



## PORTLAND BANK HAS FAILED

### Oregon Trust and Savings Company Had to Close Its Doors.

### THE SECURITIES PURCHASED ARE WORTHLESS

### Cashier Morris, is in New York at the Present Time Trying to Dispose of Home Telephone Company Bonds Which Market Does Not Want.—Goes to Washington.

### NO PANIC IS THE GENERAL STATEMENT OF PORTLAND BANKERS

#### VICE-PRESIDENT E. E. LYTLE BLAMES SEVERELY CASHIER MORRIS'S PURCHASE OF THE TELEPHONE BONDS AND HOLDS HIM DIRECTLY RESPONSIBLE—DEPOSITORS WILL HAVE TO WAIT TWO YEARS TO REALIZE PAR VALUE OF DEPOSITS.

◆ Vice-President Lytle places the principal blame for the bank's present plight on Cashier Morris. Lytle says that Morris has bought bonds in large blocks which are not easily realized upon and accuses the cashier of having loaned what now aggregates a large amount to people on insufficient security. Morris is not accused of having profited by the bank's distress. Morris is at present in the east. He left here according to the bank officials on Thursday last, taking with him without their knowledge, the directors say, about \$900,000 worth of the Home Telephone Company's securities. He went to New York where he expected to secure sufficient money to tide over the bank's present difficulty.

PORTLAND, August 21.—The Oregon Trust & Savings Bank failed to open its doors this morning at the customary hour. Fifteen minutes earlier Thomas C. Devlin, ex-city auditor, had been appointed receiver by the state circuit court on an application of Louis J. Wilde, a director and creditor of the bank. The closing of the doors followed a long session last night between the managers of the bank and the members of the clearing house association of this city, which had been appealed to for aid. The securities offered by the trust company, in the opinion of the clearing house, are not readily convertible in the present tightness of the money market and the clearing house was unable to grant the relief asked for.

The bank has assets, according to a statement of its affairs at the close of business yesterday of \$2,533,927, consisting principally of loans and discounts \$846,000, bonds and warrants \$578,000, telephone bonds (not included in above) \$800,000, and cash and money due from other banks \$230,000. Against these are liabilities consisting of certificates of deposit amounting to \$671,000, savings deposits \$847,000, general deposits \$85,000, and capital stock and interest amounting to \$176,000.

#### Cause of Failure.

The immediate cause of the failure according to the bank officials is the withdrawal of the accounts of several large depositors, followed by the inability of the bank to realize upon its collateral, which, though probably of sufficient value to pay nearly 100 cents on the dollar, is at present hard to convert, because of present tightness of eastern money market.

#### Lytle Blames Morris.

Vice-President E. E. Lytle of the bank is severe in his strictures upon Cashier W. Cooper Morris, on whose shoulders Lytle places the blame.

According to the bank officials, Morris telegraphed from New York that he was unable to realize on telephone securities and intended going to Washington, D. C., today.

#### No Panic Feared.

"Business conditions will not be effected in the least by the failure of the Oregon Trust & Savings Company," said J. Frank Watson, president of the Merchants National Bank, this morning. "The crops are the same and the money market is in just as good condition. There is absolutely no reason whatever to fear any panic in Portland. Business men are hardly touched by the failure. That the bulk of the harm is done to the small investor, their small savings in savings banks, is the most unfortunate part of the affair. Laborers, clerks, hired girls and others on small salaries, who have entrusted their all to the Oregon Trust & Savings Bank, are the ones who will suffer."

"There is another thing that might be said. Every other bank in the city is

in good condition. All are reliable institutions. It is simply a question of a man who lacked knowledge of running a bank in a city coming down from a country bank, where he understood conditions, and tackling something of which he knew nothing. Under those conditions the bank was doomed to failure. Now, I am all right here, but if I went to Wall Street the same thing might happen. It would be a parallel case. The Oregon Trust & Savings Bank got out beyond their depth on account of lack of knowledge of their business."

#### Needed \$100,000 Friday.

"If we could have secured \$100,000 last Friday night," said President Moore this morning, "we would not have failed, but the stringency of the money market in the east kept us from raising the money needed. Mr. Morris, our cashier, is now in the east trying to dispose of some of our securities. He went to New York, but could do nothing there. We had a telegram from him yesterday, saying he would be in Washington today on the same mission. I am not in a position to verify the accusation made by Vice-President Lytle and Director Leo Friede that Morris bought securities in large amounts without the authority of the directors, or that he loaned big sums to companies and enterprises in which he was financially interested." Mr. Moore would not deny the charge was true, however.

"We believed the other banks would come to our assistance even up till early this morning, but when the Clearing House Association turned us down we were helpless. We had to close our doors."

"Our affairs are entirely in Mr. Devlin's hands, but I am confident that under his receivership the creditors and depositors will realize dollar for dollar. It may take many months, possibly it will be two years, before the bank's affairs are entirely liquidated."

#### News Received in Astoria.

Effects of the suspending of the Oregon Trust & Savings Company were felt in Astoria and a number of people here had their money in the institution and are much worried over the outcome of the situation and most of them fear that their deposits have been lost. The news was received here early in the day that there was a run on the bank. Mr. S. Elmore received a telegram to that effect and the news was generally known shortly after dinner. There was no uneasiness felt however, by any of the local financial institutions.

Reports arriving from Rainier last night show that the Rainier people were thrown in a panic. All those who could pressed to the counter of the State Bank of Rainier and drew out their money. Those who tried it and had put their money in the bank for a certain length of time are wild with fear that they are to lose it all. At 3:45 the bank closed its doors having paid out



The Czar—Here's where I earn my salary of \$12,000,000 per year! Owing to the fact that every jail in Russia is crowded to the limit the Czar is busy planning a great number of new prisons.—News Item.

### TRY OUT BATTLESHIPS.

WASHINGTON, August 21.—Final trial runs for the battleships Vermont and Kansas have been fixed for September 8th and October 5th, respectively.

### FIRE NEAR TOULON.

TOULON, August 21.—A great forest fire is blazing on all sides, and the two forts are threatened. Troops are making a desperate effort to control the fire, but thus far with little result, owing to the high wind.

### CHEF IS A THIEF

#### Robs Houses as Well as He Cooks.

### ARRESTED ON HIS DINER

#### His Name is Green, But His Skin is Black, and While Not Making Conscience on the Dining Car Was Securing Valuables Belonging to Others.

LOS ANGELES, August 21.—The arrest of Charles Green, colored, which was made by a negro patrolman several days ago, proves to be one of the most important captures made in many months. Green is a dining car cook between here and Salt Lake and between trips he was engaged in robbing houses. The detectives discovered his room and at first were unable to find anything of value in it, but a more thorough search and the removal of boards in the floor brought to light jewelry of all descriptions, worth easily \$5000. There were watches, rings, pins, bracelets and numerous other articles, all proceeds of burglaries which have mystified the police for weeks. Green has admitted that he has as much more stuff secreted in another place, but refuses to disclose its hiding place hoping to secure immunity or the promise of a lighter sentence.

### ROOSEVELT DELAYED BY FOG.

OYSTER BAY, August 21.—The arrival of President Roosevelt from Provincetown was delayed by a dense fog today. The Mayflower was due at noon but at 3 o'clock had not been sighted.

\$15,000 since the noon hour. There is about \$125,000 deposited in this bank which has a solid reputation.

Pat Gallagher, manager of the Imperial restaurant went up to Portland yesterday morning and took with him money which his wife wished him to add to her account in the bank. When he saw the long line of depositors his hair stood up and he grasped the roll of bills in his pocket. "Not for me!" he gasped to himself, "I don't want to deposit anything. I guess I'll hang onto this. Don't like the looks of the crowd going into that theater."

### LARRY SULLIVAN INSOLVANT.

#### One-Time Astoria Sailor Boarding House Runner Breaks in Big Game.

RENO, August 21.—A receiver will be appointed for Sullivan & Rice (Inc.). It is stated that liabilities of over \$42,000 remain to be paid.

Evidence produced in the District Court here today showed that Sullivan & Rice (Inc.) conducted a business of mining promotion in Nevada, advertising for business throughout the East and suppressing criticism through the west without a cent of capital stock and with no assets at the time such assets, according to the laws of this state, should have been their possessions.

Judge Massey, defending L. M. Sullivan of the charge of grand larceny for stealing the books of the corporation, told the court that the majority of the stock in the company was held by G. G. Rice and his wife, the former of whom paid about \$3000 and the latter getting her share without paying a dollar.

One of the features of the trial was the statement that Larry Sullivan, former millionaire and king of gamblers, cannot write more than to sign his own name and reads even large printing with difficulty.

Said Attorney Massey, defending Sullivan: "It would be a crime to allow Sullivan & Rice to continue in this business to turn back the books to G. G. Rice that he may further prey on the public and the stockholders by false entries and misrepresentations. We show mismanagement, fraud and insolvency and ask a receiver for this business." The receivership was agreed on by the Rice & Sullivan attorneys.

There are many in Astoria yet who recall the days when Larry Sullivan was the pride and fear of the life along the waterfront. How he lorded over his domain like a peer among thralls and was the terror of sea captains wanting sailors. There are those who recall the days when "Larry", in all the pride of his position, would shove a cigar between his teeth, his hat on the back of his head and march up Bond street, while all the world stopped to admire—and to step aside. But his chequered career is ended. A short time ago he was rich but his fortunes are now gone like the smoke he blew away from his cigars. But those who know "Larry" will watch with interest the future fortunes of this man, one of the most distinct characters in the product of Astoria's waterfront.

### RUSSIA'S DEFENSES.

WASHINGTON, August 21.—Mail advices show that Russia's new plan of Far Eastern defense includes the fortification of Irkutsk as a base, with the town of Chita as an outpost; another line of railroad through the Amur valley from Chita to Vladivostok, and the fortification of the latter city with an elaborate defense calculated to make it impregnable.

### DEPOSED MAYOR SUICIDES.

LOUISVILLE, August 21.—Paul C. Barth, who was recently deposed as Mayor, shot and killed himself today.

### THE STANDARD'S PLEA.

NEW YORK, August 21.—Defense is made by the Standard Oil Company in a pamphlet issued since the \$25,000,000 fine was imposed upon the trust by Judge Landis in the Alton rebate case. The Standard declares that it is absolutely innocent of any wrongdoing and that the higher courts will protect it.

### PAYMASTER ROBBED.

#### William H. Hicks Receives Bullet in Arm While Defending Money.

PHILADELPHIA, August 21.—William H. Hicks, paymaster of Schuam & Uhlinger, textile machine manufacturers, was held up this afternoon by three highwaymen in the northeastern part of the city and robbed of a satchel containing \$6000. Pursuit ensued, and one of the robbers was captured after several shots were fired. The two others escaped with the satchel. Hicks is suffering from a bullet wound in the arm inflicted by the robbers.

### KING LUNCHEONS WITH PREMIER.

MARIENBAD, Bohemia, August 21.—French Premier Clemenceau lunched with King Edward this afternoon. The results of the recent royal meeting the King had with the Emperor of Germany and with Austria were discussed with apparent satisfaction.

### INJURED ORGANIZED LABOR.

WASHINGTON, August 21.—President Gompers said the American Federation of Labor would probably sue the National Manufacturers' Association on a charge of conspiracy in beginning a concerted effort for injuring organized labor.

### PANAMA INQUIRY

#### No Blame Attached in First Day of Session.

#### GROVES WARNED PILOT SNOW

Edwards and Fuller Conducting Examination Which Promises to Last Several Days—Officers of Both Ships Dodging Blame and Not Blaming Each Other.

PORTLAND, August 21.—Messrs. Edwards and Fuller, inspectors of hulls and boilers, are today listening to evidence tending to throw light on the collision between the steamers City of Panama and Alliance at the mouth of the Willamette, August 8. The testimony is being taken down in writing and it will probably be several days before a decision is rendered. The decision will likely figure prominently in the suit now before the courts, by which the owners of the Alliance endeavor to hold the owners of the City of Panama for the cost of the repairs to the damaging craft.

The Alliance is represented by Attorney Zera Snow and Attorney J. Crouch Flanders is looking after the interests of the underwriters for the City of Panama, who will have to pay should the courts decide that she was at fault. "I warned Pilot Snow, as he brought the City of Panama up the river between the dredge Portland and the shore of Nigger Tom Island, to let go the anchor," said Superintendent Groves at one stage of the hearing, "because I could see that she would either run aground or hit the Alliance."

In explaining why he cautioned the pilot of the Panama as he came up the river, Superintendent Groves said he saw that the steamer was beyond the customary pilot's range in making the bend, and knew that she would go ashore or hit the Alliance because of the nature of the current. He heard the pilot on the Panama give orders to port the helm, and then to throw it "hard over to port." In his opinion the Panama did not alter her course in response to the helm if the orders were carried out. For that reason he yelled to the pilot to let go the anchor which was hanging over the starboard bow. But the anchor was not let go, and so the San Francisco liner cut deep into the stern of the Coos Bay liner which had grounded the evening before with Pilot Turner on the bridge.

## FUMIGATE

## ALL VESSELS

### Bubonic Plague Precautions to be Taken.

### RATS CARRY DISEASE

#### Dr. Holt, Quarantine Officer, Will Shortly Issue Necessary Orders.

### NO CAUSE FOR ANY ALARM

#### Vessels After Discharging Cargo Will be Required to Burn Sulphur in Holds for Twelve Hours—San Francisco Outbreak May be From Last Epidemic.

In a very short time, a few days at the least, all ships in the coastwise trade, entering the Columbia River, will be subject to a fumigating process as a precaution against the bubonic plague, which has recently broken out in San Francisco and which is said to be raging in many of the provinces of Manchuria. These fumigating periods will occur once a month and may apply to foreign vessels according to their status.

Dr. John M. Holt, of the Columbia River Quarantine Station, with offices in this city, is the instigator of the plan and he will issue the necessary orders or bulletins in a very few days which will carry out the work. Such precautions are necessary on the face as bubonic plague is quick to spread and it is carried around the world in ships. The medium of transmission of the plague germs is said to be the rats which are to be found in all ships in great numbers and Dr. Holt's plan is to make a campaign against these animals.

"In killing the rats," said Dr. Holt last evening, "we kill the means whereby the disease is carried from one place to another. The plan now is to get at this work with the least delay to the shipping interests and the fumigating will be done while the vessel is in port and her cargo has been removed. Take, for instance, a vessel arriving into Astoria. When her cargo has been removed she will be fumigated with sulphur for 12 hours before taking on another load. This will kill all the rats which are in the hold of the ship and with them kill all the germs of the disease."

"A disease such as the bubonic plague takes a long time to stamp out and the time to begin is before it has fairly started. It may take two years for the disease to appear in the human family after the germs have been destroying rats in constantly increasing numbers all that time. The present cases in San Francisco may have been contracted from germs brought into the country many months before and may have been a fresh outbreak of the last epidemic there and to guard against any such event happening to this port or Portland it is necessary for the quarantine office to take these precautions."

"The ship companies will certainly be benefited by this method of treating the situations and it will be a saving in expense as the vessel can be treated while in port at the dock. It may result in a few hours delay but according to the other methods of quarantining the vessel would have to be fumigated and then the cargo put back in again before she would be allowed to proceed on up the river. The situation is not an agreeable one for all concerned and the office will do its utmost to make things easy for the vessels."

"The new work of the quarantine office will require additional help and just who Dr. Holt will have to aid him he was unable to state last night. Neither was he able to say on what date he would issue the orders but he said that it would be very soon."

Dr. Holt wished to have it emphasized that there is no cause for alarm at all, but on the contrary, the people should feel an added security in the knowledge that the health interests of the country are being so closely safeguarded.