

RIVER STEAMER SINKS

GATCH CALLED TO STAND

TELLS STORY OF BANKS FAILURE AND WHAT SCRIBER TOLD HIM AFTER CRASH

THOMPSON FORGERY FIRST CRIME

Telling the Story of His Life-time Friend's Shortcomings, State Examiner Is Chief Witness on Stand in the Scriber Trial Today—Thompson Is Given Blame for First Crime on Scriber's Part.

Portland, May 12.—Claud Gatch, state bank examiner, today told the story of the alleged defaulting of J. W. Scriber at the trial today. He identified, alleged forged notes and said the books showed a shortage of \$12,481. Gatch is a life long friend of Scriber.

He said Scriber, after the failure, told him his first illegal act was the forgery of a \$6000 note of Asa B. Thomson and Gatch testified that Scriber told him that Thomson got the note from the bank and refused to pay it back so Scriber forged another one. He explained his action by saying, according to Gatch, that he and Thomson had been in on a land deal.

Chewing his lips until the blood ran from the corners of his mouth, with tears coursing from under the half-closed eye lids down the furrows of his face and sitting with arms folded in a convulsive clasp in an effort to prevent a complete collapse, Jeff W. Scriber yesterday listened to Attorney C. W. Fulton recite the story of his downfall as cashier of the Farmers & Traders Bank at La Grande.

Palliation of the offense is asked that he was a monomaniac on the sub the defendant permit a denial of a single jot of guilt connected with his acts.

Scriber will ask the jury to believe that he was a monomaniac on the subject of saving the existence of the La Grande financial institution. It will be shown that he believed an organized conspiracy to destroy the bank was in existence in Eastern Oregon and that the idea became the ruling passion of his existence.

The following jurors will try J. W. Scriber.

Fred Erickson, farmer, Clackamas. S. W. Dawson, capitalist, Lina. Albert Johnson, grocer, Multnomah. Carl E. Fischer, farmer, Lane. J. P. Sheely, farmer, Columbia. D. R. Dimmick, farmer, Clackamas. W. A. Heater, farmer, Marion. A. J. Price, farmer, Benton. G. M. Petty, farmer, Yamhill. A. J. Hall, farmer, Polk. S. R. Hardman, farmer, Linn. J. W. Harritt, grocer, Marion.

A host of witnesses from Salem and La Grande are in attendance to testify for the defendant. These men have as a rule known Scriber since boyhood. They will testify that there is a certain strain of insanity in the family. It is also expected that expert testimony will be introduced to show that J. W. Scriber today is a physical wreck and that his days are probably numbered, as a result of the breaking nervous strain under which he labored for five years to pull the bank through, and the severe ordeal experienced since indicted and arraigned on a criminal charge.

Guy E. McCully, the first witness called by the government was on the stand all morning in the hearing. Being employed in the bank during a portion of the time when Scriber committed the deeds charged against him,

merous book entries and other documents which his chief made. Among the note entries identified and which are charged to be forgeries, are the following.

F. P. Childers and G. E. Fowler, \$1000; Mira G. and G. A. Kilpeck, \$600; Fred D. McCully, \$3000; J. D. Casey and Jennie Casey, \$3000; A. T. Hill, \$1000; George E. Good, \$2000; J. H. Rinehart, \$2500; A. C. and W. H. Glenn, \$1000; Peoples Store Co., \$2000; Bolton & Bodmer, \$4000; A. F. Richardson, \$1000; E. Z. Carbine, \$3000; F. D. McCully, \$2000; H. C. Rinehart, \$2500; J. E. Foley, \$3000; Mrs. I. W. White and husband \$2000; and the Alical Mercantile Co. \$1500

These people and companies are prominent in the Eastern Oregon county. These names being on notes the bank examiner thought good security was being held. Scriber would forge the notes, enter them on the books, pay out of his own funds interest on them, and when they became due cancel them and substitute others of the same character. Two of the forgeries getting into other hands by mistake started the revelation that resulted in the final crash and arrests.

(Continued on page 5)

BIG BATCH OF WORK DONE

MANY IMPORTANT MATTERS SETTLED BY COUNCIL.

Two Streets Will Not be Macadamized This Year as First Planned.

Notwithstanding that the council meeting last evening was primarily for remonstrances to street improvement a large grist of routine work was turned out.

The matter of delinquent water rents was taken up and it was ordered that all patrons be notified on the first of the month by postal card and the water shut off on the 10th if not paid. This month, five days of grace are allowed.

When remonstrances were heard, a liberally signed petition put a stop on macadamizing Third street because it is well graveled and comparatively dry. The same thing happened to Jefferson avenue for the same reason.

Cement walks on the east side of Fourth from O. to Depot went unremonstrated.

Cement walks on Pennsylvania from the A. L. Richardson home to Fourth went unremonstrated.

The same grade of walk on the east side of Seventh between Washington and Pennsylvania was unremonstrated.

Communications asked for an arc light on Seventh and Pennsylvania; referred to a committee.

A fire hydrant was asked for on Chestnut and Adams and the proper committees were given the matter with power to act.

Arc light is wanted on Greenwood and Adams. Referred.

Cross walks were asked for Hemlock and Washington. Referred.

W. Grider presented an affidavit with his re-presented bill for \$42 as pound master. This bill was cut down to \$2 at the last meeting. However Grider got little satisfaction for pointing out that he had been appointed by ex-mayor Hall to act as pound master for a stipulated period, for on motion, the matter was laid on the table.

Applications for near beer licenses, accompanied by proper checks, from Ulrich Lottes and B. F. Wade, were referred to the committee.

Matter of replacing two inch main

(Continued on page 8)

THIRTEEN DROWNED OFF ST LOUIS WHEN STEAMER STRIKES ROCK AT NIGHT

St. Louis, May 12.—Thirteen are dead and all but one missing in the waters of the Mississippi as the result of the sinking of the steamer City of Saltillo which went down in the Mississippi river near Sulphur Springs last night. She struck a rock and sank in five minutes. She carried 21 passengers and a crew of 13. The dead are:

MRS. ISAAC RHEA, Nashville. MISS ANNA RHEA, Nashville. S. C. BAKER, Boat Purser. MRS. JOSEPH HARRIS, Nashville. MRS. ARCHIE PATTERSON and son ARCHIE. FOWLER POST, Boat Clerk. WILLIAM PICKET, Traveling Salesman.

MISS LENA WALL, Nashville. HEAD PORTER, name unknown. TWO ROUSTABOUTS, names unknown.

All Precautions Taken
President Tenn of the River Packet company, owners of the Saltillo, said every precaution had been taken to avoid accidents, but the high water and darkness made it impossible to avoid the rocks.

One Body Recovered
Early this morning the body of Mrs. Rhea had been recovered. The remaining passengers who did escape were taken to St. Louis by special train today. During the five minutes panic, many jumped into the river and were drowned.

PRICES ARE TOO LOW

La Grande's real estate is not priced high enough. Probably some of the old-timers will say, "it is awful high now to what it was a while back." Yes, but valuations should be raised here at least one-third.

Why? Every other town in the country is asking strong prices for property and it is selling. Over in Idaho where sage brush is the chief asset little towns half the size of La Grande sell lots for more money than property brings here.

There is only one way to have a snappy community—have confidence in it yourself. Show that confidence by not only talking the good points of your town every time you get a chance, but get together and raise prices. And while you are at this please induce a few land owners in the Grande Ronde valley to double the prices asked for land.

Town property and farm lands go hand in hand. If one is up the other must be up.

Get a system figured out whereby the crop returns from land bring good interest on the price asked, and then ask the price and stick to it.

The same should be true of rental property in this city. First, improve the property. Make everything modern, put in new sidewalks. Don't wait for the city to order in walks, but spend some money on your property. Join in improving the streets. If you are not in the district to be paved or macadamized start a district of your own. And if you can't do that send in a petition asking that a road drag and grader be worked in your portion of the city at the expense of the property owners to be benefited.

Follow this plan for six months and you will see the finest looking little city right here in the Grande Ronde valley that you have seen in many miles of travel.

You will also notice new faces on the streets. New names will be seen in the recorder's office as real estate deeds are filed. People will begin to know what a magnificent community this is with its many and varied resources.

But remember this—Old Man Well Enough never did anything in this world. It is he who has caused the demand for chewing tobacco. It is he who would walk on rotten boards all of his life and just before he dies ask that the undertaker be dispensed with and a wooden box be used for a coffin. It is he who would let opportunity stand at the front gate and tear holes in the earth rather than offer admission. It is he who never helped a community in any shape, manner or form—and he never will.

Now, if La Grande has any of these Old Man Well Enough's let them go away back and be seated, for this city is bound to forge forward. The pace will soon be too fast for such slow boats and unless they ginger up a bit, get a shave and a hair-cut, put on a clean shirt and take an interest in things they will get run over as sure as the O. R. & N. company and the other big concerns here meet their pay rolls next month.

MAY LOCATE IN LA GRANDE.

Search of the Northwest Brings New People Here

A. Edgecombe and wife, of Omaha, are in the city today the guests of W. R. Jones and family and L. B. Moe. They have made a tour of the northwest and today state that they have found no locality that looks as good to them as the Grande Ronde valley. Mr. Edgecomb is a brother of the auditor for the O. R. & N. at Portland. He is interested heavily in a flouring mill and electric light plant in his country and when he decides on his western location will sell his property in the middle west and engage in business out in this country. He has several sons all of whom are engaged in business and who will locate wherever Mr. Edgecomb decides is the best place. La Grande is hopeful that they may see fit to make this city their stopping place.

Benson is Better.

San Francisco, May 12.—Governor Benson is improved today. He is here for his health and contracted La grippe. He is staying at the Hotel Alenader.

BOOSTER TOM STILL BOOSTS

ON HIS WAY TO WALLOWA TO HOLD REVIVALS.

Finds Harney County a Great Empire, Drawing Many Folks.

Returning from a trip through the great Harney valley country, at which time he visited the John Day valley. Tom Richardson, the strongest publicity man on the coast, stopped over in La Grande last night on his way to Enterprise where he will hold a meeting of the business men today for the purpose of organizing a commercial club.

"Hello, there," shouted Tom this morning to the Observer force. "I see you are making a great paper. It is what the town needs and will be one of the strongest factors for drawing attention to La Grande that the people could have."

Great is Harney Valley.

When settled down for an interview, Tom said he had been in a country whose greatness was truly remarkable. Starting in at Shanico he made the trip through the John Day valley, holding enthusiastic meetings in all of the towns and organizing energetic commercial clubs. He said the spirit of progress is abroad in the interior and no new country ever gave the settler such a hearty welcome.

"People are going into that country from all over the world," remarked the Portland enthusiast. "No one can get an idea of conditions unless he visits those valleys. At John Day, Prairie City and Canyon they are pulling together and are elated over the building of Mr. Eccles rail road—The Sumpter Valley."

"By the way, do you know that interior country is the largest body of land that is open to settlers in the civilized world? Distance counts for nothing there. Boys go 50 miles to see their girls and a celebration of any kind draws for a hundred miles around. I had a number of people who drove 70 miles to attend my meetings."

"But listen. Oregon as a state has the center of the state today. Hill and Harriman interest—the two greatest combinations of capital in the United States—are behind Oregon. If there is any community that does not show a healthy growth in the next few months it is the fault of the

SPENDS \$150,000 ON REPAIRS

EVERYTHING IN READINESS BUT A FEW DETAILS, FOR ERECTION OF THE BUILDINGS

TWO BUILDINGS AT LEAST, SURE

Thought Definite Location is not Announced, Selection Will Lie Between Two Proposed Sites—Large Round House to Accommodate Mallet Engines Will Positively Be Built and Started Soon.

Blue prints, plans and specifications involving an expenditure of some \$150,000 in new O. R. & N. buildings in the La Grande yards are now ready and as soon as the building department of the Harriman system in Oregon can get to it, work will be commenced on two big buildings here and on extensive repairs and enlargements to the round house. While no official dictum has gone out, it is understood that the work will be commenced within a week or two, and certainly in the early summer if not sooner. Superintendent of building construction Loring is expected here soon to give the word to commence.

The buildings to be erected are: a machine shop 85 x 182, and a boiler and blacksmith shop 65 x 120 and an addition of seven stalls to the west end of the round house, made larger than the other stalls to accommodate the Mallet engines. The turn table, by the way, is to be made larger that the Mallets may be turned around without uncupping the tanks.

Definite locations are undecided and there are two sets of blue prints. One calls for the construction of the machine shop directly in the rear of the round house, and the other at the west end in the region of the rip track. At any rate two large buildings are to be built and equipped with the best machinery obtainable in an effort to alleviate the burden falling on the Albina shops. At the present time, the Albina facilities are entirely inadequate and engines are kept idle at great loss. When the new shops are equipped here all repairs, unless unusually extensive, will be done in La Grande for all of Eastern Oregon and few engines indeed will ever be sent to Albina as is now the case. The machine shops are now taking up room in the round house and when the structures are completed, all the space now used for machine shop purposes will be converted into engine stalls to house the ordinary sized locomotives. While no exact figures have been given out officially it is authoritatively stated that they will reach \$150,000.

people. Yes, sir, the fault of the people who dwell therein.

Mentions La Grande.

"Take La Grande for instance. My God, if this town don't get a move on herself and do some hustling thereby attracting new people here, she ought to be burned. She would be a disgrace to the fair name of Oregon. You have got everything here, absolutely everything. Many towns have nothing in the way of resources compared with La Grande, yet they are doing a great deal more advertising."

Will be Here Tomorrow.

"Now I am coming back here tomorrow afternoon," said Mr. Richardson, "and I will be glad to hold a meeting or do anything I can to help along. But for heaven's sake cut out the banquets, cut out the frills, for I am home folks and I would rather you would save the money you spend on a feed and buy stamps and advertising with it."