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UNITED STATES NATIONAL BANK
Capital Stock \$100,000.

We are now ready for business and will be pleased to meet patrons and prospective patrons. Our capital is ample to meet all legitimate requirements and our equipment is complete and sufficient to provide absolute security. We are in position to properly handle all conservative banking business. An account placed with us will be appreciated and will receive careful and prompt attention.

An examination of the list of our officers and directors will demonstrate the reliability of this institution. You are always welcome at the

United States National Bank

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La Grande National Bank

Of La Grande, Oregon

CAPITAL AND SURPLUS \$170,000

UNITED STATES DEPOSITORY

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Keep the money at home
by using

LA GRANDE SUGAR

Costs no more and just as
sweet. All dealers.

**SUCCESSFUL
SHOOT HELD**

GEO. MAPES OF ELGIN
WINS GOLD MEDAL.

Western Idaho Prepared and Perma-
nent Organization Perfected by
Shooters of Eastern Oregon—J. W.
Spencer Won Silver Trophy, But Put
it Up Again So It Might Be Retained
in This County—Next Meet Subject
to Call.

The meeting of the gun men which
was held in this city yesterday, was so
successful that a permanent organiza-
tion was perfected with George Mapes
of Elgin, president; J. W. Spence of
Pendleton, vice-president, F. L. Lilly
of La Grande, secretary-treasurer.

It was the intention to enlist the
support of the crack shots of western
Idaho, but as none responded to the
call yesterday, it was decided to make
it purely an eastern Oregon affair, and
the association was named the "East-
ern Oregon Blue Rock association."

In the shoot for the gold medal
George Mapes of Elgin secured the
prize, and in the silver cup shoot, J.
W. Spence of Pendleton, won the most
points, but owing to the fact that he
did not desire to take the cup out of
the county, he put it up the second
time and George Mapes was once more
fortunate.

There were a number of exciting
events. It was not discovered until
almost noon that the score book had
been taken by mistake by some one,
and it is impossible to give the correct
list of events and the scores made. The
list of shooters present is sufficient
guarantee to those acquainted to know
that every one who made a record had
several close seconds.

No definite date for the next meet
was decided upon, but the executive
committee will make announcement in
due time to give every nimrod an op-
portunity to be present.

Those who participated yesterday
were George Mapes, Sib Hallgarth, Ar-
thur Hallgarth, E. B. Tuttle, Lee Tut-
tle, Elgin; J. W. Spence, Pendleton;
A. R. Hunter, Island City; F. L. Lilly,
A. V. Andrews, C. L. Mackey, S. N.
Bolton, Dr. G. L. Biggers, Chase Boh-
nenkamp, Frank Stillwell, J. E. Van-
dermuelen, Lee Matlock, M. A. Still-
well, La Grande, and Dr. Phy of Hot
Lake.

FEW CONTEST MATERIALIZE

(Continued from page 1.)

missed. Those to come to hearing re-
quired anywhere from four to 10 days'
time, accumulating heavy expense to
the contestant.

The squatter who today braved the
expense and time was Barton of Wal-
lowa, who claims preference by squat-
ter rights on section 12, township 4,
north range 41, E. W. M. All the
contests involve land in this township.
The man made contestee by the con-
test is Percy Harrison of Vancouver.
Must Pay in Advance.

Each day of the contest, the con-
testant must post sufficient funds to
pay for taking the testimony before
the case can proceed. This puts the
case on a cash basis, and where hear-
ings continue for a week or more, it
often drains the contestant's coffers
heavily.

MACHINERY NOW ENROUTE

(Continued from page 1.)

Elevator Completed.
The commodious elevator has been
completed, though the roofing on the
covering has not been finished. This,
too, will be completed this week.

Machinery Rolling.
Two cars of the modern machinery
that is going in the mill, are rolling,
and more are to start immediately.
The builders figure that by the time
interior finishing is done, a portion of
the machinery will be here ready for
setting up. When finished, the mill
will be the largest and best equipped
of its kind in eastern Oregon.

Special Meetings.
In the First Baptist church there
was begun last evening special meet-
ings, which will continue for some

The Independent Telephone Collapse
The Logical Result of Over Capitalization, Insufficient
Maintenance and loss of Financial Credit
Thursday Evening, August 6th 1908

Boston.—The strenuous efforts
made of late to float the securities
of several independent telephone
companies, either those of more re-
cent construction, or those which
are in process of reorganization,
are attracting attention and call for
comment on the part of those in-
terested in financial matters.

At no time in the last eight
years has it been so clear as in the
last 12 or 15 months, particularly
the last eight, that the independent
telephone movement throughout the
country was suffering from general
collapse.

Undoubtedly precipitated by the
panic, the independent breakdown
has been inevitable from the first.
It is, in short, nothing but the
logical working out of the radical
and incurable defects under which
the majority of independents were
organized. Seeking to serve two
masters the independents secured
their franchise from the munici-
pality through promises of low
rates; induced capital to subscribe
through promise of huge profits.
By the first move they hoped to
gain popular support; by the second
the money of the small local
investor.

In the early days of the inde-
pendent telephony the name of the
Bell Co. was used for conjuring
purposes. Absurd statements were
set forth of the fabulous profits
which had accrued to the original
Bell shareholders. But the alluring
promises as to what could and
would be done, the broad allega-
tions of overcharges and unreason-
able profits of the old Bell com-
panies, so freely circulated in the
prospectuses of the independents,
have been discarded, and the truth
is now coming out, when, in the ef-
fort to escape inevitable disaster,
the independents admit that, under
the rates promised at organization,
actual operation demonstrates that
it is impossible to pay expenses and
care for plant, let alone showing
any profit.

The record of "foreclosures,"
"passed dividends" and "receiv-
erships" of the independent com-
panies, now so large and fast increas-
ing, emphasizes the fact that be-
tween "promise" and "perform-
ance" lay many obstacles not dis-
closed in a promoters' prospectus.
The record of independents' dis-

aster has only been hastened by
the financial crisis which cut the
nerve of their credit and destroyed
the ability to raise new capital,—a
result necessitating the closing of
construction account. With an
"open construction account" the
net profits of the independents
were limited only by gross revenue.

This record as shown by current
press reports, includes in one phase
or another the most prominent
companies in the United States,
while 50 per cent at least of the
independent companies have either
raised rates or failed in the attempt
to do so.

Had all the independents with
their tempting rates and popular
favor begun life with fair capitaliza-
tion, the success of the problem
would have been difficult enough,
but success was impossible from the
start under their methods of pro-
motion and construction.

With very few exceptions the
prospectuses which have been or
are now being circulated disclose
the fact, if they disclose any fact,
that plant was, as a rule, built by
a construction company, paid for
with bonds at 85 or 90, with a
bonus of say 50 per cent and up-
wards of preferred stock or com-
mon stock, or both. The where-
abouts of the balance of the stock
is not stated, but presumably it is
in the hands of the promoters or
franchise vendors.

Overcapitalization of the inde-
pendents is more emphatically
shown from actual figures. The
average capital of all the Bell com-
panies per station is \$114, or, in-
cluding the general toll system, \$149
per station, as shown in the annual
report. Ten of the largest inde-
pendents show an average capital-
ization of about \$270 per station,
while if floating debt and other
obligations were included, it would
be much larger.

Burdened by overcapitalization,
it has been inevitable that the inde-
pendents should show an utter dis-
regard for maintenance and recon-
struction. The operating ratio of
the average independent company
is about 50 per cent of gross,—
many much less—inclusive of
maintenance and reconstruction.
The average of all the Bell com-
panies is about 75 per cent, of
which about one-half is mainte-
nance and reconstruction.

The difference is the margin be-
tween adequate and inadequate
maintenance. With suspended or
contracted construction account,
property, like a telephone plant,
soon becomes depreciated and un-
quoted.

The main factors which have
combined to produce the collapse
of independent telephony are over-
capitalization, ruinously low rates,
inadequate maintenance or recon-
struction and lack of general inter-
communication or long distance
telephone facilities.

**LOS ANGELES STOCK EX-
CHANGE.**

Official Quotations, August 28, '08.
Southern California Independent,
or So-Called "Home Telephone
Company Securities. Par Value
\$100.

—BONDS—

Los Angeles Home Tel. &
Tel. Co. 78 1/2
Los Angeles Home Tel. &
Tel. Co. (1st prfd) 68 1/2
San Diego Home Tel. & Tel.
Co. 63
Pasadena Home Tel. & Tel.
Co. 70
United States Long Dis-
tance Tel. & Tel. Co. 80*

—STOCK—

Los Angeles Home Tel. &
Tel. Co. (Co. prfd) 45
Los Angeles Home Tel. &
Tel. Co. (Common)05
Pasadena Home Tel. & Tel.
Co. 40 1/2
San Diego Home Tel. & Tel.
Co. 35*

Santa Monica Home Tel. &
Tel. Co. 25*
United States Long Distance
Tel. & Tel. Co. 41 1/2

The foregoing quotations indi-
cate, in a measure, PRESENT
BOND and STOCK VALUES in an
Independent or so-called "HOME"
TELEPHONE DISTRICT to which
TELEPHONE PROMOTERS have
heretofore been in the habit of
pointing to "with pride."

The real facts are that not one in
ten of the HOME TELEPHONE
COMPANIES OF SOUTHERN
CALIFORNIA has ever paid a div-
idend, and now that AGE, which
means depreciation and reconstruc-
tion has set in, it is, in the worlds
of our late lamented PRESIDENT
GROVER CLEVELAND, a "CON-
DITION and not a THEORY" that
confronts them.

time. Dr. Blackburn is detained at
his home in Baker, and will not be
able to reach our city in consequence
of critical illness of Mrs. Blackburn.
The church has voted, however, to
hold the series of meetings under the
leadership of Pastor W. H. Gibson. A
cordial welcome is extended to all.
Service hour, 7:30. W. H. GIBSON.

**TRAFFIC
BLOCKED**

Los Angeles, Feb. 8.—All traffic to
and from Los Angeles is practically
cut off today as the result of terrific
storms yesterday and last night. The
San Joaquin valley line of the South-
ern Pacific is blocked on the east at
the foot of Tehachapi mountains, and
by a washout at Cameron. The coast
line is out of commission as the re-
sult of a big washout between Santa
Barbara and San Luis Obispo. The
Santa Fe train is blocked by the de-
struction of a bridge over Arroyo Seco.

Danger of More Floods.
Sacramento, Cal., Weather Observer
Taylor said today there is a possibility
of renewed danger to the lower Sacra-
mento river islands, rain prevailing
through the Sacramento valley, and
heavy snows in the mountains. The
Southern Pacific trains from Portland
are running to San Francisco via
Stockton, because of a trestle at Mil-
ken being carried away by the high
waters.

LADIES HOSE

And the famous "Deerhide"
brand for children. Splendid
wearing.

E. M. WELLMAN & CO.

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\$40.00 Bed Room Sets \$18.00 each

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