

INQUIRY DISCLOSES EXISTENCE OF LOBBY OF NEW CHARACTER

Mr. Overman Says Persistent Efforts Being Made to Reach Senators Through Public Opinion.

STRONG PRESSURE EXERTED Based Largely on Misrepresentation and Misinformation.

HOKE SMITH DEFINES LOBBY Georgia Senator Likens Legislative Bodies to Courts

ALL ENTITLED TO A HEARING He Says Certain Sugar and Wool Men Have Tried to Influence the Court After the Case is Closed.

WASHINGTON, June 5.—That the senate's lobby investigation has disclosed activity of powerful lobbying interests of a "new character" was the opinion expressed by Chairman Overman of the committee today.

"We have developed thoroughly the fact that there is powerful and concerted lobbying," he said. "It is not the personal appeal to senators, but the newer form of organized activity to mould public sentiment and to influence senators by means of public pressure from various sources. It is insidious to the extent that this publicity and organized campaign often partakes of misrepresentation and misinformation."

Senator Overman's statement is an individual one, but he added that he had some "decided views on the question" as to what he would recommend for the committee's report to the senate.

To the list of outside witnesses who will be required to tell Saturday and next week of their activities in urging or opposing legislation the names of C. J. Faulkner, former United States senator from West Virginia; C. Livingston of a Washington bank; W. J. Strausburger of Glasenez, Pa.; president of the Pittsburgh Plate Glass company; Paul J. Christian, an employe of the Louisiana Sugar growers' offices in Washington, and Arthur H. Hayes of Washington.

Hoke Smith Defines Lobbyist. Senator Hoke Smith, after a talk with President Wilson at the White House today, defined a lobbyist.

"Everyone is entitled to his day in court," said the senator, "and I have always considered that a legislative body sits as a court. Any attempt to influence its judgment is an attempt to influence the court."

"I think it will be perfectly apparent that at the end of the investigation now being conducted that there have been organized forces here on sugar and wool, which have maintained their offices long after they have presented their arguments. I have always held that a legislator ought not be approached any more than a court, outside of the court room.

INDICTMENT AGAINST GEO. B. COX DISMISSED

CINCINNATI, June 5.—Judge Caldwell in the common pleas court here today sustained a motion made by the defense to dismiss the case of George B. Cox and four other officers and directors of the Cincinnati Trust company, charged with abstracting a note of \$32,500 from the bank. The question of dismissal of the case was taken under advisement by Judge Caldwell after he had heard arguments on the matter yesterday.

Waterloo, Ia., Wins Libel Suit

WATERLOO, Ia., June 5.—(Special Telegram.)—This afternoon a verdict in favor of the defendant was reached by a jury in the suit for \$3,500 damages brought by J. C. Kinnoch of Iowa Falls, against the Waterloo Times-Tribune company for publication of an alleged libelous article.

The Weather

Forecast till 7 p. m. Friday: For Omaha, Council Bluffs and vicinity—Unsettled and cooler; Friday.

Table with 2 columns: Temperature at Omaha Yesterday, Deg. and 24-hourly readings.

Table with 2 columns: Comparative Local Records, showing highest/lowest temperatures and precipitation.

Table with 2 columns: Reports from Stations at 7 P. M., showing weather conditions for various locations.

Two South Dakota Towns Made Dry by Federal Statute

SIoux FALLS, S. D., June 5.—(Special.)—A traveler going to any of the towns in the ceded portion of the Cheyenne River Indian reservation, in the north central part of the state, if he desires a drink of intoxicating liquor will have to carry his liquor with him and keep it carefully concealed, for the government officials have issued a forcible warning to the councils of the towns on the ceded lands not to issue licenses or trouble will follow. Two of the towns affected are Dupree and Trail City.

White residents of the ceded lands were unaware that they resided in "dry" territory until the government officials furnished them with an extract from an act of congress approved February 17, 1910, which authorized the sale and disposal of the surplus and unallotted lands in the Cheyenne and Standing Rock Indian reservations. The extract reads as follows:

"And provided further, that the allotted lands, those retained or reserved, and the surplus lands sold, set aside for township purposes, or granted to the said states or otherwise disposed of under the provisions of this act, shall be subject for a period of twenty-five years to all the laws of the United States prohibiting the introduction of intoxicants into the Indian country.

In the event that those inhabiting the opening of saloons persist in their efforts and arrests are made, it is the provision of the courts will be called upon to decide whether or not congress has the right to declare "dry" for twenty-five years or any other period land which formerly was included in an Indian reservation, but which has passed to the control of the whites.

Masonic Grand Lodge Finishes Sessions and Leave for Home

The Masonic grand lodge has adjourned and most of the delegates have returned to their homes. A brief meeting was held yesterday morning to close up the affairs undischarged after the session of Wednesday night that continued until midnight.

The complete list of grand lodge officers for the years 1913 and 1914 follows: Alpha Morgan, grand master. Broken Bow.

Thomas M. Davis, deputy grand master, Beaver City.

Samuel S. Whiting, grand senior warden, Lincoln.

Andrew H. Viefle, grand junior warden, Norfolk.

Francis E. White, grand secretary, Omaha.

George A. Beecher, grand chaplain, Hastings.

Charles M. Shepherd, grand orator, Lincoln.

Robert E. French, grand custodian, Kearney.

Frederic L. Temple, grand marshal, Lexington.

Ambrose C. Epperson, grand senior deacon, Clay Center.

John J. Tooley, grand junior deacon, Anselmo.

Ruben Forbes, grand Tyler, Omaha.

The installation ceremonies were in charge of George H. Thummel, assisted by Joseph R. Cain, Jr., retiring grand master.

McReynolds Says Decree in Standard Case is Inadequate

WASHINGTON, June 5.—Attorney General McReynolds said today that he regards the Standard Oil dissolution decree as inadequate to meet the intent of the Sherman law. This was the first definite indication of the attorney general's attitude toward an investigation now being conducted to determine whether an "oil trust" still exists.

His objections to the decree, like those he expressed against the Tobacco trust decree, are based on the ground that a real dissolution of a trust cannot be accomplished by a distribution of the stock pro rata among the shareholders.

From Charles B. Morrison and Oliver E. Pagan, his special assistants, the attorney general has heard the results of their investigation of the oil situation and is now deliberating whether the Department of Justice will be justified in taking further action under the Sherman law. Should he reach the conclusion that a trust still exists, it is pointed out that three plans of action are open to the attorney general—a civil suit for the dissolution of a new combination, indictment of individuals or contempt of court proceedings.

If action is taken it is believed it will be more likely of a criminal nature.

Henwood Defense Springs Surprise

DENVER, Colo., June 5.—The defense in the second trial of Harold F. Henwood, charged with the murder of George E. Copeland, sprang a surprise today when Attorney John T. Bottom, in cross-examination asked Dr. S. Van Meter what he had done regarding the "picking up" of the femoral artery in Copeland's thigh, where the bullet from Henwood's revolver had penetrated. Before the physician could answer the question was objected to by the state and the jury dismissed pending argument.

Dr. Van Meter attended Copeland, who, as an onlooker, was killed when Henwood shot and killed Sylvester L. Von Puhl during a quarrel over Mrs. John W. Springer three years ago.

Mexican Gunboat Flees from Biplane

SAN FRANCISCO, June 5.—Officers of the United States naval cutter Saturn, which arrived yesterday from Guaymas, reported that Didier Masson and his biplane had proved a source of anxiety to the Mexican federalists. The day the Saturn sailed from the southern port the Mexican warship Morales made a hasty departure to sea, the reason given being that it was fleeing from the biplane and the French aviator employed by the rebels.

GRADUATED TOBACCO TAX IS PROVIDED IN HITCHCOCK'S MOTION

Nebraska Offers Amendment to Tariff Bill Aimed at Manufacturers of Weed.

MEANT TO CRUSH THE TRUST Senator Says it Would Bring in Fifteen Millions Yearly.

Cent for First Million Pounds, Two for Second and On Up.

SIX MADE THE MAXIMUM Borah Would Bar from Entry All Goods Made Wholly or in Part by Children Under Fourteen Years Old.

(From a Staff Correspondent.) WASHINGTON, June 5.—(Special Telegram.)—Senator Hitchcock today offered an amendment to the tariff bill to enforce a sliding or graduated tax on tobacco. In doing so the senator said it was designed to force a real dissolution of the tobacco trust.

"This amendment carries out the suggestion of the attorney general," said Senator Hitchcock, "and would not only raise additional revenue from our grown tobacco concerns, but would also handicap them so as to permit successful competition from companies now rapidly being crushed out by the monopoly.

"This proposed tax would in the aggregate reach \$15,000,000 a year, and soon force a real dissolution of the tobacco trust. If it did not, it would yield a handsome revenue to the treasury, and so handicap the trust that it could not carry out its program of crushing independent companies."

Taxed in Rising Scale. The progressive tax proposed would not reach a manufacturer until he controlled about 25 per cent of the total production of the articles. Over that amount he would be taxed in a rising scale on tobacco 1 cent a pound for the first million pounds per quarter, 2 cents a pound for the second million pounds and so on up to 6 cents a pound.

These graduated taxes would be in addition to the regular 3 cents a pound tax that all manufacturers pay on tobacco. The same is true of the progressive tax on cigars, cigarettes and snuff. Companies of ordinary size would not be subject to this tax because it does not apply to a production below 50,000,000 pounds of tobacco or 4,000,000 pounds of snuff a year, so that of the 2,700 tobacco companies in the country probably only three would be affected, and of the seventy-three snuff companies only three would be taxed. In the matter of cigarettes the tax would fall on only two or three companies out of 478 and of the 30,000 cigar companies only two have a production large enough to be taxed.

Seventy Millions Last Year. Seventy million dollars was the amount of the total excise last year on tobacco products, and Senator Hitchcock has estimated that if the proposed tax had been levied on last year's business the "foreign trust concerns" would have paid the additional tax as follows: American Tobacco company, \$7,500,000; Liggett & Myers, \$3,000,000; Lorillard company, \$14,000; American Snuff company, \$7,000; George W. Helme company, \$5,000; Weyman & Burton company, \$51,000.

"There would also have been other companies subject to this tax if it could be shown that they were under the same ownership or control as any of the big companies," said Senator Hitchcock today, "and in the case of the Lorillard company if it could be shown that it is owned or controlled by the same interest that are back of any other company. It is probable, therefore, that this tax in the aggregate would reach \$15,000,000 a year, which is so large that it would soon cause a real dissolution of the Tobacco trust. If it did not, it would yield a handsome revenue to the treasury and so handicap the trust that it could not carry out its program of crushing independent companies.

"The government already has the machinery to enforce this tax. Tobacco and snuff manufacturers in all forms are under complete government control. The power to tax to the point of destruction is unquestioned. It is summary, simple and irresistible. If it succeeds in this line of manufacture it may succeed in others."

Senator Borah introduced an amendment to the tariff bill which would bar entry of goods manufactured wholly in part by children under 14 years of age or by children under 14 years of age who are required to work more than eight hours a day or more than forty-eight hours a week. It would also bar all imports made wholly or in part by convict labor.

Body of Late Alfred Austin is Cremated

LONDON, June 5.—The body of Alfred Austin, the late poet laureate, who died on Monday, was cremated at Golders Green today without any ceremony. By permission of King George a memorial service was held in the chapel royal, St. James' palace, at the same hour and was attended by the members of the Austin family.

C. W. DOWNEY PURCHASES MITCHELL WEEKLY GAZETTE

MITCHELL, S. D., June 5.—(Special.)—C. W. Downey today purchased and took charge of the Mitchell Gazette, the leading weekly democratic paper of this section of the state. Mr. Downey has been associated with the Mitchell Daily Republican for the last twenty-one years as editor, with the exception of the last three years. The paper will remain democratic and the editorial columns will be conducted by G. H. Rodeo, one of the prominent democrats of the state. It is expected that within six or eight months the Gazette will establish a daily paper.

IMPORTATIONS OF GEMS BREAK ALL RECORDS

NEW YORK, June 5.—Diamond importers are still rushing large quantities of gems into this country in expectation of an increase in the tariff. According to the customs appraisers' figures the value of gems received through this port during May was \$4,932,323, record-breaking figures for the month of May. Since the first of the year the import of gems has amounted to over \$24,000,000.

Rather Rough Water



Drawn for The Bee by Powell.

CANNOT GET MACHINE GUN Military Authorities Say Nebraska Has Full Quota.

Flynn's Relatives May Come Benson Man Assures Department They Will Be Cared for, and Order for Release is Forthcoming.

(From a Staff Correspondent.) WASHINGTON, June 5.—(Special Telegram.)—The War department cannot at this time furnish equipment to the National Guard for a machine gun company, an ambulance corps and a type A signal corps, as requested by Adjutant General Phillips. One reason assigned by General Mills of the division of the military affairs is that no requisition has yet been made, which is a necessary requisite. Another reason is that there are insufficient funds to the credit of Nebraska.

"Our records show that Nebraska has at the present time to its credit \$3,901.35 for equipment and camp purposes and \$3,157.77 under section 12 of the militia law," said General Mills.

"This does not include \$21,310.55 for the promotion of rifle practice, which cannot be used for the procurement of equipment without special authority from the secretary of war, upon request of the governor.

"It will not be possible, in any event, to furnish the machine gun equipment, as the department is awaiting the issue of a perfect machine gun by the ordnance department, which it is hoped will take place in about six months. As to signal corps equipment, there are no sufficient funds on hand now, as it would cost about \$20,000."

General Mills said that Adjutant General Hall's statement that Nebraska had not had its just share of equipment under the appropriation was "totally inaccurate" and resented it. He said that the department desired to co-operate in every way possible with the state militia, and would give due consideration to all requisitions for equipment or other aid.

Release Flynn's Relatives. The immigration authorities have agreed to release Della and Richard Knight, relatives of F. J. Flynn of Benson, upon assurances from Mr. Flynn that the young people, particularly the girl, will be properly educated and cared for. They were detained at Ellis Island after arriving here from Ireland on the steamship "Cordis" because the authorities were not advised that there were persons in this country who would support and care for them. Mr. Flynn took the matter up with Senator Hitchcock, who has been given the information that they will be released upon proper assurances from Mr. Flynn that he will comply with the requirements.

Odel to See President. F. G. Odel of Lincoln, at present publicity agent of the Farmers' National congress, called upon Senator Norris this morning to arrange a meeting with the president and the secretary of agriculture. Mr. Odel wishes to have these officials attend the farmers' congress next fall.

Request has been made upon the secretary of agriculture that a weather station be established at Union college near Lincoln. Lynn H. Wood of that institution called upon Senator Hitchcock today to make the request, and it is to be urged upon the department.

Mais Motor Truck Plant is Damaged

INDIANAPOLIS, June 5.—Fire early today destroyed a portion of the Mais Motor Truck plant, causing a loss estimated at \$50,000.

The National Capital

Thursday, June 5, 1913. The Senate. In session 2 p. m. Lobby investigating committee continuing hearings. Commerce committee voted to favorably report a bill to delay customs service reorganization until January 1, 1914. Mrs. Laura Kellough, before Indian affairs committee, condemned Indian education system and Indian bureau. Finance committee continued consideration of tariff bill. The House. Not in session; meets Friday noon. Budget committee began consideration of plans to reform methods of framing appropriation bills.

Arrest Woman on Charge of Murder of South Dakotan

SIoux FALLS, S. D., June 5.—Mrs. Mae Evans, one of the principals in the recent tragedy in a Sioux Falls boarding house, was today arrested on the charge of having murdered Dr. Edward Lockhart Moore, state veterinarian and instructor in the State Agricultural college at Brookings. The arrest was made at the hospital where the woman has been a patient since firing two bullets into her own head at the time of the death of Dr. Moore. She has recovered to such an extent that, following her arrest she was removed to the county jail.

DRUNKARDS TO BE OUSTED

Nebraska Retail Liquor Dealers Adopt Strong Resolutions.

NEBRASKA LIKE GERMANY

Next Year's Meeting to Be at Grand Island Attendance at Present Meeting Four Hundred Out of Seven Hundred.

Saloon keepers who get drunk will be barred from membership and ousted if they are members of the Nebraska Retail Liquor Dealers' association, the delegates decided yesterday at the closing session of the convention at the Krus theater.

Resolutions were adopted by the association containing this ruling. The other resolutions pledged the members "to refuse to sell to patrons who, by their appearance and conduct, give evidence of having imbibed a sufficient quantity," and refusing to sell to minors and habitual drunkards.

Nebraska Like Germany. All these resolutions are calculated to make Nebraska more like Germany in regard to the operation of saloons. The convention went on record as opposing and condemning the sale of intoxicating liquors by druggists and bootleggers and standing for the strict enforcement of the Stocumb and other laws regulating the liquor business.

"We are pledged to conduct our business in such a way as to command the respect of the public," said a portion of the resolutions. The liquor men will meet the first Tuesday after the first Monday next June in Grand Island. The association is growing rapidly. Secretary Keating reported, and interest in its work is higher than ever before. The attendance of 400 out of 700 members in the state, he cited as evidence of this interest. The convention adjourned at noon.

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UNION PACIFIC CASE IS SET

Dissolution Petition Comes Up at St. Paul Next Tuesday.

TWO PLANS ARE PRESENTED Railroad Asks that Both Be Approved and that It Be Allowed to Elect Which of Them It Will Use.

ST. PAUL, June 5.—The Union Pacific Railroad company applied in St. Paul today to Federal Judges Sanborn, Hook and Smith, sitting in the district court for the district of Utah, for an order fixing the time for the hearing upon the first and second amended plans for the disposition of the stock of the Southern Pacific held by the Union Pacific company in the matter of the dissolution of the combination between the two. The time and place of hearing were fixed at 10 a. m. on June 15, 1913, in St. Paul.

An order was made that the petition for the hearing should be filed with the clerk of the district court in Utah. The plans are: Plans Submitted. First—That the stock of the Southern Pacific company owned by the Union Pacific company shall be offered for public subscription at a minimum price and that only such an amount of stock as shall be designated by the court, if any, shall be allotted to subscribers who are stockholders of the Union Pacific Railroad company.

Second—That the entire stock shall be transferred to a trustee approved by the court and that certificates of interest representing the stock so deposited shall be issued by the trustee, which certificates of interest shall carry no voting right, or other incident of stock ownership, except the right to share in the dividends collected by the trustee, and that said certificates of interest shall be exchangeable for the deposited stock upon filing an affidavit to the effect that the applicant does not own any shares of the capital stock of the Union Pacific company. The certificates of interest are to be offered for subscription to stockholders of the Union Pacific Railroad company.

The petition prays for the approval of both plans and for a reasonable time with which to elect upon which plan to proceed and to offer the stock under the first plan or the certificates of interest under the second plan. The railway company was represented by N. H. Loomis of New York, attorney for the Union Pacific. Mr. Loomis presented the plans to the court for its consideration. United States District Attorney Charles C. Hoag represented the government at the hearing today, which occupied but a few minutes.

Southern Pacific to Extend. SAN FRANCISCO, June 5.—In furtherance of a plan for extensive improvements over its system, including construction work in Louisiana, Texas and California, the Southern Pacific made application today to the railroad commission of California for permission to issue \$20,000,000 in two-year 5 per cent collateral trust notes. The application states that part of the money is to be used in applying additional facilities for the Atlantic Steamship lines controlled by the company.

BIG LINER WAITS FOR MORGAN TO SAY GOOD-BYE

NEW YORK, June 5.—The sailing of the liner France for Havre was delayed fifteen minutes today to allow J. P. Morgan to bid farewell to his sister, Miss Anne Morgan, who will spend the summer in her villa near Paris. Mr. Morgan jumped from an automobile and ran across the gangplank just as it was about to be raised. Miss Morgan was waiting for him at the railing. Another passenger on the vessel was Dr. Alexis Carrel of the Rockefeller Institute. Dr. Carrel will spend the summer in Paris and Berlin, where he will make experiments in transplanting organs of the human body.

ATTORNEY GENERAL CONVINCED TOBACCO AND OIL NOT 'BUSTED'

McReynolds Believes Trusts Not Actually Dissolved to Meet Requirements of Law.

COMPLAINT AGAINST DECREE Stock of Disintegrated Firms Under Same Control as Before.

MUST PASS INTO NEW HANDS Government Outlines Plan of Dissolutions of the Future.

FURTHER ACTION FORECASTED More Trouble in Store for Big Concerns if Investigation Shows Problem Can Be Dealt with Under Monopoly Act.

WASHINGTON, June 5.—Neither the Standard Oil nor the tobacco trust has been actually dissolved to meet the requirements of the Sherman law, according to the views of Attorney General McReynolds.

When this became known today it was taken as a forecast of possible further action against the oil as well as the tobacco interests if the results of the investigation just completed by the Department of Justice of the workings of the oil dissolution decrease the tobacco trust to a problem which can still be dealt with under the Sherman law. The attorney general's complaint is not against the Sherman law, but against the decrees of dissolution interpreting the decisions of the United States supreme court.

He is firmly convinced that no trust, as these two cases, can be adequately dissolved by a pro rata distribution of the stock of its disintegrated parts among the same stockholders who controlled the original combination.

While each combination must be dealt with as a separate problem, officials point out that experience indicates that dissolutions of the future must be such that the control of disintegrated trusts will pass into new hands.

It has been known that Mr. McReynolds looked upon the tobacco dissolution as an "obvious subterfuge," but it did not develop until today that he likewise placed the Standard Oil dissolution in the category of inadequacy.

Four Men Drowned in Frazer River

EDMONTON, Alberta, June 5.—Caught in the swirling waters of the Frazer river Grand Canyon the Rocky Mountains, a scow belonging to Grand Trunk Pacific railway contractors, was split in two today and four of its crew of eight men drowned. The remaining four, after a desperate struggle with the waters, reached shore. F. J. St. John, Newton Kennedy, Harold Dickson and Aaron Kurlip, who lost their lives, all were experienced and well known river men.

It was reported that another quartet of river men had drowned several miles further up the canyon when their raft was wrecked.

C. S. KOHLER, AMERICAN SPORTSMAN, DIES IN PARIS

NEW YORK, June 5.—The death of Charles S. Kohler, the wealthy piano manufacturer and sportsman of this city, yesterday in Paris, France, removes a figure which has been prominent for several years in the turf world. He purchased Samuel C. Childre's stable of famous race horses of 1911 after horse racing had been stopped in New York, and, adding these to his own string of thoroughbreds, he took them all abroad to continue racing in France and England. A few weeks ago he added to his stables by the purchase of a dozen yearlings, which August Belmont had in France.

He maintained in this country a breeding farm in the Ramapo valley and raced under the name of the Ramapo stables.

Power of Newspaper Advertising.

The manufacturer who desires to create a direct demand for his goods in any particular community MUST use the newspapers.

No other advertising medium can do the work as well or as quickly. A recently printed article by a firm of widespread reputation said in relation to newspaper advertising:

Newspaper advertising cuts out duplication and other waste. It enables you to sectionalize or nationalize. It enables you to advertise whenever you please. It permits you to reach all worth-while consumers. It dovetails your advertising with your sales work.

It enables you to adapt your advertising to any climate, advertising economically, and, further, enables you to try out plans without heavy expenditure of money.

And every line of the foregoing applies with emphasis to THE BEE and papers in its class. If you want quick results you must advertise in the newspapers.