HAS NO MERCY ON STANDARD

JUDGE LANDIS BITTERLY SCORES GIANT TRUST

FINES OCTOPUS OVER TWENTY-NINE MILLIONS

Rockefeller's Company Ordered to Pay Maximum Penalty—Will Take an Appeal to the Higher Courts

(Continued from Page One)

I desire to make a suggestion or two pertaining to the final order in the case?"

"Doesn't it strike you," broke in Judge Landis, "that it would be well to wait until I have finished with this document? Then I will hear what you have to say."

The judge shook his manuscript as he spoke and Mr. Starr sat down.

During the reading of the opinions, when the court said something especially stinging against the company or its methods, the spectators would laugh loudly, and the bailiffs were compelled repeatedly to rap for order.

The court had not proceeded far in his opinion when he was interrupted by some attorneys who were trying to transact business with the clerk of the court.

Routs Attorneys

Leaning over the railing in front of him the judge inquired with quiet sarcasm:

"I am not interrupting, gentlemen, am I?"

The attorneys fled and the reading was resumed.

When the reading had been concluded Judge Landis turned to Attorney Starr and declared that he was ready to hear what he had to say.

Mr. Starr said it had been promised that there would be a delay in the execution of the judgment. This the court denied positively. After some debate between the court and the attorneys for the government and the company it was agreed that the attorneys for the defense should be given sixty days to file a bill of exceptions.

"The court is as anxious to have this case taken to the court of appeals as anybody," said Judge Landis, "and I am willing that sufficient time be given. It must go to the higher court through the regular channels. No execution will issue until the certificate has been presented to the court and fully examined."

It is expected that the case will be heard during the January term of the United States court of appeals.

Under the seven indictments still pending against the Standard Oil company an additional fine amounting to $88,440,000 may be levied against the company if it is found guilty on trial.

There are in these seven indictments a total of 4422 counts and the maximum fine on each count would be $20,000.

Court's Decision

Judge Landis' decision was as follows:

This is a prosecution of the Standard Oil company of Indiana for alleged violations of the act approved February 19, 1903, known as the Elkins law. The charge is that the defendant's property was transported by the Chicago & Alton Railroad company at a rate less than those named in the carriers' tariff schedules published and filed with the interstate commerce commission as required by law. The offenses are alleged to have been committed during the period from September 23, 1905, to December 5, 1905.

The indictment contains 1023 counts, each charging the movement of a car of oil. Certain transportation is alleged to have been from Whiting, Ind., to East St. Louis, Ill., the remaining counts covering transportation from Chappelle, Ill., to St. Louis, Mo. The plea was not guilty. On the trial 441 counts were withdrawn from the consideration of the jury on the ground of not going to the ultimate questions involved in the case. On 1462 counts the verdict was "guilty." Motions for a new trial and arrest of judgment having been overruled, the matter is now before the court for the imposition of the penalty authorized by law.

In full the court then quoted the statutes making it unlawful for any person or corporation to offer, grant or give, or to solicit, accept or receive any rebates, concession or discrimination in respect to transportation of any property in interstate or foreign commerce by any common carrier.

The court also noted in full the provision retquiring the publication and filing of tariffs schedules.

Case Proved

The court then said it was proven on the trial that the defendant, a corporation of Indiana, operates an oil refinery at Whiting, Ind.; the Chicago & Alton Railroad company, a corporation of Illinois, operates a line of railroad from Chicago to East St. Louis, Ill.; that the Chicago Terminal Transfer Railroad company operates a switching road from Whiting across the state line into Illinois, intersecting the Alton road at a station called Chappelle, a short distance from Chicago; that there are three companies operating terminal railroads from East St. Louis, Ill., across the Mississippi river to St. Louis, Mo.; that prior to the occurrence upon which this prosecution is based the Chicago & Alton company had filed with the interstate commerce commission and distributed to its various freight agencies tariff schedules showing the rates for like transportation of oil in car lots from Whiting, Ind., to East St. Louis, Ill., at 18 cents per hundred pounds and the rate for like transportation from Chappelle to St. Louis, Mo., to be 19½ cents per hundred pounds.

These schedules were as follows: Class tariff No. 24, issued by a number of carriers, including the Alton, operating between Chicago and East St. Louis, naming a rate of 18 cents per hundred pounds on oil from Chicago to East St. Louis, a joint tariff of the Chicago terminal and Alton companies providing that the rate from Whiting to East St. Louis shall be the same as the rate from Chicago to East St. Louis, and specifically enumerating class tariff No. 24, above mentioned; schedules of the three St. Louis terminal companies fixing a rate of 1½ cents per hundred pounds from East St. Louis to St. Louis.

Route of Shipments

It also appeared that the shipments were made over a route covered by these schedules—that is to say, from Whiting to Chappelle via the Chicago Terminal road; from Chappelle to East St. Louis via the Chicago & Alton, and from East St. Louis to St. Louis over the lines of the three St. Louis terminal companies.

For this service the defendant paid the Alton 6 cents per hundred pounds upon the tariff to East St. Louis and 7½ cents for the shipment of oil to St. Louis, bills at these rates being rendered by the Alton company to the defendant semi-monthly. Out of moneys received from the defendant the Alton company paid the terminal companies for their part of the service. With these terminal companies the defendants had no relations whatever save only that the shipments were delivered at the Chicago Terminal company at Whiting, the point of origin. At no time did the defendant apply to either of these companies for a rate covering the service performed, nor did they render any bills to the defendant. Their dealings were exclusively with the Alton company, to which company it applied for the true rate from Whiting to destination.

On these facts the court denied defendant's motion that the jury be peremptorily directed to return a verdict of not guilty. Whereupon, as justifying and excusing the use of the 6-cent rate the defendants' traffic manager testified that in December, 1902, 1903 and 1904, he applied to the chief clerk at the office of the general freight agent of the Chicago & Alton company for the rate on oil from Whiting to East St. Louis for each succeeding year; that on each occasion the clerk handed him a document purporting on its face a general billing order, as follows:

"Special billing order, issued ——, effective January, 1903.

"From Chicago, Ill.

"To Alton, Granite City and East St. Louis, Ill.

"In oil and petroleum products, carload in tank cars.

"Six cents per cwt.

"Expires December 31, 1903, unless sooner revoked.

"Collection to be made through auditor's office.

"Charles A. Ding, general freight agent."

This witness also stated that when these special billing orders were delivered to him he received from the rate clerk an Alton tariff schedule called an application sheet, applying between Chicago and East St. Louis, the rates to similar traffic from East St. Louis; that at each of said times the traffic manager inquired of the rate clerk whether the rate had been filed, and was assured by him that it did; that the traffic manager was thus misled by the rate clerk into the belief that the rate of 6 cents a hundred pounds had been filed with the interstate commerce commission and that, acting in this belief, payments at the 6-cent rate to East St. Louis and 7½ cents to St. Louis were made. This special billing order was not and did not purport to have been filed with the interstate commerce commission, nor was it distributed by the Alton company to any freight agent for use in quoting rates to the general public with the single exception that, as rate clerk testified, a copy was retained in the tariff filed at the general freight office. Nor did the application sheet contain any reference to the special billing order, but it did specifically rumor at the Chicago-East St. Louis tariff No. 24, above mentioned, which tariff showed the Chicago-East St. Louis rate to be 18 cents a hundred pounds.

Attacks Elkins Law

It is the position of the defendant that the Elkins law and certain pertinent portions of the interstate commerce law of 1887 are unconstitution for the following reasons:

First—That the defendant has a natural inherent right to make a private contract for a railroad rate, for which right the Elkins law would deprive the defendant by requiring it to pay the rate published and filed by the carrier, and making a failure to do so criminal, in violation, as is claimed, of the fifth amendment to the constitution of the United States, which provides that "no person shall be deprived of life, liberty or property without due process of law."

Second—That by authorizing common carriers to establish rates, which, when published and filed, shall be binding upon the shipper, the law delegates to the carrier legislative power which section 1 of article 1 of the constitution confers upon congress exclusively.

Third—That the law vests in the interstate commerce commission the power to pass ultimately upon the question of reasonableness of freight rates as established by a carrier, thereby depriving the defendant of its right to invoke the judgment of the courts in respect thereto, in violation of section 1 of article 3 of the federal constitution, which vests the judicial power of the United States exclusively in the courts.

Fourth—That paragraph 3 of section 8 of article 1 of the constitution, commonly known as the common clause, does not empower to forbid and make criminal the act of the defendant in accepting from the carrier a less rate than that published and filed by the carriers as required by section 6 of the interstate commerce law.

Quotes Supreme Court

With respect to the second proposition, it need only be said that the supreme court of the United States has in a number of instances ruled adversely to the defendant's contention in cases where the same question arises, on states' statutes empowering railroad commissions to fix rates. And, the third objection is not sound for the reason that the interstate commerce law does not purport to deprive the courts of their jurisdiction at the suit of a shipper to ultimately determine the question of reasonableness or unreasonableness of a rate.

Respecting the defendant's alleged natural right to make a private contract for a secret railroad rate, candor obliges the court to say that he knows of nothing to support the position but the eminence of counsel who advance it.

In such cases, as in all others, it would require two parties, each competent to contract, and considering the nature of the thing to be contracted for, the railway common carrier is fundamentally in competition. This is so for the reason that the railway company is a public functionary and is enabled to construct and operate a railroad only by its exercise of the power of eminent domain which is a sovereign power of government.

Thus, by condemnation proceedings, such a corporation may take the real property of the individual citizen, even his homestead, against his will and protest. The theory upon which government authorizes this to be done is that it is necessary for the public welfare, and nothing can be more plain than that property thus acquired must be used for the benefit of the public; not part of the public but all of the public.

Shows Injustice

But under the doctrine insisted upon by the defendant, the railway company might give the Standard Oil company a very low transportation rate and by contract obligate itself to withhold the same rate from the very man the taking of whose property by condemnation rendered possible the construction of the road. A more abhorrent heresy could not be conceived. There is no more reason for the claim of natural right to private contract for the exercise by a railroad company of the public power with which it is endowed than there would be for the claim of a similar right to private contract with the collector of customs or tax assessor for a secret valuation of property. It is the defendant's position that the commerce clause does not empower to forbid and make criminal the defendant's act in accepting from the railroad a rate less than that published and filed by the carrier as required by law.

In the court's view, the only point involved in this proposition is whether congress has authority to require that railroad rates shall be uniform. It being now settled that congress has this power, it necessarily follows that to preserve uniformity that body may prohibit the doing of any act or thing whatever by any person or corporation calculated to impair uniformity, and may enforce such prohibitions by such penal provisions as congress may deem requisite.

The defendant maintains that the interstate commerce commission law does not apply to the Alton's connection with the transportation of the defendant's property, inasmuch as the road it operates lies wholly in the state of Illinois. The theory is that the haul by the Chicago Terminal company from Whiting across the Illinois line to Chappell, and the haul by the St. Louis terminal from East St. Louis across the Missouri line to St. Louis are each interstate and therefore subject to federal control, but that the Alton company's interstate haul of the same property from Chappell to East St. Louis is beyond the reach of federal authority.

Contention Not Valid

The trouble with this contention is that it ignores the basic proposition underlying the whole question and confuses the interstate character of the carrier with the interstate character of the commerce in which the carrier is engaged. The true and primary test is whether the commodity to be transported is to pass from one state into another. If it does so pass, then it is interstate commerce, regardless of whether the rails over which it moved be operated by one or many carriers. And when this commodity begins to move, interstate commerce has begun and interstate commerce it continues to be until it reaches its destination.

If in such continuous line there be a road lying wholly within a county in a state, the carrier operating such road, in respect to the movement of that commodity, is engaged in interstate commerce, as clearly as if its line extended from the origin to the destination of the shipment, and is therefore as to such transportation subject to federal control.

To adopt the views contended for by the defendant, namely, that congress may prescribe the rate which the shipment must pay for the movement from Whiting to Chappell and from East St. Louis to St. Louis, and that the legislature of Illinois may prescribe the rate effective upon lines connecting these two ends of the route traveled by the commodity, would be to create a situation impossible in practice as it is illogical in theory.

No Common Arrangement

It was insisted by the defendant that evidence did not show any common arrangement by the Chicago Terminal company for a continuous cartage from Whiting to East St. Louis, as charged in the indictment; the evidence did snow the publication of a joint tariff schedule of the Chicago & Alton and Chicago Terminal companies, putting in force from Whiting to East St. Louis the 18-cent rate, shown by the tariff to be the Chicago-St. Louis rate.

Furthermore these two companies maintained a joint agency at the intersection of their roads at Chappell for the transaction of the business of both at that point which consisted largely of the Standard Oil traffic from Whiting to East St. Louis. In addition to this the evidence shows the movement of the defendant's property by the Chicago Terminal company, that company not looking to the defendant for its compensaion, but relying solely upon the Alton company therefor. The whole course of business from the publication and filing of joint schedule to the payments of the freight charges shows that these two companies were operating under a common arrangement for the transportation of this property.

The defendant also contends that inasmuch as the name Chappell does not appear upon the schedules there was no lawful rate between Chappell and St. Louis. The evidence does show, however, that tariff No. 24 named the rate to East St. Louis from Chicago and suburban stations within the Chicago switching district, including the station immediately behind Chappell from Chicago. Moreover, upon the face of the Alton-Chicago Terminal joint schedule appeared the following:

"Agents are strictly forbidden to quote or use a higher rate for a snorter than for a longer distance over the same line in the same direction, the same being entirely included within the longer distance."

Indicates Rate

This would seem to clearly exhibit the rate from Chappell. Certainly it would be an ample notification to any shipper consulting the schedule in good faith to learn the lawful rate.

The defendant claims that the evidence fails to sustain the charge in the indictment that the Alton company was engaged in the transportation of property from Chappell to St. Louis, and that it had published and filed schedules putting the rate in force between said points to 19½ cents. As before observed, the Alton company filed and published tariff No. 24, showing a rate of 18 cents from Chappell to East St. Louis. The evidence so shows that the Alton company procured copies of the tariff schedules of the St. Louis Terminal companies, showing the rate to be 1½ cents from East St. Louis to St. Louis, and filed the schedules in its own name with the interstate commerce commission.

Having thus publisned and filed the rate and having actually seen to it that the property reached its St. Louis destination, as its general charter power authorized it to do, and as the defendant looked to it to do, and paid for doing, the court is of the opinion that the evidence clearly shows that the Alton company was possessed of a railroad route from Chappell to St. Louis over which it had established a rate for the transportation of oil as required by law.

If a carrier enters the field for traffic destined to points beyond its line and a shipper turns its property over to it such transportation is as clearly subject to the requirements of the interstate commerce law as would be the case if the carrier owned and operated the line through to the destination. In the absence of formal agreement establishing a joint through rate effective over a through route made up of the connecting lines of more than one carrier, the lawful rate in force over such through route is the sum of the local rates lawfully established by the several connecting lines over their respective roads.

The Alton company and the St. Louis Terminal companies had no joint through agreement, as at their election under the law they might have had. However, it would be wholly inadmissible to hold that the interstate traffic handled by them was immune from federal regulation because of this omission. The defendant offered certain tariff schedules as tending to show that during the period covered by the indictment there was in force by the Chicago & Eastern Illinois railroad from Whiting to East St. Louis a rate on oil of 6¼ cents, which, it was claimed, owing to certain terminal charges at St. Louis, was equal to the 6-cent rate via the latter route.

Absence of Motive

This evidence was offered to establish an absence of motive upon the part of the defendant to accept an unlawful rate from the Alton, but was excluded by the court as not admissible upon the question of the defendant's innocence or guilt in accepting the unlawful rate, the court announcing that if it should subsequently appear that there was in force such open published rate via the Chicago & Eastern Illinois available to the public that fact would be considered by the court in mitigation of the punishment. Motives not material in case where the proof is clear that it was the defendant who committed the crime, the motive may be inquired into when necessary to determine the ultimate fact when in dispute as to who committed the crime. (Schmidt vs. U. S. 133 Fed. 263.)

The real question here is whether the defendant accepted the concession knowingly. In determining this it need not be affirmatively shown that the defendant had actual knowledge of the lawful rate. The defendant must be presumed to have known that diligent endeavor made by an honest man in good faith to ascertain the lawful rate would have disclosed it to him.

The burden of this diligent endeavor is not to be diminished or increased by the supposed existence or absence of a lawful rate on some other road. To adopt the defendant's contention would be to impose upon the occasional shipper who cannot employ a traffic manager a more rigid requirement than that imposed upon the continuous shipper, by excusing the latter owing to what his large business might enable him to know of other rates from which penalties would be imposed upon the former for the same act.

Moreover, it is to be observed that what a shipper might not know respecting rates in force on one road would not inform him of what rates were lawfully in force on another road.

The rate once established and available to him on application he must pay. The court is not impressed by the doleful predictions of counsel for the defendant as to the hardships upon the honest shipping public to be anticipated from the enforcement of this rule. The honest man to tender a commodity for transportation by a railway company will not be fraudulently misled by that company in allowing it to haul his property for less than the law authorizes it to collect.

Incriminates Itself

For a carrier thus to deceive the shipper would deliberately incriminate itself, to its own pecuniary detriment, which it may safely be trusted not to do. The only man liable to get into trouble is he who, being in control of the routing of large volumes of traffic, conceives a scheme for the evasion of the law and connives with railroad officials for its execution.

The defendant argues that the Elkins law authorizes the prosecution for but one offense and maintains that there can be conviction for one count only, certain decisions of the court supporting the proposition in cases arising on other statutes. However, in this, as in all other cases involving statutory construction, it is solely a question of legislative intent. The language of the law is:

"Every person or corporation who shall offer, grant or give or solicit, accept or receive any such rebates, concession or discrimination, shall be deemed guilty of a misdemeanor, and on conviction thereof shall be punished by a fine of not less than $1000 or more than $20,000."

As the court reads the enactment, the offense is complete whenever any property is transported at less than the lawful rate. If this be true, the law is violated every time property is transported. There is nothing in these words, deliberately employed by congress, to indicate its intention to be that if a defendant shall offend habitually he shall have immunity save only as to one violation. Nor will the court indulge the supposition that this could have been the expressed intention of congress, to be judicially interpreted into the law, in opposition to what appears to be its plain meaning, because such a rule would encourage him who had violated the law on one occasion to disobey it by wholesale in order to thereby accumulate a large fund for his own purpose after paying the fine imposed for the single penalty.

It is also urged that if this construction be not adopted, the number of penalties should be limited to three, upon the theory that but one concession was granted by the railway company and accepted by the defendant each year; the point being that the 6-cent rate was given to the defendant to be effective throughout each one of the three years covered by the indictment. If this theory be not accepted, it is maintained that the number of penalties should be limited to thirty-six, that being the number of bills rendered by the Alton company at the 6-cent rate and paid by the defendant, it being argued that the offense, if any, was committed when the money was paid.

Theories Not Good

But the court is unable to accept any of these theories. The offense was committed when the property was transported at the unlawful rate, and the parties could not limit their liabilities by entering into arrangement to disregard the law for a long period of time, nor by settling their accounts at stated periods.

It is the substance of the thing, and not the mere form with which the law is concerned. The defendant here is precisely in the same position it would occupy if it had paid the Alton company at the unlawful rate each time a car was shipped.

If none of these theories obtain, it is the defendant's position that the number of penalties should be limited to the number of shipments, as distinguished from the number of cars transported, the argument being that inasmuch as the evidence shows that in many instances more than one car of defendant's property went forward in the same train, it must be inferred that in such cases the several cars constituted one shipment, which the defendant contends is the unit contemplated by the law. However, the course of dealing of the parties seemed to forbid the application of this rule.

The legal rate was established by the railroad company in car lots. The unlawful point rate was granted and accepted on this basis and bills were rendered and paid at that rate per car lot, each car being specifically itemized. Moreover, the mere fact that more than one car went forward in the same train would not require the inference that they were all part of one shipment, any more than would the fact that if the shipment of five cars on one order should happen to be moved in five different trains resolve that transaction into five separate shipments.

Justly Found Guilty

The proof is silent as to the number of cars, if more than one constituted shipments on specific orders, no evidence having been offered by either party on this matter. The defense counsel urged the court to grant a new trial, the claim being that such a showing was a necessary part of the government's case. In the opinion of the court the evidence fully justified the jury in finding the defendant guilty on each of the 1462 counts.

Respecting the defendant's claim that the representations by the Alton rate clerk had misled it into the sincere belief that the Alton's 6-cent rate had been filed with the interstate commerce commission, it is proper to recall here that in the opening statement of its case to the jury the defendant asserted its position to be that under the statute the rate need not be filed to make lawful its acceptance by a shipper.

Thereafter, during the introduction of defendant's evidence, and while the court was hearing argument with reference to the admissibility of testimony offered by the defendant as tending to show that the railway rate clerk had represented to the traffic manager that the rate had been filed with the commission, the court asked defendant's counsel whether the traffic manager was in fact so misled. That gentleman, being then in court, was called into conference by defendant's counsel, at the end of which counsel stated to the court that the traffic manager said he assumed that the Alton company did its legal duty in that regard.

PRESIDENT MOFFATT DEFENDS ACTION OF STANDARD OIL

By Associated Press.

NEW YORK, Aug. 3.—President J. A. Moffatt of the Standard Oil company of Indiana made the following statement today in reference to the judgment by Judge Landis, pronounced in Chicago:

"The court having pronounced its judgment in the case of the United States vs. the Standard Oil company of Indiana, there can now be no impropriety in stating our position to the American people.

"The facts in this case are simple and easily understood. The Standard Oil company of Indiana was convicted of receiving what the government claimed was a concession from the Chicago & Alton in the shipment of oil from its refinery at Whiting, Ind., to East St. Louis, Ill. The contention of the government was that the lawful rate was 18 cents per 100 pounds between these points. The defendant claims:

"First—That the lawful rate was 6 cents and secondly, if 6 cents was not the lawful rate it was the rate issued to the Standard by the Alton as the lawful rate, and the Standard was justified in believing from its own investigation and from the information received from the railroad company that 6 cents was the law rate.

"The 18 cent rate was a 'class' and not a 'commodity' rate, and the chairman of the Chicago and St. Louis Traffic association, the association issuing the 18 cent class rate, under oath testified that it was never applied and was never intended to apply to oil.

"Thousands of tons of freight have been shipped from these points during the past fifteen years under the same circumstances as the Standard shipments and if the Standard is guilty in this case, so is practically every other shipper in this great manufacturing territory. Is there a purpose in selecting the Standard as the victim?

"The view of the court was that a shipper must know absolutely what was the legal rate at the risk of suffering enormous penalties in the event either that he was misinformed by the railroad company or in the event that he did not exercise as much diligence as in the judgment of the court he should have exercised in ascertaining what the rate realy was.

"If this is the law, every shipper of freight is in danger of the penitentiary or confiscation of his property by way of excessive fines every time he undertakes to make a shipment from one state to another."

LAWYERS ARE STUNNED BY MAGNITUDE OF FINE LEVIED

By Associated Press.

NEW YORK, Aug 3.—News of the unprecedented fine imposed upon the Standard Oil company by Federal Judge Landis at Chicago today was received in New York with interest. The general expectation has been that the decision would be unfavorable, but apparently no one looked for the imposition of the maximum penalty.

An official of the Standard Oil company said the amount of fines evidenced the injustice against the company.

"The amount of Judge Landis' fines," said the official this afternoon, "is fifty times the value of the oil carried under the indictment. The total value of oil was $650,000. For each car of oil, valued at about $450, we have been fined $20,000. An appeal will be taken in the United States circuit court of appeals, but whether it will be entered at once, or whether the full time allowed by law will be taken, will be determined by our counsel in Chicago."

Few of the officials of the company were at their offices today. Mr. Rogers has been absent for several days.

Attorneys Stunned

Attorneys were generally stunned by the fine imposed. It was pointed out that nothing approaching the sum which the Standard Oil company of Indiana has been sentenced to pay has ever been exacted before in a proceeding for violation of a statute, and the appeal of the company will be watched with the closest interest, not only by the attorneys directly interested, but by all lawyers.

The decision became known just three minutes before the stock market closed. Whatever effect the announcement might have been at any other than a Saturday noon time, it had almost none at all today. The market had been extremely dull all day and the final trading was without interest. Special attention was given by Wall street men to the recommendation of Judge Landis that a call be issued for a special grand jury to consider the other parties to the operation of which the Standard Oil company was found guilty, and the probability that proceedings would be commenced against the Chicago & Alton Railroad company. The precedent indicated by this recommendation of Judge Landis was generally regarded as of the greatest importance.

JAMES R. GARFIELD SAYS TRUSTS WILL LEARN LESSON

By Associated Press.

RIVERSIDE, Aug. 3.—In an address delivered tonight at a banquet tendered him by the chamber of commerce, James R. Garfield made this statement relative to the fine levied on the Standard Oil company: "The decision and fine end a long fight and will teach the people of this country that no man, big or little, is above the law. The Standard Oil company and others like that great corporation have gone ahead on the theory that they were so powerful that they could do things the ordinary citizen could not do. We are showing them that they cannot."

Asked if the prosecution could collect the fine, Garfield replied: "You bet your boots we can. We have 10,000 more counts hanging over them on which similar fines can be levied."

PRESIDENT ROOSEVELT SHOWS INTEREST IN STANDARD CASE

By Associated Press.

OYSTER BAY, Aug. 3.—President Roosevelt received with great interest the news that Judge Landis in the United States district court in Chicago had decided against the Standard Oil company of Indiana and had imposed fines aggregating $29,240,000.

The president had no comment to make upon the decision.

JOHN D. FOREGOES GOLF GAME ON LEARNING OF HEAVY FINE

By Associated Press.

CLEVELAND, Ohio, Aug. 3.—John D. Rockefeller, upon learning of the fine imposed upon the Standard Oil company by Judge Landis at Chicago today, said he had no comment whataever to make concerning the matter.

Mr. Rockefeller did not play golf this morning as has been his daily custom since his arrival at Forest Hill.

German Steamship Wrecked

By Associated Press.

MUSCAL, Arabia, Aug. 3.—The German steamship Teutonia, from Bussorah, for Hamburg, was totally wrecked July 20 near Ras Madrak on the coast of Arabia. Sixteen members of the crew are believed to have been lost. They left the wreck in boats and have not since been heard from.

Orders Gasoline Motor Cars

By Associated Press.

OMAHA, Neb., Aug. 3—The Union Pacific railroad has ordered the construction at once of 100 gasoline motor cars for use on branch lines. Steam trains for passenger use will be abandoned on branches when the new cars are completed.

Three Lose Lives in Fire

Special to The Herald.

NORTH YAKIMA, Wash., Aug. 3.—Three unidentified bodies were taken from the ruins of a wooden building in the center of the city which burned early today. Adjoining property was badly damaged. The entire loss aggregated $75,000.

AMUSEMENTS

BELASCO THEATER — EVERY NIGHT THIS WEEK. MATINEES THURSDAY AND SATURDAY

FIRST TIME TOMORROW NIGHT

DAVID BELASCO AND H. C. DEMILLE'S FAMOUS AMERICAN COMEDY-DRAMA,

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A GREAT PLAY PRODUCED ON A SCALE OF TYPICAL BELASCO MAGNIFICENCE. CAST INCLUDES HOBART BOSWORTH, LILLIAN ALBERTSON, HARRY GLAZIER AND ALL BELASCO FAVORITES.

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FIRST STOCK PERFORMANCE ANYWHERE OF MAXINE ELLIOTT'S GREATEST SUCCESS.

HER OWN WAY

FIRST APPEARANCE OF BLANCHE STODDARD, VIOLET RAND, HENRY O. FALK. RETURN OF LEWIS S. STONE AND RICHARD VIVIAN. EVERY POPULAR BELASCO PLAYER IN THE CAST.

Seats for "HER OWN WAY" will go on sale tomorrow morning. Regular Belasco prices. Every Night, 25c to 75c. Matinees Thursday and Saturday, 25c to 50c.

MASON OPERA HOUSE — H. C. WYATT, Lessee and Manager.

"It's not the hat that makes the laugh—it's what's under it."—Ezra Kendall.

"Funnier than possible to imagine."

They will sell COURT PLASTER by the STICK at the MASON OPERA HOUSE MONDAY night and every other night this week. Also Saturday afternoon at the FUN SHOW

Ezra Kendall IN Swell Elegant Jones

THREE-ACT LAUGH MAKER

A KENDALL PLAY IN THE KENDALL WAY IS A FUN PLAY

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VENICE OF AMERICA — FINEST BEACH RESORT IN THE WORLD and SAFEST; NO CURRENTS, NO GRAVEL.

Indoor and Outdoor Plunge Baths

BATH SUITS 15 CENTS

ELECTRIC FOUNTAIN plays every evening between 7:30 and 8 o'clock.

SPECIAL EVENT SUNDAY, AUG. 4

Great Gold Medal Swimming Contest

THE HAWAIIAN SURF RIDERS WILL DEFEND LOCAL HONORS AGAINST ALL COMERS. RACE STARTS AT 2:30 P. M.

TWO GRAND CONCERTS DAILY

By SIG. DANTE FORCELATTI and the great VENICE OF AMERICA BAND. Special request program by MRS. R. A. PHILLIPS OF VENICE SUNDAY EVENING:

1. March and Act 1 from "Carmen," by Bizet.
2. Overture, "Poet and Peasant," by Suppe.
3. "Fair Maiden of Seville," Gavotte, by Czibulka.
4. Grand selection of Irish melodies by Godfrey. Organ numbers: "William Tell Overture," Rossini; "Forge in the Forest," Michaelis, by Josef Bruner.
5. Echoes from the Metropolitan house, Tobani, including Cleopatra march, Evening Star, Pagliacci, The Invitation to the Dance, Second Hungarian Rhapsody.
6. Soprano saxaphone solo, "The Mocking Bird," Weber, by Sig. Parmiganni.
7. Pas des Fleurs, from L. Delibes' Ballet, Tobani.
8. Selection from Bohemian Girl, Balfe.
9. "My Old Kentucky Home Waltz," Herman.
10. "Narcissus," Nevin.
11. "Loin du Bail Waltz," Gillet-Myerelles.
12. "America."

VILLAS AND BUNGALOWS FOR RENT AT REASONABLE RATES. MILITARY CAMP GROUNDS FOR USE OF LODGES OR OTHER BODIES.

ORPHEUM THEATER — Spring St., bet. Second and Third. Both Phones 1447.

MODERN VAUDEVILLE

COMMENCING MONDAY EVENING

The Neills—The Stunning Grenadiers—Roberts, Hayes and Roberts—Les Jardy—Willard Simms & Co.—Muller, Chunn and Muller—Orpheum Motion Pictures—Benjamin Chapin as Abraham Lincoln.

Matinees Daily Except Monday.

GRAND OPERA HOUSE — Main st., bet. 1st and 2d. Main 1967—Phones—Home A5137.

The Family Theater. Commencing today's matinee,

THE ULRICH STOCK COMPANY presenting the great emotional drama,

EAST LYNNE

A play that will live forever—The story of a woman's wrongs. Matinees: Sunday, Tuesday, Saturday, 10c and 25c. Evenings: 10c, 25c, 35c, 50c.

MOROSCO'S BURBANK THEATER — Sixth and Main. Phones 1270.

MATINEE TODAY—TONIGHT; ALL WEEK—MATINEE SATURDAY. Mr. T. Daniel Frawley and the Burbank theater stock company in

The Little Minister

Every Burbank favorite in the cast. The winner of the week. Next Week—"SHERLOCK HOLMES."

FISCHER'S THEATER — First Street between Spring and Main. WEEK COMMENCING MONDAY, AUG. 5.

FISCHER'S All-Star Musical Comedy Company in Jolly Zeb's

Troubles of a Manager

Latest in song hits, dances and jokes. Vaudeville and motion pictures. Shows nightly at 8 and 9:30. Matinees Monday and daily except Friday. Ladies' souvenir matinee Thursday. Prices 10c and 20c. Reserved seats, 25c.

EMPIRE THEATER — Third Street, between Main and Los Angeles.

Two shows nightly. Matinees Tuesday and Sundays. Ladies' souvenir matinee Saturdays. This week Harding and Ahsid present "FUN IN A CHINESE LAUNDRY." John and May Burkes, Laura Banks, Empire stock company. Moving pictures and illustrated songs. Prices 10-15-20-25 cents.

PEOPLE'S THEATER — AL. G. FLOURNOY, Manager.

TONIGHT—EVERY NIGHT; MATINEE EVERY DAY. People's Comedy Company and greater vaudeville. HARRY BOOKER AND COMPANY in "THE WALKING DELEGATE." Captain Hope. Six other big feature acts. New motion pictures. Best show in the city for 10c and 20c.

NEW BIJOU THEATER—323 South Main St.

VISIT THE LARGEST AND BEST MOVING PICTURE THEATER on the Pacific coast. High class, moral and refined moving pictures. Illustrated songs, dissolving views and Victor concerts every afternoon and evening. Admission 10c.

BIMINI HOT SPRINGS BATH AND PLUNGE

Special attractions Friday evening. High diving and swimming races. Take car on Broadway to door.

EXHIBITION OF SILK CULTURE — School of Silk Culture. Tuition $5.00 per month

Spinning This Week Reeling — COR. BUENA VISTA AND SOLANO AVE. — TAKE GARVANZA OR GRIFFIN AVE. CARS ON SPRING ST. 5c FARE.

CURTIS SILK FARMS

LOS ANGELES OSTRICH FARM —5c FARE.

FIVE ACRES OF GIGANTIC BIRDS. OPPOSITE EASTLAKE PARK. Downtown Salesrooms, 324 S. Broadway. Magnificent Display

ONE KILLED, TWENTY HURT BY TERRIFIC EXPLOSION

Town of Winona, Wash., Nearly Demolished—Railroad Blamed for Storing Dynamite in Shed

By Associated Press.

SPOKANE, Wash., Aug. 3.—Fire and an explosion in the Oregon Railroad and Navigation company's coal shed at Winona, Wash., killed R. E. Buchanan, a car inspector, injured twenty persons and almost wiped the town out of existence last night.

Several residents say the explosion was caused by ignition of dynamite which they say had been stored in the shed by the company. A spark from an engine set fire to the depot and the explosion followed.

Every house and building in town was either damaged by the explosion or destroyed by fire. The company denies that dynamite was in the shed.

Maddock Not Dead, as Reported

NEW YORK, Aug. 3.—The report that T. F. Maddock, the chief master of arms of the battleship Maine, died yesterday proves to be untrue.