TAKES LESSONS IN HIGH FINANCE

Grand Jury Learns Ways of Franchise-Grabbers and Stock-Waterers.

INNER TELEPHONE CIRCLE

Select Five Controlled Home Tele phone at San Francisco and They Bought Ruef-Trial of Ruef for Extortion Begins.

SAN FRANCISCO, April L-(Special.)-An amazing story of political intrigue and high finance was told to the grand jury today by a score of witnesses familiar with information of the Home Telephone Company. The evidence today concerned more than all others a little group of millionaires. They are: Abraham E. Detwiler, indicted for bribing Supervisors A. J. Graves, of Toledo, O., and A. B. Cass, T. W. Phillips, J. S. Torrance, all of Los Angeles, Just what the grand jury will do in the cases of these

Hatton Joins Wrong Party.

Another name which figured pron ently in the day's proceedings was that of George Hatton Hatton is the political lobbyist of the Southern Pacific and was the right-hand man of Senator Perkins. Hatton, it develops was placed at the head of the Home Teleone Company's political bureau, when came to San Francisco and began the fight to secure a franchise. Hatton was retained for four years and his fee was placed at \$5000 a year. Hatton took up the game in the Fall of 1905. He allied himself with the nominees on the Fusion ticket against Ruef. He spent the Home Telephone Company's money like a medi-seval baron. Hatton believed that the election of the Fusion ticket meant a franchise for the Home Telephone Com-pany. The Fusion ticket lost, Ruef won and at the beginning of the year 1905 the Home Telephone Company found itself. Telephone Company found itself a ess beggar for a franchise in San

Big Men Buy Ruef.

Then the big men in the telephone com Then the big heat it the conclusion that money and only money could win the game. They opened negotiations with Ruef. Ruef, by the way, had accepted a \$39,000 check from the Pacific States Telephone Company for campaign purposes. When Company for campaign purposes. When the Home Company made overtures, Ruef was there. It cost the Home Company \$00,000. Of this \$55,000 went into the city treasury, \$76,000 to the relief fund, \$62,000 to the Supervisors and the remaining \$135,000 was divided between Ruef and Mayor Schmitz. This is the story of the Home Telephone Company deal as it was

told to the grand jury.

The financial methods of the little group in control, Detwiler, Graves, Cass, Torrance and Phillips, is not lacking in interest. They are worthy of E. H. Harriman or Thomas W. Lawson. In the first place, the Home Telephone Company was formed. The little group of capitalists held control, but let in a few millions of other capital. The company's 'securities consisted of bonds to the extent of \$5,000,-000 and stocks to an equal amount,

Inside Clique Stood to Win.

At the outset the little group of five spitalists formed the Empire Construc-ton Company. This company entered to an agreement with the Home Company to construct the plant in San Franclace and to build it to a 15,000-phone system and to operate it until it was on a paying basis and then turn it over to the Home Company. In exchange the Home Company was to turn over to the Empire Construction Conspany its stocks

Then the little group of five formed three underwriting companies in which it held the controlling interest. It sold the securities to these underwriting companies (themselves), for 575; par was 100. It is said that they stood to clean up a magnificent profit when the graft exposures knocked the price of bonds down several points.

Long Distance Lines Also.

Another feature of the plan was a longdistance company, in which again the same five capitalists held a controlling interest. A contract had been made between the long-distance company and the Home oCmpany, which, it is declared, was decidedly to the advantage of the long-distance company. long-distance company.

The Home Telephone scandal will be cleared up before the end of the week. It has led into paths and avenues which he prosecution hardly believed existed. Captain Payson, of the Santa Fe Railroad and president of the Spring Valley Water Company, was before the grand jury today. He denied that the Spring Valley Water Company had ever paid a cent of corruption money.

Rats Leaving the Ship.

Chief of Police Dinan and President Chief of Police Dinan and President George Duffey, of the Board of Public Works, have cut loose from Abe Ruef. Dinan has uncovered a mass of corruption in the department, which had been especially created by Ruef. Dinan himself has been indicted by the grand fury, but it is thought that he plans to turn all his evidence over to Mr. Heney and Mr. Burns in the hope that he may be let off. Dinan's men have found that Ruef enjoyed an income of something like \$16.000 joyed an income of something like \$10,000 a month from the gambling dens, resorts and dives in the lower cod of the city. As in all other things, it is believed that Ruef divided with Schmitz. Duffey announced that he would dismiss all Ruef men from the Board of Public

DRAWING JURY TO TRY RUEF

Long List of Questions to Discover

SAN FRANCISCO, April 2.-A legal battle that promises to last for weeks

the jurors to determine their qualifications, here are some of the more indicative questions to which the defense demanded direct answers:

Do your personally know or have you ever had business relations or dealings with any of the owners, managers, editors, sub-chiefs or seporters of the San Francisco press;—baming many of them.

Prior to the earthquake and fire, were you familiar with the French restaurants of this city, or did you know their proprietors or ever have business dealings with them!—naming each in turn.

Have you an acquaintance, personal or business, with any member of the municipal government or their parents?—calling a score or more of them by name.

Do you know any member of the present

Do you know any member of the present grand jury?

Have you any prejudice against lawyers?

Are you prejudiced, politically or otherwise, against the Union Labor party?

Are you acquainted with any one who is said to be the very active political enemy of Ruef or Mayor Schmitz?

Have you formed any opinion as to the connection of Rudolph Spreckels with this prosecution? (Spreckels guaranteed a fund of \$190,000 for the expenses of the present investigation.) vestigation.)

Are you friendly with, or do you know, or ave you had any dealings with any mem-er of the Sprockels family? If you knew the Sprockels family was be-



ident of Great Northern Railroad.

hind this prosecution, would that tend to prejudice you one way or the other?

Do you know which one of the Superior Judges named you as a talesman?

Has the fact that Judge Dunne disqualified Sheriff O'Neill and appointed an ellsor, or that in your presence Judge Dunne declared Ruef to be a fugitive from justice, prejudice you against the defendant?

Did you believe Ruef to be a fugitive from justice after he had been so declared? Have you changed your mind on that point?

Did you believe that Judge Dunne believed Did you believe that Judge Dunne believed that Rusf was a fugitive from justice?

Did your belief that Judge Dunne believed Rusf to be a fugitive from justice cause rou to believe that Judge Dunne believed Rusf guilty of the crime charged against him?

Have you such a prejudice against persons called political bosses that you could not give them a fair trial?

Are you prejudiced against political.

you prejudiced against political

Do you belong to any labor union? Are you prejudiced against the Union Laor party?

Suppose you should reach the conclusion couposes you should reach the conclusion that this case is being prosecuted with ulterior motives by the men who had falled to obtain by the influence of Ruef certain franchies and were determined therefore to punish the Board of Supervisors by means to punish the Board of Supervisors by means of special prosecution paid for out of a private fund—would that conclusion prejudice you against or in favor of the prosecution? (To this question Judgo Dunne sustained an objection by the people.)

If the rulings of this court upon objections interposed should indicate to you that this court has reached a conclusion as to the guilt or innocesses of Ruef, would that prejudice you against the defendant?

During the examination of prospective jurors Ruef sat close to Henry Ach and within six feet of the former.

Ach and within six feet of the former, eyeing them with unwavering glances, noting their replies keenly, whispering often with his counsel and frequently

jotting down notes on a pad. Mr. Johnson and Mr. Ach exchanged sharp thrusts during the examination of Mr. Duperu.

"Did you," asked Mr. Ach, "visit Mar-chand's frequently-daily for lunch, as I did, or only upon occasions?"

"Kindly refrain from Injecting your habits into this record, Mr. Ach?" said Mr. Johnson. Ruef's counsel, angered but cool turned and began a cutting reply when Judge Dune interfered. "Proceed with the case, gentlemen," he commanded;

"Mr. Ach, save your retort until after ijournment."
"If your honor would see to it that asion for retort is allowed." Mr.

Ach answered. "I should not be under the necessity of making one." After court was adjourned Mr. Johnson made the interesting statement that inasmuch as the motion for the prose-cution upon which Sheriff O'Nell was disqualified (for personal interest), did not contemplate the appointment of an elisor for any purpose other than to have the custody of Ruef, the Sheriff must be a second time for-mally disqualified if the duties of Elisor Biggy are to be extended to include the drawing of a special venire and the guarding of the jury. The understand-ing, though unofficial is that this will

The trial of Ruef will be resumed to-

ASTORIA NOW IN LEAGUE

TRI-CITY CIRCUIT WILL IN-CLUDE COAST CITY.

Session to Open Next Sunday With Games in Portland, Woodburn and St. Johns.

the team. Brown has managed a num-ber of athletic carnivals, baseball games

ber of athletic carnivals, baseball games and prize fights.

The Astoria team will have two grounds, one in the center of the city and the other at Seaside. During the middle of the Summer many of the games will be played on the Seaside grounds. There is also talk among the officials of the League that Kelso may enter the organization.

League that Renderman and League that the League grounds and Smith were instructed has hight to file articles of theorporation of the league. The season will open next Sunday. The L. S. Frakes team will play the North Pacific Brewery team to the League grounds. Twenty-fourth d Vaughn. The Portland Trunkmakers

President Tests Oregon Senator as Pedestrian.

HAS LONG WALK WITH HIM

Picks Bourne as Tenderfoot, But Is Undeceived When Athletic Senator Stays With Him Over Both Hills and Cliffs.

OREGONIAN NEWS BUREAU, Wash ngton, April 2.—By special invitation Senator Bourne yesterday afternoon took Senator Bourne yesterday afternoon took a long walk through Rock Creek Park with President Roosevelt. At 4 o'clock the President and his guest, wearing old clothes and hob-nailed shoes, drove from the White House out to the city limits and there dismissed the carriage. Rock Creek Park is a favorite resort of the President and he immediately plunged down hill and straight out into the country, Mr. Bourne close to his side. try, Mr. Bourne close to his side.

try, Mr. Bourne close to his side.

A walk with the President is not an everyday affair. The President delights in trying out tenderfeet on such occasions, and he put Mr. Bourne through the regular stunt. Instead of keeping to the reaction of the president struck out across country, climbing over high hills, scrambiling up sides of precipitous rocky cliffs and down the other side, and all at a pace guaranteed to wind the average man. But Mr. Bourne made good and never once fell behind. He and the President spent three hours in the park, returning at dark. The President admired the staying qualities of the Oregon Senator and was very surprised at his ability to keep pace with the Presidential gait, something few men do on the first trial. Usually the President on his walks is accompanied by some member of the Kitchen Cabinery. accompanied by some member of the "Kitchen Cabinet" or some close friend in the diplomatic corps. This is the first time the Oregon man has been so hon-ored by the President.

JOINT DRILL AT FORT STEVENS

Chamberlain Accepts Invitation for Guard to Practice With Guns.

OREGONIAN NEWS BUREAU, OREGONIAN NEWS BUREAU, Washington, April 2.—A telegram has been received at the War Department from Governor Chamberlain to the effect that part of the Oregon militia will be glad to join the Coast Artillery at Fort Stevens in drill this Summer. Owing to the limited size of the garrison, it is not practicable that the whole Guard shall participate, but Mr. Chamberlain asks that the entire militia may hold its regular encampment near Fort hold its regular encampment near Fort Stevens, in order that all the men may witness some part of the artillery prac-tice.

"The plan is to give the members of the Oregon National Guard a 10 days' encampment again this Summer," said Adjutant-General W. E. Finzer, last night, when the foregoing dispatch had been read to him. "Governor Cham-berlain has been asked by the Secretary of War and has agreed to send from the State Guard seven companies to join the Coast Artillery at Fort Stevens in drill during July. The Governor has asked permission to have the other companies of the Guard hold their regular encampment near Fort Stevens. The seven companies that will participate in the artillery drill have not been designated. "The drill will be held at Fort Steton, seamless foot, fine 10c

vens, beginning about July 7, and continuing for 10 days. The heavy artilleries of both Fort Stevens and Fort Columbia will be consolidated at the former fort during the maneuvers. The Washington Guardsmen will join in a similar drill at Fort Canby, where the civilian soldiers will be schooled in Regular Army practice, the heavy artil-lery at that fort being employed."

ACCEPTS A NEW POST.

George F. Pollock Is Transferred to the Forestry Service.

OREGONIAN NEWS BUREAU, Washington, April 2.—George F. Pol-lock, the ex-Assistant Commissioner of the General Land Office, has accepted a position in the Forest Service. It is no secret among the members of the Forest Service that Mr. Pinchet has Pollock's intimate familiarity public land questions and administra-tion. A new position has now been created for him, which will put him in charge of all matters relating to public lands in forest reserves, claims, privileges, eliminations, etc. In acceding to this transfer of Mr. Pollock from his new position of chief clerk in the General Land Office to the Forest Service, Commissioner Ballinger yielded to Mr. Pollock's preference for the work which Mr. Pinchot wishes him to take up, though the Commissioner was him-self anxious to keep Mr. Pollock in the

Land Office. Mr. Pollock has entered upon his new duties. Mr. Pollock is well known in Oregon, having visited the Pacific Coast in 1905, when Chief of the Special Service Division of the Interior Department. On his retirement from the Interior Department, Mr. Pollock received a very complimentary letter from Com-missioner Ballinger.

TRANSFERS REINS TO SON

(Continued From First Page.)

general manager. He became vice-presi-dent in 1882 and president in 1883. With keen business sagacity and far-sighted judgment, he was the first to Ruef men from the Board of Public orks.

A meeting of the officials of the TriCity League was held last night in room 188. Lamber Exchange building, and it that portion of the country was virtually unknown and that such a road would parallel two existing lines—the Northern parallel two existing lines—the Northern moves made by the league, as they have taken from the Oregon State League one of its strongest cities. Astoria people did not seem to favor amateur ball, and the business men of the city, when approached concerning the semi-professional team, all expressed themselves favorably. So far \$500 has been raised in Astoria and the backers of the team propose to gather \$1000 before the opening of the season. Fred Brown will have charge of the team. Brown has managed a number of words and a direct steamship connection with China and Japan. It was constructed entirely without state or Government aid. and Japan. It was constructed entirely without state or Government ald, In the Spring of 1991 Mr. Hill, with J. Pierpont Morgan and others, negotiated the purchase by the Great Northern and Northern Pacific of nearly the entire capital stock of the Burlington road. This purchase added nearly 2000 miles of track to the Hill system.

purchase added nearly 2000 miles of track to the Hill system.

Then followed the sensational contest for the control of the Northern Pacific, which was waged between Mr. Hill and E. H. Harriman.

In order to simplify the financial management and to keep together the various interests, Mr. Hill organized and became president of the Northern Securities Company, November 13, 1561, at a capital of \$400,000,000. This finally resulted in the dissolution of this corporation as illegal.

Mr. Hill has been a great railroad-Mr. Hill has been a great railroad-

Mail Orders

Are given special attention. We have a competent snopper to take your order and see that it is correctly filled. We regard it as a special trust, and you're assured satisfaction. Try it.



Buy Some of This Cut Glass



It Lends an Air of Refinement and Richness to Your Diningroom

CRYSTAL ROOM-THIRD FLOOR

We are Portland exclusive agents for the Famous Libbey Cut Glass, the world's best in this line. When you are thinking of tasteful and appropriate gifts, doesn't Libbey Cut Glass leap into your mind first? That's because you have always rightly associated it with the thought of the best. Rich cut glass is the chief charm of the table, wherever

NEW SPRING LINES ARE HERE NOW in staples and fancy pieces, flower vases, candlesticks, wine decanters and wine sets, water jugs, bottles and tumblers, whisky jugs, tumblers and whisky sets, sugars and creamers, colognes, punch bowls, cups, tall comports, salad and berry bowls, oil and vinegar jugs, olives, pickle, spoon and celery trays, and hundreds of useful and ornamental articles,

THE NAME "LIBBEY" IS ETCHED ON EVERY PIECE, AND THIS STAMPS IT AS THE BEST MAKE ON THE MARKET, WE'RE TAKING EXTRA PAINS WITH A SHOWING THIS WEEK IN THE CRYSTAL ROOM ON THE THIRD FLOOR, AND WE INVITE YOU TO COME AND ADMIRE.

NEW ELECTRIC AND GAS PORTABLE LAMPS AND SHADES; NEW ENG-LISH DECORATED CHINA, IN ART VASES, FERN POTS AND ORNAMENTS.

Women's and Children's Hosiery



CHILDREN'S HOSE, fine cot-ton and lisle, medium or gauze weight, garter top, and double WOMEN'S COTTON HOSE, lisle finish, fast black, double sole and spliced heel and toe. Pair... 15c WOMEN'S BLACK COTTON HOSE, seamless foot, double

WOMEN'S HOSE, fast black,

seamless, good wearing qual-

ity. Price, the 121/2c

sole, medium weight. A regular 25c Hose-Special at.....18c WOMEN'S HOSE, fine, soft imported cotton, Hermsdorf dye, double sole, French toe, come in all black or black

WOMEN'S HOSE, black cotton or lisle, with or without white feet, medium or gauze weight, all imported goods. .50c

with white sole.

CHILDREN'S FINE COTTON HOSE, heavy, medium or lightweight, lisle or mercer- 15c ized finish. Pair CHILDREN'S HOSE, come in cerized lisle. Pair..... 35c

Low Shoes for Warm Weather

Prepare for the balmy days soon to come by having natty, cool footwear, have style, service and comfort by coming here for them.

WOMEN'S OXFORDS, with large eyelets for ribbon ties, new toe, medium \$4.00

WOMEN'S PUMPS, a splendid shoe for Summer, in dull, patent or plain \$4.00 leather. The pair......\$4.00 WOMEN'S OXFORDS, with plain toe-no cap

eyelets. Pair......\$5.00 WOMEN'S OXFORDS, with three large buttons and military heel. A very swag- \$3.50 ger shoe. Pair....

sole, four-hole ribbon tie, Cuban \$3.50 WOMEN'S OXFORDS, medium sole and large eyelets; another good street

WOMEN'S GUNMETAL OXFORDS, medium

shoe. The pair leather, with dull calf quarter, light sole and Cuban heel. Pair... \$3.50

WOMEN'S OXFORDS, blucher lace cut, with light sole and high heels. The \$3.50

\$4.00 WOMEN'S OXFORDS, in patent | WOMEN'S OXFORDS, with dull calf top and military heel, patent sole. Pair.......\$3.50

WOMEN'S PATENT LEATHER OXFORDS, with four buttons,

Materials for Summer Wash Dresses

White or colored wash materials for making pretty gowns that you'll need for warm-weather wear. Heavier materials in wash goods, too, that you can make into smart tailored suits and wear in a little while now. Superb line of materials suitable for making graduation and confirmation dresses.

MERCERIZED PLAIDS, pretty as silk, with the added advantage that it washes much ton mixture fabric; comes in plaid effects, in pronounced patterns or colored 60c grounds with woven figures. Yard.. 50c SCOTCH DIMITIES, the best in the world, from the famous McBride Mills; come in checks, stripes and plaids, in corded weaves

in all shades. Special, the yard....35c TUFTED MADRAS, a richly finished fabric with raised figures, in checks, plaids and stripes; colors blue and all the wanted tan shades. Good value at, the

NEW JAPANESE KIMONO CREPES, latest importations in all colorings and Oriental effects; very pretty; all cotton 25c material, fast color. The yard.... 25c "NERISSA SILK," one of the newest weaves out; comes in plain grounds and floral effects. Price, the yard..... 50c SCOTCH ZEPHYRS, the famous Anderson's

"TISSUE GARONETTE," in fancy figured and dotted effects, in raised silk figures, for the construction of beautiful soft ... 60c wash dresses. Special value, yard. ... 60c BALL DE SOIE," a lustrous silken finish soft, clinging material; comes in all new colors; strikingly new designs in large coin spots. Price, the yard... 50c ENGLISH LACE BATISTE, a very pretty

lace stripe material, in white ground effects. with embroidered squares, in pink, 75c light blue, green and tan. Yard. 75c COMO SUITINGS, beautiful lightweight material for street costumes; one of the most popular and handsome fabrics brought out this season. Yard.....18c

Wash Silks at 79c

FANCY WASH TAFFETAS, come in neat stripes, plaids, checks, etc., and most of the patterns are in the popular black and white combinations, too. Good width, and a grade that sells regularly for \$1.00 the yard. For three days we offer you a lot of 79c several hundred yards at..... BLACK SILK TAFFETA, an always popu-

lar fabric, better this season than ever; a good, dependable grade, a rich, lustrous black, and full 36 inches wide. For the construction of suits, waists, skirts and petticoats. A regular \$1.50 qual-\$1.26 ity, selling for only.....

Dress Goods Less

make, all the craze for the coming season;

in checks, stripes and plaids.

The yard.....

A three-day sale of some of the smartest fabries of the season, good patterns, the right weaves and the right shades. Come in striped, shadow and shadow effects, and reduced in a decisive manner for this three days' selling.

Dress Goods, regularly worth \$1.28 Dress Goods, regularly worth

Dress Goods, regularly worth \$2.00, for \$1.68

Odd Lots Portieres

Of cotton or silk materials, a fine range of pat-terns, and they are all full-sized curtains. Note the savings. There are many, many pairs of these hangings; they come in piain colors, plain centers, with colored borders, piain colors with fancy appliqued borders. rich two-tone effects and handsomely woven figures, in Oriental and other designs. Corded effects, with cord bound edge, in short, all sorts of Portleres, odd lots, bur best qualities and patterns.

\$ 3.25 values.\$ 2.65 | \$11.00 values.\$ 8.25 | \$3.75 values.\$ 2.95 | \$12.00 values.\$ 9.00 | \$15.00 values.\$ 10.00 values.\$ 10.00 values.\$ 10.00 values.\$ 11.25 \$ 9.00 values \$ 6.75 \$17.50 values \$13.00 \$13.00 values \$ 7.50 \$18.50 values \$13.85 And exceedingly rich Portleres, worth \$25, the pair, \$18.75.

uilder and he preached the gospel of low of Lester Hall, Walter Leonard and James builder and he preached the gospei of low grades, heavy power, large capacity cars and big trainloads. He is a man of extensive reading and a lover and connoissour of the arts. In his St. Paul residence he has a gallery of paintings of the modern French school which is one of the choicest private collections in America.

America.

He is known for his wide and generous philanthropy. He was married to Mary Mahegan in 1861 and has two sons, James N. and Louis Hill, who have served an opprenticeship in every branch of rail-ading with their distinguished father as tutor. Mr. and Mrs. Hill also have five

FIND FUN IN FIENDISH DEED Lads of 12 and 14 Set Fire to An-

other's Clothes-He May Die. CHICAGO, April 2-Three boys, whose ages range from 12 to 14 years, were ar-ested today charged with setting fire to the clothing of Michael Lacoco, a 17-year-old boy, while the latter lay asleep in a hallway. The boys gave the names

According to the story of one of the According to the story of one of the boys, they wanted to see some fun. They first attempted to light Lacoco's cloth ing with a match, but were unsuccessful They went to a drugstore and secured a bottle of alcohol, the contents of which they poured over the sleeping boy's ing. As the flames enveloped his Lacoco was awakened and after a

Prize Cup for Real Airships.

his condition is said to be serious

NEW YORK, April 2.- The Scientific American will offer a cup to be com peted for annually by American-built flying machines. It will be confided to the care of aero clubs under whose management the competitions for its custody will be held. The cup will cost not less than \$1000 and will be competed for for the first time on September 14 at the Jamestown Exposition, Only machines heavier than air will be eligible and they must all be self-propelled without any

attempt to extinguish the flames he rushed into the street where he fell unconscious. He was taken to a hospital, where WASHINGTON, April 2-Secretary Cortelyou today gave out a statement regarding the refunding and redemption of the 4 per cent bonds of the funded loan

of 1967, which says: of 1907, which says:

"Public notice is bereby given to the owners of United States registered and coupon bends of the 4 per cent funded loan of 1907 that the Secretary of the Treasury will receive, on or before April 5, and before June 30, 1907, any of the bends of the said loan to an amount no exceeding 350,000,000, for retunding.

"The residue of said bends after the refunding has been paid for, will be reserved for redemption on and after July 2, 1907, and the bonds constituting the said

gas-bag attachment whatever, even for iffting purposes. The cup will not be awarded unless one of the competing machines travels at least 1000 feet in the air.

REFUND 4 PER CENT BONDS

Loan of 1907 to Be Redeemed to Amount Not Over \$50,000,000.

"To effect the exchange the outstanding bonds should be surrendered to the Secretary in accordance with the terms of its circulation; they will be accepted for that purpose in the order of surrender, and new bonds hearing interest at the rate of 2 per cent per annum will be issued in the same order in lieu thereof."

Mrs. Chadwick's Jewels Again.

CINCINNATI, April 2.—The possession of the valuable jewels of Mrs. Cassie Chadwick, which were alleged to have been smuggled from France, must be passed upon by the France courts in New York City instead of Cleveland, according to a decision rendered by the United.