

# IS SOLD ON ONE BID.

## WHISKY TRUST STOCK GOES AT AUCTION FOR \$9,800,000.

**Eighteen Plants Are Sold from the Court-House Steps by Receiver McNulta in Pursuance of the Order of Judge Showalter—Attorney Levy Mayer, Representing the Reorganization Committee, Is the Only Bidder, and Takes the Lot—He Puts Up \$50,000 as Earnest Money.**

The largest judicial sale ever consummated in Illinois was held yesterday, when eighteen active plants of the whisky trust were sold at auction on the Court-House steps by Receiver Gen. John B. McNulta. The stock was bought by Levy Mayer, representing the reorganization committee of the stockholders, on a bid of \$9,800,000.

The plants included in the transaction are as follows:

Shufeldt Distillery, Chicago; Star and Crescent Distilleries, Pekin, Tazewell Co., Ill.; Central Distillery, St. Louis, Mo.; St. Paul Distillery, St. Paul, Minn.; Rivordale Distillery, Kinzie street, Chicago; Northern Distillery, Peoria, Ill.; Humburg Distillery, Tazewell County, Ill.; Manhattan Distillery, Peoria, Ill.; Monarch Distillery, Peoria, Ill.; Great Western Distillery, Peoria, Ill.; Woolnor Distillery, Peoria, Ill.; Peoria Distillery, Peoria, Ill.; Willow Springs Distillery, Omaha, Neb.; Consolidated (Storr's) Distillery, Cincinnati, O.; Maddox-Robart Distillery, Hamilton County, O.; Wabash Distillery, Terre Haute, Ind.; Latonia Distillery, Kenton County, Ky. The office building of the whisky trust in Peoria was also included in the sale.

This event marks the end of the most important phase of one of the most hotly contested legal fights in the history of the State. It is a crowning success for the men who have fought the Greenhut-Morris combination.

### Sale on Showalter's Order.

The sale was made in accordance with an order issued by Judge Showalter July 5, providing that the property be disposed of at public sale. The order has since been bitterly opposed by the Greenhut people, but the matter was finally settled beyond a doubt by Judge Woods' decision Tuesday at Bay View, Mich., in which he overruled the petition for an appeal from Judge Showalter's order. The fight for an appeal was made by the petitioners under the plea of upholding the rights of Olmstead, whose name has figured in the litigation since Greenhut had himself appointed as receiver for the company last January. In speaking of this phase of the case Judge Woods said:

Olmstead was present in court, either in person or by attorney, July 5 when the decree was granted. It is clear by his own admission that he signed the agreement of March giving the committee power to act. He presumably knew everything that was being done. The decree was a consent decree. It has been said that the decree is illegal, but on its face this is not so. I take the view that Olmstead was bound by the agreement between the stockholders and the committee. As to assignees, while they do not enter into the decision, it is clear that Olmstead's interest of a few hundreds cannot compare with the possible depreciation in value to others owning millions if this appeal were granted. The petition is overruled.

### How the Auction Went.

A few hours before Judge Woods' decision was given Judge O'Brien of the Supreme Court of New York denied the application of F. W. Annes and George N. Pynchon for an injunction restraining the sale of the whisky trust property. This left the opposition without a leg to stand on. The victorious faction immediately took steps to carry out the order of the court. Attorney Levy Mayer arrived in the city from Michigan just in time to attend the sale.

Gen. McNulta, United States Marshal Arnold, and a half dozen deputies were waiting at the Clark street entrance to the Court-House at 9:55 a. m. in company with S. M. Rice, President of the Distilling and Cattle Feeding company. Attorney Allen, representing Gen. McNulta, was also on hand. Promptly at 10 o'clock Gen. McNulta opened the proceedings. The bunch of spectators was made up of men such as are usually seen loitering about the place, who are more accustomed to buying the product of the whisky trust at retail than to wrestle with financial questions concerning millions. A few attorneys paused to watch the scene and listen to the legal lore, but few remained to the end. Messrs. Woolnor and Easton of Peoria were among the few distillers in the crowd.

Gen. McNulta commenced by reading the published notice of the order of sale. It was a lengthy document, made up mostly of legal verbiage and technical description of the property to be sold. Over an hour was consumed in the reading. Finally it was concluded and the interested persons pressed forward. It had been rumored that the enemy had a scheme to block the sale at the critical moment. Nothing of the sort occurred.

The rest was business-like and brief to the extreme. The property was offered for sale and bids asked. Attorney Mayer was the only bidder. On behalf of the Reorganization committee of the stockholders he offered \$9,800,000 for the property as described. He explained that it was simply a renewal of the bid made by the committee in its petition for sale and subject to the conditions of the decree. Mr. Mayer also offered a certified check for \$50,000 as earnest money.

### No More Bids Are Made.

Gen. McNulta was unsuccessful in finding another bidder, although he tried his hand at auctioneering for ten minutes. Finally he "knocked it down" to Mr. Mayer. The formal transfer will be made Friday.

According to the conditions of the bid the Reorganization committee will pay in cash only such proportion of the total sum as the shares of the stock held by it bear to the whole issue. Greenhut and Morris will receive about \$80,000 for their holdings and the remainder will be paid to the other stockholders.

The new company is already incorporated. Officers will be elected this week at a meeting which probably will be held in Chicago. It is understood that S. M. Rice will be re-elected President.

The term of Gen. McNulta's receivership has been much more successful than was expected. It was estimated that during the six months just ended the business would run at a loss of about \$500,000. Instead of that there has been a considerable gain. Now that the main fight is over he is going on a long vacation as soon as the formal transfer is made.

Levy Mayer, who has conducted the fight, says he will not rest at present, but will continue the attacks until the lesser suits are settled and the many tangles in the company's finances are undone or explained.

New York, Aug. 14.—Special.—It is stated here that the distillers' committee has a surprise in store for the stockholders to follow the sale of the property and the formation of the new company. This surprise may be in the nature of an offer of rights to the stockholders to subscribe to the stock of a new distributing company.