Bondholders to Take Steps to Avert Financial Crisis of Company.

MR. HILL ISSUES LETTER

President of Concern Explains Situation and Appeals for Co-operation - Interruption of Service Not Likely.

The Home Telephone & Telegraph Company has defaulted in the payment of interest on \$3,000,000 of 5 per cent first lien bonds, due October 15.

The bondholders will hold a meeting within a few weeks to take steps for the conservation of their interests. They are confident that they will be able to avert a crisis in the financial affairs of the company.

Meanwhile, however, the entire physical organization of the company will continue intact. There will be no interruption of the present standard of service, either in quantity or in quality. Company's Predicament Explained.

Samuel Hill, president of the company, has issued a letter to the bond-holders and the stockholders, explaining the situation fully.

He attributes the present predicament to two causes: The general business depression and the "persistent efforts of the Bell monopoly to prevent competition in Portland."

He calls attention to the fact that seven years ago, when he assumed charge of the company's affairs, the bonds were selling below 50, and that since then they have been earning their per cent interest regularly.

His letter in full follows:

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On the fifth day of June, 1905, the city of Portland, owing to the then had telephone service given by the Bell Tolephone. Company, chartered the Hume Telephone & Telegraph Company, of Portland, Or. by a vote of 90 per cent.
On the 18th day of March, 1909, I identified myself with the Home Telephone & Telegraph Company, of Portland, Or. At that time the market price of the bonds of this company was about 50 cents on the dollar or less. Since that time the company has paid the holders of the bonds interest thereon at the rate of 5 per cent on the face value of the bonds, which for the seven years amounts to 35 per cent, or a total of 70 per cent on the then market value.

Overhead Charges Are Small.

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There are at present outstanding substantially \$3,000,000 of stock and \$3,000,000 of bonds. The company's business last month showed an increase in revenue. Ownering to the fact that the company is hongering and revenue of about \$100,000 a year above operating expenses and taxes.

The property consists of the plants at Portland, Oreson City, Albany and Corvallis, and has been maintained in a high state of efficiency. The overhead charges of this company are exceedingly small, being less than \$10,000 per sanum.

When the company had 12,600 telephones installed, file system was so perfect that an average of only \$1.3 persons per day had one mement's delay. It is confidently asserted that no public service corporation of this size has been more economically operated. Its taxes, amounting now to 22 cents per mouth per telephone, and all obligations of every kind, except the obligation to pay the bond interest, due October 15, 1918, have been met. The failure to pay this bond interest in no sense will diminist the quality or amount of service rendered and patrons will be just as well treated as

of the Bell monophy to prevent competition in Portland. During the seven years the directors of this company have served it well and faithfuily, and the only apolosy which I have to make is to them, believing that they took positions on the board out of friendship for me. During this time I have received no salary and no expenses money, and I am in no way indebted to the company. The object I had in taking hold of this company was to reach out and put the city of Portland in closer contact with the farmers in the surrounding territory.

Added to Cost as Result.

Added to Cost as Result.

Inability of the Pacific Face Brick Company to supply brick of the proper time the finded of the proper time inducation to the inducation that they caused the City Council yesterday to authorities. Oregon in 1914 spent \$43,—the contract and award will be made to a brick factory in Dakota, which is the only factory in the West which is said, to be able to school equipment during the voter for our cause. The inadequacy of Oregon's present normal-school equipment is without overwheiming support in the facts that we have collected. There will be no difficulty in influencing the voter for our cause. The inadequacy of Oregon's present that they took proper time the facts that we have collected. There will be no difficulty in influencing the voter for our cause. The inadequacy of Oregon's present that they independ to the influencing the voter for our cause. The inadequacy of Oregon's present and they include the influencing the voter for our cause. The inadequacy of Oregon's present that they independ to the factory and the city of the proper time they include. There will be no difficulty in influencing the voter for our cause. The inadequacy of Oregon's present and they include the proper time they include the influencing the voter for our cause. The inadequacy of Oregon's present and they include the influencing the voter for our cause. The inadequacy of Oregon's present and they include the influencing they include the influencing

Appeal to Portland Made.

I am unwilling to proceed farther in the matter unless I find the people of Portland more responsive and more appreciative of the service given. The telephone equipment is here and it is in the power alone, to give themselves good service and to make this company pay. This company offers every fasility, both local and leng distance, that the Bell has to offer, and in addition thereto gives the secret, automatic service.

The majority of the securities were and are held in the city of Portland; the majority of the Bell securities are not.

Continued lack of support to the company can have no result but a return to the deplocable telephone conditions which pre-Appeal to Portland Made.

"Pape's Diapepsin" Regulates Disordered Stomachs in Five Minutes.

No More Dyspepsia, Sourness, Heartburn, Pain, Belching, or Acidity.

can get relief within five minutes.

If you will get from your pharmacist a 50-cent case of Pape's Diapepsin you could always go to the table with a hearty appetite, and your meals would taste good, because you would know there would be no indigestion or sleepless nights or headache or stomach misery all next day; and, besides, you would not need laxatives or liver pills to keep your stomach and bowels clean and fresh.

Pape's Diapepsin can be obtained from your druggist, and contains more from your druggist, and contains more

from your druggist, and contains more than sufficent to thoroughly overcome There also will be a number of imthe worst case of indigestion or dyspepsia. There is nothing better for gas on the stomach or sour odors gas on the stomach or sour odors from the stomach or to cure a stomach

You couldn't keep a handler or more useful article in the house,—Adv.

SPOKANE CANCELS FRANCHISE

Court Action to Be Taken to Enforce

Cancellation. SPOKANE, Wash., Oct. 16.—(Special.)
—The Homs telephone franchise, under which the telephone company in this city is operating, was ordered canceled by the City Council late this afternoon.
The resolution was passed unanimously.
Another resolution ordering Corporation Counsel Geraghty to start suit immediately in the Superior Court to tion Counsel Geraghty to start suit immediately in the Superior Court to enforce the cancellation, also was passed unanimously.

Allegations by Attorney Frank T.
Post for the Home Telephone Company
that the company doesn't know the
charges under which the city is seeking to cancel the telephone franchise,
and the entering of an objection to the
heading, were the initial moves of the
company this afternoon when the battle of the city against the company
started.

MERCHANTS ARE VISITED

school pupils find positions in the more populous portions of the state. The rural schools of the eastern sections cannot obtain teachers with a normal-school training. Their capacity at Monmouth is only 165 graduates a year. The state could provide places for at least 1000 new teachers.

"We have strong evidence that a normal-school training is necessary for teachers who are going to benefit their pupils. The United States Commissioner of Education, P. P. Claxton, has spoken favorably of normal schools in his report, saying: The success of a school depends wholly upon the skill, training, interest and enthusiasm of the teacher. Where nothing has been learned, nothing is taught."

Teachers and Officials Favor. "The location of the normal school at Pendleton is the only logical an swer for the requirement. It was the decision of all prominent educators that the school should be there, and the Pendleton boosters are only fol-

that the company doesn't know the charges under which the city is seeking to cancel the telephone franchise, and the entering of an objection to the heading, were the initial moves of the company this afternoon when the battle of the city against the company started.

The telephone company alleges that it has "one of the best telephone systems in the United States;" that it has always treated the public fairly, and that there is no reason for cancellation of its franchise.

After one passage between Geraghty and Post the former decisted that "this franchise was drawn in the back room by a bunch of corporation lawyers of the telephone company. Every ob-

EASTERN OREGON NORMAL SCHOOL BACKERS, MEETING AT IMPERIAL HOTEL YESTERDAY.



Reading From Left to Right (Front Row)-A. J. McAllister, H. D. Gray, J. H. Gwin, Joe Tallman, J. E. Snyder and W. E. Brock. Back Row—Eugene Brookings, W. L. Thompson, A. H. Cox, Roy Bishop, Marion Jacks, Fred Lockley and W. J. Furnish.

BRICK OFFERED FOR AUDITORIUM USE REJECTED.

Completion of Building May Be Delayed Six Weeks and \$2600

TATE ENGINEERS TACKLE BIG TASK AT HOOD RIVER.

Work Necesaltated by Remanding of Suit Regarding Rights of Board as Official Referee.

HOOD RIVER, Or., Oct. 16 .- (Speial.)-Rhea Luper, engineer for the State Water Board, assisted by Fred Coshow and Malcolm Button, has be-Nothing will remain undigested or sour on your stomach if you will take a little Diapepsin occasionally. This powerful digestive and antacid, though as harmless and pleasant as candy, will digest and prepare for assimilation into the blood all the food you can eat.

Eat what your stomach eraves without the slightest fear of indigestion or that you will be bothered with acidity or sour risings, belching, gas on stomach, nausea, bad breath, water brash or a feeling like you had swallowed a lump of lead, or other disagreeable miseries. Should you be suffering now from any stomach disorder you can get relief within five minutes.

If you will get from your pharmacist a 50-cent case of Pape's Diapepsin you could always go to the table with

portant civil cases to come before the

Argentina and Paraguay have concluded a new commercial treaty which provides for practically free trade between the two countries.

ures presented in favor of a new normal school is striking, and the missionary work done in this city yesterday has apparently not tailed to convince all of the business men approached. According to the normal school backers, no voter, once possessed of these facts, can lack conviction as to the need of such an institution at Pendleton,

The result of investigations on the subject is being presented by J. H. Gwinn, secretary of the normal school committee.

**We are thoroughly supplied with data," said Mr. Gwinn, "and no point of our argument is without overwhelming support in the facts that we have collected. There will be no difficulty in influencing the voter for our cause.

"The inadequacy of Oregon's present normal-school equipment is a fact well known to all of the state's educational in the facts are the controlled to the modern standard to the state's educational in the facts that we have collected. There will be no difficulty in influencing the voter for our cause.

"The inadequacy of Oregon's present normal-school equipment is a fact well known to all of the state's educational with the school had the support of pendleton were not up to the modern standard to years ago. New buildings will be needed, and they should be located in the only logical center for a normal school is only efficient when located in a town containing at least 1000 grade pupils. This can be contained at the means of a thorough investigation.

The letter was turned over to Prosection that can be volcation for the means of a thorough investigation.

Today Is the drugstore by a plain-clothes man."

The letter was turned over to Prosection stands only efficient when located in a town containing at least 1000 grade pupils. This was not a thorough investigation.

Today Is the proprietor of the prosection only only efficient when located in a town containing at least 1000 grade pupils. This was not a school in the facts that we at the means of the preferable normal school dathers are the means of the ferral pupils. This was not a desira

"The inadequacy of Oregon's present normal-school equipment is a fact well known to all of the state's educational

furnish the kind of brick specified by the Auditorium architects.

The canceling of the contract will cause a delay of possibly six weeks in the completion of the Auditorium and will entail the addition of about \$2600 to the cost, owing to the fact that the Dakota manufacturers will not furnish the brack at the same price as the original contract.

The contract.

digious expenditures of money, we can see no economy in our lack of normal-see no economy in our lack of normal-sechool appropriations. Oregon is so a thousand, while the Dakota company demands \$41 a thousand. An effort was made to get brick from Tacoma, but the manufacturers there refused to take the contract. The Council went over to the Auditorium and looked at the brick which have been set and those which the Pacific company has presented for the remainder of the order and found the two to be very different in shade.

WATER CURVEY CTARTS

digious expenditures of money, we can see no economy in our lack of normal-see no recommy in our lack of normal-see nor lack of normal-see normal school appropriations. Oregon is so Liquor to Drugstore.

Seattle Officer Says It was Destroyed.

Request for Payment to Cause Important item—we have neglected to supply our children with the well-trained teachers. For, after all, the school cannot be criticised. But it cannot supply the needs of the entire state. Fresident Ackerman reports that eight of the 35 counties in the state are getting half of the teachers produced.

stacle possible was put in the way of ures presented in favor of a new normal school is striking, and the mission-need of the school. Commissioner Claxary work done in this city yesterday ton asserts that a normal school is only

Sixteen other Pendleton boosters are with Mr. Gwinn at the Imperial. They are: R. Alexander, Senator J. N. Burgess, Leon Cohen, George Baer, H. D. Gray, A. J. McAllister, W. E. Brock, W. J. Clarke Ed Murphy, Marion Jack, W. L. Thompson, J. E. Snyder Ben Burroughs, Roy Rishop, J. V. Tallman and A. H. Cox.

of the 35 counties in the state are getting half of the teachers produced by this school.

"On graduating, most of the normal his deputies. The railroad company



Tweed-the Peerless Fabric

THE new grays, blues, browns show tweed at its best.

Have yours Cut-Fitted-Finished—as Business Leaders like. SUITS AND OVERCOATS \$25, \$30, \$35 and upwards

NICOLL The Tailor W™ JERREMS' SONS

108 Third St., Near Washington

Stein-Bloch Smart Clothes

are as good as Sixty-Two Years of Knowing How can make them.

> The "Saxon" shows the superiority that has been attained in designing and tailoring a smart, serviceable suit for the man of affairs.



THE STEIN-BLOCH COMPANY Wholesale Tailors Rochester, N. Y.

Sold Exclusively by BEN SELLING MORRISON AT FOURTH

sent a letter asking the County Commissioners to pay \$170, the value of liquor consigned by a Louisville distlictory to a drugstore at Renton, Wasa, and seized by Hodge. The letter says:

"As a matter of fact, a portion, if not all, of this shipment was located in one of the downtown Second-avenue drugstores in Seattle, having been sold to the proprietor of the drugstore by to the proprietor of the drugstore by a plain-clothes man."

The letter was turned over to Prose-cuting Attorney Lundin, who promised a thorough investigation.

ticed in the downtown district selling

Oregon owns a \$75,000 Normal School plant at

Weston Why vote tax \$125,000 for another at Pendleton, only 21 miles distant?

the Weston plant?

Nervous Periodical Headaches

This trouble commonly called "sick head-ache, is said to be due to the retention of ures in the system. Often it is stated that a poor condition of the blood is a cause of these headaches, or that it is a nervous condition; and in certain cases, no doubt this is true. condition; and in certain cases, no doubt this is true.

Where treatment is demanded, it is more for the pain than anything else, and Dr. A. F. Schellschmidt of Louisville, has sound anti-kamnia tablets to give prompt and satisfactory relied. "Heat should be insisted upon," he says, "and the patient should go to bed, darken the room, and all the attendants and family should be as quiet as possible. An emetic will sometimes shorten the attack. The bowels should be kept open with "Actoids"; a hot bath and a thorough rub-down with a coarse towel, often give grateful rolef. Two anti-kamnia tablets when the first signs appear, will usually prevent the attack. During an attack, one tablet every hour or two will shorten the attack and relieve the usual nausea and vomiting." These tablets may be obtained at all drugstar.

Rend The Oregonian classified ads.



Once Too Often

Two pairs of Tire Chains were in the car, but he did not stop to put them on.

An evil impulse tempted him to continue over the wet pavements with bare tires. He ventured on for a few blocks, and then, in a flash, came the frightful skid leaving death in its wake.

How strange it is that some motorists are sometimes tempted to take a chance. They carry Tire Chains, but they do not put them on at the first indication of slippery going. They wait too long once too often and disastrous skidding accidents result.

"Put on Tire Chains at the First Indication of Wet and Slippery Streets"

is a Safety First Commandment of vital importance. It should always be obeyed by all motorists for the protection of all road users.

