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U. S. GOVERNMENT AFTER MOTION PICTURE TRUST

Enquiry Has Begun Before Special Examiner Hacker of Philadelphia—Claim is Made That it is an Illegal Combination Under the Sherman Anti-trust Law—Moving Picture Business Has Grown to Enormous Proportions in Recent Years

New York, Jan. 16.—Before Edward Hacker of Philadelphia, sitting at a special examiner by appointment of the United States District Court, the taking of testimony has been commenced here in the government's suit against the so-called motion picture trust. The purpose of the suit is to dissolve the combination on the ground that its existence is in violation of the Sherman anti-trust law.

The case is regarded by the government as one of its most important anti-trust suits because it brings squarely to issue the relation of the patent laws of the Sherman statute. Ten prominent motion picture concerns are accused of combining to monopolize the business through the Motion Picture Patents Company, a corporation organized for the purpose of holding patents, and the General Film Company.

The marvelous growth of the motion picture business in the past decade and the fact that no village is too small to have a picture show brings the matter close to the hearts of the people. It is estimated that a sum greatly in excess of \$100,000,000 represents the aggregate of investments in the different branches of the business, divided among the manufacturers of the cameras, films and exhibiting machines, the rental exchanges and the theatre owners.

The "Motion Picture Trust" made its appearance in 1908 at which time there were ten manufacturers or importers, about 100 rental exchanges and 6,000 exhibitors. The keenest competition existed at that time. As a result the manufacturers undertook to combine under the new scheme of patent control. The government charges that in pursuance of this plan the Motion Picture Patents Company was incorporated in New Jersey, and to it the manufacturers assigned their patents, under provisions guaranteeing the companies certain royalties.

From the patents company the manufacturers took back licenses, binding themselves so that only licensed films could be used and then only in licensed machines. Royalties of \$2 per week were to be collected and no more films were to be sold, but only leased. The allegation is made that under the new plan the prices were gradually increased until at the present time the exhibitor

pays more for the rental of a film than he formerly paid to buy it outright.

All rental exchanges were required to enter into license agreements with the result that many were driven out of business. The exhibitors were divided among the different exchanges and each exhibitor was required to obtain his entire supply of films from one exchange.

In 1910 the trust started out to monopolize the rental exchange business and organized the General Film Company, which proceeded to acquire the business or cancel the license of every rental exchange in the United States except one. It bought out fifty-seven exchanges, for which it paid upwards of \$8,000,000 in cash and notes and nearly \$8,000,000 more in preferred stock. At the same time the patents company canceled the licenses and thus drove out of business about fifty exchanges, with the result that all of the exchanges doing business when the trust was organized four years ago, only one, the Greater New York Film Company, survives.

The patents company absolutely controls every branch of the business according to the government's allegations and if an exhibitor's license is canceled he cannot obtain pictures in the United States. What is claimed to be one of the most iniquitous features of the combination is its deadly grip on the motion picture theatres. Its power enables it to open or close a theatre in any part of the country at will. The charge is made that in many of the large cities certain houses enjoy the favoritism of the "trust" because the officers and members of the combine have financial or other interests in them, and that in order that the favored houses may enjoy the limit of profitable business other houses that might interfere with that business have been summarily forced to close their doors.

The trial of the government's suit against the "trust" is expected to extend well into President Wilson's administration. After taking testimony here Examiner Hacker will conduct similar hearings in Chicago, Philadelphia and several other cities. The defense, it is understood, will be based wholly upon the claim that the defendant companies are merely exercising the lawful monopolies of their patent rights.

HOME RULE BILL IN FINAL STAGE IN BRITISH HOUSE

London, Jan. 15.—The Home Rule bill started on its final stage in the house of commons today and the occasion was marked by two speeches seldom excelled in the house, by the prime minister, Hon. Herbert H. Asquith and Hon. Arthur J. Balfour, the former leader of the opposition, who have no equals as parliamentarians.

Other speakers representing all parties, followed and the debate finally was adjourned until tomorrow, when a division will be taken. The bitterness which bills of a similar nature aroused in the past was largely absent in the discussion today, but with the harder hitters on the programme for tomorrow, this may not be continued.

When the orders of the day were called and Mr. Balfour at the request of the opposition leader, Andrew Bonar Law, moved the rejection of the measure, the house was crowded to its capacity and every seat in the galleries was occupied by interested listeners.

Mr. Balfour who has been absent from parliament for some weeks, while not so fluent as the prime minister, delivered one of those telling speeches for which he is famous, and which rouses his supporters to the height

of enthusiasm and commands the respect of his opponent.

LIKENS ULSTER TO THE AMERICAN COLONIES

He dealt with the bill in a general way and particularly laid stress on the case of Ulster, the present condition of which he likened to that of the American colonies before the revolution. He charged the government with showing a dangerous want of appreciation of that section. Pointing his finger at the government bench, Mr. Balfour concluded: "If blood be spilled, which God forbid, the real assassins will be those who have never had the courage to face the situation."

Premier Asquith defended the bill from every standpoint. He pleaded with the house to forget the past and give Ireland what the vast majority demanded. He laid stress on the safeguards introduced in the bill to prevent Protestants from being oppressed by the majority and repeated the government's offer to insert any other reasonable safeguards, if only the opposition could tell what was wanted. The premier recalled that Mr. Balfour had made the same gloomy predictions, as he did today, when the

TORY FEUD OVER THE HIGHWAY BRIDGE IS BECOMING WARM

Last week it will be remembered, the York County Council, by a unanimous resolution, asked the provincial government to keep the Fredericton bridge open for traffic during the winter season. The councillors representing the Parish of St. Mary's and Town of Marysville were appointed a committee to wait on the chief commissioner of public works, present the resolution and urge that it be complied with. Before the committee could act, Mr. H. M. Blair, secretary of the board of works, notified Mr. W. E. Jonah, caretaker of the structure, to close the bridge and keep it closed during the winter months. Mr. Jonah procured a few superannuated boards and nailed them across the entrance to the structure. This was the means of closing the bridge for traffic until Dr. H. H. McNally of this city, who enjoys a large practice in Marysville and vicinity, came along with his big auto to answer a professional call across the river. The knowing ones say that it is largely to spite Dr. McNally that the bridge has been closed. He is said to entertain this opinion himself and the result was that when he came to the obstruction he did not go through the formality of obtaining an injunction, which would have been a slow process, but stopped his car, removed the boards and forthwith transferred himself and his auto to the other side. This happened one day last week. The following day he again attempted to cross and again found the boards blocking his pathway. Once more he stopped the auto and once more the boards came down. He has been required to repeat the performance a number of times and is getting kind of tired of it. His time is valuable and if the public works

department persists in blocking the auto wheels of progress, he will probably be compelled to render an account to the province for his services.

Many people are at a loss to know why there should be so much tomfoolery in connection with the Fredericton Highway Bridge. It is said to be the only steel highway bridge in the province which is closed during the winter months. The people want it kept open; the local members for York, with possibly one exception, want it open and the county council of York wants it open. The chief commissioner of public works is in record as stating that there is no reason why it should be closed. Who then, is it that insists on the bars being put up? Not the caretaker, for he worked on the same job last winter and it is understood has not yet been paid for his services. The Mail has made some enquiries and finds that the only person who is really anxious to have the bridge closed is Dr. B. M. Mullin of St. Mary's, who entertains a personal and a professional grudge against Dr. McNally and wants to make all the trouble he can for him. Dr. Mullin has a pull with the secretary of the public works department and the two of them appear to be able to thwart the will of the people's representatives and keep up this farce. If Premier Flemming has any regard for the interests of the public he will not allow one of the departments of the government to be used as an agency for giving vent to personal spite. The bridge should be kept open, not because Dr. McNally has frequent occasion to use it but because it is decidedly in the public interests that it should be open and there is no reason why it should be closed.

EARL OF ASHBURNHAM LEAVING FOR ENGLAND

Sails Saturday from Halifax by Steamer Grampian--Succeeds to Title and Estates Through Death of Elder Brother at Paris Yesterday--Will Return for Wife Formerly Miss Maria Anderson of This City

The Earl of Ashburnham will sail from Halifax Saturday by the Allan Line steamer Grampian for England where he will settle the estate which has become his through the death of his elder brother Bertram fifth Earl of Ashburnham which occurred in Paris yesterday morning after a lingering illness from bronchitis. The Mail on Saturday last announced that the illness of the late earl had reached a stage which was considered fatal. The deceased was in his seventy-third year.

The sixth earl who is the Hon. Thomas Ashburnham has made his home in Fredericton for upwards of ten years was married some years ago to Miss Maria Anderson daughter of the late W. H. Anderson, of this city and one of Fredericton's most popular ladies.

The cablegram containing the sad intelligence that the fifth earl had passed away was from Lady Holland sister of the deceased. The present Earl of Ashburnham has lost three brothers within a year.

The present earl was born in 1855 and served in the Imperial Army for some years. He was an officer of the 7th Hussars, and saw active service during the Egyptian war and was present at the battle of Tel-el-Kebir. He was in South Africa at the time of the Jameson Raid, and was also A.D.C. to Lord Aberdeen while the latter was Lord Lieutenant of Ireland.

Upon the organization of 1911 of the 28th New Brunswick Dragoons he was appointed major in command.

Liberals gave self-government to South Africa.

The Unionists and Liberals continued the debate until after dinner, when T. P. O'Connor gave the bill his blessing in behalf of the Nationalists.

of "A" Squadron of Sunbury County The earl after settling his business in England will return to Fredericton and will then take the countess to the family seat in Sussex, England to reside.

STOCK MARKET

(By direct private wires to J. C. Mackintosh & Co., 550 Queen St., Fredericton, N.B.)

New York, N.Y., Jan. 16.—On the whole the market showed an improving tendency during the first half hour and sentiment improved as prices advanced. The change in sentiment did not, however, reflect a complete turning away from bearish views. It merely reacted on the expectation of a little further rally, a couple of points or so. Bear pressure was exerted upon Virginia Chemical and the stock broke to 39½. Cotton Oil declined in sympathy. The selling of Virginia Chemical was believed by traders to have been enacted to facilitate accumulation of other issues.

| | Open | Noon |
|------------------|------|------|
| Copper | 72 | 73½ |
| Smelters | 70 | 72 |
| Tobacco | 281 | 284½ |
| Atchison | 104½ | 104½ |
| C.P.R. | 242 | 241½ |
| Lehigh | 159 | 161½ |
| Lehigh | 159 | 161½ |
| Northern Pacific | 118 | 118½ |
| Reading | 162½ | 163½ |
| Union Pacific | 157½ | 158½ |
| U. S. Steel | 63½ | 63½ |

MONTREAL MORNING SALES

(By direct private wires J. M. Robinson & Sons, bankers St. John, N.B.)

Bank of N. B.—5 @ 273.
Royal Bank—2 @ 223; 5 @ 223½.

ROUMANIA IS REPORTED TO BE MOBILIZING TROOPS

Situation in Europe Has a More Serious Look---The Balkan Allies Will Give Turkey Time to Study Powers note Before Resuming Hostilities--They want the World to Know That Their Policy Has Been Unchanged

London, June 16.—A cable despatch says Roumanian troops are now mobilizing. It is reported that the Balkan allies will not renew the war until Turkey has time to study the note of the European Ambassadors.

London, Jan. 15.—The Balkan kingdoms have not weakened in their determination to re-open the war, unless Turkey accepts their terms quickly. In deference to the powers they may withhold the execution of their resolve a few days longer than seemed likely yesterday. They wish the world to know that their policy is unchanged.

As allies they inaugurated the doctrine of "The Balkans for the Balkan people," at a time when it appeared almost presumptuous folly to the great nations of Europe and they declare now that they purpose to maintain the right which their united armies won to be considered a great independent nation and manage their own diplomacy according to their own views of what their national interests demand.

They assert that their diplomatic course is a straight forward and frank one, and, while willing to concede a brief period of delay for Turkey's answer, it is not with a view of resuming negotiations on any modified basis. When on December 23 they presented their terms, the Turks, in their characteristic way, thought that the allies were bluffing, and in turn presented on December 28 counter proposals, which failed to take into account the war and re-established the situation as it was previous to the war. The counter proposals the allies rejected as "unacceptable and undiscussable."

ALLIES' TERMS WILL NOT BE MODIFIED.

Since then the Balkan States have not changed their terms one iota, while the Turks have receded all along the line, except on the question of Adrianople and the Aegean Islands.

The allies have adopted an attitude of stern firmness in order to convince Turkey that no alternative is possible for the conclusion of peace but the acceptance of their original conditions, but in so doing they have not wished to hurt the susceptibilities of the powers or alienate their sympathies. They give this as a reason for their decision to await pat-

iently the result of the acts of the powers to Constantinople, which may take any of three following forms:

First—Turkey refusing flatly to follow the advice of Europe.

Second—Turkey giving an inconclusive answer with the object of further postponing a decision.

Third—Turkey asking for a continuation of the peace negotiations here on a new proposal which might provide for the preservation of Adrianople, but the dismantling of its fortifications and a pledge under guarantee of the powers not to attempt any work in the future on the fortifications of the town.

UP TO TURKEY NOW.

Should Turkey refuse to follow the advice of the powers, or give an evasive answer, the allies will carry out their plan already announced and ask for the convocation of the conference at which they will officially break off the negotiations. This will be followed by the denunciation of the armistice. If Turkey offers a new proposal, the Bulgarian delegation, having precise instructions, will insist on its claim for Adrianople, but will refer the matter to Sofia for consideration.

At a meeting today the ambassadors discussed the situation without apparently coming to any further conclusion. At first several of the ambassadors seemed to be disposed to take offense at what they termed "the insubordination of the allies in taking simultaneous action with the powers and intimidating Turkey with another ultimatum," which these ambassadors remarked would only have the effect of neutralizing the action of Europe.

Sir Edward Grey, the British foreign secretary, and the other ambassadors, succeeded in calming their colleagues by demonstrating that the intention of the allies had been misrepresented. They themselves had given a full explanation that they did not intend to hamper the action of the powers but to put themselves in readiness to take the matter in their own hands if the efforts of Europe proved fruitless.

This incident over, the ambassadors discussed the question of the Aegean Islands, the Albanian frontiers and the Ottoman public debt, but in a general manner and without any attempt to approach a solution.

MANY RAILWAYS WILL BE INVOLVED

New York, Jan. 16.—All efforts to arbitrate the wage dispute between the firemen and railways, have failed and a strike ballot will be taken: 54 roads east of Chicago and north of Ohio and Potomac employing about 35,000 firemen are involved.

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| Merchant's Bank—3 @ 194½. |
| Bank of Montreal—30 @ 245. |
| Bank of N. S.—2 @ 265. |
| C. P. R. Rights—762 @ 18; 90 @ 18. |
| C. P. R.—25 @ 242; 25 @ 242½; 50 @ 242½. |
| Montreal Power—205 @ 236; 30 @ 236½. |
| N. S. Steel—25 @ 85; 5 @ 86. |
| Crown Reserve—820 @ 350. |
| Dom. Coal—3 @ 112. |
| Dom. Steel—3 @ 35½; 20 @ 55; 150 @ 66. |
| New C. P. R.—½ @ 30. |
| Cement Pfd.—25 @ 92½. |
| Woods—5 @ 118½. |
| Tuckett's—25 @ 68. |
| Toronto Street—5 @ 142. |
| Bell Phone Rights—270 @ 10; 5 @ 9; 50 @ 11. |
| Bell Phone ex-rights—20 @ 157; 20 @ 158. |
| Cement—125 @ 28. |
| Detroit—175 @ 78. |
| Cottons pfd.—30 @ 77½. |

Mr. W. B. Brown of St. John is in the city.

LITTLE DISCUSSION ON NAVAL POLICY

Ottawa, Jan. 15.—The government is displaying an inclination to get away from the discussion of the navy. Today they decided that there would not be discussion of the naval issue every day of the week, but that there should be time given to the business of private members.

Parcel post and the Montreal harbor commission were dealt with in parliament today. Hon. Mr. Lemieux urged that the time was ripe for the establishment of a parcel post system in Canada and Postmaster General Pelletier stated that he had the matter under consideration.

Hon. Mr. Lemieux roasted the patronage hunters of Montreal for chasing the old harbor board out of office, and Hon. Mr. Hazen said they had resigned to give their time to private business, and they had been replaced by three equally good men.

FOREIGNERS WENT TO JAIL.

A party of fifteen foreigners, who had been engaged in railroad construction, were sent to jail this morning for debt. The creditor is a resident of Burton, who states that he had furnished the men with supplies to the value of \$112.84.

Mr. P. W. F. Brewster of Hampton is in the city.
Mr. R. R. Rankine of St. John is registered at the Barker House.