

# WEEKLY INDUSTRIAL RECORD.

PUBLISHED EVERY MONDAY, DEVOTED TO NAVAL STORES, LUMBER AND MANUFACTURING INTERESTS.

Adopted Sept. 12, 1902, by the Executive Committee of the Turpentine Operators' Association as its Exclusive Official Organ, and adopted Sept. 11, 1902, in Annual Convention, as an Official Organ also of the General Association. Adopted Sept. 11, 1903 as the Only Official Organ of Turpentine Operators' Association. Adopted April 27, 1903, as Official Organ of the Inter-State Cane Growers' Association. Endorsed by Georgia Sawmill Association. Official Organ of Southeastern Stock Growers Association.

## OFFICIAL COURT STENOGRAPHER'S REPORT OF THE AMERICAN NAVAL STORES COMPANY, SHOTTER, NASH, MOLLER AND OTHERS IN THE FEDERAL COURT AT SAVANNAH.

[Editor's Note:—These proceedings will be run as a serial and will be continued from week to week in this space until the last page of the proceedings has been published. Every person interested in naval stores, whether producer or consumer, cannot afford to miss this series.]

### THE BILL OF PARTICULARS.

In the Circuit Court of the United States for the Southern District of Georgia, Eastern Division.

The United States of America vs. American Naval Stores Company, et al.

Now comes the United States of America, by Alexander Akerman, Assistant United States Attorney, and W. M. Toomer, special assistant United States Attorney, who appear and prosecute for the United States in this behalf, and in accordance with the order of the court filed in the above entitled cause, on the 22nd day of April, 1909, requiring the United States Attorneys to file a bill of particulars in this cause, submit and file the following bill of particulars:

1. The Government expects to show that the controlling, manipulating and arbitrarily bidding down and depressing the market price of spirits of turpentine and rosin, so that competitors and producers could not sell said articles of commerce, except at ruinous prices, was done at Savannah, Georgia, Jacksonville, Florida, New York, N. Y., London and Liverpool, England, and Hamburg, Germany, and at divers other places at this time to the Assistant United States Attorney unknown. The competitors affected by prices thus reduced were The J. R. Saunders Company, Pensacola, Florida, John A. Casey Company, New York, N. Y., James Corners & Sons, Baltimore, Md., Paterson Export Company, Jacksonville, Florida, and divers other persons at the present time to the Assistant United States Attorneys unknown. That the aforesaid manipulating, bidding down and fixing of prices was done by Edmund S. Nash, Spencer P. Shotter, J. F. Cooper Myers, Carl Moller, George Meade Boardman, Harry H. Bruen, and divers other persons, who were agents and employees of the American Naval Stores Company and subsidiary corporations; the names of whom and the exact character of their agency and employment at the present time to said Assistant United States Attorneys are unknown.

2. The Government expects to prove that the diversion of naval stores receipts referred to in the second paragraph of the court's order, was forced and coerced from the ports of Fernandina and Jacksonville, Florida, and Brunswick, Georgia, to the port of Savannah, Georgia, and that this was done by the defendants themselves, and by divers agents of American Naval Stores Company and National Transportation and Terminal Company, at this time to the Assistant United States Attorney unknown; further, that the naval stores thus diverted included both spirits of turpentine and rosin.

4. The Government expects to prove

under specification No. 4 of the Court's order, that the factors and brokers referred to were the Consolidated Naval Stores Company, West, Flynn & Harris Company, and divers other factors and brokers, at this time to the Assistant United States Attorneys unknown. Both parole and documentary evidence will be relied on by the Government. The contracts relied on by the Government, in substance, required the storage of naval stores receipts of such factors and brokers at naval stores terminals, owned, controlled or operated by the National Transportation and Terminal Company. Duplicates of these contracts, the Government is advised, are now in the possession of the defendants.

5. The Government expects to prove under the 5th specification of the Court's order, that false statements were made by the defendants themselves as to the stock of naval stores unsold in the hands of producers or their immediate representatives; that is to say, that the defendants inspired and caused to be published in the Naval Stores Review, and various other trade organs, at this time to the United States Attorneys unknown, and circulated throughout the naval stores trade, in various issues of those trade organs, statements, grossly exaggerating the quantity of spirits of turpentine in the hands of producers, or their immediate representatives, and in storage at Savannah, Georgia, and Fernandina and Jacksonville, Florida.

6. Under the sixth specification of the Court's order, the Government expects to show that the warehouse receipts referred to were, in substance and character, receipts issued by The National Transportation and Terminal Company for naval stores falsely claimed to be in its custody at Tampa and Fernandina, and hypothecated with the banks at Jacksonville, Florida; that said warehouse receipts were partly printed and partly written. No such receipts are in the possession of the Government, or exemplifications of the same, but it is believed by the Government that these receipts are in the possession of the defendants, or have been by them destroyed.

7. Under the seventh specification of the Court's order, the Government expects to prove that the practice of falsely and fraudulently raising the grades of rosin, without re-inspections, was carried on at Brooklyn, New York, Hamburg, Germany, Tampa, Florida, Jacksonville, Florida, Ludlow Kentucky, East Saint Louis, Illinois, and divers other places at this time to the Assistant United States Attorneys unknown. This grading up of rosins, the

Government expects to show was done by employes of the National Transportation and Terminal Company and American Naval Stores Company, acting under the direction of the respective managers of said companies' terminals at the points named, and by divers other agents and servants of all of said defendants, the exact names and character of said agencies being at this time to the Assistant United States Attorneys unknown.

8. Under the eighth specification of the Court's order, the Government expects to prove that some of the competitors in business, whose employes were attempted to be bribed, were the John R. Young Company and the Naval Stores Export Company; and that the names of some of the employes of said competitors who were approached with bribes were F. H. Holloway, Harry Manucy and William Thomas; that the names of the persons attempting to bribe the above named employes of said competitors were A. C. Bacon, Henry Betjeman and Percy Bacon, and that these attempted bribes occurred at Tampa, Florida, Fernandina, Florida, and Brunswick, Georgia; that the Government in this connection, expects to show the attempted bribery of divers other employes of divers other competitors by divers other agents and employes of the defendants at divers times and places, at this time, to the Assistant United States Attorneys unknown.

9. Under the ninth specification in the Order of the Court, the Government expects to prove that for the postponement of deliveries while the defendants were depressing the market Lilly Varnish Company, of Indianapolis, Indiana; Gesellschaft Schering, of Berlin, Germany, and Conrad William Schmidt, Duelseldorf, were offered bonuses, and in order to the postponement of deliveries at such time, Ernest C. Bartels, Aektien, Gesellschaft, Hamburg, Germany, was threatened with boycott. Payment of bonuses and threats of boycott were made to and against divers other consumers to the Assistant United States Attorneys at this time unknown. The payment of said bonuses and the threats of boycott were made by the defendants, and by their special agent, E. S. Trosdal, and the manager of the Cincinnati, Ohio, branch office of American Naval Stores Company and by other agents and representatives, whose names and exact relations to said defendants are to the Assistant United States Attorneys unknown. The Government is not in possession at this time of the contracts described in said specification, except the contract between the American Naval Stores Company and Lilly Varnish Com-

pany, copy of which, in substance, is as follows:

"Dated February 13, 1907. American Naval Stores Company, Chicago, Ill. Sold to Lilly Varnish Co., Indianapolis, Ind. Freight prepaid to Indianapolis, Ind. Ship via Penna Co., when ordered. Terms, sight draft with bill of lading attached, upon shipment of goods. This order not subject to cancellation. —bbls—Rosin, per 283 lbs. 2 6,500-gal. tanks turpentine, to be billed at flat Savannah, freight paid to Indianapolis. These tanks to be taken before Dec. 31, 1907. Sight draft B. of L. attached. American Naval Stores Co., by W. E. Holwes. Accepted, Chas. Lilly."

But it is advised and believes that the defendants have in their possession duplicates of these contracts.

10. Under the tenth specification in the Court's order, the Government expects to prove tentative offers of spirits of turpentine made to Ernest C. Bartels, Aektien Gesellschaft, Hamburg, Germany, by the following representatives of American Naval Stores Company, to-wit: the American Pine Products Company and Hugo Wirtz and divers other tentative offers of naval stores made by the American Naval Stores Company to parties and at places at this time to the Assistant United States Attorneys unknown.

11 and 12. Under the eleventh and twelfth specifications in the order of the Court, the Government expects to prove that in the months of November and December, 1907, the American Naval Stores Company at Philadelphia, Pa., and Newark, N. J., made sales of spirits of turpentine below the cost of production; that said sales were made at Newark, N. J., by the manager of the New York City office of the American Naval Stores Company, and at Philadelphia, Pennsylvania, by the manager of the Philadelphia branch office of the American Naval Stores Company, and divers other sales made at divers other places and on divers other times to consumers and by representatives of the American Naval Stores Company, at this time to the Assistant United States Attorneys unknown. The prices at which said sales were made were based on the prevailing Savannah market at those times depressed below the cost of production by the defendants by the various means and in the manner specified in the first and second counts of the indictment.

This Bill of Particulars is submitted respectfully as a compliance with the order of the court in the premises and with the right reserved to and prayed by the Government to introduce any evidence which would have been competent under the allegations in the Bill of Indictment