

INQUIRY OPENED INTO STEEL DEAL

Thorne and Perkins Before Committee.

THEY TALK ABOUT COMBINE

Tell Why Trust Absorbed Tennessee Coal & Iron.

SYNDICATE HAD CONTROL

Question of Taking Stock Off Market Raised by Fear of Renewed Panic—Gary and Frick Felt Pulse of Washington.

WASHINGTON, Jan. 29.—The merger of the Tennessee Coal & Iron Company and the United States Steel Corporation was investigated by the Senate committee on the Judiciary today. The witnesses were Oakleigh Thorne, president of the Trust Company of America, and George W. Perkins, of J. P. Morgan & Co., who is also a member of the finance committee of the steel corporation. Efforts have been made by the committee to subpoena Judge Gary and H. C. Frick. The examination of both witnesses today was conducted by Senator Culberson.

Mr. Thorne testified that the Trust Company of America had no interest in the stock of the Tennessee Coal & Iron Company as owner, but on November 3, 1907, it had loaned \$48,700 to six individuals, holding the stock as collateral. All of these loans, said Mr. Thorne, were paid off in November with the exception of two of \$32,000 each.

Mr. Thorne said that he considered the security for the loans to be good and that his company had no interest in the absorption of the Tennessee company by the steel corporation, and did not know of the negotiations until after they were begun.

Syndicate Held Control.

Mr. Culberson inquired of Mr. Thorne whether he had knowledge of a syndicate which owned the controlling interest in the Tennessee Coal & Iron Company in the Fall of 1907. He replied that he had and that he was a member of that syndicate, but he had withdrawn from the syndicate and was not familiar with the syndicate's operations. The original syndicate managers were given as Grant Hanna, of Cleveland, the three-abby and two-story Pader and Gray buildings are a total loss, also the Kelso Journal plant, Robb & Master, grocers, Becker Millinery Co., McDermott Real Estate Co., Huntington & Jackson Real Estate Co., besides about a dozen offices.

At 1:45 A. M. the fire is still burning, but is well under control. The loss is estimated at \$40,000, with insurance of \$15,000.

Holds Up His Employer

Salesman Makes Him Yield Money at Revolver's Muzzle.

MOBILE, Ala., Jan. 29.—Pleasant Lester, traveling salesman for the Southern Supply Company, and his wife are in jail, charged with holding up Hardaway Young, president of the company, at muzzle of a revolver at the former's home and robbing him of \$500. Two hours after his release Young swore out warrants against Mr. and Mrs. Lester, charging them with robbery, and they were arrested.

MOONSHINER DIES IN FIGHT

Battle With Federal Officials in North Carolina Mountains.

CHARLOTTE, N. C., Jan. 29.—In a battle between Federal officers and alleged moonshiners near Mortimer, Caldwell County, this afternoon, W. W. Honeycutt, whom the officers had under arrest, was killed by D. Pritchard. The Sheriff of Caldwell County left here tonight with a posse of deputies to bring in the moonshiners.

DISMISS SALVATION SUIT

British "Army" Unable to Block American Organization.

NEW YORK, Jan. 29.—The suits of the Salvation Army in the United States against the American Salvation Army to enjoin the latter from the use of its name and from publishing the paper called "The American Salvation Army War Cry," was dismissed today by Justice O'Gorman in the Supreme Court.

BUTLER REACHES CAPITAL

Mailing of Oregon Votes Saves Him From \$1000 Fine.

WASHINGTON, Jan. 29.—Oregon's delayed messenger, R. R. Butler, conveying the electoral vote of his state, arrived today. The \$1000 forfeit for failure to arrive here by the time prescribed will not be assessed against Mr. Butler, as a copy had been received by mail.

QUARREL ALREADY IS BEGUN IN CUBA

GOMEZ AND ZAYAS SPLIT ON NEW POLICE CHIEF.

Competent Man Removed and Yellow Editor Appointed—Whole Force Resigns.

HAVANA, Jan. 29.—The relations between President Gomez and Vice-President Zayas became seriously strained today over the appointment of a man to fill the post of chief of the secret police. This afternoon Jose Jerez, the chief of police, resigned in response to a demand from the Secretary of Government, who explained that President Gomez had appointed as his successor Ricardo Arnaoto, ex-editor of El Reconcentrado, for political reasons.

Jerez as an official had an excellent reputation. He had been chief of the secret police for the last two years.

Senor Arnaoto has, since the beginning of the period of American intervention, been an editor of a long succession of publications, most of which have been suppressed. A report, of which he was the editor, was suppressed for attacks on the wife of Brigadier-General Ludlow, the Military Governor, and other American ladies. General Ludlow at this time ordered his arrest, dead or alive. He was given immunity under a pledge that never again would he publish a newspaper in Havana.

Almost the entire force of the secret service tonight resigned, declining to serve under Arnaoto.

It was rumored that Vice-President Zayas had threatened to resign, but he said tonight that he had not considered the question of resignation. A wholesale discharge of deputies in all departments of the government was made today.

GREAT FIRE IN ATLANTA

Raging in Heart of City—Entire Department Fighting.

ATLANTA, Ga., Jan. 29.—What gives promise of being one of the most serious conflagrations Atlanta has experienced in years is a fire which started at 3:36 this morning in a restaurant under the Lyceum Theater, near the corner of Pryor and Decatur streets, in the very heart of Atlanta's business district, with tall office buildings on two sides and the Kimball Hotel almost directly in front.

The entire fire-fighting apparatus of the city is now engaged in fighting the flames, which have already spread to adjoining buildings.

FIRE IS RAGING IN KELSO

Blaze in Business District Does \$40,000 Damage.

KELSO, Wash., Jan. 29.—(Special)—Kelso is experiencing one of the largest fires in its history. The three-story and two-story Pader and Gray buildings are a total loss, also the Kelso Journal plant, Robb & Master, grocers, Becker Millinery Co., McDermott Real Estate Co., Huntington & Jackson Real Estate Co., besides about a dozen offices.

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BLIZZARD RAGES ACROSS PRAIRIES

Terrific Storm Sweeps Middle West.

SNOW BLOCKADES RAILROADS

Wires Coated With Ice and Snapped by Weight.

ROTARY PLOW POWERLESS

From Minnesota to Texas Come Similar Reports of Terrific Wind, Deep Snow, Extreme Cold, Transit Stopped.

DENVER, Jan. 29.—From 11 o'clock last night until 1 o'clock today almost the entire country west of the Missouri River was cut off from telegraphic communication with the outside world as the result of a rain, snow and sleet storm, accompanied by a wind of almost cyclonic violence that swept over Colorado, Kansas and Nebraska last night, and then continued its work of destruction eastward.

Snowplows Are Powerless.

In Colorado, where the storm has been raging for several days in the mountains and along the west slope, railroads are blocked by drifts which have rendered even the big rotary plows powerless, and big snowdrifts are reported from all directions. High winds are piling up the drifts in the mountains and adding to the difficulties of the railroads.

In the Telluride and San Juan districts of southwestern Colorado many mines have been forced to close because of the lack of fuel and supplies. A slide that wrecked a section of the Telluride Power Company's lines put a dozen mines and mills in the Savage Basin out of commission.

Wind at 70 Miles an Hour.

The Denver & Rio Grande and Moffatt roads are having much trouble with drifts. Bitterly cold weather is reported from some points, Telluride reporting 15 below.

Passenger trains from the East on the Union Pacific, Santa Fe, Rock Island and Burlington roads are all late, and passengers report that the wind blew at the rate of 70 miles an hour across the Kansas and Nebraska prairies over which they came.

Sleet Snaps Wires.

The storm started throughout Eastern

NO MORE RIVALRY AMONG STUDENTS

TEACHER COMPELS GIRL GRADUATES TO MAKE DRESSES.

Result Is Tasteful White Garment Costing \$1.39 and No Heart-burnings.

CHICAGO, Jan. 29.—(Special)—That most perplexing problem of younger femininity, the graduating dress, has been neatly solved by the girls of the James McCross grammar school. The girls make their formal leave of the lower school this evening. Not only will each of the 11 or more dresses be admirably suited to the wearer, but each will be in perfect accord with all the others. Thus will rivalry and jealousy die a hard, unnatural death in this year's graduation of the South Side schoolgirls and all for the trifling sum of \$1.39 per dress.

This combination of perfection is the result of the foresight and planning of Miss Carrie A. Hughes, the school's domestic science instructor. Through her an order was issued two weeks ago by the principal of the school, Mrs. Mary Darrow Olson, to the effect that all of the girls would be obliged to sew their own graduating dresses before receiving a diploma. A hasty council followed.

White, of course, was the color chosen and a material called flaxon was decided on. This would be supplied to each of the girls for \$1.39, plus the price of the trims and sleeves brought the price about 5 cents higher. Still working in sisterly harmony, thread and needles were bought in a common lot and made the final total small.

ASTORIA MAYOR ILL HERE

A. M. Smith at Hospital Suffering From Slight Attack of Pneumonia.

Mayor A. M. Smith, of Astoria, arrived in Portland yesterday for the purpose of pleading a case in court, but before the case came up was taken ill. He consulted Dr. Ralph Matson, who advised his removal to the Good Samaritan Hospital, where, upon examination, Mayor Smith was found to be suffering with a slight attack of pneumonia. Dr. Matson said last night that his illness was of slight character and that Mayor Smith's condition was in no way serious.

SHOTS WIFE IN DELIRIUM

Montana Farmer Becomes Maniac From Typhoid Fever.

BEIGRADE, Mont., Jan. 29.—During an attack of typhoid fever delirium yesterday, Louis Seifert, a well-known farmer who lives six miles north of Beigraide, fired three loads from a repeating shotgun into his wife's back and she lies at the point of death. A baby she carried in her arms while attempting to escape received a few shot in the arm and face, but is thought not seriously hurt.

Mr. Seifert himself is in a very precarious condition and his recovery is doubtful.

TWO HUNDRED NEW JOBS ARE PLANNED

Clamorers for "More" Progress Nicely.

LEGISLATURE IS FINE SPENDER

New Record for Extravagance Likely to Be Set.

GOVERNOR IS DISSENTER

Throws Down Gauntlet by Threatening to Veto Salary Increases for Officials—Answer Is Passage of "More" Bills.

STATE CAPITOL, Salem, Jan. 29.—(Special)—This promises to be the most extravagant Legislature Oregon ever had at Salem, not only on account of appropriations, but also on account of new offices to be created and higher salaries enacted. There are bills for creation of no less than 200 new jobs, most of them at fat pay—political berths, for few of which the state and its subdivisions have any need.

War between Governor Chamberlain and salary logrollers in the Legislature was declared today from the Governor's office in a special warning message. The House replied by passing Multnomah's bill for an extra circuit judge and overriding his last session vetoes on four agricultural fair Senate bills appropriating money for Eastern Oregon districts.

Senate Disregards Warning.

After receiving the special message of the Governor today upon the subject of salary bills, the Senate at first adopted the policy of sending such bills to the committee on county and state offices, with instructions to insert a clause providing that the bills shall not take effect until the end of the terms of present incumbents. But when the Senate reached House bill 69, raising the salary of the County Superintendent of Yamhill County, Barrett and Caldwell, from Yamhill, raised a protest. They called attention to the fact that the Governor had not said he would veto a measure where it appeared that the immediate raise was meritorious. The bill was passed, as also was H. B. 53, raising the salary of the County Superintendent of Morrow County, and H. B. 111, raising the salary of the Superintendent in Sherman. The Governor announced that he would veto all salary increases for officials now

PLACER DEPOSIT IN HEART OF CITY

WORKMAN MAKES RICH FIND IN DIGGING AT LOS ANGELES.

Drives Pick Into Lump of Dirt Which Proves to Be Studded With Gold—Great Placer Pocket.

LOS ANGELES, Cal., Jan. 29.—(Special)—The city was thrown into a state of excitement such as it had not experienced since the first discovery of gold on the San Gabriel by a rich find of the precious metal in the heart of the business section today.

While workmen were excavating for foundations at Third and Spring streets one of them thrust his pick into a large lump of what appeared to be hard clay, but the mass was so heavy he washed it. It turned out to be a lump of "float" larger than a man's head, studded with large particles of gold.

Other diggers made similar discoveries, and mining men who saw the deposit expressed the opinion that it is one of the greatest placer "pockets" ever uncovered in the West. The police are guarding the property.

ADOPT SPANISH INDUSTRY

Agricultural Department Shows California \$2,000,000 Plan.

PASADENA, Cal., Jan. 29.—(Special)—Through experiments just completed, California should come into a \$2,000,000 industry that is now enjoyed by Spain as one of her chief winter export plums. It is the growing, storage and marketing of choice varieties of grapes, which hitherto has belonged to the Castilians.

For four years, experts of the Department of Agriculture have been experimenting with the preserving of grapes at the plant of the Pasadena Ice Company. Varieties have been subjected to every conceivable condition of temperature and time. The result shows that by a scientific method of packing and storing, choice species can be grown here in the Summer, kept as long as necessary and placed on the market in perfect condition.

HORSES WALK TO DEATH

Team Plunges Into Asylum Slough and Is Drowned.

A team of valuable horses walked deliberately to their death last night and were drowned in Asylum Slough, East Tenth and East Taylor streets. The team and wagon to which they were attached, as well as a load of goods, were the property of the Milwaukee Mercantile Company. The driver had occasion to go to the Studelaker establishment on the East side, and left the team unattended while he went into the office to transact business.

The horses discovered that they were not tied, and deliberately walked away. They walked down East Taylor street to the steep bank of the Hawthorne Slough, and venturing near the edge of the embankment, the heavy load of the wagon pulled them into the water. The horses were drowned before aid reached them. The wagon was recovered from the slough little damaged, but its load was nearly a total loss. The team was valued at \$300.

ITALIANS HONOR CONSUL

Societies in New York Escort Cortege of Cheney's.

NEW YORK, Jan. 29.—A remarkable demonstration in tribute to the memory of Arthur S. Cheney, the American Consul and Mrs. Cheney, who were killed in the earthquake at Messina, was made by Italian societies of this city today. The bodies of Mr. and Mrs. Cheney reached New York on the steamer Venezia, escorted by several thousand members of Italian societies, some of them in regalia, and to the slow funeral by military bands, the bodies of the Consul and his wife were conveyed up Broadway before a great multitude. A notable feature of the procession was the fact that except for the police escort and the relatives of Mr. and Mrs. Cheney, it was composed exclusively of Italians.

THREAT TO SHOOT LORD

Mrs. Stirling Determined to Force Northland to Marry.

EDINBURGH, Jan. 29.—Mrs. Atherton testified today in the cross-suit for divorce filed by John Alexander Stirling against his wife, who was Clara Elizabeth Taylor, an American show girl, and caused a sensation by the statement that Mrs. Stirling had once purchased a revolver and declared she was co-respondent Lord Northland, named as co-respondent by Mr. Stirling, unless he married her. "I am not going to be treated in the same way you have been," Mrs. Atherton declared Mrs. Stirling said to her.

This was a reference to Captain Yardley Butler, who refused to marry Mrs. Atherton after her divorce, in which he was co-respondent.

CHAUFFEUSE KILLS DRIVER

Woman Blinded by Snow Sends Auto on Rampage.

CHICAGO, Jan. 29.—One man killed, another hurt and three women narrowly escaped injury today when an automobile, driven by Mrs. Joel Elsenrath, wife of a wealthy clothing manufacturer, crashed into a delivery wagon. Thomas Clancy, the driver of the wagon, was killed.

Mrs. Elsenrath was arrested, but was released on \$5000 bond. She explained that the snow had blinded her.

DR. PEACOCK SHOT BY GIRL'S MOTHER

Fear Two Wounds May Prove Fatal.

TRAGEDY STIRS CATHLAMET

Woman Believes She Is Avenging Daughter's Death.

ASSAILANT IS PUT IN JAIL

Mrs. Longtine Follows Victim and Shoots Him in Postoffice—Doctor Under Arrest in Connection With Girl's Recent Death.

ASTORIA, Or., Jan. 29.—(Special)—Dr. Fred Peacock, a prominent physician of Cathlamet, Wash., was shot twice and dangerously, if not fatally injured, at that place about 2:30 o'clock this afternoon, by Mrs. A. Delaine Longtine, mother of 17-year-old Madeline Longtine, the young girl who died in this city on December 18, under tragic circumstances with which Dr. Peacock was accused of being connected.

The wounded man was brought to a hospital here this evening and the bullet removed, but as one of them pierced the left lung, the attending physicians regard the wound as a critical one. The other bullet made only a flesh wound.

Woman's Act Deliberate.

According to reports brought from Cathlamet, Dr. Peacock went to the postoffice this afternoon and stood inside the building reading a letter. Mrs. Longtine, who had followed him in, stepped up behind him and, drawing a .38-caliber revolver, fired, the bullet striking the doctor at the point of the left shoulder blade, and ranging upward it pierced the lung and was taken out just in front of the left arm pit.

When the first bullet struck him, (Continued on Page 4.)

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