

GERMAN SPY SYSTEM HERE IS SUSPECTED

MAN ARRESTED THOUGHT OWNER OF NUMBER OF LETTERS WRITTEN IN CODE.

Broken Bottle of Whisky in Trunk in Transit Leads to His Arrest.

Omaha, July 6.—The arrest yesterday afternoon of Herbert Winters formerly a waiter at the Fontenelle hotel, may lead, police and federal officers say, to the uncovering of a German spy system with headquarters in Omaha.

Winters' arrest followed the seizure by police Thursday of a trunk at the union station, in which an enemy alien registration card bearing Winters' name and a large number of letters, believed to be written in code, were found.

The baggage-master at the union station reported to police that whisky was leaking from a trunk. The trunk was taken to the police station and opened. It had contained three quarts of whisky, two of which had been broken.

In an effort to learn the identity of the owner, police looked through letters and papers in the trunk. When they found the enemy alien registration card, federal authorities were notified, as travel by enemy aliens is restricted.

A careful examination of all papers in the trunk followed, and officials became suspicious when they found frequent references to business firms, which, it is said, do not exist and because numbers referring to certain articles were impractical.

An officer said: "One letter referred to 40,000 of a certain article at one place and 33,000 of the same article at another place, while it is not likely that 10,000 of that article exist in the United States." It is believed the numbers may have referred to army units.

Winters, who was out of town when the trunk was seized, was arrested promptly on his return yesterday. Manager Gregory of the Fontenelle hotel said the man worked there only one day. Winters' Omaha headquarters have been located and other arrests may follow soon.

WILL STAY AT FREMONT FOR TWO MONTHS

From Saturday's Daily.
This afternoon, Mrs. Hazel B. Smith, with the children of the Eastern Star Orphanage departed on the afternoon train for Fremont, where they will stay for some two months during the summer. Mrs. Smith is very popular with the children and has made an exceptional success with them and the home, and it is looked upon as a picnic for them to go to Fremont, for the two months stay.

VISITED IN THE CITY.

From Saturday's Daily.
C. B. Boling of Macedonia, a friend of Mrs. J. H. Carter of this city, who has been visiting in this city the past few days, with her daughter, returned to her Iowa home yesterday. Mrs. Boling's husband died some time since, the mother was spending the holiday with her daughter and family. T. L. Fisher of Council Bluffs, Iowa, an old friend of the family of Mr. Carter, spent the Fourth with them and departed yesterday morning for his home.

IN FRANCE NOW

From Saturday's Daily.
Mr. and Mrs. A. S. Will of this city received a card from their son Robert, this morning, stating he had arrived "Somewhere in France" in safety. This will be most pleasing news, both to his parents and to his many friends in this city and vicinity. Robert has been stationed at Camp Pike, near Little Rock, Ark., during the past few months.

CARD OF THANKS.

We wish to extend our sincere thanks, to those of our friends who were so kind in the ministrations at the time of the death of our beloved son, and who contributed service and floral offerings.

MR. AND MRS. HENRY PERRY.

John Maurer, and wife and daughter, Miss Lottie departed this morning for Fremont, when they go to spend some time with the daughter of Mrs. Maurer, Mrs. O. E. and husband who are now living in that place.

Louis Rheinacle, was a visitor in this city, from his home this afternoon.

Are the Packers Profiteers?

Plain Facts About the Meat Business

The Federal Trade Commission in its recent report on war profits, stated that the five large meat packers have been profiteering and that they have a monopoly of the market.

These conclusions, if fair and just, are matters of serious concern not only to those engaged in the meat packing business but to every other citizen of our country.

The figures given on profits are misleading and the statement that the packers have a monopoly is unsupported by the facts.

The packers mentioned in the report stand ready to prove their profits reasonable and necessary.

The meat business is one of the largest American industries. Any citizen who would familiarize himself with its details must be prepared for large totals.

The report states that the aggregate profits of four large packers were \$140,000,000 for the three war years.

This sum is compared with \$19,000,000 as the average annual profit for the three years before the war, making it appear that the war profit was \$121,000,000 greater than the pre-war profit.

This compares a three-year profit with a one-year profit—a manifestly unfair method of comparison. It is not only misleading, but the Federal Trade Commission apparently has made a mistake in the figures themselves.

The aggregate three-year profit of \$140,000,000 was earned on sales of over four and a half billion dollars. It is about three cents on each dollar of sales—or a mere fraction of a cent per pound of product.

Packers' profits are a negligible factor in prices of live stock and meats. No other large business is conducted upon such small margins of profit.

Furthermore—and this is very important—only a small portion of this profit has been paid in dividends. The balance has been put back into the business. It had to be, as you realize when you consider the problems the packers have had to solve—and solve quickly—during these war years.

To conduct this business in war times, with higher costs and the necessity of paying two or three times the former prices for live stock, has required the use of two or three

times the ordinary amount of working capital. The additional profit makes only a fair return on this, and as has been stated, the larger portion of the profits earned has been used to finance huge stocks of goods and to provide additions and improvements made necessary by the enormous demands of our army and navy and the Allies.

If you are a business man you will appreciate the significance of these facts. If you are unacquainted with business, talk this matter over with some business acquaintance—with your banker, say—and ask him to compare profits of the packing industry with those of any other large industry at the present time.

No evidence is offered by the Federal Trade Commission in support of the statement that the large packers have a monopoly. The Commission's own report shows the large number and importance of other packers.

The packers mentioned in the statement stand ready to prove to any fair minded person that they are in keen competition with each other, and that they have no power to manipulate prices.

If this were not true they would not dare to make this positive statement.

Furthermore, government figures show that the five large packers mentioned in the report account for only about one-third of the meat business of the country.

They wish it were possible to interest you in the details of their business. Of how, for instance, they can sell dressed beef for less than the cost of the live animal, owing to the utilization of by-products, and of the wonderful story of the methods of distribution throughout this broad land, as well as in other countries.

The five packers mentioned feel justified in co-operating with each other to the extent of together presenting this public statement.

They have been able to do a big job for your government in its time of need; they have met all war time demands promptly and completely and they are willing to trust their case to the fairmindedness of the American people with the facts before them.

**Armour and Company
Cudahy Packing Co.
Morris & Company
Swift & Company
Wilson & Company**

TROOP SHIP SINKS TWO SUBMARINES

Three U-Boats Destroyed in European Waters by Transports and Two by Destroyers of Convoy.

An Atlantic Port, July 4.—Destruction in European waters of five German submarines by British transports and by American and British destroyers, conveying them, was described by passengers who arrived here today on an English liner. The transports, one of which was carrying 7,000 American soldiers to Europe, accounted for three of the U-boats and the destroyers sank the other two, according to the voyagers. Officers of the liner confirmed their stories. The passengers witnessed the torpedoing of the 5,436-ton British freighter Orissa, which was part of

their convoy, when the fleet was approximately a day out, steaming west from the British Isles. The Orissa bound in ballast for the United States, was sent to the bottom by an unseen submarine. A moment later, however, an American destroyer, in the protecting fleet detected the undersea boat below the surface and dropped a depth bomb, making a direct hit. The same evening a U-boat was sighted by the passenger vessel, whose gunners sank it by shell fire.

The other three submarines were destroyed on the eastward trip of another convoy. They said a British transport, with 7,000 American troops aboard rammed a submarine which was revealed with two others in the sudden lifting of a heavy fog. Almost simultaneously with the disappearance of the first submarine beneath the transport's bow, the ship's gunners accounted for another while a British destroyer disposed of the third.

J. E. Scott of Pacific Junction was a visitor in this city this morning coming over to look after some business.

FOCH TO RISK AN OFFENSIVE.

ALLIED GENERALISSIMO ABLE TO CHANGE HIS TACTICS.

The American Aid Is Now Serving To Reverse Conditions.

Washington, July 5.—Increasing man-power and rapidly extending control of the air have permitted the adoption of a new policy by General Foch, in the opinion of observers here. They believe the sequence of hard local blows struck recently by allied troops shows a new phase is developing which might expand into a major operation. Reports of the recent successful strokes are taken to indicate General Foch no longer feels the necessity of keeping on the

defensive to conserve his forces. The fact that the Germans have been completely surprised is believed to be due to the work of the airmen. American aid has served to change the tide of the fighting. The American attacks around Chateau Thierry, the French operations at Soissons and the British operations on the Somme and in Flanders probably were prompted by the weakness of the enemy at those points.

RURAL CARRIER EXAMINATION.

The United States Civil Service Commission has announced an examination for the County of Cass, Nebr., to be held at Wabash on July 23, 1918, to fill the position of rural carrier at Avoca and Wabash and vacancies that may later occur on rural routes from other postoffices in the above-mentioned county. The examination will be open only to male citizens who are actually domiciled in the territory of a post office in the county and who meet the other requirements set forth in Form No. 1977. This form and application blanks may be obtained from the offices mentioned above or from the United States Civil Service Com-

mission at Washington, D. C. Applications should be forwarded to the Commission at Washington at the earliest practicable date.

During the continuance of the present war the Commission will, in accordance with the request of the Post Office Department, admit women to rural carrier examinations upon the same conditions as men.

By direction of the Commission:
JOHN A. McILHENNY,
President.

Mrs. Herman Dostad of Omaha, who has been visiting in the city for the past few days departed this morning for her home after having visited at the home of her grandmother, Mrs. R. E. Monroe, and was accompanied home by Mrs. Monroe, who will visit there for a while.

C. N. Gillespie was a visitor this morning to Lincoln, where he is looking after some business.

Mrs. Q. K. Parmele returned this morning from a visit extending over three or four days with Mr. Parmele's mother, Mrs. E. K. Parmele at Ashland, and with other friends there.

Journal Want-Ads Pay!

J. E. Brady and wife and Mrs. J. M. Leyda were visiting in the city of Omaha this afternoon spending a few hours there with friends.

George Kroehler sr., who has been visiting in Omaha with his son John over the Fourth returned home this morning.

Miss Nettie Jirosek who makes her home in Omaha, where she is employed was a visitor in this city, coming to spend Sunday at the home of her parents.

Miss Louise Short departed this morning for Omaha, where she will visit with friends for a short time.

George Pick departed this afternoon for Gibson, where he will go to work with the Burlington on the section.

J. E. Wheeler and wife of Pawnee City, arrived in the city this morning coming to visit with relatives south of the city and at Murray.

Fred Hawksworth of Omaha, was in the city over night looking after some business and visiting with his mother Mrs. D. Hawksworth.

Mrs. H. K. Zavgren of Omaha, arrived in the city this morning and is visiting at the home of her mother, Mrs. Mary Heinrich for a short time.