

WEATHER FORECAST.

Threatening

## CHARGE REBATES TO ADVERTISING

This Accusation is Made in Four  
Indictments Returned by Fed-  
eral Jury in Chicago.

### THREE RAILROADS ON LIST

Vanderbilt Lines Charged with Cut-  
ting Rates to Theatrical Parties.

### TAKE SPACE IN PROGRAMS

Allegation that it is Paid for at  
High Rates.

### REBATE TWENTY-FIVE PER CENT

Bills Specifically Charge Payment of  
Nearly Thirty Thousand Dollars  
to R. K. Hyndrick and J. E.  
Fennessy.

CHICAGO, Feb. 20.—Four indictments for alleged rebating were returned today by the federal grand jury, the defendant being three railroad companies, two theatrical concerns and four individuals. Excessive payments for "advertising" in return for the purchase of railroad tickets is declared to be the medium by which the alleged rebating was accomplished.

Those indicted are:  
Henry J. Rhein, general passenger agent of the Cleveland, Cincinnati & Louisville railroad.

William Underwood, assistant general passenger agent of the Michigan Central railroad.

Rudolph K. Hyndrick of Cincinnati, director of the Columbia Theatrical Amusement company.

James E. Fennessy of Cincinnati, director and secretary of the Empire Stock company.

The Columbia Theatrical Amusement company of New York.

The Cleveland, Cincinnati, Chicago and St. Louis railroad company.

The Lakeshore & Michigan Southern railroad.

The Michigan Central Railroad company.

The Henck Opera House company of Cincinnati.

Penalty is Heavy.

The federal act which is alleged to have been violated provides a penalty of a fine of not more than \$5,000 for a corporation and a fine of not more than \$500 or an imprisonment of not more than two years, or both, for a person said to have been involved in the alleged rebating.

It is asserted that during the theatrical season of 1910-11 Hyndrick was paid \$250 by the roads and during the season of 1911-12, \$387. During the season of 1912-13, alleged federal investigators, Fennessy received \$696. He is not accused of being a party to the alleged rebating during the season of 1913-14.

It is charged that the representatives of the roads, all of which are Vanderbilt lines, as an inducement to secure the business of the theatrical companies, offered and gave them advertising for theater programs.

The Columbia Theatrical Amusement company and Empire Circuit company, the headquarters of both of which were in New York City, operate a chain of vaudeville theaters and control about seventy-five companies averaging thirty people each. These companies are transported each week from one city to another and the aggregate of their passenger fares is very large.

Rebates Charged to Advertising.

The lawful rate was 2 cents a mile for theatrical companies, but according to the government it was agreed by railroad officials that the Vanderbilt lines would refund to Hyndrick and Fennessy, for their respective corporations, 25 per cent of the lawful fares of their various companies in consideration for their influence in giving to the named railroads the business.

In order that the railroads could account on their books for the 25 per cent, the government says, it was decided to charge it to advertising. Hyndrick thereupon organized the Cincinnati Railroad Program Advertising company. This company contracted for advertising space in theater programs in Cleveland, Toledo, Cincinnati, Indianapolis, St. Louis and other cities, and this space was used by Hyndrick to display an advertisement of one of the Vanderbilt lines.

Grand Jury Busy in Cincinnati.

CINCINNATI, O., Feb. 20.—Rumors that the special United States grand jury in session here this week is considering the affairs of the National Cash Register company to ascertain if it has violated the Sherman anti-trust law, gained ground here today.

The visits of attorneys who represented the company at the time of the civil suits

(Continued on Second Page.)

## The National Capital

Tuesday, February 20, 1912.

### The Senate.

In session at 2 p. m. Idaho mine inspector protested against lead and lead ore tariff reduction at steel bill hearing.

Resolution adopted authorizing Agricultural department to participate in national corn exposition, Columbia, S. C. Senator Lodge's notice he would speak on arbitration treaties February 22. Reports on Stephenson election cases under consideration.

### The House.

Resumed consideration of chemical tariff bill.

Bill continued on resolution to arbitrate Colombia's dispute in connection with Panama's ceding canal zone to United States.

Florida Drainage Engineer Wright testified at Everglades land hearing that he brought financial irregularity charges against agricultural officials as a matter of self-protection.

Search for missing documents in case of Major Bay caused postponement of War department expenditures committee's investigation.

Finance committee agreed House should take up for discussion Saturday the Pule money trust investigation resolution.

Foreign affairs committee reported bill extending Burton Niagara Falls act of May 1 to permit preparation of legislation.

Committee on the Judiciary reported American-owned foreign ships to American registry at hearing of Rucker bill before merchant marine committee.

### Telephone Combine

## Takes Over Missouri Bell Company

ST. LOUIS, Feb. 20.—The American Telephone and Telegraph company assumed entire control of the Bell Telephone company of Missouri at the annual election of directors held today.

The five "insurgent" St. Louis directors did not attend the meeting and were ousted from the directorate. President C. R. Gleason of the Bell owned the entire stock of the parent company for the eleven directors chosen.

The new directors elected are L. N. Bethel, vice president of the American Telephone and Telegraph company; E. D. Nims, vice president of the Missouri & Kansas Telephone company; H. J. Pottenger, president of the Southern Telephone company of Texas; C. H. Wilson, general manager of the American Telephone and Telegraph company and F. H. Hamilton, of St. Louis, secretary and treasurer of the Frisco railroad.

"It will be seen as a result of today's election that steps have been taken toward the unification of the middle western states, insofar as the telephone operation is concerned," said President Gleason. "On the directorate are the presidents of telephone companies operating in North Dakota, South Dakota, Minnesota, Iowa, Nebraska, Missouri, Kansas, Oklahoma, Texas and Arkansas."

Chas. E. Yost, president of the Nebraska, Iowa and Northwestern Bell telephone companies, last night said he knew nothing of a rumored unification of his companies and ten others at the meeting at St. Louis.

"There is nothing to that so far as I know," said Mr. Yost. "There has been some talk of uniting the Missouri companies with the Southern company, which covers Texas and part of Arkansas, but so far as I know there has been nothing but talk. I don't know whether I was re-elected a director at the St. Louis meeting of the Missouri company, but I suppose I was. I have been a director for several years."

## Ohio Supreme Court

### Affirms Sentence of Rodney J. Diegle

COLUMBUS, O., Feb. 20.—Rodney J. Diegle, former sergeant-at-arms of the Ohio state senate, must serve three years in the penitentiary for complicity in legislative bribery. The state supreme court today confirmed the decision of the lower courts, which convicted Diegle for aiding in the alleged bribery of State Senator L. R. Andrews.

Today's decision means that several members of the general assembly under indictment will have to stand trial. Attorney General Hogan and E. C. Turner, prosecuting attorney of Franklin county, says the other cases will be pushed without delay.

Diegle's conviction was due principally to evidence secured by a phonographic device which recorded conversations between the alleged bribe-takers and takers.

## Third White Brought Into Kimmel Case

ST. LOUIS, Feb. 20.—Al H. White of Hannibal, Mo., a witness for the defense in the Kimmel identity mystery, testified today that he had been called "Turkey" White, the defense introduced him in an effort to show he was the "Turkey" White that Bruce L. Conner testified to having known in Arkansas City, Kan., in 1898, shortly before George A. Kimmel disappeared.

Conner testified that the claimant, Andrew J. White, was known as "Turkey" in Arkansas City. Al H. White in his testimony said he had never been in Arkansas City and that he never knew Conner. He does not resemble the claimant in any respect save the lack of a thumb.

Al H. White's presence in the case has tended to add confusion to the already complicated situation, in which four personalities have been introduced. In addition to Al White, they are Kimmel, Andrew J. White, the claimant, and Melvin J. "Turkey" White of Parsons, Kan., who was also mentioned by Conner.

The witness today said that any railroad man who changed jobs frequently was known as "Turkey."

## WOMAN GIVEN JUDGMENT AGAINST SALOON KEEPER

SIOUX FALLS, S. D., Feb. 20.—(Special)—A jury in the state district court of Day county awarded damages in the sum of \$2,000 to Mrs. Greta Lehna for the death of her husband, Een Lehna, whose body was found on a highway after he had left the town of Crawford in an intoxicated condition. The defendant in the action was H. Boetcher, a saloon man of Crawford who has given notice of appeal from the verdict of the jury.

## TAFT URGES BILL TO AID EMPLOYEES

President Submits Report of Employers' Liability Commission and Proposed Law.

### INSURES QUICK ADJUSTMENT

Courts Would Be Relieved of Vast Amount of Detail Work.

### TAKES ADVANCED STANDPOINT

Measure Deemed Great Step in Solving Labor Problem.

### BILL IS NEEDED BY SOCIETY

President Meets Objections of the Opponents of the Measure and Shows the Benefits of the Proposed Law.

WASHINGTON, D. C., Feb. 20.—President Taft today submitted to congress the report of the employers' liability commission and the proposed employers' liability and workmen's compensation bill, accompanied by a message urging the enactment of the measure, which is the most advanced piece of liability legislation yet presented. The president sets forth that the proposed law not only would insure to employees of railroads engaged in interstate commerce quick adjustment of their claims for damages, but also would relieve the courts of a vast amount of work and enable them to administer judicial affairs with greater dispatch.

"I sincerely hope that the act will pass," says the president. "I deem it one of the great steps of progress toward a satisfactory solution of an important phase of the controversy between employer and employe that has been proposed within the last two or three decades."

### Argument for the Measure.

The main provisions of the measure are sketched in the message and then Mr. Taft takes up and disposes of three objections that have been advanced by its opponents.

"In the first place," says the president, "the question arises whether under the provisions of the commerce clause the bill could be considered to be a regulation of interstate and foreign commerce. That seems to be already settled by the decision of the supreme court in the employers' liability case."

"The second question is whether the making of these remedies exclusive and the compelling of the railroad companies to meet the obligations arising from injuries, for which the railroad would not be liable under the common law, is a denial of the due process of law which is enjoined upon congress by the fifth amendment to the constitution in dealing with the property rights. This question the report takes up and in an exhaustive review of the authorities makes clear, as it seems to me, the validity of the act. It is sufficient to say that the argument of the commission is most convincing to show that the police power of the government exercised in the regulation of interstate commerce is wide enough to authorize the imposition of the interstate railroad companies of the liability for the injuries to its employees on an insurance basis."

"The third objection is that the right of trial by jury, guaranteed by the seventh amendment, is denied. As a matter of fact the right is preserved in this act by permitting a jury to pass on the issue when duly demanded, in accordance with the limitations of the act."

### Why the Law is Needed.

President Taft then alludes to the alleged inequities attending personal injury litigation. He declares that perjured testimony, emotional juries and badly constructed laws limiting liability have tended to hamper the administration of exact justice while the heavy expense of litigation has rendered it almost impossible for the poor man to command his rights. In referring to the condition of the courts because of this form of litigation, the president says:

"The administration of justice today is clogged in every court by the great number of suits for damages for personal injury. The settlement of such cases by this system will serve to reduce the burden of our courts one-half by taking the cases out of court and disposing of them by this short-cut."

"The message concludes with the reiterated hope that the bill may be passed before the adjournment of the present session of congress."

## Snow Storm Raging Throughout Colorado

DENVER, Colo., Feb. 20.—With snow from one inch to several feet covering practically the entire state, the movement of trains, especially on lines that traverse the mountain districts, has been severely hampered. Every train that has reached Denver from the west since 3 o'clock last night has been from one to five hours late.

Snow began falling yesterday forenoon over practically the entire state and continued to fall this morning. A driving wind accompanied the snow storm, though in most sections a comparatively mild temperature prevailed.

Little damage to crops is believed to have resulted. The heavy snow will prevent the cattle from grazing.

In the mountain regions along the railroad rights of way the snow has drifted in places as high as railroad coaches.

Several snowslides have been reported, one on Ruby mountain, near West Argente, which destroyed four transmission towers of the Central Colorado Power company.

BALEHART, Tex., Feb. 20.—One of the worst blizzards of the year, following two weeks of summer weather, closed the public schools today and sent the temperature 12 degrees below freezing.

## COURT REFUSES TO DISMISS BILLS AGAINST RUF

SAN FRANCISCO, Feb. 20.—A motion to dismiss indictments of bribery against Abraham Ruf, former political boss of San Francisco, was denied today by Supreme Judge Frank Dunne. Judge Dunne said he was opposed to the dismissal of the indictment against Ruf, which was returned by the grand jury of the city of San Francisco. The indictments, which relate to the so-called "graft prosecution," were pending.

## WOODMEN INSURGENTS FLOCK TO MILL CITY

MINNEAPOLIS, Feb. 20.—(Special) Telegram.—Prof. Nathan Bernstein of Omaha was among the early arrivals for the monster insurgent Woodmen convention which begins here Thursday. He will speak at the banquet Thursday night. Six states are now represented and families are coming in every mail. Insurgent Leader E. J. Sandman predicts the house officers will have to modify radical rate legislation put through recently at Chicago.

## MEXICO AGREES TO PAY INDEMNITY TO CHINA

SAN FRANCISCO, Feb. 20.—The Mexican government has agreed to pay an indemnity of \$2,000,000 to the Chinese republic for the death of the 300 Chinese at Torreon, Mexico, during the revolution last July, according to a cablegram received by the Chinese legation in Mexico. Free Masons from former President Sun Yat Sen.

## A Recruit



From the Cleveland Leader.

## WRIGHT LATE WITH CHARGE

Drainage Engineer Says He Knew of Irregularities Years Ago.

## WILSON DENIES WRITING LETTER

Secretary Says He Never Saw Communication Boasting Everglades Lands Allocated to Him.

WASHINGTON, Feb. 20.—The inquiry into the Department of Agriculture's connection with the Everglades was resumed today. J. G. Wright, chief drainage engineer of Florida, admitted he knew in 1909 of the alleged irregularities on which C. G. Elliott and A. G. Marchessault recently were dismissed from the department, but he did not make the charges until a month ago.

Wright said he told the facts to the agricultural department after newspaper articles had appeared in which C. G. Elliott criticized him for part of the delay in publishing the Everglades report.

"Didn't you think it your duty to report those irregularities when you learned of them in 1909?" asked Henry E. Davis, attorney for Elliott and Marchessault.

"I was in the government service then and did not want to make charges against a superior officer," said Mr. Wright.

## Schiff Insists that All Facts in Brandt Case Be Brought Out

NEW YORK, Feb. 20.—"Rather than see aspersions cast upon the name of a woman, my client would prefer to suffer in silence in prison,"

Mirbau L. Towne, counsel for Folke E. Brandt, former valet for Mortimer L. Schiff, made this statement before Commissioner Hand today at the opening of the hearing to ascertain whether Brandt was sent to prison for thirty years as the result of a conspiracy.

Delaney Nicoll, representing Mr. Schiff, contended that the scope of the inquiry should not be limited. "We propose to show that all of Brandt's contentions which would entitle to clemency, are false," he said, "and without going thoroughly into the case how can we get at the issues?"

Mr. Nicoll made an impassioned appeal that Brandt's application to the governor for a pardon be produced.

"We will show," he declared, "that this man asked for clemency on a ground that he had never committed burglary in the Schiff house, but had gone there at the invitation of Mrs. Schiff. We will lay bare all the details of the foul conspiracy to blacken the name of a woman."

## Ryan Says Bomb Resolution Was Joke

INDIANAPOLIS, Ind., Feb. 20.—Firecrackers in the hall, not dynamite under suspicion, were referred to in a resolution submitted to the convention of the International Association of Bridge and Structural Iron Workers at Rochester, N. Y., in September, according to a statement by Frank M. Ryan, president of the association today.

Ryan denied the authenticity of the resolution, the original copy of which the federal officials investigating the dynamite conspiracy assert they have, but today he recalled, he said, that the measure proposing that "no more bombs or explosives of any kind be exploded while this convention is in session," was introduced.

"It was just a joke," said Ryan, "and came about because P. J. Moran of St. Louis had put bunches of firecrackers under the chairs of the delegates and set them off."

## FARMER'S TELEPHONE AIDS IN PREVENTING WRECK

ARLINGTON, S. D., Feb. 20.—(Special)—The telephone facilities of South Dakota farmers averted what might have been a disastrous wreck on the Milwaukee railroad between Webster and Waukey. Operator Harris at Webster had given a freight train orders to leave for the east, and the train had just got out of sight when word came from Waukey that the operator there, through an error, had permitted a passenger train to go by that station. Westbound The Webster operator immediately called a number of farmers living near the line of the road, and one of them reached the track with a lantern in time to flag one of the trains, the crew of which flagged the other in time to avert the threatened accident.

## CHICAGO BANKER LOCATES HERE WITH THE CITY NATIONAL

WALTER G. SILVER.



## High Court Hears Attorneys Argue in Trolley Rate Case

WASHINGTON, Feb. 20.—Claim to power to regulate interstate commerce on street railways crossing state lines was made today before the supreme court of the United States by the Interstate Commerce commission.

This view was presented in a case involving the power of the commission to require a reduction in fare on the railways from Omaha to Council Bluffs, Ia., from 10 to 5 cents.

Indirectly scores of cities near state lines will be affected by the decision.

Assistant Attorney General Denison and Solicitor Needham for the Interstate Commerce commission argued that congress had given to the commission power over all electric railways doing interstate business.

In a temporary injunction Judge Sanborn, Hooker and Adams of the federal circuit court in Nebraska, held the commission to be without such power, while the commerce court decided that the commission possessed it.

## BANDIT ROBS PASSENGERS

Masked Man Goes Through Sleeping Car in Maryland.

## MONEY AND WATCHES TAKEN

Suspect Who Gives Name of F. A. Becker is Under Arrest at Altamont, W. Va., for the Crime.

WHEELING, W. Va., Feb. 20.—Railroad detectives and county authorities today are scouring the country between Piedmont, W. Va., and Altamont, Md., in search of the young bandit who last night held up and robbed the New York and St. Louis express on the Baltimore and Ohio railroad on what is known as the seventeen-mile grade between these points.

The robber was masked and the only description the authorities have of him is his general appearance, gleaned by frightened trainmen and passengers as he robbed them leisurely of their valuables.

The young man boarded the train at Keyser or Piedmont and while the train was slowly climbing the grade made his appearance in the rear sleeper. Drawing a revolver, he covered the Pullman conductor, the negro porter and the flagman. He compelled the flagman to walk in front of him and arouse the sleeping passengers of whom there were fourteen. Quietly he demanded their "valuables. Those who hesitated were politely reminded that time was short."

When he had gathered loot to the value of about \$500 the train had reached the top of the hill at Altamont. Then the robber dashed to the rear of the train and leaped to the ground.

Every town along the line and in that section of West Virginia and Maryland was notified to be on the lookout for the bandit, but no tangible clue had been found early today.

The man worked quietly, but with what appeared to the passengers, who took time enough to observe him, without haste. He had fired his revolver when he entered the train, and a number of women fainted when he approached them, but he robbed them as quietly as he did the men, and gave no heed to their condition.

## CHALONER'S WIFE SAYS HE WAS PERFECTLY SANE

NEW YORK, Feb. 20.—A deposition of the Princess Troubetzkoy, formerly Amelia Rivers, and also the wife of John Armstrong Chaloner, will be introduced in Chaloner's suit for the control of personal property in this state, according to a declaration by his counsel at the beginning of the trial today.

Chaloner has been adjudged a lunatic in New York and will not be present. Chaloner estimates the value of his estate at approximately \$300,000.

Princess Troubetzkoy declares that in the six years she lived with Chaloner he was perfectly sane.

## Taft Gets to His Office Too Early

WASHINGTON, Feb. 20.—President Taft had an unusual experience today. He had an early breakfast in the White House and went to the executive offices before 8 o'clock. He strolled into his private office, sat down in his favorite chair and pressed a buzzer to call one of the assistant secretaries. Nobody came. The president became worried. He walked into the lobby and sighted in a remote corner a shorthand man who had suffered from indigestion or insomnia or something like that and who had come to work early.

"Come with me," said the president, and he took him into his private office and dictated for an hour and a half. Nobody in Washington is supposed to do anything before 9 a. m.

## HOUSE COMMITTEE WILL CALL GENERAL BLISS

WASHINGTON, Feb. 20.—The house committee on expenditures in the War department, which will inquire into charges against Major H. E. Ray, today decided to summon General Tazewell Bliss, in command at Fort Totten, New York, to appear next Monday in connection with the case. In the meantime the investigation and search for evidence in the case will continue, but the first hearing will be Monday.

## SLATE ADOPTED BY CONVENTION

Missouri Democrats Put Through Program After Ball Makes Fight Against Gag Rule.

### VOTE FOR CLARK EVERY BALLOT

Eight Delegates-at-Large Elected to Baltimore Meeting.

### GOLTRA AGAIN COMMITTEEMAN

Move Against Millionaire Dropped for Harmony's Sake.

### REPUBLICANS ARE ATTACKED

Platform Charges Party with Making History of Broken Promises, Violated Faiths and Betrayal of Trust.

JOPLIN, Mo., Feb. 20.—After an all afternoon fight on the floor of the convention, caused by the effort of David A. Hall of Bowling Green, a candidate for the gubernatorial nomination, to oppose the slate agreed on by party leaders, the democratic state convention late today elected eight delegates-at-large to the Baltimore convention, each with a half vote.

Hall's fight to stop what he termed "gag rules" and "cannonism" was unsuccessful and the prearranged program went through. The makeup of the delegates-at-large follows:

United States Senator L. C. Stone, former Governor A. M. Dockery of Galatin, Lon A. Stevens of St. Louis and David H. Francis of St. Louis, William T. Kemper of Kansas City, Gilbert S. Barbee of Joplin and Judge Virgil Role of St. Louis.

The delegation was instructed to vote for Champ Clark for president on every ballot taken in the Baltimore convention.

Edward F. Goltra, the St. Louis millionaire, who was nominated by former Secretary of State Samuel B. Cook, his most talked of rival, for national committeeman from Missouri, was re-elected by acclamation. Mr. Goltra pledged allegiance to Mr. Clark's candidacy and assured the convention that he would exert all his powers to secure the speaker's nomination.

The plan to supplant Mr. Goltra was dropped as a measure of harmony, following the near split in the convention this morning when Chairman Shannon and Delegate O'Donnell engaged in a controversy following Shannon's criticism of the democratic organization in St. Louis.

The platform adopted says in part: "The history of the republican party is a tale of broken promises, violated faiths and betrayal of trust. It destroyed popular government in the hours of representative government by a system of rules which vested arbitrary power in the speaker. This power it employed in the service of the great special interests."

"It inaugurated a system of wasteful extravagance unparalleled in history. It created a tariff law which imposes a tax upon the necessities of life for the benefit of favored institutions. It allowed the agents of these interests to dictate the very terms of the statute under which they plundered the people."

"It not only permitted the establishment of monopoly, but gave executive sanction to the destruction by the greatest trust on earth of its last potential rival. It promised in advance legal immunity to those who consummated the crime of monopoly."

"The republican party came before the people at the last national election apologizing for its errors and promising to reform its own inequities. It especially promised a reduction of the tariff taxation. In violation of the pledge it enacted the Payne-Adairch industry."

"Declaring the most important schedule of this bill to be utterly indefensible, the president nevertheless signed the measure and gave it the force of law. In this, as in all other matters, the republican party utterly failed to fulfill its promises or keep faith with the people."

"The democratic party under the splendid leadership of Champ Clark overthrew Cannonism and restored the representative government of the popular branch of congress since Clark has been speaker."

## FOR RENT

signs meet only the casual glance of passersby. People who will rent the vacant store or office. Put your message in the want ad department of The Bee. It will reach the eyes of thousands of searching readers and will be answered quickly.

It costs but pennies and it brings in dollars. You are sure of getting the right tenant without needless delay. If you are renting an office or store or other room yourself, perhaps you want to get a new place.

Then read today's want ads.

## The Weather

For Nebraska—Generally fair; colder. For Iowa—Generally fair; colder. Temperature at Omaha Yesterday.

5 a. m.	29
6 a. m.	29
7 a. m.	29
8 a. m.	29
9 a. m.	29
10 a. m.	29
11 a. m.	29
12 m.	29
1 p. m.	29
2 p. m.	29
3 p. m.	29
4 p. m.	29
5 p. m.	29
6 p. m.	29
7 p. m.	29
8 p. m.	29
9 p. m.	29
10 p. m.	29
11 p. m.	29
12 m.	29

Highest yesterday 29; 1911, 1