

# New Charges Lay Profiteering to Milk Producers

## 4 COMPLAINTS FILED AGAINST ORGANIZATION

Association Formed by Men for Profit, Attorney's Statement Says

### TERMS IT LAW VIOLATION

Issue of Bonds Also Cited as Opposed to State Charter Rules

Accusations of profiteering are embodied in a statement made yesterday by John W. Preston, former United States District Attorney, in respect to a suit brought against the Milk Producers' Association.

Four complaints were lodged yesterday with Attorney-General U. S. Webb against that association, and the substance of these charges is that the association, which claims exemption from the ordinary laws because it is alleged to be a non-profit co-operative association, in effect is a corporation organized for profit, and has been carrying on business for profit for more than one year in violation of its charter.

The California law permits the organization of non-profit co-operative corporations; but Preston yesterday said: "The law specifically states that no such non-profit corporation shall have capital stock nor shall it be carried on for profit."

**BOND ISSUE CHARGED**  
The law excludes such corporations from the supervision of the State Corporation Commissioner, because it was never contemplated that any of them would attempt to unload bond issues on the public. The Milk Producers' Association has created one bond indebtedness of \$150,000 and another of \$50,000, which it is attempting to unload on the public through solicitors and agents.

The complaint cites J. M. Henderson Jr. of Sacramento as organizer of the association, and the association is generally known as the "Henderson milk trust."

The purpose of the suits now filed is to secure in the courts of San Joaquin, Alameda and Imperial counties a decision as to the right of promoters to control the output and sale of an essential food product by the organization of an association of such food producers as an ostensibly non-profit association, and then making large issues of stock for public sale.

**HITS COMBINATIONS**  
"The suits now brought," said Preston, "go to the root of the question as to whether a crowd of bankers or promoters who combine to control the output of an essential food product, but which are, in fact, organized strictly for profit."

Henderson is the president of the Associated Dairymen of California, and the Henderson plan, it is alleged, through the local units of milk producers throughout the state, the entire milk supply. It is also alleged that Henderson is a member of the organization of the manufacture of butter and various dairy by-products, such as casein and albumen, and that they differ in no essential regard from stock exchange operations, but are frankly for profit and engaged in similar lines of business in California.

**COMPLAINANTS NAMED**  
The complainants in these proposed suits are known to the law as: Mrs. M. M. Webster, chairman of the northern division of the Federated Women's Clubs of California, and known as the "mother of pure milk" in California; George N. Renner, former owner of the Jersey Dairy in Stockton, who asserts that he was twice forced out of business by the milk trust; and the late Mrs. M. M. Webster, who was the first to bring suit against the Henderson milk trust.

**TEN DAYS TO REPLY**  
Under the law the milk producers have ten days in which to reply to the request made upon the Attorney General to have these suits begun in the name of the people of California.

Meanwhile the milk producers and milk distributors have troubles of their own. The milkman, who formerly was satisfied with \$30 a month and his keep, now receives \$110 and his board. The milkman who distributes the milk to the milk carts and formerly did so at dawn for \$12 a month and his board, now receives \$150 a month for nine hours work a day, and is threatening to strike unless he receives \$14 a week for an eight-hour day.

**Crocker Made Pacific Improvement Head**  
William H. Crocker is the new president of the Pacific Improvement Company, following its reorganization Wednesday by the formal election as directors of three of the Regents of the University of California. The University now owns one-half of the company's stock, which it recently received as a gift for education by Edward F. Seaver of Massachusetts. The new vice-president is Guy C. Earl and the second vice-president is Leon Floss. Earl is one of the Regents of the University of California and chairman of the finance committee of the Regents. Floss is one of the trustees of Stanford University.

**Art Talk at Park Museum Tomorrow**  
Miss Yara J. Limbeau will talk on art in the Memorial Museum at Golden Gate Park tomorrow afternoon at 3 o'clock. Miss Limbeau will lecture on the following canvases: Broullin, Belli, Courta, Jannoff, Leger, Heston, Netto and Seeborwick. The public is invited.

## Society Dancer to Be Married

### Mrs. Crane to Wed Gay Lombard



Mrs. Frances Crane, formerly well known as a society dancer, who is to be married to Gay Lombard of San Francisco on December 15.

## Ceremony to Be Performed December 15; Couple Will Make Home Here

Mrs. Ivy Frances Crane, well known as a society dancer, and Gay Lombard, formerly of Portland and now in business in San Francisco, will be married on December 15. The ceremony will be a quiet one.

Mrs. Crane, who was formerly the wife of Douglas Crane, was among the earliest to bring to the notice of society the new dances. The Cranes danced at the St. Francis tea dances and other big affairs, and taught many San Franciscans the new steps. They also danced in New York

and other Eastern cities, and for some time toured on the Orpheum circuit. Later Mrs. Crane appeared at the Alcazar in "Her Soul and Her Body," and for a time was hostess at the Cliff House. The Cranes were divorced a few months ago.

Lombard was in business in Portland some years ago, but divided his time between that city and San Francisco, where he became a member of the Olympic and Bohemian clubs. Of recent years he has lived in San Francisco and the couple plan to make their home here after their marriage.

## Stevadore Finds Gold in Graphite Ore From China

Consignment to Refinery Found to Assay Over \$100 to Ton

Eight thousand tons of graphite ore from French Cochon China, which arrived here three days ago on the Shipping Board steamship West Calcut, consigned to one of the local oil refineries, to be ground up for a grease compound, has been re-consigned to the smelter and the French owners may realize more than \$1,000,000 more for their product than they had originally expected.

After the arrival of the steamer here, a gang of shovellers started to discharge the ore into one of the Peterson barges. One of the workmen, who was formerly a miner, believed that he detected indications of gold and a few samples were sent to an assay office. It was discovered that each ton of ore contained more than \$100 worth of the precious metal and it was decided to notify the owners of the freight in China.

As a result of the gold discovery, it is probable that there may be a wild stampede to the new gold fields. According to Sturges and Dixon, to whom the cargo was consigned, the ore was mined far in the interior of China where there is a tremendous deposit, and floated down a river to the coast, where it was loaded by native stevedores, who receive 15 cents an hour.

Graphite ore was extremely high during the war, but when the armistice was signed the price slumped and for a time there was no quotation at all. Owners of any stocks of Chinese graphite in the United States have been notified to investigate and the degree of divorce and the custody of their six-year-old son be awarded to him.

## Man Accuses Wife of Having Him Drafted

Samuel Baur Jr. filed in the Superior Court yesterday his answer and a cross-complaint to the suit of his wife, Mrs. Selma Baur, for a divorce and alimony. He denies he was cruel, says she needs no money from him because she makes more than \$75 a month as a milliner in her mother's shop, and asks that the degree of divorce and the custody of their six-year-old son be awarded to him.

He says his wife demanded \$10,000 of his father and because he would not pay it she refused to sign her husband's claim for exemption as a married man with a child and so caused him to be drafted.

## REDS TAUGHT CHILDREN FREE LOVE DOCTRINE

Budapest Schools Flooded by Bolshevik Writing on Sex Relations

## TEXTBOOKS BY LENINE

Girls Over 15 Told State Would Provide for Their Offspring

By JOHN CLAYTON  
Special Cable to The Chronicle (Copyright, 1919, by the Chicago Tribune Co.)  
BUDAPEST, September 18.—With the opening of the school year in Budapest, Hungary, the appalling ravages of Bolshevism in the school situation, including distribution of literature encouraging free love among the children.

When the Bolsheviks took over the schools on the first of April last year they forthwith wrecked the finances of the educational department, abolished the previous system of education and burned all textbooks of history, geography, literature, religion and kindred subjects, substituting Bolshevik pamphlets of the most rabid nature.

**LENINE AS AUTHOR**  
Among the men who became textbook writers for the pupils were Joseph Pagan, the man who killed Count Tisza; Lenine, Trotsky, Bela Kun, Kautsky, Karl N. Burhanin and Leo Frankel, Hungarian leader of the Parisian Commune.

Sixty million crowns were spent for printing pamphlets and \$1,200,000 for "personal expenses." In the country districts \$4,000,000 went the same way. Fifteen thousand men were employed in transforming the system of education into a hotbed of anarchy. Most of these pamphlets now have been rounded up and burned. The numbers numbered more than 600 so-called texts.

## FREE LOVE TAUGHT

Minister Husat said today: "Even the Bolshevik doctrine of free love was taught in the schools. Our daughters were taught they need not be ashamed and they were given lectures in intimate personal hygiene. Those over 15 were informed the state would care for children, if they were unfortunate enough to have them. There was the same line of lectures to boys."

Husat is a reactionary in political principles. He is a capable man, appears honestly to have adopted the principle of no discrimination between Jews and Christians.

## Legion's First State Meeting Set Oct. 8

The first state convention of the American Legion will be held at the Palace Hotel from October 8 to 9, according to an announcement yesterday by Edward Crowley, chairman of the convention committee. Representatives of the Legion also will meet yesterday that President Wilson had signed the national charter of the organization, thus making the American Legion the official organization of American fighting men.

## Eagles Will Hear Debate on Treaty

Ramuel M. Shortridge and Theodore A. Bell will debate tonight on the question, "Should the United States Senate Ratify the Peace Treaty and the League of Nations Covenant," before the San Francisco Aerie No. 5, Fraternal Order of Eagles, at 272 Golden Gate avenue. Shortridge will speak for the negative and Bell for the affirmative.

## Hadley Home Robber Suspect on Trial

Elmer Rathborn, one of the four men arrested and charged with robbing J. M. Haley, 2138 Filbert street, a wealthy real estate operator, on the night of May 27, was placed on trial yesterday before Superior Judge Louis Ward. The selection of the jurors will continue today.

The four are accused of beating and binding Hadley and his wife and two grandchildren and looting a private safe in the house of money and jewelry valued at \$600.

## GOLDMAN AND BERKMAN FACE EXILE FROM U. S.

Federal Warrants for Their Arrest on Anarchy Charge Are Issued

## BOTH SERVING SENTENCES

Woman Completing Term at Missouri Prison for Draft Obstruction

WASHINGTON, September 18.—Federal warrants for the arrest of Emma Goldman and Alexander Berkman, charging them with anarchy and looking to their deportation, have been issued by the immigration authorities.

Miss Goldman is finishing a term in the Federal Penitentiary at Jefferson City, Mo., and Berkman is confined in the penitentiary at Atlanta, Ga. Both were convicted of obstructing the draft.

**WARRANT SERVED**  
ST. LOUIS (Mo.), September 18.—It became known today that a warrant for the deportation of Emma Goldman was served on her last Friday in the Jefferson City Penitentiary, where she has almost finished serving a two-year sentence for attempting to obstruct the army draft. Her release from the penitentiary is set for September 27.

It was announced that the warrant had been served by a deputy from the St. Louis immigration office and that Miss Goldman will be arrested as soon as she leaves the prison, and in case the deportation is ordered, the immigration authorities were under the impression that Russia would be the country to which she would be deported.

Miss Goldman said upon entering the prison that she was 45 years old and was an American citizen. She said she had been in the United States for thirty-one years and that her father, how dead, was a naturalized American citizen.

Charles A. Lich, deputy inspector of the St. Louis immigration office, said today that he was not ready to announce the details of the government's case against Miss Goldman, but that he was confident of proving two points essential to deportation—namely, that Miss Goldman is an alien, and that she is an anarchist, and therefore an undesirable alien.

She is a native of Russia, he said, and has never been naturalized in this country.

## Fred Schmidt and Hare Enter Contest

Fred J. Schmidt and John F. Hare yesterday made declarations of their intention to run for Supervisor. This makes sixteen already in the race, with the prospect that there may be as many more before the end of the month.

Phil Crimmins, a veteran politician and old-time leader in municipal politics, stands as sponsor for Andrew D. Porter, who also has filed for Supervisor.

## REDWOODS SAVED

EUREKA, September 18.—A compromise was effected today between the local Save the Redwoods Association committee and President John H. Emmert of the Pacific Lumber Company at Scotia, which prevents immediate cutting of the redwoods at Dyerville Flat, along the State highway.

## DUNN TO TALK AT RINK

John Randall Dunn will lecture on Christian Science under the direction of Sixth Church of Christ Scientist in Dreamland Rink next Sunday afternoon.

## S. F. Girl Divorces Count

### On Charge of Non-Support

Countess Maily-Challon Obtains Decree From French Noble

While her two-year-old son toddled about the courtroom, awning the gate to the Judge's bench, or romped with the balliff, Countess Marguerite de Maily-Challon told upon the witness stand in Superior Judge George E. Crothers' court yesterday the story of her shattered romance.

She was granted a divorce from Count Anselme Maily-Challon because he failed to provide for her and the baby. She is the granddaughter of Adolph Sutro and her marriage to the French Count in Paris November 18, 1916, was a society event. Before her marriage she was Miss Marguerite Morbio of San Francisco.

She said her husband provided for her to the extent of about \$80 a month for a time after their marriage. After that he contributed nothing, she said, and she was compelled to pay from her own funds all expenses incidental to the birth of their child in San Francisco, November 27, 1917.

**BROTHER CORROBORATES**  
Before the marriage, she said, the Count told her mother he was financially well able to provide for a wife. Her brother, Attorney C. S. Morbio, who represented her, and who was her corroborating witness, said the husband and his family were financially well able to provide for the mother and child, but had given them nothing. The Countess lived continuously since the birth of the baby at the Morbio home, 2135 California street, he said.

He introduced a letter the Count wrote to Mrs. Morbio when seeking her consent to the marriage of her daughter. The Count stated his financial position and said eventually he would have in his own right an income of \$100,000 a year.

**FOREGOES DOWRY**  
"As to what you will give Marguerite," he wrote, "I admit I am somewhat embarrassed in dealing with you on this subject. Contrary to the way things are done in America it is customary in France to dowry a young girl so that her fortune added to that of her husband will enable the young couple to occupy a situation in accord with their social position. However, I love Marguerite so much that I will accept her from you without anything, as I have already informed Madame de Choiseul."

The Madame de Choiseul is the aunt of Countess Maily-Challon. Countess Maily-Challon said she did not know where her husband now is. The last communication she had from him was mailed in New York, she said.

## Road Cost Quota Raised by County

Santa Clara to Pay Fifth in Skyline Location

Santa Clara county has decided to pay 20 per cent of the preliminary cost for locating the proposed Skyline boulevard between San Francisco and Santa Cruz counties. Included in this cost will be the expense of constructing bridges not to be built out of the \$2,000,000 bond money as a part of the State highway issue of \$40,000,000.

Santa Clara county's decision lessens the burden San Francisco will have to bear. At first Santa Clara's Superintendents agreed to pay only 10 per cent of the cost. With the 10 per cent guaranteed by Santa Cruz and the 20 per cent pledged by San Mateo, San Francisco was left with 60 per cent of whatever preliminary outlay must be made. Supervisor Richard J. Welch, who attended a meeting yesterday at San Jose, induced Santa Clara county to take up 20 per cent of the cost, although only a small portion of the county is to be traversed by the Skyline boulevard.

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## Revocation of Gould Allowance Up Today

A motion to revoke family allowance of \$10 a month, granted to Mrs. Nettie Gould from the estate of Frank H. Gould, will be argued before Superior Judge Thomas F. Graham today. Gould, former United States Surveyor-General here, dropped dead shortly after Mrs. Gould obtained a divorce from him in January, 1918.

A bitter battle over his estate followed. Recently, one faction caused a final decree of divorce to be entered, and the contention now is made that since she is finally divorced, Mrs. Gould has no legal right to a family allowance from Gould's estate.

## State Gets Nothing From Tobin Estate

State Inheritance Tax Appraiser Richard F. Morgan yesterday filed with the Superior Court a report that nothing is due to the State as inheritance tax on property left by Joseph R. Tobin, president of the Hibernia Bank and Loan Society, who died February 5, 1918.

With the report Morgan filed transcripts of evidence taken from many witnesses by attorneys of the State Controller's office in their investigations into Tobin's financial affairs. The witnesses testified that Tobin gave to his wife, Mrs. Mary Dimond Tobin, all his property at the time of their marriage in 1899 and thereafter she is finally divorced. Mrs. Gould gave to her from time to time all savings and money he acquired above their living expenses.

## "I'll Say It's Hot Enough!" Verdict Of S.F.; 'Twas 90

Most Torrid Day of Year Brings Biggest Soft-Drink Rush Known

"Aint it hot?" All San Francisco used the phrase yesterday, when the thermometer reached a temperature of 90 degrees, without a shred of cloud or fog to relieve the heat. The breeze that usually comes in the afternoon had business elsewhere. Even the weather man admitted it was warm.

Staid gentlemen promenaded along Market street without coats and collars. At the Commercial Club, where the bartender had dreadingly watched over a collection of unopened bottles of "soft stuff" since July 1, an unusual activity prevailed. Ginger ale and grape juice, and even lemonade, were in demand. The bars that survived prohibition did a thriving business.

The feminine contingent abandoned its fur, and descended in strength upon the soda fountain. Ice cream is not quoted on the stock exchange, but it is safe to surmise that, in the patter of financial circles, the market was "bullish." The sale of 6000 ice cream cones on the University of California campus was reported.

The weather was hottest at 1:30 p. m., when the maximum of 90 degrees was reached. At 5 o'clock the thermometer stood at 87. The weather forecast for today is "continued warm." Yesterday was also the hottest day of the year.

September is always San Francisco's hottest month. In 1913 all records were broken on September 16, when the heat reached 101 degrees. The hottest day last year was September 6, when the thermometer reached 89 degrees.

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