

\$1,000 REWARD!

ONE THOUSAND DOLLARS REWARD WILL BE PAID BY THE UNDERSIGNED TO ANY PERSON WHO CAN SHOW BY AUTHENTIC TESTIMONY THAT ANY CITY OR TOWN IN THE UNITED STATES, OUTSIDE OF THE ROGUE RIVER VALLEY, HAS TRIBUTARY TO IT, WITHIN A 10-MILE RADIUS, A 20-MILE RADIUS, A 30-MILE RADIUS OR A 40-MILE RADIUS, AS MANY DIVERSIFIED RESOURCES AS MEDFORD, OREGON, HAS WITHIN A CORRESPONDING RADIUS.
MEDFORD COMMERCIAL CLUB.

MEDFORD DAILY TRIBUNE

FOURTH YEAR.

MEDFORD, OREGON, TUESDAY, AUGUST 24, 1909.

No. 134.

EXTENSION OF P. & E. IS ASSURED

ALLEN PAYS \$77,425 FOR \$100,000 WORTH OF BONDS

BONDS WERE THOSE TURNED OVER TO RECEIVER REDDY FOR DEPOSIT CERTIFICATES

Final Wind-up and Adjudication of Indebtedness of Road is Now In Sight.

NEGOTIATIONS COMPLETED THIS MORNING Have Accomplished What was Deemed Impossible in Financiering---Will Straighten Bad Legal Tangle



JOHN ROBERTS ALLEN.

Extension of the Pacific & Eastern railroad to the timber belt, the final winding up and adjudication of its indebtedness as well as the involved finances of the defunct Medford & Crater Lake railroad was assured Tuesday morning, when John Roberts Allen of New York, owner of the Pacific & Eastern, paid to Receiver J. F. Reddy of the Medford & Crater Lake railroad \$77,425 for \$100,000 worth of Pacific & Eastern bonds, which were turned over to Receiver Reddy by Receiver T. C. Devlin of the Oregon Trust & Savings bank in exchange for \$81,500 certificates of deposit on the defunct bank. The certificates of deposit represented the proceeds of the sale of the Medford & Crater Lake railroad to George Estes and associates of Portland. The negotiations were completed by Mr. Allen, Receiver Reddy and his attorney, A. E. Reames, and Attorneys Franklin Griffith and S. B. Lithicum of Portland, who represented Receiver Devlin, before Judge H. K. Hanna at Jacksonville.

The German-American bank, which had assumed the assets and liabilities of the Oregon Trust, and Receiver Devlin agreed before Mr. Allen purchased the Pacific & Eastern stock, to surrender the old Pacific & Eastern bonds they held and accept in lieu thereof new bonds. This agreement they repudiated as soon as Mr. Allen made his purchase, and then repudiated the certificates of deposit held by Receiver Reddy, forcing him to bring suit to establish their validity and demand an accounting. Since then they agreed to surrender the bonds in exchange for the certificates of deposit.

Mr. Allen made two propositions, the first to purchase the certificates of deposit at their face value, \$81,500, paying \$10,000 down and the balance in quarterly payments extended throughout the year. The second proposal was to pay cash less a discount of 5 per cent, which was accepted.

The transactions concluded today open the way for the speedy settlement of the Medford & Crater Lake railroad receivership and the liquidation of its indebtedness as soon as

the court passes upon the validity of the claims. They place Mr. Allen in a position to deliver his new issue of bonds as soon as the local bondholders comply with their agreement and surrender their old bonds for the new. The new bond issue has been placed and the money is available for the railroad's extension.

These transactions accomplish what was deemed almost impossible in financiering, and straighten out one of the worst financial and legal tangles in existence. The Medford & Crater Lake railroad was formed some four years ago by local people to construct a railroad to the timber belt. Of the stock issued, only \$26,000 was paid. Cash was advanced by A. A. Davis, president of the company, to carry on the construction, and by Fee Brothers, who took a mortgage for \$35,000 and then sold it to the Webber Brothers, who sold it to the Dewing Brothers of Kalamazoo, Mich. The railroad, after several futile efforts to finance it, was thrown into receivership and sold at auction to George Estes and associates for \$81,500. Upon approval of the court, the money was deposited in the Oregon Trust & Savings bank and the certificates of deposit received. Estes and associates organized the Pacific & Eastern railroad, and the bank, which had advanced the purchase money, held the bonds as security. Then the Oregon Trust failed, was thrown into the hands of a receiver and fresh entanglements ensued.

Estes and associates, who had spent some \$50,000 in equipment and purchase of rails, etc., sold their stock to Edgar Hafer and C. H. Lewis. Mr. Allen later acquired the stock.

T. Dr. J. F. Reddy is due the credit of the transaction. He interested Mr. Allen in the railroad and has worked unremittingly for three years to finance the road. Edgar Hafer also worked hard and spent considerable money in promoting the railroad.

Judge Hanna aided materially in making the railroad a possibility. All of these and many others who assisted, have worked under adverse con-

DEUEL RETIRES FROM FIRM OF DEUEL & KENTNER

H. C. Kentner Takes Over Majority of Stock and Will Continue in Active Charge of the Business.

OTHER LOCAL PARTIES INTERESTED IN STORE

Name Will Probably Be Kentner & Company—Deuel Retires to Outside Business.

F. K. Deuel has disposed of his interest in the firm of Deuel & Kentner of this city and will retire from an active mercantile life to attend to his large orchard holdings. H. C. Kentner will assume entire charge of the business, having taken over a majority of the stock. Other local people have become interested and the firm will probably be known in the future as Kentner & Company.

The firm of Deuel & Kentner was established in 1894. It was incorporated and has been a leading business house since. Last year they moved into large, commodious quarters in the Mission block on Main and B streets.

ditions and under a fire of harsh and unjust criticism from those who should have lent co-operation.

Mr. Allen is now the sole owner of the railroad.

LEGAL BATTLE IS WON BY HILL

Harriman Receives Setback in Federal Court by Recent Decision of Justice Bean.

ATTORNEY COTTON APPEARED STUNNED BY DECISION

Means That Hill Has Gained Upper Hand in the Deschutes Fight.

PORTLAND, Or., Aug. 24.—James J. Hill, the empire builder, gained a victory today over Edward H. Harriman, the railway king, in the fight between the Hill and Harriman interests for the control of a right of way in the Deschutes canyon, and the key to the mastery of central Oregon. Hill was given at least a year's start over his rival by the decision of Justice Robert S. Bean in the federal court in which the Harriman interests are temporarily enjoined from the occupancy of the disputed right of way in the canyon. Attorney Cotton, representing Harriman, appeared stunned by the decision and announced that he would ask an injunction compelling the Hill men to use only the 200-foot wide strip which the court gives them absolute right.

HUNDREDS DIE STEAMER WRECK

German Steamer, Carrying Excursionists Sinks in Waters of Harbor.

BUENOS AYRES, Aug. 24.—Two hundred and fifty excursionists aboard a German steamer lost their lives today, when the vessel was rammed at the entrance to the Montevideo harbor by the Columbia, another excursion steamer. A fete was in progress at Montevideo and thousands of excursionists were bound for that city. When the collision occurred there was a panic on both vessels. Before the lifeboats could be launched the German ship sank. Scores jumped overboard and were drowned. The captain of the German ship was saved, but attempted to end his life and was prevented. The vessel sank in a few minutes, preventing any from escaping. Misunderstanding of signals is reported to have been the cause.

Rev. E. B. Jones of Corvallis, presiding elder for the M. E. church, South, is visiting with Rev. W. T. Goulder of this city.

\$3.23 PAID FOR ROGUE PEARS IN CHICAGO TODAY

New York Pays as High as \$3.50---4950 Boxes Averaged \$3.15---Indications for \$4 Market for Fruit From Rogue River Valley.

NEW YORK, Aug. 24.—Tribune, Medford: Bartlett pears sold as high as \$3.50; 4950 boxes averaged \$3.15. The California fruit is decreasing rapidly. Good fruit will soon be \$4 a box. Boston averaged \$3.70. The first shipments of red apples arriving in September are sure to meet with a great demand.
(Signed) W. N. WHITE & CO.

CHICAGO, Aug. 24.—The first car of Bartlett pears from the Rogue River valley averaged \$3.23 a box. They were shipped from the Burrell orchard. The pear market is strong and prices are steadily increasing, with prospects of reaching \$4 by the end of the week.

J. A. Perry was advised Tuesday by wire that the top price paid for Bartlett pears in New York on Monday was \$3.50 a box. He was not advised as to the quantity.

CANNON IS TO MAKE "FUR FLY"

Aroused by Aspersions Cast in Open Letter, Uncle Joe Prepares to Answer.

CHICAGO, Aug. 24.—Aroused by the aspersions cast on him by Congressman C. N. Fowler in an open letter yesterday, Speaker Cannon today said he would make the "fur fly" when congress meets again. He said he would talk on the floor, and talk lengthily and to the point.

JURY CLEARS GEORGE BEALE

Found Not Guilty of Putting Sawdust in Big Butte—Trial in Central Point.

The jury in the case of the state vs. George Beale, who was charged with placing sawdust in Big Butte, brought in a verdict of not guilty, and Beale was cleared at the trial, which was held in Central Point Monday afternoon.

WEST WINS BIG POINT OVER EAST

Jobbers West of Mississippi Gain a Point Over Eastern Competitors Through Courts.

WASHINGTON, Aug. 24.—The circuit court today made permanent the injunction restraining the interstate commerce commission from enforcing their order to compel the railroads to give proportional through rates from the Atlantic seaboard to the Missouri river points. This ending of the famous Missouri river case is a distinct victory of the western jobbers over eastern competitors. It will affect the jobbing centers west of the Missouri river controlled particularly by St. Louis, Chicago, Denver and Kansas City.

Mr. and Mrs. E. E. Gore are expected home soon from Seattle, where Mr. Gore met Mrs. Gore upon her return from an extended visit in New York.

noon. Clarence Reames appeared for the defendant.

John Butler and Ned Noe testified for the state, as did Charles Gay and Sam Sandry, game wardens. Kountz & Son were witnesses for the defendant. After a lengthy hearing, Beale was cleared.