# PERKIN'S VERSION OF CRISIS DENIED

Oakleigh Thorne Says Trust Company Was Not Center of Money Panic.

RUN ON BANK DESCRIBED

With Seven Windows Open, Tellers Pay Out \$13,500,000 in Single Day - Millions Borrowed to Save Situation.

WASHINGTON, Aug. 11.—Oakleigh Thorn, president of the Trust Company of America, which became involved in the financial panie of 1907, the affairs of which have been linked with the taking over of the Tennessee Conl & Iron Company by the United States Steel Carporation at that crists, followed George W. Perkins today as a witness before the House committee of inquiry into the affairs of the Steel Corporation.

Corporation.

Mr. Thorne declared, contrary to testimony given by Mr. Perkins and other witnesses, that the Trust Company of America was not the "chief sore point" of trouble at the time it was necessary to save the brokerage firm of Moore & Schley. He surprised the committee with declarations that undue attention had been directed toward his company in that crisis and he decided any knowledge of the agreement testified to by Mr. Perkins, that the taking over to by Mr. Perkins, that the taking over to by Mr. Ferkins, that the taking over of the Tennessee Coal & Iron Company by the Steel Corporation to save Moore & Schley from ruin was dependent upon the success of the bankers of New York in raising money to save the Trust Company of America and the Lincoln Trust Company.

\$13,500,000 Withdrawn in Day.

Mr. Thorne was examined relative to

Mr. Thorne was examined relative to a public statement given to the press Cotober 23, 1907, and attributed to Mr. Perkins, in which it was declared that the "chief sore point of the panic was the Trust Company of America." He declared that, immediately following this, a run on his bank occurred and that the run in one day took out \$12,500,000.

For this, he admitted, he had consulted counsel as to the advisability of suing for damages persons he feit were responsible, but that he was deterred by the necessity of seeking more money from the bankers of New York in order to prevent collapse of his institution.

That his financial troubles, were in any way involved in the difficulties of Moore & Schley at that time he de-

Mr. Therne said that before the panis of 1807 his company had assets of \$78,-800,000. So far as Tennessee Coal & Iron stock was involved in collateral on loans of his bank, it was nominal, mounting to something more

Mr. Thorne said that prior to the panic, he had heard no criticisms of the kind of business the Trust Com-pany of America was doing.

Heavy Borrowing Necesasry. Mr. Thorne told of the run on the bank on October 21, 1907. "By 19 o'clock," he said, "we had

seven paying windows open, and we were doing our best to get rid of the line. That day we paid out \$13,500,000."

Did you call for help?"

the First National Mank and the Na-tional City Bank, Mr. Thorne said that he had obtained \$1,500,000 that after-noon from the Hanover National Bank, which tided the situation over until

He explained how that afternoon Mr. Morgan had called the Irust company presidents of New York to meet at the Union Trust Company, and he was called in. He met Messrs. Morgan, Stillman, Woodward, King and other The situation was discussed at length

and an arrangement was made to lend him \$19,000,000 on \$29,000,000 of se-curities which a committee of bankers was to select. The following morning he received \$6,000,000 of this loan and the remainder in various sums up to

Getober 31.

He received another loan of \$15,000.

600 for \$10,000,000 of securities advanced by the bankers November 6, but paid to him in various amounts from time to time. He explained he never knew where the money actually came from, but that Mr. Morgan, Mr. Perkins and the others who were raising it had great difficulty in getting it. Mr. Thorne also told how he began paying back the loans as rapidly as the trust company securities could be realized on.

At the present time, he said, the Trust Company had assets of \$43.

Mr. Littleton had put in the record a statement given to the press by Mr. Thorne on November & in which he

Mr. Thorne on November 8 in which he siluded to his "utter amazement" that the chief force of the panic had been directed against the Trust Company of America, a run unprocedented in the history of American banking.

Mr. Littleton saked the witness of he had conferred during that time with Melville E. Stone, general manager of the Associated Press. He said he had.

"My idea in talking to Mr. Stone

the Associated Fress. He said to have "My idea in talking to Mr. Stone was to urge the necessity of the examining committees making a report to Mr. Morgan," he said. "I knew if the truth of the situation got to Mr. Morgan, we would get help. When later he got the truth, we got the \$15,000,000."

Injudicious Statement Withheld.

Asked if he had received the com-munication from Mr. Stone regarding the matter, Mr. Thorne said he had and produced it. It was read into the record, written under date of Novem-ber 18, 1807. In the letter Mr. Stone

"I have no doubt Mr. Perkins' statement on the night of the 22d distinctly smphmatzed the run on the Trust Company of America. If, indeed, it did not precipitals it. I do not mean by this that I think there was the slightest purpose on the part of Mr. Perkins to injure you or the Trust Company of America. But we felt that the statement was so injudicious that we did not send it out.

"Later, when I said to Mr. Perkins that I thought it was very hurtful, he justified it on the ground that the conditions were so strained that if public attention had not been centered upon the Knickerboeker Trust and the Trust Company of America, every bank in New York probably would have been involved. "I have no doubt Mr. Perkins' state-

PLACE WHERE PRESIDENT WILL SEEK RECUPERATION FROM ARDUOUS DUTIES DEVOLVE ING UPON HIM AT WASHINGTON.



PARAMATTA, SUMMER HOME OF TAPTS AT BEVERLY, MASS.

Western Trip Hinges on Opportunity to Recuperate.

INVITATIONS POURING IN

President Wants Month to Restore Energies Before Undertaking to Journey Clear Through to the Pacific Coast.

PRESIDENT REACHES SUMMER HOME FOR WEEK-END REST.

REVERLY, Mass. Aug. 15-Presi dent Taft arrived at Baverly this morning for his third week-end stay at Paramatta. The President came from Washington on the Federal Spress. He was accompanied as far as Boston by a delegation from Congress to the funerni of the late Sens-Pryn at Lewiston, Mr. Leaving Boston, the President and Major Butt, his military aids, mo-

WASHINGTON, Aug. 11.-Numerous invitations continued today to reach the White House for President Taft to visit cities throughout the South and West during his coming trip, but owing

"Did you call for help?"

"Yes." we had to get cash to save the situation that day." Mr. Thorne answered. "I went to Mr. Morgan's office and saw Mr. Morgan, Mr. Perkins, Mr. Stillman and Mr. Davidson. I told them I had to have money. So far as I know the examining committee had not made the examining committee had not made any report to Mr. Morgan.

One million dollars, Mr. Thorne said, was lent him by J. P. Morgan & Co., the First National Bank and the National City Bank, Mr. Thorne said that his programme. He has said that if he could get a month of good rest at Reverly, he would not object to including the Far West in his journey, but that he must have some time for recuperation. He is to start on his Southern and Western trip September 14. Should be decide to make the trip to the Pacific, the President probably would attend the ground-breaking of the Panama Canal Pacific Exposition at San Francisco October 15. tion at San Francisco October 15.

(Continued From Page L) hacker, president of the Anglo & London-Paris National Bank, of San Fundent of the Anglo California Trust Company, of San Francisco; S. O. Johnowners of 75,900 acres of white pine timber in the Deschutes country, and G. N. Wendling, president of the Weed Lumber Company, milling 80,000,000 test of lumber annually, president of the California Pine Box Company, and president of the Wendling-Johnson Lumber Company.

The holdings of the Wendling-Johnson Lumber Company will include some of the best milling timber in Oregon. Development of the Sinslaw country in Western Lane County has been retion facilities. In addition to the timber, the land is rich in agricultural possibilities.

The timber has been secured from individual owners and means the distribution of cash among many people in

Mr. Wendling said (onight that plans for construction of milling properties and cutting of limber must necessarily be held in abeyance until after further conference with the stockholders of the company. In his judgment he said it would not be less than two years before his company would be ready to enter the market or not before the completion of the Coos Bay railread. When the mill is built it will he located on the Siusiaw River. A mill will be built which will represent an Change in Time S. P. Trains. Mr. Wendling said tonight that plans will be built which will represent an investment of not less than three-quarters of a million to a million dollars.

TRUST DEEDS PUT ON FILE

Wendling-Johnson Company Prepare for Bond Issue.

ROSEBURG, Or., Aug. 11 .-- (Special.) -Evidence tending to indicate early construction by the Southern Pacific of the proposed railroad from Eugene to Marshfield materialized here late today, when the Wendling-Johnson Lumber Company of San Francisco, fied a trust deed and mortgage with the County Clerk securing a bond issue of \$1,500,-

The deed is executed in favor of the Michigan Trust Company, of Grand Rapids, and involves several thousand seres of timber lands in Douglas and Lane counties. Most of the land is said to be along the line of the proposed extension, and with the road completed

and in operation will be subject to easy transportation.
Local capitalists declare that Mr.
Wendling is closely identified with the
Southern Pacific Company and had

Southern Pacific Company and had knowledge of the pians of the company for the past 18 months and secured most of the valuable timber along the route prior to the announcement, and consequently at a low figure.

Roseburg people scout the story that the Southern Pacific Company was forced into constructing the road by Mr. Wendling, but say the sannouncement was made with a view of elimiment was made with a view of elimi-nating competition from Roseburg.

FRANCHISE BOND ASKED

Vancouver Council Timid in Letting Privilege to Stranger.

VANCOUVER, Wash., Aug. 11 -- (Special.)-That Lawrence Harmon, a Chi cago lawyer, who at the last meeting of the Common Council asked for a of the Common Council asked for a streetear franchise that proposes an electric system through the principal streets of Vancouver to connect all the small towns in Clark County with Vancouver, will have to put up a heavy bond to show his good faith before a franchise is granted him is certain. All the members of the Common Council declare that they will not vote to grant him the franchise unless the bond is forthcoming.

A bitter fight is being made by the Oregon - Washington Corporation against the granting of this franchise and telegrams have been sent East to determine the standing of Harmon.

determine the standing of Harmon.

Answers have been received by the company from the Continental and Commercial Trust and Savings Bank and the General Electric Company, of Chicago, that Harmon is not known by

BANK DATA TELL GROWTH

Portland Is Only City in Northwest Where Clearings Gain.

With bank clearings aggregating \$10,477,000 for the week ending yesterday, as recorded by Bradstreet's, was 11.2. Hank clearings of Seattle for the

CASH IS PAID FOR TIMBER 7.8 per cent short of those for the same week in 1910. The same report shows a decrease of \$2.8 per cent for Tacoma and 9.8 per cent for Spokane. showing on the part of Portland is cisco; Mortimer Fleischhacker, presi- irrefutable evidence of an increasing prosperity along all lines of industrial commercial activities in view of son, of the S. O. Johnson Company, the fact that this is regarded the "quiet" season of the year.

> CLERK'S FINGERS NIMBLE Postal Distributor's Erroriess Rec-

ord Makes Him Champion. SAN FRANCISCO, Aug. 11,-(Special.)-Grove M. Torre, a clerk in the

San Francisco main postoffice, is the list champion letter distributor of the "I world In an exhibition today Torre broke the record by sorting 2346 cars, with no errors, in if minutes. This is an average of \$3 \$-10 cards a minute. This mail had to be thrown into 17 differ-

ent compariments. When Torre had finished the judges. Postmaster Fisk hat Torre had not even one card in he wrong compariment.
"To Hlustrate how quick Torre's ork was," said Burke, "try to seprate the red and black." and Assistant Postmaster Burke, found

On Sunday, August II, train No. II, the Roseburg local, will leave at \$50 P. M. Instead of 4:15, as at present. West Bide train No. I for Cervallis and way points will leave Union Depot at 6:55 A. M. Instead of 7:29 A. M. Portland-Dallas train No. II will leave Jefferson-street depot at 7:15 A. M. Instead of 7:10 A. M. No. I5, leaving Jefferson-street depot, will run via Derry Instead of direct, giving additional train service to Amity, McCoy, Crowley and Derry.

Attack Like Tigers.

In fighting to keep the blood pure the white corpuecies attack disease germs like tigers. But often germs multiply so fast the little fighters are overcome. Then see pimples, bolis, etzems, saltrand and appetite fall. This condition demands Electric Bitters to regulate and appetite fall. This condition demands Electric Bitters to regulate attempts, liver and kidneys and to extend the blood purifier, writes C. T. Budahn, of Tracy, Calif. "I have ever found." They make rich, red blood, strong nerves and build up your health.

Try them. See at all druggists.

Mann replied that as the publicans would save two votes for one and therefore all Republicans would be taked to cancel their pairs. Speaker Clark sopped the discussion by announcing: "The House has nothing to do with this pair business."

SAN FRANCISCO, Aug. 10.—Portland arrivals at the Palace Hotel San Francisco today were: U. J. Groat, William Burke, William H. Hawkins, F. W. Flummer, J. B. Lockwood and wife. D. B. Whittle, G. A. Steel.

Bureau Officials Humiliated, Drug Chief Testifies.

WILEY'S ORDERS IGNORED

Further Evidence of Friction in De partment of Agriculture Appears-Curb Placed on Scientists' Tongues.

WASHINGTON, Aug. 11.-A story of 'inquisitorial" methods in the Department of Agriculture and of "humiliating experiences" to which officials in the Bureau of Chemistry were subected by Solicitor McCabe of that department was recited today to the Moss ommittee of the House of Represen-

Dr. L. F. Kebler, chief of the drug division of the Bureau of Chemistry, who was recommended for reduction in office for his part in hiring Dr. Rusby, the drug expert, testified that he had been held before Solicitor McCabe in McCabe's private office in the presence of a special Government agent named Waish and a stenographer and had been put through a humiliating questioning as to what stock he owned in drug manufacturing companies.

Dr. Kebler said he had been called on by the United States Attorney in Washington to give testimony in a suit against a "brain food Washington Court. He did so on Dr. Wiley's authority. When Mr. McCabe learned about it,"

said Dr. Kebler, "he telephoned me a most unmerciful calling down." "Do you mean to say there is a rul-ing that the scientists cannot talk with District Attorneys unless they get orders from Solicitor McCabe?" asked Chairman Moss.

"Yes, sir; orders in writing."
"Can you talk to a member of Con-gress?" "No. sir."

Dr. W. D. Bigelow, assistant chief of by. W. D. Rigelow, assistant chief of the Bureau of Chemistry, explained the employment of Dr. H. H. Rusby. He declared that when he and the others were summoned before the personnel board their examination was so con-ducted that he did not even know that charges of filegal action had been made

WOOL RATE IS AGREED ON

(Continued From Page L) the absolute refusal of the House to accept the Senate amendments confin ing the free admission of meats and cereals to those coming from countries with which the United States has reciprocal trade agreements, which would confine the free importation of these articles to imports from Canada.

Pree Lemons Demanded. He said also that the House would insist upon adding lemons to the free

list.

"I will never sign as conference report on these lines," said Senator Balley, almost before the chairman of the House conferees had had an opportunity to complete his outline of the House position.

With this decided opinion Mr. Underwood made an effort to obtain the consent of all parties to report a disagreement. Mr. Bailey was again obdurate.

REPUBLICANS CANCEL PAIRS

Preparations Made to Support President in Veto. WASHINGTON, Aug. 11,-Republican

WASHINGTON, Aug. 11.—Republican Leader Mann gave formal notice in the House today that Republican members would ask for cancellation of all pairs so far as votes on vetoed measures were concerned. Mr. Mann explained that he expected the President to veto whatever tariff bills are sent to him and that every Republican vote in the House would be needed.

Representative Ferris, of Oklahoma, asked whether it was meant that existing pairs were to be repudlated. Mann replied that as to votes on vetoed measures, paired Republicans would give two votes for one and therefore all Republicans would be asked to cancel their pairs. Speaker Clark sopped the discussion by announcing: "The House has nothing to do with this pair business."

Rhine Is at Low Ebb, Brooks Dry Up and Water Famine Threatens.

BERLIN IS 99 IN SHADE

Three Weeks' Hot Spell Has Broken All Records-Many Cases of Sunstroke and Insanity Are Reported.

BERLIN, Aug. 11.—The heated term, which has continued for 21 days, breaking the German records, is unabated throughout Germany, and during the past few days the temperature has been higher than before. Deaths from sun-

stroke are reported from all sections.

A water famine threatens some districts, where the brooks are drying up. Fish are dying on the river beds in the Eliffel region and in Westphalia. Navigation on the chief streams has been almost suspended, owing to low water. The Rhine at Rudesheim is lower than it has been since 1811. Passenger steamers on the Elbe have suspended arrived through the region above Dresservice through the region above Dresservice. ervice through the region above Dres-

Cases of persons becoming insane secause of the heat are reported. The picture galleries in the Germanic Museum at Nuremburg have been tem-porarily closed and the costly pictures stored in cooler rooms because pracking paint and warping panels threatened their ruin. The thermometer on side streets of Berlin registered 99 in the shade today.

\$100 JOY RIDE IS FREE

Worthless Check Given Chauffeur Considered No Crime.

TACOMA, Wash, Aug. 115-(Special.) -A person who goes for a joyride in a rented automobile and at the end of the trip tenders the chauffeur a check for the costs does not commit a crime if he has no money in the bank and knows he has not, according to the construction placed on the new riminal code by Deputy Prosecutor Noite and Burmeister today.

The case brought to their notice was in which Joseph Christian took \$100 worth of automobile riding. He handed Frank Pratt, an automobile driver, a check for the tamount. The driver found that Christian had no money in the bank. He was informed that under the new criminal code he could not proceed against Christian.

LINE WORK BEGINS MONDAY

Road From Eugene to Monroe Will Be Rushed to Completion.

EUGENE, Or., Aug. 11 .- (Special.)-Announcement was made tonight by Manager George D. O'Connor, of the Portland, Eugene & Eastern Rallway, that construction work will start Monday on the electric line from Eugene to Monroe to connect with the Corvaldrug in the did so on Dr. did assembled.

Right of way has now been secured clear to Eugene. A crew of men has been busy for some time ballasting and straightening up the track of the Corvallis & Alsea, which will connect with the new line at Monroe and eight miles of it is now ready for traffic.

M. D. Delany, an official of the Albany Street Railway Company, is staying at the Perkins.

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