

FLORIDA MAKES CONFLICT SHARP

Taft Majority on National Committee.

WILL DECIDE ALL CONTESTS

Scheme to Prevent Seating of Taft Delegates.

HITCHCOCK PUT IN CHARGE

First Task Is to Line Up Southern Delegations—Conferences of the Taft and Anti-Taft Forces on the Florida Contest.

WASHINGTON, Feb. 7.—(Special.)—Important developments attracted attention in the Republican political field today.

1. Formal announcement was made of the resignation, to take effect February 15, of First Assistant Postmaster-General Frank H. Hitchcock, who will henceforth take hold of the Taft campaign, with headquarters in Washington.

2. Attention was turned to the alignment of the Republican National Committee, the importance of which was sprung into prominence by the prospect of many contesting delegations of the National convention.

3. The Taft and anti-Taft forces held conferences over the Southern situation, brought into strong relief by yesterday's double set of state and district conventions in Florida.

4. Mr. Hitchcock's previous affiliation with an element of the National committee has a bearing on the committee's alignment in the future and the Southern situation, which attracts attention today, will be one of the first things to receive Mr. Hitchcock's attention when he assumes his new duties.

5. Politicians in close touch with the whole National situation went through the National committee list and marked off the Taft and anti-Taft members. They agreed upon the following as being for Mr. Taft on any test vote involving the plain Taft and anti-Taft questions.

Alabama, Scott; Arkansas, Clayton; California, Knight; Connecticut, Brooker; Florida, Coombs; Iowa, Hart; Kansas, McCreary; Louisiana, Wight; Maryland, Williams; Minnesota, Keill; Missouri, Moseley; Mississippi, Aikens; Montana, Waite; New Hampshire, Streeter; New York, Ward; North Carolina, Duncan; Ohio, Herrick; South Carolina, Capers; Texas, Lyon; Virginia, Martin; Wyoming, Pexton; New Mexico, Luna; Hawaii, Robertson; Porto Rico, Todd; Philippine Islands, McCoy. Total, 23.

6. One of the estimates also gives the following to Taft, bringing the total to 31.

Georgia, Lyons; Maine, Hill; Michigan, Bloodgett; Nebraska, Merrill; South Dakota, Greene; Alaska, Heid.

7. The other estimate gives the following to Mr. Taft, making a total of 28, a bare majority:

Utah, Leone; Arizona, Sturges; Oklahoma, Cade.

8. There are 54 members of the National committee, 28 being a majority.

9. Mr. Hitchcock will be succeeded as First Assistant Postmaster-General by Dr. Charles P. Grandfield, who for a little more than two years has been chief of the bureau over which Mr. Hitchcock presided.

10. When Grandfield has been actively identified with the postal service for about 20 years.

11. Several weeks ago Mr. Hitchcock was requested by Secretary Taft to undertake the management of his campaign.

a man in charge of the infinite variety of details of the campaign to whom he could refer questions arising constantly and to which he was unable to devote the time they seemed to demand.

12. When Secretary Taft made the proffer of the management of his campaign to Secretary Hitchcock, he desired him to undertake the work at once.

13. In the view of Mr. Hitchcock, who would have necessitated retirement at once from the office of First Assistant Postmaster-General, because he could not with propriety conduct a political campaign from the Postoffice Department, he told Secretary Taft that he could not assume the



Frank H. Hitchcock, Who Has Resigned as First Assistant Postmaster-General to Become Manager of Taft's Campaign.

14. Mr. Hitchcock finally informed Secretary Taft that if he could be given time to meet his obligations and duties to the postal service he would accept his offer.

15. Mr. Hitchcock now has concluded the work on which he was engaged, and in a few days he will tender his resignation to leave the Postoffice Department.

16. Mr. Hitchcock finally informed Secretary Taft that if he could be given time to meet his obligations and duties to the postal service he would accept his offer.

17. Mr. Hitchcock now has concluded the work on which he was engaged, and in a few days he will tender his resignation to leave the Postoffice Department.

18. Mr. Hitchcock finally informed Secretary Taft that if he could be given time to meet his obligations and duties to the postal service he would accept his offer.

19. Mr. Hitchcock now has concluded the work on which he was engaged, and in a few days he will tender his resignation to leave the Postoffice Department.

20. Mr. Hitchcock finally informed Secretary Taft that if he could be given time to meet his obligations and duties to the postal service he would accept his offer.

21. Mr. Hitchcock now has concluded the work on which he was engaged, and in a few days he will tender his resignation to leave the Postoffice Department.

22. Mr. Hitchcock finally informed Secretary Taft that if he could be given time to meet his obligations and duties to the postal service he would accept his offer.

23. Mr. Hitchcock now has concluded the work on which he was engaged, and in a few days he will tender his resignation to leave the Postoffice Department.

24. Mr. Hitchcock finally informed Secretary Taft that if he could be given time to meet his obligations and duties to the postal service he would accept his offer.

25. Mr. Hitchcock now has concluded the work on which he was engaged, and in a few days he will tender his resignation to leave the Postoffice Department.

AMAZING ORGY OF FRENZIED FINANCE

Examiners Report on Title Bank.

CAUSES OF WRECK NUMEROUS

Gross Mismanagement and Dishonesty Included.

CONCERN NEVER SOLVENT

Findings Filed in Federal Court Bristle With Astonishing Revelations Regarding Methods of Ross and Associates.

After stirring the bones of the Title Guarantee & Trust Company two months and a half the examiners reported their findings yesterday to Judge Wolverton of the Federal court.

26. The report makes pointed references to Mr. Ladd's failure to sustain the bank, strongly indicating his responsibility for the wreck.

27. Various accounts, such as suspense, suspense earnings, surplus, profit and loss, and general earnings, were all inflated so as to show credit balances, for use of the bank's manipulations.

28. The account of the state funds shows that the bank used those funds in its manipulations.

29. Report makes no mention of \$25,000 velvet notes given by Rankin, because the examiners found no record of it.

30. After narrating the career of the defunct bank and making numerous exhibits of its doings, the report asks the question:

31. "What caused the failure of the Title Guarantee & Trust Company Bank?" and answers: "Incompetent and extravagant management, excessive loans and dishonest officials."

32. A review of the foregoing report and exhibits clearly indicates the reasons which brought about the downfall of this company.

33. The early history of the business indicates that the results were unsatisfactory.

34. The bank was organized in 1904 without legitimate capital or a dollar of money.

35. One of the big absorptions was \$140,000 received from sale of Marquam theater.

36. The sale price of the theater was \$300,000, of which \$40,000 was commission, \$1,500 cash to Title Bank and \$140,000 note given by Emanuel May to the bank.

37. At the same time the Ross bank took \$30,000 of depositors' money and added it to the \$1,500 cash, to pay \$55,000 on mortgage

38. When this overdraft had reached the large sum of \$600,000, apparently with a view to

39. The report makes pointed references to Mr. Ladd's failure to sustain the bank, strongly indicating his responsibility for the wreck.

40. Various accounts, such as suspense, suspense earnings, surplus, profit and loss, and general earnings, were all inflated so as to show credit balances, for use of the bank's manipulations.

held by the United States Mortgage & Trust Co., of New York, in order to release the theater.

41. When the bank collapsed, November 6, 1907, the cash on hand and due from other banks was less than 1 per cent of the deposits.

42. In those plus days \$75,000 in cash and credits was transferred to preferred creditors, among them Ladd & Tilton, George A. Steel, Wallace McCain and Ross and an additional \$75,000 to restore depleted trust funds.

43. The bank never was solvent. When it started, June 30, 1904, it owed Ladd & Tilton \$60,000 and paid interest at 8 per cent, compounded monthly, making a monthly drain of \$4500.

44. During this period Mr. Ladd owned 60 per cent of the Title Company's stock. The minutes of the company show not a single protest against the policy of speculation.

45. The report makes pointed references to Mr. Ladd's failure to sustain the bank, strongly indicating his responsibility for the wreck.

46. Various accounts, such as suspense, suspense earnings, surplus, profit and loss, and general earnings, were all inflated so as to show credit balances, for use of the bank's manipulations.

47. The account of the state funds shows that the bank used those funds in its manipulations.

48. Report makes no mention of \$25,000 velvet notes given by Rankin, because the examiners found no record of it.

49. After narrating the career of the defunct bank and making numerous exhibits of its doings, the report asks the question:

50. "What caused the failure of the Title Guarantee & Trust Company Bank?" and answers: "Incompetent and extravagant management, excessive loans and dishonest officials."

51. A review of the foregoing report and exhibits clearly indicates the reasons which brought about the downfall of this company.

52. The early history of the business indicates that the results were unsatisfactory.

53. The bank was organized in 1904 without legitimate capital or a dollar of money.

54. One of the big absorptions was \$140,000 received from sale of Marquam theater.

55. The sale price of the theater was \$300,000, of which \$40,000 was commission, \$1,500 cash to Title Bank and \$140,000 note given by Emanuel May to the bank.

56. At the same time the Ross bank took \$30,000 of depositors' money and added it to the \$1,500 cash, to pay \$55,000 on mortgage

57. When this overdraft had reached the large sum of \$600,000, apparently with a view to

58. The report makes pointed references to Mr. Ladd's failure to sustain the bank, strongly indicating his responsibility for the wreck.

59. Various accounts, such as suspense, suspense earnings, surplus, profit and loss, and general earnings, were all inflated so as to show credit balances, for use of the bank's manipulations.

60. The account of the state funds shows that the bank used those funds in its manipulations.

61. Report makes no mention of \$25,000 velvet notes given by Rankin, because the examiners found no record of it.

MORSE TALKS ON WAY TO ENGLAND

Interviewed on Vessel at Queenstown.

WILL RETURN IN TEN DAYS

Travels on Business, Also to Regain Nerve.

WIFE SAYS HE WILL FIGHT

Faithful to Him, She Says His Affairs Are Not as Bad as Reported—Eleven Banks Declare "No Funds."

QUEENSTOWN, Feb. 7.—A correspondent of the Associated Press tonight boarded the Cunard line steamer Campania and found Charles W. Morse, of New York, in the smoking-room, enjoying a game of cards.

62. Mr. Morse said there was absolutely nothing in those reports, saying they were "New York sensationals."

63. Asking where he proposed going after he landed at Liverpool, Mr. Morse curtly begged to be excused from replying.

64. "You can," he said, "stay with certainty that my stay will not exceed ten days on this side, and that then I will return to New York."

65. Mr. Morse proceeded from Queenstown to Liverpool on board the Campania. He is travelling under an assumed name, probably C. M. Moore.

HIS FRIENDS NOT SURPRISED

Mrs. Morse Says Husband Will Return and Fight.

NEW YORK, Feb. 7.—Those in close touch with the situation expressed no surprise tonight when they received through the Associated Press cable dispatch, the first direct word from Charles W. Morse since he sailed on the Campania last Saturday.

66. Mr. Morse said today that her husband sailed for Europe on the Campania, and that she accompanied him to the steamer a few minutes before the departure.

67. Mrs. Morse is coming back on the Campania on her next trip," added Mrs. Morse. "The voyage was undertaken in order that he might have a rest and recover some of his nerve force, which had been badly shattered by his troubles.

68. "I sent Mr. Morse a wireless message today. We will soon hear from him. Mr. Boardman tells me that his affairs are not so bad as common report makes them.

69. "Many of Mr. Morse's friends, whom he made rich, have deserted him in his trouble. Others have stood by him. I shall remain right here in this house until his return."

70. "Ten banks and one trust company, on which attachments had been served by National Bank Examiner Hanna to cover any funds or securities which Morse might have on deposit with them, made sworn statements today that they had no property belonging to Morse.

71. Several other banks and trust companies on which similar attachments have been served have not yet reported.

72. After Mrs. Morse told a representative of the Sheriff today that all the furniture

taken in order that he might have a rest and recover some of his nerve force, which had been badly shattered by his troubles.

73. "I sent Mr. Morse a wireless message today. We will soon hear from him. Mr. Boardman tells me that his affairs are not so bad as common report makes them.

74. "Many of Mr. Morse's friends, whom he made rich, have deserted him in his trouble. Others have stood by him. I shall remain right here in this house until his return."

75. "Ten banks and one trust company, on which attachments had been served by National Bank Examiner Hanna to cover any funds or securities which Morse might have on deposit with them, made sworn statements today that they had no property belonging to Morse.

76. Several other banks and trust companies on which similar attachments have been served have not yet reported.

77. After Mrs. Morse told a representative of the Sheriff today that all the furniture



John H. Hall, ex-District Attorney whose Case Federal Jury's Verdict Was Reversed Last Night.

78. In Morse's Fifth-avenue house belonged to her, the keepers were withdrawn from the house.

79. DO THE SAME IN GERMANY

80. Banker Disappears, Leaving Debt of About \$400,000.

81. BERLIN, Feb. 7.—Siegfried Burg, a private banker and owner of the financial newspaper, the Investors' Adviser, has disappeared. It is said that he has liabilities amounting to \$400,000.

82. Three Bankers Accused of Fraud.

83. DURANGO, Colo., Feb. 7.—Three directors of the defunct Colorado State Bank, B. H. Freeman, Frank Eldridge and W. C. Chapman, were arrested today by the Sheriff of Archuleta County on the charge of receiving deposits at the branch bank at Pagosa Springs when they knew the parent bank was insolvent.

84. BUTTE, Mont., Feb. 7.—It was announced today on the authority of the management of the State Savings Bank that the bank would resume business on February 15.

85. SPOKANE, Feb. 7.—W. F. Meier has been appointed receiver for the Inland Bank on application of R. E. Cavette, one of the heaviest stockholders.

86. Receiver for Inland Bank.

87. Factory to Close Saturdays.

88. ELGIN, Ill., Feb. 7.—The Elgin National Watch Company today posted notices that the factory will be closed on Saturday until further notice.

89. FIGURES FAIL TO AGREE

90. EMIGRATION TREATY DELAYED BY MINOR DETAILS

91. Japan Is Conducting a Thorough Search to Ascertain Wherein Statistics Differ From America's.

VERDICT IN HALL CASE IS REACHED

Jury Deliberates Over Three Hours.

RESULT IS NOT YET KNOWN

Sealed Envelope Will Be Opened This Morning.

GUILTY, SAYS PROSECUTION

Interprets Speedy Agreement to Indicate Conviction, in View of Judge Hunt's Instructions as to the Law and Evidence.

At 1:30 o'clock this morning the jury in the conspiracy trial announced that it had reached a verdict. The verdict was sealed in an envelope, under instructions given by Judge Hunt last night, and will be returned to the court and opened at 10 o'clock this morning.

92. In view of the charge, given by Judge Hunt and the fact that the jury deliberated only three hours, having retired at 10:20 o'clock last night, the prosecution is confident the verdict is guilty.

93. Under the Federal statutes, conspiracy such as that charged in the indictment on which Hall was tried, is punishable by a fine not exceeding \$10,000, or by imprisonment not exceeding two years.

94. The fate of John H. Hall, ex-United States Attorney, is in the hands of the jury. At last night's session, which convened at 7:45 o'clock, Judge Hunt delivered exhaustive instructions to the jury, the charge requiring two hours for its delivery.

95. At 10:12 o'clock, after Judge Webster for the defendant had interposed exceptions to practically every instruction of the court, the jury retired to deliberate on a verdict. The jurors were instructed by Judge Hunt that if a verdict should be reached during the night, they were to seal it in an envelope and repair in the custody of the bailiffs to their rooms, the verdict to be returned at 10 o'clock this morning to which hour court adjourned.

96. Judge Hunt's instructions were far more elaborate than in any of the preceding land-fraud or conspiracy cases. They consisted of a learned exposition of the law as applied to conspiracy charges and a lucid interpretation of the statutes pertaining to the fencing and homestead acts and the statute of limitations.

97. As to Weight of Evidence. Judge Hunt also advised the jury as to the weight that should be given to the testimony of the different witnesses for the government as well as that of the defendant, who has stood in his own defense. In order to refresh the minds of the jurors as to the important testimony in the case, Judge Hunt read parts of the testimony of Steiner and Hendricks detailing their interviews with Hall early in the year

98. (Concluded on Page 4.)

99. CONTENTS TODAY'S PAPER

100. The Weather. YESTERDAY'S—Maximum temperature, 44 degrees; minimum, 25 degrees; wind, light; today's—fair; southerly winds.

101. Foreign. King and Crown Prince of Portugal to be buried today. Page 2. Fraud arrested at Bonanza, fearing murder but denouncing his policy. Page 2. Story of life of Huitan, the assassin. Page 11. Russian Journal, refuses to stand in because of speech in America. Page 8. Pirates murder crew of Japanese fishing ship. Page 6.

102. National. Williams offers currency bill for Democrats. Page 5. Futon's rate bill reported by Senate committee. Page 6. Majority of National Committee will favor Taft delegates. Page 1. Hitchcock resigns from Postoffice to manage Taft campaign. Page 1. Perkins says corporations welcome Federal but oppose state control. Page 6.

103. Domestic. Leader of Black Hand captured in New York. Page 5. Morse arrives at Queenstown and says he will soon return. Page 1. Governor Pennington implicated in Capitol trade. Page 1.

104. Sports. German army automobile arrives for race from New York to Paris. Page 4. Conference of Northwest colleges at Walla Walla makes report. Page 11.

105. Pacific Coast. Ruel trial postponed, awaiting Henry; he will insist on immunity. Page 7. Mission Republicans opposed to statement No. 1. Page 7. Pack of cards slips up trouble in Medford school. Page 16.

106. Commercial and Marine. Potato shippers want lower freight rate to Southeast. Page 15. Wheat strong and higher at Chicago. Page 15. Stock market improves slowly. Page 15. General trade improves slowly. Page 15. Steamship Alaska, of the Portland & Astoria Company, arrives with a light cargo. Page 14.

107. Portland and Vicinity. Astonishing revelations made in report to court by examiners of Title Trust Bank's affairs. Page 1. John H. Hall conspiracy case goes to jury; sealed verdict to be handed in this morning. Page 1. Inland Empire excursionists will be city's guests today. Page 19. Dekum Avenue grading contract under fire. Page 14. High bridge project boosted by mass meeting of East Side citizens. Page 19.



108. I GUESS HE'S GOING TO GET ON THE BANDWAGON