

BANKING SUPERVISOR CALLED TO ACCOUNT

Bennett Asked to Explain Jacksonville Insolvency.

DEMAND IS FROM BOARD

Information to Be Specific as to Superintendent's Examination of Defunct Institution.

SALEM, Or., Sept. 23.—(Special).—That Will H. Bennett, state superintendent of banks, will be called upon in the near future to make a full report to the state banking board regarding the insolvency of the bank of Jacksonville, as it relates to the banking department, and what efforts that department has or proposes to make to determine the financial status of the institution prior to its being closed a few weeks ago, was made plain by Governor Olcott and Secretary of State Kester members of the state banking board following receipt today of Mr. Bennett's formal report regarding the condition of the defunct depository.

Information to Be Specific. O. P. Hoff, state treasurer, and third member of the banking board, was out of the city and did not participate in the conference as to the anticipated action of the body involving Mr. Bennett.

Following the conference, Governor Olcott said the board was not prepared to say as to just the nature of the questions that would be asked of Mr. Bennett or as to whether a hearing would be held in regard to the department's activities in connection with the insolvent bank. It was made plain, however, that the banking board would require information from the superintendent of banks will be very specific and detailed as to the department's examinations of the bank in question.

Safety Expected From Board. "The people of the state look to the state banking department to protect them against loose and crooked banking methods," said a statement given out by the banking board today. "The banking board, essentially, must depend upon the superintendent of banks and his subordinates to give the adequate degree of protection demanded by the people and the law."

The board feels that the situation in connection with the Jacksonville bank is one which merits the board's closest attention in fixing the degree of responsibility which may rest, if any there is, with the superintendent of banks and his subordinates. A complete and specific report should be made to the board by the superintendent of banks covering the steps that were taken by the department to protect the depository and the insolvent institution, and such report will be asked for.

Insolvent Condition Known. G. N. Roberts, district attorney of Jackson county, was here today on legal business. Informed Governor Olcott at an informal conference that he had been advised by the district attorney of the insolvent condition of the defunct bank for some time.

"Only a few days before the bank closed its doors," said Mr. Roberts, "I had a talk with W. H. Johnson, president of the institution, and Myrtle W. Blakeley, treasurer of Jackson county, who had more than \$100,000 of the county's funds on deposit in the bank. I informed them of my suspicions at that time, and predicted that the crash was near at hand."

"Although there has been considerable newspaper speculation with regard to approving the securities of the bank under the laws protecting county and state funds, I was never called upon but once in that capacity."

\$11,000 Deposit Approved. "On that occasion I approved the institution's securities to the amount of only \$11,000. In face of this, however, Mrs. Blakeley had approximately \$100,000 of county funds on deposit in the bank at different times. Had the county officials have read the quarterly statements issued by the bank they would have noticed that at one time the deposits were shown at only a trifle more than \$35,000, while the county had on deposit in excess of \$50,000."

"Evidence in my possession shows that Johnson can be formally charged with larceny, forgery, perjury and a half dozen other crimes. The assets of the bank are of doubtful value, including an overdraft for \$46,000 of three years standing. There is every indication that the bank has been deliberately looted and persons other than Johnson may be involved."

Johnson is in jail at Jacksonville under \$50,000 bail pending a hearing before the grand jury which will meet the third Monday in October.

This Is Portland's Real Clothing Sale

The reductions named in this advertisement are genuine reductions from normal prices—not from fictitious "values"! I firmly believe that I am selling clothes for less than any other establishment in Portland. I am quite willing for you to compare garment for garment—price for price.

That is not all; my unflinching guaranty of complete satisfaction attaches to every garment I sell, whether at normal price or for less. You are protected in your saving!

- All Suits and Overcoats for Men and Young Men at these Real Reductions
\$40 Suits and Overcoats \$32
\$50 Suits and Overcoats \$38
\$60 Suits and Overcoats \$47
\$70 Suits and Overcoats \$55
\$80 Suits and Overcoats \$60
\$90 Suits and Overcoats \$70

Men's Suits, Main Floor.
Men's Overcoats, Third Floor.
Young Men's Suits and Overcoats, Second Floor.



Ben Selling Leading Clothier Morrison at Fourth

son kept two sets of books, and falsified his sworn statement of the bank's condition on June 30.
"The chaotic condition of the bank's affairs defies description," said Mr. Bennett, "and I doubt if it is ever known where all the money has gone. Mr. Johnson enjoyed the highest reputation and the most complete confidence of his patrons. Keeping one set of books for the public and another for himself with no record at all of many transactions, it is physically impossible to determine the exact condition of affairs. The extent of the liabilities is only estimated, but after the most thorough investigation possible, I believe the bank will be able to liquidate about 25 per cent."

Superintendent Bennett's report shows that only a part of the bank's notes were reported. In fact \$60,000 worth of notes were found stowed away in a drawer. The liberty bond record is in a muddle and apparently a large number of patrons who purchased liberty bonds and left them at the bank had nothing but the solicitor's receipts to show the extent of their investment. No record at all was kept of liberty bonds sent to San Francisco to be converted. It is said, while \$6000 worth of liberty bonds were found deposited as collateral for one of Johnson's personal notes.

No overdrafts, as far as known, were reported by Johnson, but the examiners found about \$72,000 in overdrafts. Mr. Bennett pointed out today that he was not in a position to make charges and he would make no comment on the case from the

standpoint of the criminal liability of Johnson further than to state that there was no doubt of the falsification of his statements. He also said there was no way for any bank examiner to have known the true condition of the bank as long as there was no suspicion of the honesty of the banker, and the books as presented showed no discrepancies.
It is apparent from the report that Johnson made a daily statement of the bank's condition which balanced properly on the face, and then in a rough way kept a record of the actual condition of affairs for his own information. But even his own records, it is said, are hopelessly incomplete. In fact, the report indicates that until Johnson himself explains, no one will be able to determine where the money has gone and why Johnson conducted his affairs as he did.

Apparently he could refuse no request for money and did not even ask for security. Whenever a person couldn't get credit anywhere else, he could get credit at the Jacksonville bank. On the other hand the patrons of the bank were equally unbusinesslike, it is charged and they apparently acted on the assumption that Johnson was not only the personification of honesty, but that his financial resources were inexhaustible. Many patrons handed over their financial affairs entirely and never asked for an accounting. The report throws no new light on the condition of the Jacksonville county funds, but it is known there was approximately \$107,000 on deposit, and if the bank examiners' prediction is borne out, this means Jackson county will receive \$28,750 and lose \$80,250.

PEOPLES
Direction Jensen & Von Herberg.
Elaine Hammerstein
in
"WHISPERS"
A Sweet Story of Gripping Interest

Today Only
A SPECTACULAR HAZARD
Duty and love meet in a struggle for supremacy
Also
Sunshine Comedy,
TEN NIGHTS WITHOUT A BAR-ROOM.
With the Sunshine Bathing Beauties.

New Picture Saturday,
ELSIE FERGUSON
IN
LADY ROSE'S DAUGHTER

LAST TIMES TODAY
WALLACE REID
in
"WHAT'S YOUR HURRY?"
Harold McGrath's
Extraordinary story of bravery, love, buried treasure, ghosts, intrigues
STARTING SATURDAY
A SPECTACULAR HAZARD
With a stellar cast:
Henry B. Walthall,
Rosemary Theby,
Norman Kerry,
Thomas Jefferson,
Joseph Dowling

THE SPECTACULAR HAZARD
ADDED ATTRACTION—"BABE" RUTH

The Schuessler Tissue Remedies HOMEOPATHIC DEPARTMENT Mezzanine Floor

Woodard, Clarke & Co. ALDER STREET AT WEST PARK. Present this COUPON Friday or Saturday, September 24 or 25, and receive 20 EXTRA S. & H.—20 Green Trading Stamps with first \$1 of your purchase and double stamps with the balance of purchase.

PERFUME DEPARTMENT Popular Tooth Pastes and Powders
PASTE: Pepsodent .45c, Pebecco .35c, Forham's .25c, S. S. White .25c, Williams' .25c, Pasterine .25c, Hudnut's .25c, Rogers & Gallet .50c, A. D. S. Paste .35c, Dr. Lyon's .23c, Dr. Peck's .35c, Euthymol .25c, Kolyne .25c, Colgate's .25c.
POWDER: Calver's Carbolic .65c, S. S. White .25c, Listerine .25c, A. D. S. Powder .30c, Colgate's .20c and 30c, Brown's Camphorated .25c, Dr. Lyon's .23c, Dr. Graves' .23c, Revelation .25c, Calder's .25c, Vantine .25c, Dentox .25c, CLA-WOOD .25c, Pyorrhocide .98c.

Pepsodent TOOTH PASTE Watch for our advertisement, in Sunday's issue, Sept. 26.

NIKK MARR QUALITY TOILET REQUISITES
Neo-Plastique .25, Peerless French Gray Hair Restorer .125, Peerless French Quinine Hair and Scalp Tonic .125, Peerless French Velvet Cream .50 and \$1.00, Peerless French Velvet Balm .50 and \$1.00, Peerless French Liquid Face Dressing .50 and \$1.00.
\$1.75 Hughes Ideal Hair Brush \$1.29, Water-proof, Service Model. Special .129.
Star Electric Massage Vibrator \$5.00, For a fresh, youthful complexion. Complete, \$5.00.

Talcum Powders: Lazell Dewbuds Talcum .25c, Lazell Orange Bud Talcum .25c, Lazell Field Violet Talcum .25c, Lazell Massatta Talcum .25c, Lazell Sweet Pea Talcum .25c.
TOILET WATERS: Assortment of Toilet Waters—Regular \$1.00; special .69c.
Palmolive Soap, specially priced at only, 1 doz. \$1.00, Creme Oil Soap, specially priced at only, 1 doz. \$1.00. —Main Floor.

Patent Medicines: Doan's Kidney Pills .50c, Carter's Little Liver Pills .20c, Thompson's Hemo .90c, Capalaris .47c, Bromo Quinine .25c, Nature Remedy Tablets 89c, Vinol .100, Etonic .45c, Muls. Coconut Oil .49c, Bromo Seltzer .25c, Sloan's Liniment .63c, Murine Eye Water .49c, Dextri Maltose No. 3 .72c, Dryco .75c, Listerine .23c, Glycothymoline .25c, Nuxated Iron .98c, Qban Hair Tonic .50c, Yellow Mineral .110, Veronica Water .60c.
Specials in Our Drug Department: Merck's Sugar Milk, 1 lb. .55c, Cascara Co. Pills (Hinkle No. 3) 100 35c, Chloroform Liniment, 8 ounces .90c, Cod Liver Oil in jug, 1 pt. \$1.25, Max Geisler's Bird Seed, 1 pkg. .30c, Parowax, for sealing fruits and vegetables, 1 lb. .25c, Cla-Wood Syrup Hypophosphites, 1 pt. \$1.25, Elix. Lactated Pepsin, 1 pt. \$1.25, Sulphite Lime (used to arrest fermentation in cider), 5 ozs. to bbl. 25c, Saturated Solution Boric Acid, 1 pt. 35c, Senna Leaves, 1 lb. .60c, Saltpetre, 1 lb. .65c. —Main Floor.

BASEMENT NEWS OF INTEREST

CANDY SPECIALS
Chocolate Chips .49c, Chocolate Chop Suey, Chocolate Peanut Clusters, Gimball's Marshmallows . . . Pound

PYRENE FIRE EXTINGUISHER Save—Protect Your Auto—Home—Office—Factory Price \$10.00 Liquid for Refilling, 1 qt., \$1.75
A KENNEY SHOWER BATH Attach to any faucet. No curtain—no water outside the tub. Convenient—Practical; price \$10.00

LUSTRE The One Best Oil Mop Adjustable—Self-Oiling—Sanitary
Luster Mops are clamped to the handle and cannot work off. Neither can the handle mar furniture. The Mop is more than a mere fringe of yarn—it has a full yarn center.
A WORK SAVER—A TIME SAVER A Mop that should be in every home.
Dry or Oiled \$2.00

FOUNTAIN PENS "EVERSHARP" Pencils
The best that money can buy is found in WATERMAN'S, CONKLIN'S, MOORE'S, and SHEAFFER'S FOUNTAIN PENS. Perfect safety, satisfaction and service. All styles and prices, points to suit every style of handwriting. Priced \$2.50 up.
Use an "EVERSHARP"—always ready to make your work easier. Always sharp—never sharpened. No whittling, no broken leads. Handsome and attractive designs. Priced \$1.00 and up. Special Designs Engraved to Order.

50c WE WILL ALLOW FOR YOUR OLD Hot Water Bottle or Fountain Syringe (This Week Only)
We will allow you 50 cents for your old hot water bottle or Fountain syringe on the price of a new one at \$2.50 or over.
FREE —A Flannel Hot Water Bottle Cover with any of our 2-qt. WOOD-LARK Hot Water Bottles. —Main Floor.

LAST DAY
"HUMORESQUE"
The Picture Beautiful
TODAY ONLY
SPECIAL MUSIC
4—"PORTLAND ROSES"—4
The Rose City's Premier Artists
Tomorrow—"Don't Ever Marry"
COLUMBIA
Direction of Jensen & Von Herberg

STARTING TOMORROW
COLUMBIA
The Season's Best Comedy-Drama
"DONT EVER MARRY"
Hear the New Columbia Wurlitzer Organ
A PUDDLE OF GRIEF

Always it leaves a pleasant taste:
"Red Rock" Cottage Cheese
—a delicious food for young and old.
You'll like "Red Rock"