

STANDARD INDICTED BY NEW YORK JURY

True Bills Against Oil Company
Presented at Jamestown—
Possible Fine, \$4,560,000.

TWO RAILROADS INCLUDED

Standard Charged with Accepting and
New York Central and Pennsylvan-
ia with Giving Illegal Rates.

Special to The New York Times.

JAMESTOWN, N. Y., Aug. 9.—The Federal Grand Jury for the Western District of New York, which convened on July 9 to investigate the Government's charges of violation of the Inter-State Commerce act by the Standard Oil Company, the New York Central and the Pennsylvania Railroad Companies submitted a partial report to Judge Hazel at 5 o'clock this afternoon. Adjournment was then taken until Sept. 5 for further investigation.

The report included the presentation of ten indictments, two against the Standard Oil Company of New York, two against the Vacuum Oil Company of Rochester, a subsidiary of the Standard; two against the New York Central Railway and Pennsylvania Railway jointly, and two each of the two railway companies separately.

In one indictment against each concern there are 188 counts and in the other one there are forty counts. The indictments charged the oil companies with accepting and the railroads with giving special and illegal concession. They charge that from August, 1904, to June, 1905, the Vacuum Oil Company shipped to the Standard Oil Company 228 cars of petroleum and its products by the route of the Pennsylvania and New York Central Railways, combined with the Rutland Railway Company and the Vermont Central Railway Company, from Olean to points in Vermont.

The indictments charge that the lawful rate from Olean to Burlington was made up of two filed rates, one from Norwood, N. Y., to Burlington, Vt., which was actually used, and one from Olean to Norwood, which was not used. The legally filed rate from Olean to Norwood was 26½ cents per hundredweight, while the rate charged on these 228 cars was only 11 4-5 per hundredweight. It is charged that the same reduction was made on shipments to Rutland and Bellows Falls.

The indictment shows that the filed rate from Norwood over the Rutland Railroad and over the Vermont Central Railroad was paid in full, the reduction being given by the Pennsylvania Road from Olean to Rochester and on the New York Central from Rochester. There are 188 counts on the shipments made to Burlington, 28 counts on shipments made to Rutland, and 12 counts on shipments made to Bellows Falls.

The penalty provided by law for such violations is \$20,000 on each count in the indictments. In case of conviction on each count the Standard Oil will be subject to a total fine of \$4,560,000, the Vacuum Oil Company to a similar fine on account of having received and accepted special and illegal concessions, and the two railways would be subjected to similar fines on account of having given these concessions. In case of convictions on all of the counts against the four corporations the total fines might reach \$18,240,000.

The investigations were conducted by S. Wallace Dempsey, a special representative of the Attorney General's office, and the indictments were drawn by Mr. Dempsey in consultation with Oliver E. Pagin, also of the Attorney General's office.

The New York Times

Published: August 10, 1907

Copyright © The New York Times