

Local News In Brief

COMING EVENTS

Neighborhood Club Union county flower show—September 2. La Grande Public Schools open—September 14.

Returns From Portland—Otis Veal has returned after several days spent in Portland.

Returns From Portland—M. J. Goss returned to La Grande this morning after several days spent in Portland on business.

Here on Business—D. W. Rolfe, of the United Motor Company, is spending a few days in La Grande on business.

In Walla County—H. H. Baldock, state highway division engineer, and H. G. Smith, who will soon take Mr. Baldock's place here, are inspecting the highway in Walla county today.

On Way to Enterprise—Mrs. J. W. White, of Colville, Idaho, was in La Grande this morning on her way to Enterprise, where she will visit relatives.

Here on Business—After several hours spent in La Grande on business Mrs. G. F. Smith returned to her home at Elgin on the branch line train.

To Visit Aunt—Fred Beaman went to Island City on the branch line train, and will visit his aunt there today. He will return to his home here this evening.

To Visit Mother—Miss Marie Stephenson came to La Grande this morning from Perz and spent the day here visiting her mother.

In Pendleton Yesterday—Mrs. Frank Wright was in Pendleton yesterday. She visited friends there all day and returned to her home here in the evening.

Back From Coast—Miss Ruth Jackson arrived in La Grande this morning from Seaside, Washington, where she has been for the past two weeks.

Went to Enterprise—Mrs. Lash Ward went to Enterprise this morning on the branch line train, where she will visit her home. Mrs. Ward has been here for the past three years.

Went to Baker—Miss Marjorie Reynolds went to Baker this morning on train No. 24 and will visit friends there a few days.

Visiting Here—Miss Vera McGee, of Wallawa, is visiting Miss Eileen Moresch here at the home of Mrs. W. H. Russell.

Left For Home—Mrs. Art Lattie and two children, who have been visiting Mrs. Lattie's brother here for the past few days, left this morning for their home at Payette, Idaho.

Here For a While—J. H. Mills, accompanied by his son, Gordon Mills, were in La Grande on business yesterday. They were also visiting friends here.

Attending Meeting—Carl J. Shackford, of Cove, was in La Grande yesterday. He attended the regional meeting of the commercial organization workers here yesterday.

Home From Portland—Mrs. O. B. Silverthorn has returned to La Grande after visiting her daughter, Miss Marjorie Silverthorn, in Portland for the past two weeks.

Open School September 8—According to announcement yesterday the Sacred Heart Academy will open school Tuesday morning, September 8.

Visited Here—Mr. and Mrs. L. W. Jordan and family, of Grand Junction, Colorado, stopped here this morning.

Edmonds' Foot-Fitter Shoes For Men Fall Styles Just In! Leather all through Special Price—\$7.45 PAIR Shoes of Quality

Edmonds' Foot-Fitter Shoes For Men Fall Styles Just In! Leather all through Special Price—\$7.45 PAIR Shoes of Quality Clin's Clothery The Store with a Conscience

Cal's Teacher



Ellen Tombar, 75, remembers the days when she was teacher at the country schoolhouse and had eight-year-old Calvin Conledge as a pupil. She is busy crocheting a white Afghan which she will present to the president upon his next trip to Pymouth, Vt.

tion this evening. Accompanied by Mrs. Reynolds and her friend, Miss Jean Hannah, Mr. Reynolds will travel on horseback into the heart of the Minam country.

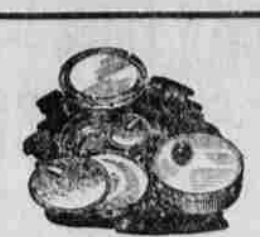
SWAIN TRIES SKIING. Mr. and Mrs. Jas. Harding and son, of Madras, Oregon, Mr. and Mrs. E. J. Harding and family, of Vancouver, B. C., Charles R. Harding, of Portland and Ed Harding, have arrived in La Grande, and are visiting at the home of their mother, Mrs. E. C. Harding. The Harding family will hold a reunion here.

ELKS ENJOY BARBECUE. HOOD RIVER, Ore.,—Elks from Portland, The Dalles and Vancouver, Wash., motored here for a picnic staged by Hood River lodge No. 1207, Oregon's 1000 lodge, in celebration of the recent opening of some canyons. The Elks' reunion had four were accompanied by their drum and bagpipe corps.

An estimated 100 Elks and their families gathered at Koberg beach where a water carnival was held. W. L. Richmond of Stevenson, Wash., presided at the pits and provided barbecue food for the crowd. The picnic ended with a dance.

LEVIN'S CASE DEFERRED. SALEM, Ore.—Prosecution of William Levens state prohibition director, who is under indictment at Klamath Falls, charged with the theft of a revolver from a cabin occupied by a Mexican laborer, probably will be deferred until the return of the attorney general, who is now on his vacation.

This was announced by Mr. Levens following his return here from Klamath Falls, where he went to answer the charge. Mr. Levens admitted that he took the revolver in a raid involving the Mexican prisoners.



JONTEEL VANITY FACE POWDER

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Perfumed with the wonderful Jonteel odor of 26 flowers.

Glass Drugs Inc. The Rexall Store La Grande, Oregon

Markets

PORTLAND (AP).—Livestock steady. Eggs firm, half to a cent higher. Current receipts, 240; first party 31c to 31 1/2c; extras, 31c to 31 1/2c.

SAN FRANCISCO (AP).—Butter, 46c.

MARKETS AT A GLANCE. NEW YORK (AP).—Stocks irregular; oil rally 1 to 2 points. Bonds—Firm; new international telephone 5 1/2s sell at three point premium.

Foreign exchange—Mixed; Scandinavian currency higher. Sugar—Easy; reactionary spot market. Coffee—Declined; commission house selling.

CHICAGO (AP).—Wheat—Lower; disappointing export demand. Corn—Easy; beneficial rains. Cattle—Irregular. Hogs—Firm; better demand.

PORTLAND GRAIN MARKET. PORTLAND, Ore., (AP).—Wheat—Hard white P. S. Hard, August \$1.50, September \$1.52; soft white, August \$1.57, September \$1.58; western white, August \$1.56, September \$1.58; hard winter, August \$1.55, September \$1.57; western red, August \$1.54, September \$1.52; hard white, August \$1.51, September \$1.51.

MURDER MOTIVE SEEN. BAKER, Ore.—That A. R. Fairchild of Baker, whose body was found in the Snake river about two weeks ago and identified last week, was slain for his money was the opinion expressed by officers here following an investigation. The murder is thought to have been the work of a transient, Mr. Fairchild was elderly and feeble.

Mexican Held at Slayer. KLAMATH FALLS, Ore.—Lazaro Lagarda, about 40 years of age, a Mexican, was lodged in the county jail by Sheriff Bud Hawkins last night, as the suspected murderer of Valentino Navarro, a counterman, who was mortally wounded in a knife fight at Algonia, La Grange, unable to express himself well in English, insisted as best he could that he was innocent of any crime.

Asstles who served in the United States Army, Navy or Coast Guard during the World War are not entitled to naturalization, the Supreme Court has decided.

BABSON IN FAVOR OF MORTGAGES

(Continued from Page One)

Issues have been in default. The reorganization plan which is receiving the greatest interest, at the moment, is that of the Chicago, Milwaukee & St. Paul Railway company. Here is a case where, by a regular incident, a first mortgage bond issue is not receiving fair treatment in the minds of many people. I refer to the First Sound first mortgage 4s. If those were all outstanding in the hands of the public, so the bondholders could get together and take over the property, they would be getting their interest at the present time. Unfortunately, a majority of the issue is deposited under one of the junior St. Paul mortgages and it is thus possible for the St. Paul reorganization managers to take advantage of the minority First Sound first mortgage bondholders.

"Many of the best banking houses feel that this action by the St. Paul reorganization committee is a distinct mistake and believe that the plan will be amended before being declared finally operative. For any banking house to bring a cloud on a clean first mortgage because merely through a technicality, is very short-sighted. Moreover, such action indirectly harms all first mortgage bond issues of all railroads. Certain St. Paul bankers may temporarily save a little money by that process, but in the end they will lose twice as much.

Issuing House Responsible. "A study of reorganizations shows most clearly that much depends upon the character, courage and financial resources of the banking house or bond house originally offering the securities. Some people think a bond is a bond irrespective of the house offering it. However, statistics of reorganizations show most conclusively that the character of the house is a most important consideration. Certain houses are willing to spend a large amount of money in seeking their clients through a reorganization, and are willing to give up profits on two or three issues to make a good one, if necessary. I have in mind one large distributing bond house which has a remarkable reputation for doing this. That of itself adds to the value of the bond that this certain house is back of. Other bond houses take more of the attitude of the broker passing on to the clients the profits if the bond goes up, and assuming no responsibility if the bond goes down. These houses have done much to hurt the standing of first mortgage bonds and it is too bad that they are willing to forget their trust as some have been doing.

"A study of reorganization committees shows that the best results come when a bond house is interested in only one issue, especially a first mortgage issue. When a banking house is interested in the bonds, and also the preferred and common stock, it is very difficult for it to devise a plan which is fair to the first mortgage bondholders. This may be the difficulty with the St. Paul reorganization committee. It is as difficult to successfully serve two masters today as it was two thousand years ago, when that great economist, Jesus of Nazareth, commented on the same general proposition. A wise old Hebrew banker once said to me, Babson, if you are ever pinched up in a reorganization sell all the securities you own except

one class, putting all of your money in that one class be it bond, preferred stock or common stock. Then fight hard for that one group! Of course it is best to have your money in the first mortgage bonds, but the really important thing is not so much what your money is in, but to have it all in one group and then fight hard for that one group.

Opportunities for Profit. "Next to buying securities in a panic and holding for two or three years to sell at a profit, when a boom comes, the best way to make a profit is to buy at the right time first mortgage defaulted bonds. Most of all these bonds sell under their value for they are temporarily under a cloud and the market for them is poor. If you can sell a bond issue just before it defaults, well and good, but never sell just after it defaults. That is the time to buy bonds rather than sell bonds. This especially applies to first mortgage issues which almost invariably turn out better than expected. A study of reorganizations shows that in most cases the bondholder has received both new bonds and common stock, in place of the old bonds, thus giving him ultimately a considerable profit. That was true of the Union Pacific, Atchafalaya, Northern Pacific and other of our railroad organizations. Similar opportunities are always coming about and it may be that the St. Paul will offer such an opportunity before the reorganization plan is finally ironed out. During the next year or two there may not be many railroad reorganizations, but there surely will be some industrial reorganizations which should offer good opportunities.

"Of course one must consider general business conditions and the position of business on the Babsonchart before buying even defaulted securities. Defaulted bonds—even defaulted first mortgage bonds—are a reflection of general conditions. Thus when money rates are low, as at the present time, even defaulted bonds sell at higher prices because of the low money rates. This means that defaulted securities are not as attractive today as they were a year ago. Business is now in that early portion of the Babsonchart when securities are abnormally high.

General business is today 5 per cent above normal while a year ago this time it was 12 per cent below normal, so it looks as though we were now at the beginning of a new era. If so, this may be the time to liquidate even certain securities in the process of reorganization. I, however, still advise readers to carefully think before taking a loss on a first mortgage bond put out by a good bond house which has the reputation of 'staying by its issues.'

PROHIBITION ANNOUNCED AT CAPITAL (Continued from Page One)

structure and illegal diversion of liquor.

"The market is our most difficult problem, because of its indifference to the consequences, ignorance and colossal gullibility," Andrews said. "The market will pay any price, makes any boogie's fancy late as to quality and in other ways make the enforcement difficult, but one of the intelligent citizens are realizing the danger to the government and to society they are creating by enriching this bootleg class."

Boy Scouts Camped At Wallowa Lake

(Continued from Page One)

The colder weather last week seems to have taken its toll in less campers here the first of the week. More and more are coming each day, however, and the population at present must be somewhere in the vicinity of 300, distributed among all parts of the park to a mile and a half south of the lake.

L. W. Weeks and family are among the La Grande people here. Mr. Weeks has one of the better camps that was especially built for him this season.

Klamath Homes Looted.

KLAMATH FALLS, Ore.—Two homes were entered here and looted of \$110 in cash, according to a report made to the police. Looters also broke into the state highway commission warehouse at Keno and a quantity of tools, including a magnet, were stolen.

JOYRIDE ENDS IN JAIL

THE DALLES, Ore.—Three Walla Walla youths are in Wasco county jail pending the arrival of a deputy sheriff to take them back to their home city to face possible charges involving the loss of an automobile. The boys, it is said, Weyrauch, 17, Leland Archer, 17, and Sanford Bobb, 16, were arrested by Portland insurance detectives on the Columbia highway near Arlington. The trio were said to have taken the car of Weyrauch's father and headed for Seaside, with a fund of \$27.00 between them. They were traveling in excess of 50 miles an hour when intercepted by the officers.

Water, land and air are now being used for traffic between Detroit and Cleveland.

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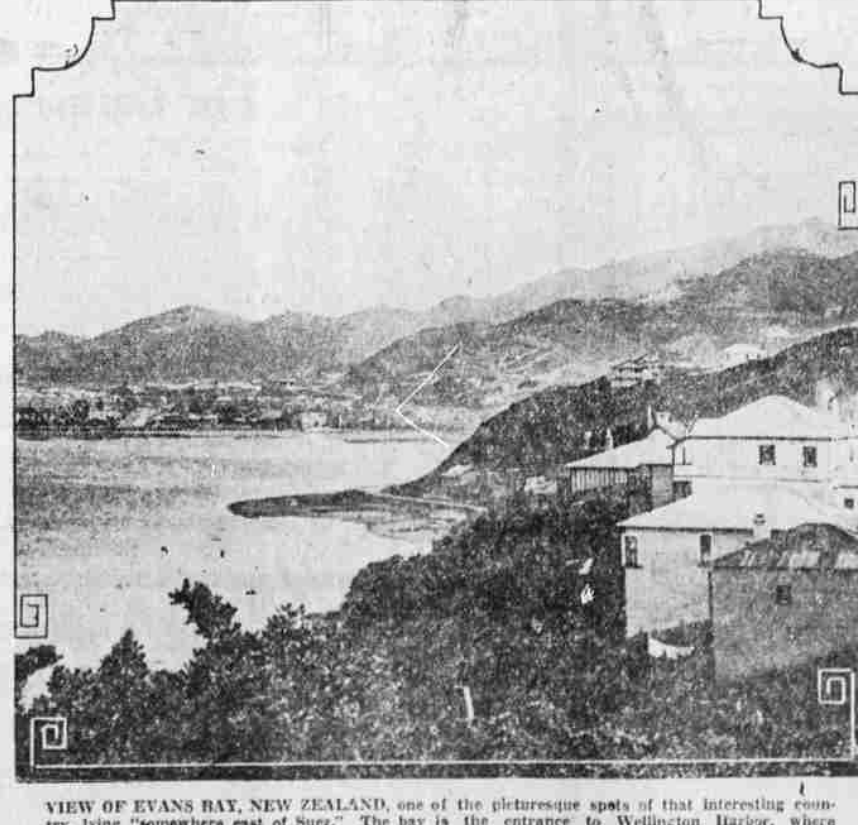
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VIEW OF EVANS BAY, NEW ZEALAND, one of the picturesque spots of that interesting country, lying "somewhere east of Suva." The bay is the entrance to Wellington Harbor, where anchor straggling ships from the ports of the world.