

BUTCHERS AND GROCERS ARE IN COMBINES

Henry C. Frink and the M. M. Gasser Company Allege This In Complaint Filed Yesterday In Office of District Court Clerk.

E. M. Ferguson, Simon Clark and N. H. Witt Deny the Charge, Declaring Dealers In Duluth Are Not In Conspiracy to Maintain Prices.

Henry C. Frink, by his attorney, George L. Spangler, filed a complaint in the office of the clerk of district court yesterday, in which he charges against a large number of Duluth retail butchers named as defendants, that they are members of an illegal combine, organized to destroy competition and to hold prices above a just point. A number of the wholesale dealers are joined as defendants, it being charged that they, in co-operation with the retail members of the alleged combine, refuse to sell to retail dealers boycotted by that combine.

The M. M. Gasser company, through its attorney, John B. Arnold, filed a second complaint in the same court yesterday, against the entire membership list of the Duluth Retail Grocers' association, charging a similar conspiracy and charging the wholesale and jobbing houses as joint conspirators for the purpose of "hoisting" prices and disciplining those who refuse to join its ranks or regard its regulations.

Triple Damages Sought.

Both complaints are brought under chapter 194 of the laws of Minnesota for 1901, which provides that any combination of persons or corporations made for the purpose of regulating the prices of any merchantable goods, for the purpose of compelling any other person to sell at such fixed prices, or providing for the boycotting of any individual or corporation who shall sell at variance with its rule shall be illegal.

The complainants seek, as provided by the statute, triple damages and also pray that an injunction be granted restraining the alleged members of the alleged combine from continuing to operate as such and for an interim injunction.

The complaint of the Gasser company sets out that M. M. Gasser is and has been a member of the Duluth Grocers' association. It recites that he is desirous of operating a grocery business, independent of the alleged combine, but that he fears that should he do so he would be injured in being boycotted by the wholesale dealers under an alleged agreement between them and the retail dealers.

Fears Work of Pickets.

It is further alleged that pickets would be placed about his place of business and that his customers would be notified that he is not in good standing with the grocers' association and that he will be otherwise hindered so that it would be impossible for him to carry on business, as it was, the complaint alleges, about April 1, 1904, when he endeavored to break from the ranks.

The complaint alleges that the Retail Grocers' association is formed "to enhance the retail price of staple groceries, one of the necessities of life and to fleece the public generally in every manner possible in the business without fear of interference."

To the complaint is attached an exhibit of what purports to be a copy of the constitution and by-laws of the Grocers' association, which sets out that among other things, the object of the organization is to "correct excessive and unmercantile competition, to

SAY LOCAL BUTCHERS AND GROCERS ARE IN COMBINE

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remove by concert of action such evils and customs as are against the policy and sound business principles, whether it be the cutting of prices, the selling of wholesale houses at retail, improper house to house peddling, the distribution and consumption of adulterated goods, etc., not attainable by individual effort.

Committee to Fix Prices.

It provides for a price committee to fix prices and provides a \$10 penalty and expulsion by a two-thirds majority of members present for any member underselling those prices.

It provides further that "any unmercantile conduct on the part of a member shall be considered cause for his expulsion from the association."

It declares that "all meetings of the association whether regular or special shall be executive in character unless declared open meetings by a two-thirds vote of the members present."

Affixed to the complaint as exhibit "B" is a price list purporting to be drawn up by the association in which a fixed price is set on sugar, coffee, flour, kerosene and other staple articles and to which is appended this line: Ten dollars fine for cutting these prices. Articles on this list are not to be advertised in any way."

Recites Butcher Combine.

Mr. Frink, in his complaint, recites the existence of a butchers' combine, both wholesale and retail, and sets out that he is not now and never has been a member of such association. The complaint alleges that he has been driven out of the retail butcher business in Duluth by the conspiracy of the combine. It sets out on "information and belief" that "the object of said butchers' association is and has been to raise and control the prices at which its members are required to sell and shall sell to the public and to prohibit competition and to drive out of the retail meat business in the city of Duluth all persons who are not members of the said Butchers' association," and "that in case of expulsion from the association of any member, such member is boycotted and all of said wholesale dealers are notified and required and forbidden by said Butchers' association, to sell meats or commodities to such person so expelled."

It alleges that from time to time, while the plaintiff was in business, he was notified by wholesalers that they had been notified not to sell to him by the officers of the alleged association, and that their orders were eventually carried out by all wholesalers except Schwartzschild & Sultzberger company.

Refused by All Dealers.

It is set out that application has been made by the plaintiff many times for meats, but that he has always been refused.

The complaint states that notwithstanding the threats of the alleged association, the Schwartzschild & Sultzberger company did continue to sell to the plaintiff to a certain extent, but that this was done "with the express understanding that the delivery of such supplies and the transaction with the plaintiff must be made clandestinely and in such manner that such Butchers' association or any member thereof should obtain no knowledge thereof."

And the "plaintiff further alleges that during the month of April, 1905, said defendant, Schwartzschild & Sultzberger company, informed this said plaintiff that the grievance committee of said Butchers' association was very active and had notified the defendant to have no further dealings with the plaintiff, nor in any way or manner to sell or supply plaintiff with any meats or other commodities he might require," and that pursuant to such notice that firm refused and has since continued in its refusal to sell to the plaintiff.

The plaintiff prays for judgment in the sum of \$57,350, and for an injunction against each of the defendants, their officers, agents and servants, restraining them from any and all of the illegal practices charged in the complaint.

Will Push the Actions.

Copies of the complaint will be served by Messrs. Spangler and Arnold upon County Attorney McClintock and upon Attorney General E. T. Young, who are required under the statute to proceed against such offenses as alleged.

Both attorneys say that they have carefully investigated the cases and that their clients are prepared to push their respective causes to the courts of last resort.

Simon Clark, a prominent grocer of the city and a member of the Retail Grocers' association, when shown the complaint filed against the members of that organization, was inclined to laugh, but on looking into the matter, he spoke seriously of it, saying that the charges made were in the main false.

He declared that the association was not formed for the purpose of a boycott of any grocers in Duluth, either within or without its ranks. He said that it had never picketed any store and that no attempt had ever been made to interfere in any way with those who chose to remain outside the association.

He admitted that a price schedule was probably in existence on staples, but said that of the hundreds of articles for sale upon a grocer's shelves the percentage of profit upon the listed goods was the least. The price list had been drawn, he said, to prevent by agreement the sale of certain goods below cost for the purpose of attracting customers. He denied utterly the existence of any agreement between the retailers and the wholesale dealers of the city.

Never Held Secret Meetings.

He denied that the meetings of the association were secret, saying that never in his experience had a secret meeting of the association been held. The directors' meetings were, he said, executive, but that was the case with all such meetings. He said that it was utterly and maliciously a misstatement to say that the association was banded together to fleece the public.

E. M. Ferguson, of the firm of Knudsen-Ferguson, produce dealers, positively and emphatically denied the existence of any agreement between the Wholesale Jobbers' association and the retail trade with regard to whom the former should deal and upon what terms they should deal. Mr. Ferguson said that of any agreement among the retailers he was not in a position to speak and that he could say nothing of the state of affairs with regard to the meat dealers, wholesale or retail.

Asked if he were approached by the retail trade with a threat of a boycott should his firm sell to an expelled member of the alleged combine, he declared that he could not say what course he would take but that he would probably exercise his constitutional

right to sell to whom he pleased and to refuse to sell in the same way.

Would Please Customers.

He would, he said, regard the matter as a business proposition and would endeavor to please the majority of his customers in this as in any other matters of the policy of his business.

Nicholas H. Witt, president of the N. H. Witt Co., said last night that he knew nothing of any butchers' combine. He said that he felt sure that there was none with any such purpose as stated in the complaint filed by Mr. Frink. He said that he bought at what price he could and sold at what prices he pleased.

George L. Spangler, attorney for Mr. Frink, said last night that he expected that the case would come up for trial by September and that an interim injunction would be sought. John B. Arnold, attorney for M. M. Gasser, company, said that he too would seek to have all defendants restrained from continuing the operation of the combine which was alleged to exist in the complaint which he had filed. Mr. Frink and Mr. Gasser declined to discuss the case, leaving it entirely to their attorneys.

Defendant in Frink Case.

The complaint filed by Mr. Frink enumerates the following defendants: Armour Packing company, a corporation; J. C. Fisher, The Cudahy Packing Company, a corporation; J. Young, Hammond Packing Company, a corporation; Robert A. Peers, Hiram R. Elliott and Warren Mendall, copartners as Elliott & Co.; George A. Hornel & Co., a corporation; F. M. Andrews, Omaha Packing Company, a corporation; J. F. Duggan, Schwartzchild & Sultzberger company, a corporation; Carlisle Hastings, Swift & Co., a corporation; W. W. Brooke, Nelson Morris & Co., a corporation; John M. Ford, A. Booth & Co., and John Coventry, Retail Butchers' association, a Mutual association, George Munsey, George Gray and Albert J. Milner, treasurer; A. W. Anderson, Charles A. and Axel W. Anderson, copartners as C. A. Anderson & Co.; C. G. Anderson, Nils C. Bilsey and Oscar Peterson, copartners as Bilsey & Peterson; A. J. Bronan, O. H. Brown, Frank Cox and John Cox, copartners as Cox Brothers; P. L. Aune, G. M. Beck, George J. Drawett and James E. Drewett, copartners as "Drewett Brothers; Henry Folz, a corporation; J. A. Grochowski, T. R. Hancock, George Hassinger, F. P. Hertzog, C. J. Johnson & Co., H. E. Krantz, Alexander Landen and August Anderson, copartners as Landen & Anderson; John Langlois, Alexander Larson, Peter Lein, Charles T. Lindahl and Edward F. Lindahl, copartners as Lindahl Brothers; Thomas W. MacAuley and Ernest J. Butchart, copartners as T. W. MacAuley & Co.; Brown Mallough and W. B. Mallough, surviving partner of the copartnership of Brown Mallough & Son; M. W. Mogler, Emil Mork, Edward Mork and Oscar Mork, copartners as Mork Brothers; G. S. Munson, C. B. Oleson, William V. Porter, I. G. Poterek, Charles S. Raymond, Joseph Redloc, Charles Bergquist & Co., A. H. Donald, N. G. Johnson, Frederick Ruf, Paul F. Sabrowski, Joseph Schmauss, Albert J. Milner, and George H. Ebert copartners as Milner & Ebert; Louis P. Schneider, John G. Schinauss and Joseph Schmauss, copartners as Schmauss Brothers; B. J. Toben, John L. Tronsdal and Michael Lafald copartners as Tronsdal & Lafald, Herman Utek, Michael Patczak, Peter Wicklund, and Peter Peterson copartners as Wicklund & Peterson, Nicholas H. Witt, N. H. Witt & Co. a corporation.

Defendants in Gasser Case.

The defendants in the action brought by Mr. Gasser are as follows:

Fitzsimmons-Derrig company, (a corporation), The Victor company, (a corporation), Thomas Thompson, Christian Sanders and Ole G. Sanders, copartners as Sanders and company, Knudsen-Ferguson Fruit company, (a corporation), Henry J. Kolling, doing business as H. J. Kolling & company, (a corporation), Tucker-Overman & company, (a corporation), G. H. Cannon & company, (a corporation), Bridgeman & Russell company, (a corporation), W. A. Pond, Stone, Ordean-Wells company, (a corporation), C. R. Rust, Cowan, Peyton, Twohy company, (a corporation), W. R. Peyton, Wright, Clarkson Mercantile company, (a corporation), C. A. Wright, Fleischman & company, (a corporation), Burt Holcomb, Severt R. Meybold, Duluth Ice company, (a corporation), James Hart, Jr., A. Booth & company, (a corporation), John Coventry, James Gray, doing business as the Crescent Bakery, Bethel Home Bakery, and the Retail Grocers' association, (a mutual association), George H. Ebert, president, George H. Schulenberg, vice president, Charles Kauppl, second vice president, Burt Holcomb, secretary, W. B. Logan, treasurer, Henry Folz, Edward Dormedy, T. W. Walker, D. D. Rush, Edward Dinham, Henry E. Christian and J. E. Lawrence, directors; S. Abrahamson, Anderson & Ogg, R. A. Anderson, doing business as R. A. Anderson & Son, J. Atall, F. E. Adams, Charles Bergquist, doing business as Bergquist & company, C. M. Brooks & Son, Mrs. D. Butler, Charles Boerner, O. A. Berg, A. Borgen, Mrs. S. Brown, H. E. Bartholdi, M. R. Bush, C. S. Brown, Carlo Herini, John Benda, E. J. Bouaska, F. Brand, Baumgin & Kalill, F. Belanger, Barthi & Martin, E. Christian, Theodore Christofferson, Ben Cangl, Carlson & Lind, W. Conley, Louis Cato, Frank Cox and John Cox, copartners as Cox Brothers, J. E. Carlson, M. J. Dahlstein, J. P. Daly, James De Santo, R. A. Oubey, Frank Drama, C. W. Davidson, Ed. Dormedy, A. H. Donald, Duluth Wholesale Supply company, (a corporation), R. Dinham, A. W. Eller, F. W. Erickson, Hans Ervik, Hjalmar Eden and Sigfried Edlund, copartners as Eden & Edlund, Eller & Anderson, C. Erickson, John Flynn, J. Forah, Nicholas Franze, C. T. Faucett, J. E. Foubister, Thomas Poubister, J. Georgesen, Gallagher & Whalen, Anton Dronseth and John Olsen, copartners as Gromseth & Olsen, A. Grams, C. Gustafson, Gustaf Gustafson and Benjamin Gustafson, copartners as Gustafson Brothers, J. A. Groschowski & company, P. W. Gallagher, Ben Gay, J. J. Gude, Peter Hildon, H. Hill, G. A. Hjerpe, P. J. Harnett, Martin, Hoff, Nels Hendricks and John R. Stal, copartners as Hendricks & Stal, Harry W. Hall and John H. Burns, copartners as Hall & Burns, O. Hertzog, L. P. Hightmark, Albert W. Jacobs and Joseph Gador, copartners as Jacobs & Gador, Ole Jensen, J. A. Jeffrey, Charles F. Johnson and Adolph Nelson, copartners as Johnson & Nelson, Emma J. Johnson and John J. Moe, copartners as Johnson & Moe, Tony Jennetta, Thomas Jensen, John O. Johnson and John J. Thorpe, copartners as Johnson & Thorpe, Victor Johnson, Emil Johnson and Edward

Johnson, copartners as Johnson Brothers, Frederick Knowlton, doing business as Knowlton & company, B. Kanner, Kohagen Grocery company, A. Koneczky, Mrs. A. Kennel, Mrs. R. Long, J. A. A. Lindvall, John E. Lundmark and Charles Franson, copartners as Lundmark & Franson, A. Larson, W. Longtin, Lawrence Lynch, A. Lysen, W. B. Logan, J. W. Lent, Mike Laiti, A. Langlois, Robert Leucks, Lake Side Cash Grocery, John E. Lawrence and John Gilman, copartners as Lawrence & Gilman, Albert La Salle and Charles A. La Salle, copartners as La Salle Brothers, Knute Larson, Alexander Landen and August Anderson, Jr., copartners as Landen & Anderson, John Langlois, M. LaChance, F. G. Lugg, Lundeen & Hanson, Millvitz & Sionim, James Maghan, A. Mollnet, M. Mainella, John Moir and Thomas W. Walker, copartners as Moir & Walker, George H. Ebert and A. J. Milner, copartners as Milner & Ebert, Morton & Eden, Malcolm Matheson, Gustaf Swenson and Hans Swenson, copartners as the Market Grocery company, E. McMinn, P. Mainella, Charles A. and George M. McEwen, copartners as McEwen Brothers, Carlo Mainella, Joseph Mucilla, N. H. Maynard, A. Martino, F. B. Mikesch, B. Mallough and William B. Mallough, copartners as B. Mallough & Son, E. M. McEwen, S. T. McTaggart, R. Marotta, C. B. Numan, Nelson & Evjen, Andrew Otterson, doing business as the Otterson Grocery company, Mrs. P. Omdal, Christian H. Opped and Herman H. Opped, copartners as C. H. Opped & Sons, Oscar Olson, J. G. Ostby, Dennis O'Leary, J. H. O'Leary & company, Ole Olson, Olson & Kauppl, P. Pichetto, John E. Peterson, W. L. Pierce, E. L. Phillips, J. S. Poiskl, N. F. Priley, L. Paietta, M. Peretto, Mrs. Mary Prior, Mrs. M. Quigley, J. Rivkin, J. E. Roos, Martin Rustad and Ole Johnson, copartners as Rustad & Johnson, R. H. Rathbun, Jacob Rosek, C. S. Raymond, Mrs. J. Ryan, C. A. Staller, Mrs. A. Sundquist, A. M. Schwingle, A. O. Swenby, F. Suech, F. Sjosellus and P. A. Sjosellus, John Sundeen and Henry Johnson, copartners as Sundeen & Johnson, E. Smith, August Sauder, Oscar F. Strom and Otto A. Carlson, copartners as Strom & Carlson, Emil Schlander, Emil Solz, D. J. Stewart, Wm. Schumann, Sam Shearer, George and Assad Saloom, copartners as Saloom Brothers, Charles Swanson and Jacob Stohre, copartners as Swanson & Stohre, J. Schultz, F. E. Swanson, H. Stock, A. M. Tilson, O. Tomling, T. P. Trevillion, F. Tornowski, S. Trano, J. A. Uivang, C. S. Weik, C. H. Wilcox, T. J. Wilton, Thatcher Brothers, S. Yonak, defendants.