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MANDELAY CONFESSES TO DASTARDLY PLOT

MRS. WAYMIRE AND ONE "REDDING" IN COWARDLY SCHEME

Storekeeper Claims That He Was Made Victim of Pair of Blackmailers----Timely Arrival of Janitor Saved Dr. Lane From Being Involved by the Conspirators. Police Look for Woman.

L. L. Mandelay, the North Third street drygoods merchant, arrested this morning by Detectives Baty and Hellyer on suspicion of having been one of the principals in the dastardly attempt to blacken the reputation of Mayor Harry Lane last night in the Hamilton building, confessed to District Attorney John Manning at 2:30 o'clock this afternoon that the entire affair was the result of a clumsily concocted conspiracy.

Following the sensational confession, Mandelay, closely guarded by the two detectives, was taken to the city prison, where he will be held upon the direct orders of the district attorney, pending the preparation of an indictment.

The confession, although lacking in some necessary evidence that will be developed later, proves conclusively that Mrs. Belle Waymire's presence in Dr. Lane's office last night, her attack on the mayor and the subsequent breaking in of the door by Mandelay's companion was not an accident, but a deliberate plot to besmirch the character of the chief executive of the city and pave the way for blackmail.

Mandelay's confession involves Mrs. Waymire and a man named "Redding," for whom the police are now scouring the city. The drygoods dealer maintains that he does not know the whereabouts of either the man or woman but it is thought that he is shielding them in order to afford them sufficient time to leave the city.

All of the trains and boats are being closely watched by the police and it is believed that every avenue of escape has been closed to the villainous pair.

Although "sweated" for several hours this morning by the detectives Mandelay, whose establishment is located at No. 9 North Third street, stoutly maintained that he was in no way connected with the plot and happened upon the scene by accident. He explained his presence in the building by stating that he was suffering from an aching tooth and had to consult Dr. Anderson on several occasions. According to the first story he told Chief Gritzmacher and the detectives he left the dentist's office and went out on Third street.

Reaching the sidewalk he found that he had lost his handkerchief and he returned to search for it. As soon as he heard the screams of Mrs. Waymire and the subsequent breaking of the glass, Mandelay contended that he rushed to the street and was unable to state with any degree of positiveness whether his companion Redding had broken in the door to Dr. Lane's office. Of Mrs. Waymire, the fellow maintained he knew absolutely nothing.

Continued "sweating" failed to weaken his story until this afternoon, when again taken before Chief Gritzmacher, he replied in response to an interrogatory from the head of the police department that he "might" know the woman in the case.

"I am in the habit of eating at the Hazelwood restaurant every morning and may have seen her there, Mandelay is said to have told Chief Gritzmacher. After securing the important admission from the accused man the chief continued his searching cross-examination with the result that Mandelay completely contradicted his previous statements by admitting that he had rushed into the room after his companion, Redding, had broken the glass door and accompanied Mrs. Waymire in the elevator, escorting her as far as Third and Washington streets.

Upon securing these incriminating admissions Chief Gritzmacher decided that District Attorney Manning was the proper person to inquire into the matter, sitting as a grand jury. Accordingly Mandelay was taken to the Fenton building in custody of Detectives Hellyer and Baty.

Those present at the inquisition beside District Attorney Manning were Deputy District Attorneys Haney, Adams and Moser and the two detectives.

Mandelay stuck to his first story that he knew nothing whatever of a conspiracy and was in the building solely to consult the dentist. Although subjected to a rigorous cross-examination, which caused the prisoner to perspire profusely, he would not make any direct incriminating statements.

"Take him away and lock him up," heatedly said the district attorney, angry at being balked by the fellow, whose every action indicated guilt.

Mandelay was led from the room and after reaching the elevator door suddenly showed signs of weakening and requested his captors to take him back to Manning's office. When again taken into the presence of the district attorney Mandelay finally confessed to his participation in the plot.

The scheme was hatched 10 days ago and Mayor Lane was under surveillance from that time till last night. It was planned that Mrs. Waymire should visit Mayor Lane in his office at a favorable opportunity and place the doctor in a compromising position. Redding was to break in the door and Mandelay was to be the other witness.

He states however that he does not know what the consideration was to be or whether the conspiracy originated with some of the "hostile interests" or was purely and simply a blackmailing scheme.

"We understand that both Mandelay's accomplices were in the city today," said District Attorney John Manning this afternoon. "I do not think they have had a chance to get out of town.

"The police should have rounded them up before this. As yet we can only guess at the motive that was back of the conspiracy, but that it was a conspiracy there is not a shadow of doubt.

"Mandelay has told only part of what he knows. He professes not to know who inspired the plot and not to have been promised any pay for his part in it, but of course he is lying in making these statements. We shall get all the facts before we get through."

MAYOR LANE LOOKS FOR EVIDENCE

Attack May Have Been Instigated by Some One or More of Executive's Political Enemies—The Police Question L. L. Mandelay.

Latter Admits He Was Present at Time of Attack but Says That He Did Not Know Mrs. Belle Waymire.

Mrs. Belle Waymire, who created a sensation in Mayor Lane's office in the Hamilton building last night, has not come forward with a statement nor have the police yet placed her under arrest. The woman lived at Montgomery and Eleventh streets, southwest corner, but an attempt to locate her there met with the answer, "She is not known here." It was reported that she was at her lodgings in the morning.

L. L. Mandelay, one of the men who was near Mrs. Waymire when the attack was made on Mayor Lane, was taken to the city prison this morning and closely questioned. He denied that he was in the Hamilton building for any other purpose than to see Dr. Anderson, the dentist, who has an office on the same floor of the building and near that of Mayor Lane. He said that he heard the scuffling and went to see what was the matter.

Mandelay is a shopkeeper at No. 9 North Third street, and he declares that he had never seen the woman before he noticed her in Mayor Lane's room.

A mysterious assault which for boldness and audacity has never been equaled in the annals of Portland was made upon Mayor Harry Lane in his private office at the Hamilton building yesterday afternoon at 6 o'clock by Mrs. Belle Waymire, formerly a waitress in the employ of the Washington street establishment of the Hazelwood company.

L. L. Mandelay, proprietor of a store at No. 9 North Third street, was taken to the station this morning by Officer Baty and Detective Hillyer and subjected to rigid questioning as to his knowledge of the woman's attempt to besmirch the good name of Mayor Lane and is being held for identification by G. D. Drew, janitor of the Hamilton building.

Mandelay admits having been in the building at the time of the assault and having been a patient of Dr. R. W. Anderson. He admits having loitered about the hall after finishing his visit to the dentist but maintains that he had lost his handkerchief and was searching for it. He disclaims any connection with the plot, if one existed, and says he is innocent of any wrong-doing.

Searching for Second Man.

The police are searching for the second man supposed to be implicated in

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EXPECT TO ARBITRATE THE STRIKE

President Roosevelt Plans to Bring Protracted Telegraph Struggle to an End—Neill to Attend Conference—Wants Compromise.

National Officers Have Not Yet Sanctioned Resolutions of New York Operators Calling Out Men Who Work Leased Wires.

(Special Dispatch to The Journal.)

Washington, D. C., Sept. 27.—With President Roosevelt's announcement that he would consider the documents that the strike leaders of the Commercial Telegraphers' union had prepared for him, eastern observers believe that the turning point in the protracted struggle between the operators and the companies had been reached. It is believed that the strike is now on a safe road towards settlement by arbitration. This has been all that the operators have asked since the opening of the trouble.

The selection of Commissioner Neill to confer with the president in regard to the present situation between the men and the companies is also highly satisfactory to the strikers. Neill is very well qualified to handle the question. He was sent to San Francisco by the department of commerce and labor during the first strike and has been active in his efforts to arrange a basis for compromise during the existing strike.

In the meanwhile the resolution passed by the New York operators calling out the contract operators on the press and brokerage wires is hanging fire for lack of national sanction. President Small, who is in St. Louis, refuses to discuss this phase of the question, nor will he fix any date for the probable issuance of an order calling these operators out. It is believed by Small that the president's intervention is certain, and that the contract men will work during the pending negotiations. Small is greatly pleased with Neill's attitude, and would like to have him appointed umpire to settle the difficulty.

DEPOSITORS SUBSCRIBE BIG SUMS

Total Amount of Home Bonds Taken Reaches $250,000—$50,000 of Accounts Exchanged for Telephone Securities Today.

Phone Paper, Drawing 5 Per Cent Interest, Looked Upon as Better Investment Than Savings Deposit Drawing Only 4.

Encouraging progress was made today by the Depositors' association toward the end sought in effecting a reorganization of the Oregon Trust & Savings bank. Nearly $50,000 of subscriptions to Home Telephone bonds were secured. The total has now reached about $250,000, or more than one quarter of the amount necessary.

Judge A. E. Reames, who is serving without charge to the depositors as a notary to take acknowledgments of their claims, made the following statement:

"A great many inquiries are being made at the rooms of the Depositors' association of the Oregon Trust & Savings bank with reference to telephone bonds and stock.

Better Than Bank Interest.

"The plan of reorganization is proving a wonderful education to the public as to stocks and bonds. Many depositors even ask what a bond is. They are told that it is simply an interest in a mortgage. That all of the property of the telephone companies is mortgaged to secure these bonds and the interest which they draw. They are, therefore, guaranteed to draw 5 per cent. This is payable on the 15th of October and the 15th of April of each year.

"Depositors were satisfied with 4 per cent interest on their savings accounts, and ought to be pleased to make the exchange for a security drawing 5 per cent. In addition to the bond, the subscriber is given half as much telephone stock as he takes in bonds. The bond and the accompanying stock ought always to make the security worth more than the depositor would pay for it.

"The telephone company made a contract with its construction company to put in the telephone plants. The companies figured how many phones would have to be installed at the regular price to pay 5 per cent interest on the bonds, provide a sinking fund to pay off the bonds, pay the running expenses of the plant and guarantee 5 per cent dividend on the stock.

Dividend Will Increase.

"Having found out how many phones at the regular price would be required to bring in this amount of money, the construction company then agreed to install the required number of phones. Whenever this number is installed then the plant is turned over to the telephone company. From that time on it is plain that the stock will draw at least a 5 per cent dividend and that this dividend will increase as the business of the company increases.

In the case of the Omaha company, the stock which is given with the bonds is what is called "preferred stock." That is, the other stock has waived enough of its dividend for a period of 10 years to guarantee at least 4 per cent dividend after the plant is completed. Since the depositor gets only half as much stock as he does bonds, he would, if the stock drew a 5 per cent dividend and the bonds 5 per cent interest, be earning 7½ per cent on the investment.

Tacoma Plant Nearly Completed.

"The Tacoma plant is so near completion that many of the depositors prefer Tacoma bonds to Omaha bonds. The reason for this is, that this stock given as a bonus will begin to draw dividends earlier than the Omaha stock, although the bonds of both companies are drawing interest at 5 per cent per annum now.

"It has been reported that the Bell Telephone company might buy up the stock of the Automatic companies. This is not correct because all of the stock of the Automatic companies is pooled for a period of seven years, that is, it is blocked up in a trust company for seven years, and the subscriber takes a trustee certificate for the stock which entitled him to the dividend and which he can sell, the same as he could the stock, but which cannot be voted at a stockholders' meeting. This guarantees against the Bell company procuring control of the Automatic system.

Depositors Prefer Bonds.

"All together the plan is very attractive and as the depositors become informed as to the true condition of these securities, they almost unversally prefer them to leaving their account stand in the bank. Many of them recognize that if the receivership continued they would be paid in small payments of 10 to 15 per cent as the money would be collected by the receiver. This would give them their money in such small amounts that it would not do them much good and they, therefore, prefer to help out the plan of reorganization.

Serving Without Pay.

While the subscriptions for the bonds are growing very rapidly, all must appreciate that it must be necessary to thus dispose of $1,000,000 worth of these bonds before the bank could reopen. Those in charge of the reorganization plan seem to be very confident that this can be accomplished in a short time.

George Carlton.

REMITTANCE MAN FATALLY BURNED

Scion of Carltons of New York Dying at Forest Grove.

(Special Dispatch to The Journal.)

Forest Grove, Or., Sept. 27.—George Carlton, whose relatives are the wealthy Carlton family of New York, was fatally burned here Wednesday night in a fire which destroyed an old school house in which he lived. Carlton was a remittance man and he has mysteriously refrained from ever giving any of the history of his life or of his relatives.

Carlton was a hard drinker and he had been in the habit of inviting drinking friends to his home for carousals. Early Wednesday evening four men were seen to enter the old building and the men evidently drank their fill and afterwards retired, Carlton remaining in his room where the fire started. He says that the last he remembers he was reading a paper near a coal oil lamp. And it is thought that he fell asleep, turning the lamp over as his head fell upon the table. He was so badly burned that he cannot recover.

Carlton had been in the employ of the government in India and Japan. He has traveled the world over, but whiskey got the best of him and he became the black sheep of the family and was sent west.

Family Prominent.

Forest Grove, Or., Sept. 27.—George Carlton, who was terribly burned here Wednesday and who will probably die from the effects as his condition grows worse, is a brother of E. Everett of Carlton & Co., 66 Bever street, New York; also brother of Carlton, of the firm of Carlton & Moffat, 132 Front street, New York.

George Carlton has always refused to give the address of these brothers, it is said, and yesterday he gave them to Dr. Edgar Brown, who has telegraphed them. He had the names of his brothers in a handbook.

Carlton was offered the embassy to Calcutta, India, by General Grant.

TO GUARD PRESIDENT DURING CANTON VISIT

(United Press Leased Wire.)

Canton, Ohio, Sept. 27.—Preparations are being made to entertain 100,000 visitors on September 30, when President Roosevelt dedicates the McKinley memorial. Secret service operatives are here to complete arrangements to guard the president. Soldiers will guard Roosevelt along the parade line and detectives from all big cities will be present.

THOMPSON ACQUITTED OF MURDER CHARGE

(Special Dispatch to The Journal.)

Condon, Or., Sept. 27.—At the second trial of Joseph B. Thompson for the murder of Alex. Goericke in December, 1904, the jury returned a verdict of not guilty.

BORAH IS CONFIDENT OF ESCAPE

Idaho Senator Says He Is Prepared to Go On Witness-Stand If It Is Necessary, but Case May Be Thrown Out.

Sweet Believed to Be After Immunity Contract, but Prosecution Does Not Need Confession of the Governor's Old Partner.

(United Press Leased Wire.)

Boise, Ida., Sept. 27.—It is learned today through the government attorneys that several witnesses in the Borah case have been approached by Defendant Wells and told to make false statements in court. The witnesses have confessed to the officials and Joppelin, one of the men approached, will go on the stand this afternoon and tell of the attempt to influence him.

(United Press Leased Wire.)

Boise, Ida., Sept. 27.—"I will certainly take the witness stand in my own defense if I am given an opportunity," declared Senator Borah today. "It may be, however, that the court will take the case from the jury when the government has finished introducing testimony, upon the grounds that there is an insufficiency of evidence. You may say that there are many things contained in the opening statement of Judge Burch which we will never dispute. It will not be seriously contended that there was no fraud in connection with the land entries in specific instances, but we will deny that they were general or that they formed any part of a conspiracy in which I was concerned."

William I. Sweet appeared in court yesterday and his presence there caused general speculation. Sweet was called before the grand jury during its session and, it was reported at the time, had made a confession which, it was later asserted, he repudiated. It is now reported that he has come to town for the purpose of securing an immunity contract and has made overtures to the government agents. Those in charge of the prosecution, however, say that they do not need the testimony of Steunenberg's early partner. They say that all the documents which Sweet formerly had and which throw any light on the alleged conspiracy are in possession of the government and his testimony is not needed.

United States Attorney Ruick will today seek to establish the connection of Ex-Governor Steunenberg with the alleged land fraud conspiracy. This he hopes to succeed in doing through the testimony of United States Senator Addison Foster of Washington and that of A. B. Campbell, the Seattle millionaire whom he tried to interest in Boise lands.

The contract entered into between Sweet and Steunenberg is considered by

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HENEY MIXES WITH ROGERS

Attorneys in Trial of Tirey L. Ford Meet in Sharp Verbal Encounter.

(Pacific Coast Press Leased Wire.)

San Francisco, Sept. 27.—Max Mamlock of the old boodle board of supervisors resumed the stand this morning for cross-examination in the trial of Tirey L. Ford. Attorney Rogers for the defense immediately began to tangle the witness, jumping from one point to another with embarrassing rapidity.

Mamlock swore on direct-examination that he had borrowed $1,800 from Andrew Wilson, another of the boodlers and present state railroad commissioner.

Rogers attempted to get the witness to say that he had borrowed the money from James L. Gallagher, but this Mamlock flatly denied.

"Now then, we will show you your testimony before the grand jury," declared Rogers, reading from the transcript, where Mamlock had stated that he had borrowed money from Gallagher.

"Oh, yes, I remember I borrowed that to pay back Wilson," answered Mamlock.

A sharp exchange here followed between Attorneys Heney and Rogers over the latter's interpretation of the testimony of Mamlock before the grand jury.

"Well, if what I have stated is not in the transcript I can't read," declared Rogers.

"I don't think you can, myself," flashed back Heney, "except when you want to read it your own way."

"Well, I won't have to take lessons from you," retorted Rogers.

Judge Lawlor brought the two wrangling attorneys to order and Rogers then secured the admission from Mamlock that he had been in favor of the overhead trolley ordinance and would have voted for it if he had not received any money.

Ex-Supervisor Sanderson who followed Mamlock could not remember of any of the other members of the board having mentioned the fact that the United Railroads was seeking a franchise before it came up for final passage. However, he admitted that he had heard rumors to the effect that there was to be something in it.

"Did you get any money in connection with the matter?" inquired Heney.

"Yes, I got $2,000 from Mr. Gallagher twice."

Sanderson caused the prosecution quite a shock by denying that he even expected to receive any money for his vote and did not know of any bribery, until he received the money from Mr. Gallagher.

POLICE BELIEVE THEY ARE HOT ON TRAIL

Chief Wappenstein Confident Covington and Burilson Are in Alaska.

(Pacific Coast Press Leased Wire.)

Seattle, Sept. 27. — Information which Chief of Police Wappenstein has every reason to believe is perfectly trustworthy, was received by the police today to the effect that Frank Covington and Charles Burilson, suspected murderers of Mrs. Agnes Covington, actually left Seattle on the steamship Santa Clara Sept. 9, to engage in work at Catalla, Alaska.

According to this information a party who was well acquainted with the two suspects saw them before the trunk with the body of the girl came ashore on the beach near south Alki, and they told him of having arranged to leave for Catalla.

The police have the names of the parties, know who the two young men were to go to work for, and have ascertained that Covington and Burilson had been well acquainted with their prospective employer previously in this city.

The authorities have implicit faith in the correctness of the story which has reached them.

TAYLOR PRESIDENT OF UNION BOOSTERS

Union, Or., Sept. 27.—At a monster meeting of the Union county boosters, held at Union, Fred G. Taylor of La Grande was elected president and W. A. Maxwell of Union vice-president of the county organization.

POOR SERVICE FOR WEST

Editors Protest Against Limited Associated Press Report Caused by Operators' Strike, but Manager Stone Says That Situation Cannot Be Changed.

(Special Dispatch to The Journal.)

Lincoln, Neb., Sept. 27.—Poor service for western newspapers was the cause of much dissension in the recent meeting of the Associated Press at New York. C. B. Edgar of this city is said to have started a lively debate, in which Harvey W. Scott of Portland, Colonel A. J. Blethen of Seattle and other prominent western newspaper editors participated. Edgar led the battle for better service by addressing the chair on the subject of delayed reports, and he also referred to the slim reports received on account of the operators' strike and probably because of a tendency of the Associated Press to give a sort of haphazard service to its western subscribers.

General Manager Melville Stone of the Associated Press, voicing the sentiments of the eastern publishers, said that he was sure that the service was all that it should have been and that the easterners were satisfied with their allowance of copy. It was maintained by Mr. Stone that the eastern newspapers were satisfied, and his position was made strong by the backing he received from members of the association who were present and who represented newspapers the other side of the Rockies and the middle west.

Eastern wires were successfully worked to some points, and on the whole, it developed, the strike did not affect the eastern papers nearly so much as those of the west.

The western editors did not think that they should be made to pay the full rate for a poor service and they asked for rebates. This concession was refused. Stone said that it was costing the Associated Press a deal of money to fight the operators' strike, but that the association was in the struggle for a finish. He was not in favor of concessions, and he believed that it was the duty of the members of the association to stand a loss in the good of the cause of downing the union.

The western men will be forced to take what service they can get, as they were overwhelmingly outvoted.

FACTION DESERTS PARTY

Nomination of P. H. McCarthy Causes Split in the Labor Union Party of San Francisco—Eagan's Forces Leave the Convention on Finding It Is Programed.

(Special Dispatch to The Journal.)

San Francisco, Sept. 27.—P. H. McCarthy, familiarly known as "Pinhead" McCarthy, was nominated by the Union Labor party last night. One faction of the convention left the hall in disgust when McCarthy was declared victorious.

McCarthy is a friend and advisor to Schmitz, and is, it is alleged, going to attempt to perpetuate friends of the graft administration in office. McCarthy has ruled over the Building Trades council like a dictator and he is not very popular among his fellow unionists. He fought the electricians when they were on strike and because one union of linemen did not bow to his will he had their charter taken from them. McCarthy asks union labor to support the ticket which he heads.

McCarthy, about eight years ago, was an engineer in the California hotel, and he directed the affairs of the unions from his engine room. Ex-Mayor Schmitz took the leader under his political wing and made him part of the Schmitz-Ruef organization. Such conservative and influential leaders of labor as Walter McArthur and Andrew Furuseth opposed the unions going into politics but McCarthy saw opportunity of coming out of his engine room and making a little more money and fame as a boss of union votes. Schmitz and Ruef "took care" of McCarthy and he became one of the most influential men of political labor circles during the time he was nursed by the grafters.

Throughout the prosecution of the boodlers and bribers McCarthy has maintained that Schmitz was "all right." Ruef and he fell out when the curly boss went back on Schmitz and gave his testimony to Heney and Langdon to be used against Schmitz and "those higher up." McCarthy seemed to believe that it made no difference whether the administration was made up of thieves and bribers but said the issue was "shall the unions go out of politics or not and has not the Citizens' Alliance been dominating the graft prosecution?" McCarthy knew as well as he knew his own name that the Citizens' Alliance had nothing to do with the graft prosecution and he used the name of that organization with deliberate intention of stirring up class hatred. He partly succeeded in doing so.

O. A. Tveitmoe, a supervisor appointed by Schmitz, after the resignation of one of the board, has been assisting in organizing the labor party and pocketing it. Michael Casey and Thomas A. Eagan, both representatives of the best class of unionists, opposed McCarthy and desired the labor convention to name some good man outside or inside the party. Eagan's delegates left the hall in disgust when McCarthy put through his scheme to have himself nominated and there is therefore a split in the party which may throw many labor votes to some other candidate, possibly Taylor.