would be a prudent plan to await the developments, and I can see in such a postponement no lack of regard for the service men, in whom all the American people are so genuinely interested. I take it that the ex-service men themselves are no less concerned than others about the restoration of business and the return to abundant employment. Those of their wounded or sick comrades who were impaired by their war service are being cared for with the most liberal generosity the nation can bestow.

There are here and there exceptional cases of neglect, and attending complaints, but we are seeking them out and correcting with all possible speed. It has not been possible to meet all the demands for special hospitalization but we are building to that end, without counting the cost. We are expending \$400,000,000 a year in compensation, hospitalization and rehabilitation. These things are recited to reassure you that such delay as will enable Congress to act in prudence

will enable Congress to act in prudence will have no suggestion of unkindness or ingratitude. Very truly yours, WARREN G. HARDING.

\$30,000,000 Yearly Subsidy for U. S. Ships Is Agreed On

Harding, Lasker and Republican Leaders Frame Bill

Providing Money Aid, Special Rates and Carrying of Immigrants.

WASHINGTON, Feb. 16 (Associated Press).—Both direct and indirect ship subsidies for the upbuilding and maintenance of the American merchant marine have been agreed upon by Administration leaders, it was said to-day in official quarters.

The merchant marine program, it was added, had been virtually determined and to-day was in the drafting stage, with Chairman Lasker and experts of the Shipping Board engaged in the preparation of a tentative bill for introduction in both branches of Congress late next week, when President Harding plans to submit the Administration recommendations.

A direct subsidy amounting to about \$30,000,000 annually was said to have been agreed upon by the President, Chairman Lasker and other Republican leaders. The basic rate, it was added, would be one-half of 1 per cent per ton per hundred miles. This would be paid to operators of American ships to aid in their operation and the extension of trade routes.

The one-half cent rate would be given to vessels of low speed, and a sliding scale, it was said, would increase the rate to as high as one and three-quarter cents per ton per hundred miles for the speediest American vessels.

The direct subsidy, it was stated, would be the principal charge upon the Treasury, while more benefits, officials believe, would be received by the merchant marine from the indirect subsidies. These would include special rates for carrying the United States mail and preferential railroad rates. The latter under the tentative Administration bill now being prepared technically would be in the form of reduced cargo rates on American

MESSAGE IS BLOW

Special Dispatch to THE NEW YORK HERALD.

Reflects Popular Disapproval to Payment of Gratuity to Able Service Men.

PLAN IS FACING DEFEAT

Promoters Admit They Are at Loss to Find Way to Raise Funds.

COMPROMISE IS STARTED

Generous Provision for War's Disabled May Take Place of Original Proposal.

By LOUIS SEIBOLD.

Special Dispatch to THE NEW YORK HERALD. Washington, D. C., Feb. 16.—The bonus raid on the finances of the Government and business of the country apparently is facing defeat to-night.

The supporters of the various projects to impose additional hardships on the country privately admit that the outlook for success is far from encouraging. They are still clamoring for the enactment of a bill which will satisfy the promoters of the bonus scheme. They have not given up the fight, but the impression largely prevails among Senators and Representatives that it is doomed to fail.

The most decisive blow yet aimed at the bonus raid came from President Harding this afternoon. Convinced that the overwhelming majority of the people of the country have been aroused to intense resentment against the scheme, the President with pronounced positiveness expressed his disapproval of all the plans proposed for financing it.

The proponents of the bonus raid had not recovered sufficiently tonight to decide upon a new method of attack. The President, in responding to the appeal made by the Republican majority for help in solving the most disturbing legislative problem in recent years, declared that in his judgment only two plans for settling the bonus dispute appeared feasible.

The President's Suggestions.

In a letter to Chairman Fordney of the House Ways and Means Committee the President suggested:

1. A general sales tax on products and merchandise which would distribute the cost of rewarding ex-service men in such a manner that it will fall upon the people generally and will not compel the Government to impose taxes on any one class of people, or the restoration of the wartime excess profits and surtax.

2. The postponement of bonus legislation until the country may safely undertake to pay the ex-service men at once in full, so that the award may be turned to real advantage without such injury to the country as will nullify the benefits of the bonus to the ex-service men themselves.

The President offered no other suggestion that in his judgment could safely be adopted to raise money for the bonus without disastrous consequences to the people of the nation. He expressed his disapproval of the plan to issue short time Treasury notes or long time bonds.

The President's decision, which was not unexpected, caused the greatest consternation among the promoters of the bonus raid in the two houses of Congress. His positive disapproval of all the impractical plans previously proposed left the various groups supporting the tax and bond projects entirely at sea. His suggestion that a sales tax be adopted instantly provoked resentment among members representing agricultural sections of the country.

Two Tax Groups Busy.

Opponents of the sales tax plan immediately revised the plan of restoring the wartime excess and surplus taxes which were modified by the last Congress. The sales tax and excess profits tax projects are squarely pitted against each other to-night. It is the judgment of the best informed men in both houses, however, that both will be finally abandoned. Whether the bonus plan itself will be consigned to the scrap heap as at this time seems likely is problematical.

Senators and Representatives who have committed themselves to the

BROADWAY LIMITED.

Discriminating Chicago passengers appreciate the 20-hour schedule and attentive service offered by the Broadway Limited. It leaves New York 2:30 P. M. and arrives Chicago 12:30 A. M. via the Rock Island, B&O, Valet and Laidley Vias. The route is the Short Line, the Pennsylvania Railroad.—Ad.

Continued on Page Six.

Continued on Page Six.