

EDSEL FORD TELLS OF BIG AUTO PROFITS

Company Made \$30,000,000 in 1914 Despite \$5 Minimum Daily Wage

'PROFIT-SHARING' DISPUTED

By the Associated Press Mount Clemens, Mich., July 11.—Edsel B. Ford, president of the Ford Motor Company, resumed his testimony this morning in the libel suit brought by his father, Henry Ford, against the Chicago Daily Tribune. The elder Ford was in court, ready to follow him on the stand. The examination of Edsel Ford was by Elliot G. Stevenson, attorney for the newspaper. The guarantee of \$5 a day minimum wage was put in effect on January 12, 1914, witness testified, and the net profits that year were approximately \$30,000,000. Mr. Stevenson, pursuing his theory that the wage was something that the employees amply earned, and should not be called "profit-sharing," adduced that in 1916, production had more than doubled and net profits were approximately \$60,000,000. This doubling of profits, Mr. Stevenson pointed out, resulted in no change in the incomes of employees and hence, he said, "the term profit-sharing" was a misnomer. Alfred Lucking, attorney for Henry Ford, objected to any further investigation into the "private affairs of the corporation." The witness said there was a surplus of labor in 1914 at the wage scale in effect, notwithstanding which the \$5 was not in effect. It was Henry Ford's policy to keep profits at \$25,000,000 a year, Edsel Ford said, and to this end it was the custom to cut the prices of cars each year. In 1916, however, it was deemed advisable to build blast furnaces and expand otherwise. The price was not cut that year, and the big profits resulted and are now being used as originally contemplated.

FORD REORGANIZES MOTOR COMPANY

Detroit, Mich., July 11.—(By A. P.)—Reorganization of the Ford Motor Company is being completed, whereby Edsel B. Ford, twenty-five-year-old president of the company, becomes, with the exception of one other stockholder, the sole proprietor of the company. This announcement was made today by Frank L. Klingensmith, vice president and general manager of the company. Mr. Klingensmith announced that purchase had been arranged of all the minority stock comprising a block held by James Couzens, millionaire mayor of Detroit and former vice president of the company. Recapitalization of the company also is contemplated, Mr. Klingensmith said. He said other officials of the company refused to divulge the amount involved in the purchase, but it was estimated in financial circles, however, that it would total close to \$100,000,000.

Palmer Assailed in Beer Test Case

Continued From Page One taining the denurrer, and that the appeal had been taken to the United States Supreme Court, and that a decision might be expected early in the fall. Counsel declared that meanwhile there was no definite line of action for the Department of Justice to follow, and that, although Judge Rose, in Baltimore, had followed precedent set by the New York court, yet that was but an extra judicial opinion, or dictum, and if Judge Dickinson felt sure in his own mind as to the meaning of the congressional enactment he felt that he would feel at perfect liberty to give expression of his opinion and to fix the law for this district, at least for the months intervening before the appeal could be decided. Judge Dickinson replied that he had never tried to evade or shirk his responsibilities, but was interested to learn what appeal a decision would be, when an appeal to a higher tribunal was pending. Many spectators crowded the courtroom when the hearing in the test suits opened. Five attorneys appeared for the government, while a lone lawyer represented the brewery interests. Former Judge Jenkins, in opening his argument for the dismissal of the test suits, said the sole point in the case had already been decided by the Federal District Court and the Court of Appeals in New York and the Federal District Court at Baltimore. He said all other United States District Courts throughout the country should follow the precedent established by these tribunals in sustaining the denurrers of the brewers and voting denials until the United States Supreme Court had decided an appeal which is now before it.

Intoxicating Qualities in Question

The crux of all the cases, said Judge Jenkins, is whether the government is forced to allege that the beer manufactured by the local brewing company was, or is, intoxicating. Unless this allegation is made, prosecutions under the wartime prohibition law, cannot stand, he contended. He read provisions of the law which prohibit the use of grains, cereals and other products, after May 1, 1919, in the manufacture of "beer, wine and other malt or vinous liquors for beverage purposes." "The English language, with which your honor and myself are somewhat familiar," said the attorney, "has its idioms. If a person were to say to you that Brown and Smith and two other men were at a certain place you would rightfully assume from your knowledge of the English language and its idioms that Brown and Smith were men. "Or, if you were told that Brown and Smith and two other white men were seen together, you would know that Brown and Smith were white men also, otherwise, the word 'other' would be out of place. And when the act says that an beer, wine or other intoxicating liquors shall be manufactured, we are brought back to Brown and

Smith and two other white men, and we know that the act means 'but beer that is intoxicating cannot be manufactured.'

Must Charge Beer Intoxicating "It is quite plain, therefore, that the government must charge that the beer manufactured by this defendant was, or is, intoxicating, otherwise its cases fall. When the New York courts, whose decision was followed by Judge Rose, in Baltimore, held that the government must allege an "intoxicating," Judge Jenkins said he assumed that all other contemplated prosecutions by the government would be held in abeyance until the Supreme Court had passed upon the question. He urged the court here to follow the precedent established by Judge Rose in accepting the rating of the Circuit Court of Appeals of New York, pointing out that an appeal is now pending before the highest court in the land upon which a decision will settle the question at issue.

'Beer' of Any Kind Violation

If the government's position is sustained, all beverages called "beer," whether alcoholic or not, will come under the wartime prohibition law. The government contends that nonalcoholic beverages, if they use the name "beer," violated the prohibition law. The government's legal forces were led by William L. Frierson, assistant attorney general. Flanking him were Assistant District Attorney Kane and Assistant District Attorneys Da Costa, Walnut and Achey. Soon after the hearing started, Francis J. Maney, one of the attorneys for Neil Bonner, president of the Retail Liquor Dealers' Association of Philadelphia, joined former Judge Jenkins at the counsel table. A test case is pending against Bonner for the sale of a bottle of beer to an agent of the Department of Justice, by arrangement, so that the courts could be asked to determine whether a sale is illegal. Sproul Can Direct Registry, Says M'Cain

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Continued From Page One week when the pressure for Woodruff and Gable became so strong that the Governor decided to drop him. It is not unlikely that Mr. Hicks will be taken care of in some other way at the proper time. An impartial view of the composition of the board suggests that it will act with fairness consistent with partisan lines; and yet whatever difference there may be will be in favor of the independent element of the Republican party. Mr. Fell by affiliation leans toward the Republican Alliance but whether this will be strong enough to influence him in delicate situations is a matter for the future to decide. Campaign in Full Swing With the vexed question of the Registration Board settled, the municipal campaign will now go full speed ahead. The action of the independent Republicans, who merit the title of the "Allies," in deciding to abandon the delegate convention scheme for nomination of candidates will meet with general commendation among the simon-pure reformers. Campaigns as they might, the proposed meeting was nothing more than a revival of the despised county delegate convention which the independents fought and licked years ago. "A committee of one hundred" sounds more like business. Chairman George W. Coles, of the Town Meeting party, gave another exhibition of his political common sense when he cast aside the crown at yesterday's conference of the representatives of the anti-Vare allies. It was suggested when a committee of one hundred was proposed to take charge of the campaign that Chairman Coles be delegated to appoint the committee. He respectfully declined. He insisted that representatives of all the allies get together and do the work. Had he accented it would have laid him open to the charge of dominating the situation. Besides, it isn't one man's job by any means. The committee of one hundred will represent every section of Philadelphia. The best men in the independent ranks are to be chosen. And in this connection a delicate question may arise which will involve resignations or denunciations to serve. "They will come from the gentlemen who desire to be candidates for the short council, and who would consequently not care to serve on the one hundred. For this committee will name the candidates to be voted for at the primaries. The Vare organization on the surface was quicker on the trigger than the Independent Allies in their appeal to the armed soldiers' vote. The work of canvassing the city is already under way; at least will start the beginning of the coming week. Every returned soldier will receive personal attention from the canvassers and the division leaders. There doubtless will be rallies, reunions, dinners, and all sorts of "being 'slated' these days without working for his nomination has small hope of success." Then he cited the cast of Judge Kephart, who canvassed the state without much encouragement at first, until finally he forced recognition of his claims and won out handsomely. But slate or no slate, no candidates will be named by either party until the last minute. Everybody who desires to be a candidate for any position whatever will have his opportunity to get into the running. By staying off premature announcements of a choice it will preserve the candidates from attack just that much longer. And it is an act of charity almost to do this because this will be the banner campaign for bitterness, vindictive attack and, one might safely say, brutality. It will be a campaign long memorable in the political history of Philadelphia.

REED CHARGES GREAT BANKERS BACK LEAGUE

Senator Tells Audience of 'Flood of Gold' to Support Idea

SEES NATION'S RIGHTS GONE

By the Associated Press Atlanta, Ga., July 11.—Appealing to the South to stand against the league of nations, Senator James A. Reed, Democrat, of Missouri, declared at a mass meeting here last night that the league plan would sacrifice national rights and place the destinies of the American people in the hands of foreign kings and diplomats. "I come to you," said Senator Reed, "as an old-fashioned senior pure Democrat. I have never scratched a Democratic ticket. I believe in the doctrine of local self-government. I believe the interests of the American people are safer in the hands of the representatives of all the people assembled in Washington than they will be in the hands of the representatives of the governments, kings and autocrats of Europe and Asia." "I deny the right of any temporary officeholder to so employ the powers of his office as to compel our sons to sacrifice their lives in the contests of other nations while he sits secure and safe at home." "Charges that a vast propaganda for the league had been organized by former President Taft and backed largely by international bankers, Mr. Reed continued: "In part this propaganda has been illegally paid for out of the monies of the United States. Even while the Liberty Loan drives were on, literature advocating the league, printed at government expense, was furnished to the four-minute speakers who were to address audiences."

Friend and Foe Plan Bitter League Fight

Continued From Page One 000,000,000 deserved deliberate consideration. It was indicated at the White House that the President was devoting considerable attention to the rider on the agricultural bill repealing the daylight saving law. He has before him many petitions, some urging that he sign the bill and others that he veto it. So far as could be ascertained the President's mind still was open. The President has mapped out a definite program for dealing with the matters before him and it is said this will be rigidly adhered to until he starts on his speaking tour. On the advice of his personal physician, Rear Admiral Gray, the President will go to the golf links every day for exercise if it is possible for him to do so. Mr. Wilson is said to be in excellent health, but his physician deems it advisable that he spend as much time as possible in the open in preparation for his vigorous speaking tour. Opponents of the league of nations early challenged the assertion of the President, made in his interview with newspaper men at the White House, that it would take a two-thirds vote of the Senate to adopt reservations. Lodge Quotes Senate Law Senator Lodge, combating the statement, cited rules governing Senate procedure with treaties, to show only a majority vote was required to adopt reservations. He mentioned Rule 37, which reads: "On the final question to advise and consent to the ratification in the form agreed to, the concurrence of two-thirds of the Senate present shall be necessary to determine it in the affirmative, but all other motions and questions upon a treaty shall be decided by a majority vote, except a motion to postpone indefinitely, which shall be decided by a vote of two-thirds." The Senator also referred to amendments made to the arbitration treaty with Great Britain when it was ratified by the Senate March 7, 1912, as showing that a majority vote was sufficient. An amendment, providing for reservations on the Monroe Doctrine, and purely American questions, such as immigration, was adopted, forty-one to thirty-eight. Later, the treaty was ratified by the two-thirds vote. "The President is in error," said Senator Lodge. "The Senate rule plainly shows that a majority vote is sufficient to amend a treaty, whether through reservation or any other method. The Senate votes upon a reservation to ratify a treaty. Amendments may be made to that resolution before the vote on ratification is taken and they can be adopted by a majority vote. It is exactly the same procedure as in voting amendments to a bill. There is no question whatever upon the point."

Handle Half of Poultry

"Judged conservatively by trade estimates, the big five handle at least half the poultry, eggs and cheese in the main channels of interstate commerce. Recently the big packers began dealing in various staple groceries and vegetables, such as rice, potatoes, beans and coffee, and increasing their sales at such a rate that it is certain they have become factors of great moment." Referring to the packers' activities in South America, the report said that from establishment of a single plant in Argentina in 1907 by Swift & Co., the American packers, Swift, Armour, Morris and Wilson, had developed by 1917 until for that year they exported 57.4 per cent of all exports of frozen and chilled beef quarters from Argentina and Uruguay. "It is significant of their power and the rapidity of their action," said the report, "that in 1910, three years after

Control of Food in Packers' Grasp

Continued From Page One the services connected with the production and distribution of animal foods and their by-products, and are reaching out for control, not only of substitutes of animal food, but of substitutes for other lines into which the integration of their business has led them. "They are factors in cattle loan companies making the necessary loans to growers and feeders of livestock; are interested in railways and private car lines transporting livestock and manufactured animal products; in most of the important stockyard companies; in the public market for the bulk of food animals—and in livestock trade papers on which growers and feeders rely for market news. "They are interested in banks from which their competitor packing houses borrow money to complete their machinery, feed, salt, materials, boxes, etc., to themselves and their competitors; they are principal dealers on the provision exchanges where future prices are determined; they or their subsidiary companies deal in hides, oil, fertilizer material and other by-products; purchase from other packers these crude by-products, and themselves carry the manufacture thereof to a further stage than most of their competitors.

TRADE COMMISSION IS UNFAIR, PACKERS SAY

Swift Denies Charges on Behalf of Big Companies

Chicago, July 11.—(By A. P.)—Charges against the big meat packers contained in the report issued by the Federal Trade Commission today were denied by Louis F. Swift, president of Swift and Company, speaking for his own company and for the other Chicago packers, Armour and Company, Morris and Company, Wilson and Company, and Cudahy and Company. "The latest report of the Federal Trade Commission is merely an attack upon large and successful business organizations and should be resented by all Americans who are proud of the industrial progress of the nation," said Mr. Swift. "It contains nothing new and is an outgrowth of the former Assistant Secretary's investigation. This report, so far as I am informed, contains absolutely no evidence of collusion among the five large packers. "The manner in which the trade commission juggles figures and resorts to sensationalism betrays the insincerity of the commission. We are living up to both the spirit and letter of the law and want to co-operate with the government in every lawful and constructive way, but we must protest against the methods used by this important branch of the government. "I say that the large packers and their individual businesses are a public benefit and a decided factor in keeping down the spread between the livestock and meat prices. "This report is put out now as a part of the propaganda in which the trade commission with others, is engaged, seeking to subject the packing industry and other lines of business to the arbitrary control of subordinate government officials through a license system. "No one disputes that out of the receipts of the packers, derived from the products of animals, about 85 per cent is paid out for live animals, thousands. About 12 per cent is paid out for forages, transportation and other such expenses. About 2 per cent of this turnover is earned by the packer as net profit. And no one disputes that this amount is but a small fraction of a cent per pound and that it is so negligible as not in any way to affect the price which the consumer pays for meat. "It is to be regretted that in these days, when the public feels keenly the pressure of high prices, a government body does not give out facts respecting prices and profits. This has never been done fairly by the Federal Trade Commission as regards the packing industry, although the commission has constantly had the most complete information in its possession. "The report just issued by the trade commission and its discussion a number of subsidiary companies, and its calculation of percentages of the classes of business handled by the packers, are

Weimar Acceptance Not Sufficient

Continued From Page One a possibility that the question of Fiume and that of the promises made to Italy in the treaty of London respecting the eastern shore of the Adriatic will not be solved by the Peace Conference itself, but that they will await determination by the league of nations. A review of the Italian press received here contains a summary of a proposal said to have been made by Colonel Edward M. House of his own responsibility and without the knowledge of President Wilson. The summary of Colonel House's plan follows: "The town of Fiume, its suburb of Sussak being excluded, to form together with the territory of Votsona and the islands of Cherso, Arbe and Veglia, a free state under the aegis of the league of nations. The new state to include within its frontiers the southern stretch of the railway which from Fiume goes toward Ljubich, and to follow the frontier of Italy, to which is assigned all the rest of Istria. The free state to be administered by a council composed of two Italians of his kingdom of Italy, one inhabitant of Fiume, one Dugo-Slav and one Hungarian. Zara, Sebenico and the Islands of Lussin, Lissa and Curzola to fall to Italy. Finally, Italy to have a league of nations mandate for Albania. The Fiume arrangement to last for fifteen years, when a plebiscite would be taken to settle the final destiny of Fiume and its region."

Person Proclaimed President

Rio Janiro, July 11.—Congress yesterday proclaimed Dr. Epitacio Pessoa president of the republic for the term ending 1922.

What a pity she doesn't know that Resinol Soap would clear her skin. "She would be a pretty girl, if it wasn't for that unsightly complexion!" But the regular use of Resinol Soap, aided at first by a little Resinol Ointment, would probably make it clear, fresh and charming. If a poor skin is your handicap, begin using Resinol Soap and see how quickly it improves. Resinol Soap and Resinol Ointment are sold by all drug stores. For free sample of each, write to Dept. 9-K, Resinol, Baltimore, Md.

HARDEN MAY BE ENVOY TO U. S.

Hamburg Paper Hears Noted German Editor May Be Sent to Washington

Copenhagen, July 11.—(By A. P.)—Maximilian Harden, editor of Die Zukunft, of Berlin, will probably be appointed German ambassador at Washington as soon as diplomatic relations are restored, says the Fremdenblatt, of Hamburg. Maximilian Harden, although a protégé of the Kaiser before the war, was noted during the war for his plain speaking in telling both the German rulers and people of their crimes and mistakes and pointing to the disaster they were inviting. He has declared the Allies' peace terms just and called on the nation to buckle down to work and atone for the misdeeds of the war.

COUNTY TAXES U.S. BUILDING

Adjustment Between Government and Land Owner Suggested Cleveland, O., July 11.—A \$100,000 shop that Uncle Sam built on the land of the Hydraulic Pressed Steel Company, of Cleveland, has been taxed by Cuyahoga county. The government building was erected to expedite munitions work. The company maintained it did not own the building, listed by John Zangerle, county auditor, but was willing to pay tax on the land. The government also owned the machinery, which was removed after the armistice was agreed to. The auditor suggested that the \$8000 tax be made a part of the claim adjustment between the company and the government.

HELD FOR THEFT OF WIRE

Four Accused Men Under \$600 Bail for Action of Court

Four men, arrested on the charge of stealing \$1000 worth of copper wire, were arraigned before Magistrate Wrigley today and held in \$600 bail each for court. They are Stanley Outrick, Arthur Malloski and William Koski, all twenty years old, and residents of the neighborhood of Richmond and Clearfield streets, and Joseph O'Brien, twenty-three years old, of Stella avenue below Frankford avenue. The men were arrested by Mounted Patrolmen Heim and James, of the Belgrade and Clearfield streets station, after a report was received of the theft of the wire from L. Goldstein & Son, of Richmond street and Allegheny avenue. The police say the men were driving away in a wagon with the loot when taken into custody.

SUNDAY EXCURSION \$2.50 War Tax 20c Additional NEW YORK SUNDAY, JULY 13, 1919 Special train leaves Reading Terminal at 8:00 A. M., stopping at Columbia Avenue, Huntington Street, Wayne Junction, Logan, Ardmore and Noble. Returning leaves New York West 23d Street at 12 P. M., leaving at 3:30 P. M. Similar Excursions Saturdays July 20 and 27 Philadelphia & Reading Railroad



The Hotel Pennsylvania Roof Garden

There's a new and modish attraction in New York this summer: the Roof Garden Restaurant and Conservatory of Hotel Pennsylvania. It's the full length of a city block—from 32nd to 33rd Streets—and it's quite the place to go for luncheon, tea, dinner or supper. There's music, by Erdody's Orchestra, and dancing from 7 p. m. But Remember— But when you are thinking of where you will live while you're in New York, remember that the Roof Garden is but one of the attractions of Hotel Pennsylvania. This largest hotel in the world has all the comforts and conveniences you expect of a New York house of the first class, and many unusual ones besides.

Baths and Swimming Pools

There are, for instance, two complete Turkish bath establishments, one for men, one for women, and each has its own large swimming pool. There is a well-stocked and pleasant library from which you can borrow books at your pleasure. There is an abundance of roomy and luxurious lounging space, complete individual floor service, and so on.

And In Your Room

Every guest-room has its own private bath, circulating icewater, bedhead reading light, full-length mirror and many other unusual conveniences. A morning paper is delivered free to every guest-room.

What It Costs

Rooms for one person are \$3.50, \$4, \$5, and \$6; for two, \$5, \$6, and \$7 (with twin-beds, \$6, \$7, and \$8); parlor suites are \$12 and up.

Hotel Pennsylvania Opp Pennsylvania Terminal, New York 2200 rooms 2200 baths STATLER-OPERATED—In connection with HOTELS STATLER Buffalo Cleveland Des Moines St. Louis

Green Hill Overbrook, Pa. A CHARMING home, almost identical to this, containing 6 bed chambers, and 4 baths, also garage with chauffeur's quarters, and commanding a view of the surrounding country, is now under construction at Green Hill and will appeal to anyone seeking an exclusive residential section near Philadelphia. Five other beautiful homes are also under construction, plans of which may be seen at our office. Close to churches and schools. Golf and Country Clubs near by. Twenty minutes by motor through Fairmount Park. Morris Wood, Manager, 64th & City Line

LIFE-RENEW FOR FACE AND SCALP Your Hair Permanently Waved BY SCIENCE'S LATEST EFFICIENT METHOD KAPNEK & KAPNEK 1615 WALNUT ST. & 2nd St. Phila.