

HELD OUT BRAVELY

(Continued from Page One)

Oregon Trust & Savings bank. Since that failure we have paid off depositors to the amount of \$1,200,000 of this amount \$1,000,000 was paid since October 29, when the banking holidays began. All of this money was paid without outside assistance except that afforded by the clearing house association, which loaned us \$250,000. That shows sufficiently the sound condition of the Merchants' National.

"I cannot speak too highly of the course pursued by the other banks of the city. They have treated us well."

"We have telegraphed to the controller of the currency and he will direct one of the two bank examiners for this district, either Mr. Gatch or Mr. Williams, to investigate the condition of the bank. I am positive that we shall be able to resume business within a short time, though, of course, I cannot yet tell how soon it will be."

The bank examiner must first make his examination and report.

Mr. Durham's Explanation.

Vice-President R. L. Durham said:

"The people themselves are really to blame for the bank's embarrassment."



Ralph W. Hoyt, Cashier Merchants' National Bank.

We have been subjected to a most unreasoning drain, the result of reckless and unadvised reports as to the bank's condition."

The bank's last sworn statement, made August 22, 1907, showed the following condition:

RESOURCES.

Loans and discounts, \$3,285,141.63

Overdrafts, secured and unsecured, 41,290.61

U. S. Bonds to secure circulation, 250,000.00

U. S. Bonds to secure U. S. deposits, 150,000.00

U. S. Bonds on hand, 2,580.00

Premium on U. S. Bonds, 12,000.00

Bonds, securities, etc., 658,747.93

Banking house, furniture and fixtures, 8,000.00

Due from national banks (not reserve agents), 305,398.01

Due from state banks and bankers, 180,208.15

Due from other national banks, 605,447.23

Checks and other cash items, 48,863.20

Exchanges for clearing-house, 80,408.61

Notes of other national banks, 21,590.00

Fractional paper currency, nickels and cents, 1,792.32

Lawful money reserve in bank, viz.:

Specie, \$538,489.95

Legal tender notes, 720.00

Redemption fund with U. S. treasurer (5 per cent of circulation), 12,500.00

Total, \$5,983,176.45

LIABILITIES.

Capital stock paid in, \$250,000.00

Surplus fund, 100,000.00

Undivided profits, less expenses and taxes paid, 171,561.84

National bank notes outstanding, 244,150.00

Due to other national banks, 617,195.97

Due to state banks and bankers, 604,323.03

Due to trust companies and savings banks, 299,428.69

Dividends unpaid, \$12.50

Individual deposits subject to check, 2,856,064.83

Demand certificates of deposit, 202,751.81

Time certificates of deposit, 291,024.92

Cashier's checks outstanding, 33,032.62

United States deposits, 132,152.55

Deposits of U. S. disbursing officers, 101,358.89

Total, \$5,983,176.45

In 12 years the Merchants' National

bank has had a remarkable growth. In 1892 its deposits were \$175,000. According to a statement published a few months ago the bank showed deposits aggregating \$5,000,000.

The Merchants' National bank was an outgrowth of the old Willamette Savings bank, started in 1883 in a stone building now relegated to the liquor business on Washington between First and Second streets. The bank was nationalized in 1886, and successfully passed through the hands of J. Frank Watson was its president, and Ralph Hoyt, who began with the bank as an office boy, rose to the position of cashier.

COUNTY FUNDS CAUGHT.

Treasurer Lewis Had Many Thousands on Deposit in Bank.

County Treasurer Lewis has \$75,119 of county money in the Merchants' bank, about one-fourth of the total cash of the county. The county does not require security for its money from the banks, and the treasurer gives a fidelity bond, making him or his bondsmen liable for any misappropriation of the funds or for any loss that is due to the loss of care in keeping the money.

Treasurer Lewis contends that he has used all precaution, and if there is any loss he holds that the county will be the loser.

"It is a disagreeable matter for me," said Mr. Lewis today, "for I dislike to feel that any money in my charge is in jeopardy. At the same time my conscience is clear, as I feel that I have used every care that could be required of me. When I came into office the bonding company submitted a list of banks that would be satisfactory to it for the deposit of the money. I have kept the money as nearly equal as I could, and was convenient between the four banks thus approved, and the amount in the Merchants' National today is about one-fourth of the total."

The vault room in my office is insufficient for keeping any large sum of money, as the only safe I have is a small one such as any merchant or professional man has in his office. All the money that is kept there is enough to carry on the regular course of business."

It is my firm belief that the Merchants' National will pay dollar for dollar and that no loss will result to the county."

CITY MONEY SECURED.

Hundred Thousand Belonging to Portland Backed by Bonds.

City Treasurer J. E. Werlein has \$109,101.15 of the city's money on deposit in the Merchants' National bank which suspended this morning, protected by securities amounting to \$142,412.24, of which \$60,412.37 was in Portland city improvement bonds and warrants and \$80,000 in commercial paper consisting of time and demand notes.

October 28, the day before the bank holiday was declared by Governor Chamberlain, Werlein discovered that the securities held by the city in the Merchants' bank had shrunk from 25 to 75 per cent. The city treasurer immediately arranged to exchange these securities for others, and the best he could do was to take the commercial paper.

This is secured by Hirschheimer and S. Y. Hyde of La Crosse, Wisconsin; 100 shares of stock of the Chapman Timber company, and 300 shares of the Chapman Lumber company.

Following are the securities held by the city for its deposits:

One city of Portland Improvement bond, bearing 6 per cent interest \$41,119.46; city of Portland Improvement bonds, bearing 6 per cent interest, \$37,001.35; demand note on Clark W. Thompson, secured by A. Hirschheimer and S. Y. Hyde of La Crosse, Wisconsin, \$15,000.00; note dated August 29, 1907, \$32,000.00; notes on the Chapman Timber company, any as follows: Sixty-day note dated September 5, 1907, \$10,000.00; five-day note for \$5,000 each, dated September 3, 30, 16, 19 and August 27.

MR. LADD CONFIDENT.

Suspension Will in no Way Affect Situation.

W. M. Ladd, president of the Ladd & Tilton bank, considers that the suspension of the Merchants' National bank has not affected the situation and predicts that from this time on conditions will improve.

"I do not wish to make a detailed statement," said Mr. Ladd this morning, "but I will say that I consider the situation to be well in hand. In my opinion the worst is over and from this time on conditions will improve. I do not believe that the suspension of the Merchants' National bank will affect the situation in any way. We here are in business. Yesterday was a heavy day with us but in spite of this new amount of money being opened and the amount of the money paid in is larger than the sum paid out."

OWES STATE SMALL SUM.

Merchants' Bank Depository for Only Few Thousand.

The state has \$12,000 in the Merchants' National bank. This amount, however, according to Attorney-General Crawford, who is in Portland today, is amply secured by the American Surety company.

Mr. Crawford's visit to the city is for the purpose of attending to all legal matters pertaining to the closing of the Guarantee & Trust company bank, in which the state had \$25,000.

"I am simply looking after the legal end of the deal to see that the state's interests are properly attended to," Mr. Crawford said this morning. And furthermore, I think that the money is all right. The amount in the Title Guarantee & Trust bank was secured by the American Surety company. The same concern is surety for \$12,000 that Oregon has in the Merchants' National. If the surety company is all right, and I think that it is, the state is amply protected."

OAKLAND BANK SUSPENDS PAYMENTS

(Pacific Coast Press Leased Wire.)

Oakland, Cal., Nov. 12.—The Bank of California of which D. Edward Collins is president, which did not open its doors for business this morning after the officers say that the bank is solvent and that the depositors are fully protected.

A sign on the doors reading "Bank Closed, Legal Holiday," notified passers by that the bank for its protection had decided to take advantage of the holiday proclaimed by Governor Gillett and would not open for business.

This bank is in no way connected with the Bank of California of San Francisco. It is a small concern, a branch of a Ventura bank which recently suspended temporarily.

ELECTION MAY HELP

(Continued from Page One.)

chance by pushing my case before the Republican governor for final action."

More than 60 witnesses were missing when court convened in the Powers case this morning and Prosecutor Franklin announced that he was ready. Attorney Owens said the matter concerning the "pie in a statement," which is a pardon given Powers after the crime, by Governor Taylor, should be settled now and the attorneys retired to consult.

When the attorneys returned to the courtroom, Franklin objected to the filing of abatement, plea because the defendant had not answered to it. The judge rebuked Franklin for not having his witnesses on hand.

The judge overruled the motion to file a plea and told the defense it could make an avowal supported by the testimony of witnesses. The court then adjourned until 2 o'clock to give the attorneys for the defense time to make their plans.

PORTLAND BOYS TRACK CAPTAINS CHEWS UP THUMB

Paul Reid and Sam May Lead Class Teams in Relays.

(Special Dispatch to The Journal.)

University of Oregon, Eugene, Nov. 12.—Paul Reid, '09, Harry Lowell, '10 and Sam May, '11, were elected captains of their respective class relay teams which are to compete in several cross country runs during the winter and early spring. The seniors have not elected their captain yet but will probably do so soon.

Reid is a Portland boy and did good work on the track team last year in the quarter mile. In the Pullman-Oregon meet held here last year he came in second and was only beaten by a few feet. In the meet at Seattle with Washington he won easily. His time in both meets was 1:44.

Lowell is from Eugene and was a member of the '05 team. His race is the mile and his best record is a little better than 4:40.

May is a Portland freshman who formerly ran for the Multnomah club. He has done good work in the preparatory school meets and is showing up well here. He has been running both in the mile and in the half but will devote himself to the half this year.

Big Bunch Out.

Besides these three there are a number of good men and the meets will be closely contested. True, Talbert, Hickson, Platts and Woods are out for the junior team; Stetson, Dolson and Jamieson for the sophomore and quite a number of freshmen among whom Breeding and Downs are doing the best work.

Fall and winter track work is new here but Trainer Hayward has hopes that some fast distance men will develop to strengthen the team. Last year the distances were the weakest point in Oregon's team.

WINKED HIMSELF INTO CITY COOLER

"Tag, You're It," Says the Judge, "Stay With Us Awhile Longer."

Like the old French adage that "a shrug of the shoulders translated into words loses half its effect," the American system of winking also means a multitude of things.

James A. Sheehan, alias "Doc" Sheehan, a notorious bunco man, was careless enough in the police court this morning to bat his left eyelid in a significant manner to six wags, and as they were led from the box, and as a consequence Judge Cameron continued the cases against the double quartette pending an investigation by Detective Hendley.

Sheehan was taken into custody last night by Captain Glover and was held on a charge of vagrancy. According to the officers, the prisoner has been "hanging" around town for the past 19 days, and it was feared that he was "framing up" to "pull off a trick."

Sheehan was arrested four years ago by Captain Glover for victimizing an English tourist out of \$38 and sentenced to three years in the Oregon state "pen."

It was only recently that Sheehan made his appearance in Portland, and as the police decided to either force him to leave the city or work a "stretch" at Kelly Butte.

Sheehan, who secured his release last night on deposit of \$200 cash bail, was seated in the courtroom this morning as six vagrants were led from the dock. The "bunco man" covertly winked at the evil-looking fellows, and Judge Cameron noticed it. The judge ordered the men back into custody and notified Detective Hendley to make an investigation. It is thought that Sheehan has some friends among the vagrants in question who may be ex-convicts, responsible for the many recent crimes.

Metzger saves you money on watches.

Hanan shoes keep your feet dry.

Manure for roses. Phone Main 5623.

Eyes fitted to glasses \$1. at Metzger's.

Rosenthal's fit the feet.

PORTLAND PAPER LOOKS LIKE GOLD

Corvallis Retail Grocers Will Take All of It They Can Get.

(Special Dispatch to The Journal.)

Corvallis, Or., Nov. 12.—The banks of this city are carrying on business as usual, save that on the front doors still appears the placard, "Legal Holiday."

Today the Retail Grocers' and Merchants' association of Corvallis adopted the following resolutions in regard to the financial conditions now existing:

"Whereas the clearing house association of Portland, Oregon, is issuing certificates to be used in lieu of cash, checks and drafts in the usual course of trade, now, therefore, be it

"Resolved, by the Retail Grocers' and Merchants' association of Corvallis, Benton county, Oregon, that any such certificates issued by the Portland clearing house association will be accepted by the members of the said Retail Grocers' and Merchants' association of Corvallis, Oregon, in payment for goods, wares and merchandise sold and delivered by the undersigned members of said association."

The resolutions were signed by the following officers and members of the grocers' association: S. L. Kline, president; A. K. Russ, vice-president; R. V. Hollenberg, secretary; Smith Brothers, J. M. Nolan & Son, C. C. Bannister, A. H. Kemper, W. T. and J. Small, Corvallis Meat company, Allen & Woodward, Thatcher & Johnson, R. H. Huston, O. J. Blackledge, J. W. Grady, Miles Starr, M. M. Long, J. K. Frazier, Whiteside & Cooper, F. L. Miller, Graham & Wells, Henkle & Davis, A. Hodges, T. H. Welliver, F. B. Horning, R. M. Wade & Co. by William Currin, Graham & Wortham, Hollenberg & Son.

Sir Lewis Morrison.

(United Press Leased Wire.)

London, Nov. 12.—Sir Lewis Morrison, the poet, died today, aged 74.

PLEASANT SUMMER

Right Food the Cause.

A Wisconsin woman says:

"I was run down and weak, troubled with nervousness and headache for the last six years. The least excitement would make me nervous and cause severe headache."

"This summer I have been eating Grape-Nuts regularly and feel better than for the six years past."

"I am not troubled with headache and nervousness and weigh more than I ever have before in my life. I gained 5 lbs. in one week."

Name given by Postum Co., Battle Creek, Mich. Read the book, "The Road to Wellville," in pinks.

"There's a Reason."

HUMAN WILDCAT TRACK CAPTAINS CHEWS UP THUMB

Bartender Sinks His Teeth Into Logger's Hand During Saloon Brawl.

As the result of the peculiar wording of the statute defining mayhem, James Costigan, a bartender employed in the Capital saloon conducted by Monroe Bolich at Fourth and Burnside streets, escaped prosecution in the police court this morning for a felony, but will be compelled to answer to the upper tribunal for an indictable misdemeanor.

Angered by the action of Pete Peterson, a logger, in tendering a \$10 clearing house certificate in payment for three glasses of beer Costigan brutally attacked the woodsman and with hyena-like fury sank his teeth deeply into Peterson's left thumb.

Costigan almost chewed off Peterson's finger before the logger was able to make his escape from the saloon. The injured man notified the police of the matter and Costigan's arrest quickly followed.

The trouble was precipitated when Peterson accompanied by two friends entered the saloon and after calling for three glasses of beer, offered the clearing house currency to the bartender.

Costigan refused to accept the paper and quickly took the drinks away from the three men.

Without further provocation Costigan rushed from behind the bar and viciously assaulted Peterson. Not content with pummeling the man the "beer slugger" with a sharp grabbed the logger's thumb between his teeth and with bulldog tenacity chewed the member.

A city charge of assault and battery was filed by Deputy City Attorney Tomlinson, but Judge Cameron after hearing the testimony promptly bound Costigan over to the grand jury in the sum of \$400, in default of which he was remanded to the custody of the sheriff.

Under the law and a supreme court decision it is necessary to establish the crime of mayhem, that the defendant declare in the presence of witnesses, "I am going to bite you," or other words of like import and effect tending to establish that the mutilation was done purposely and maliciously.

FOUR INJURED IN WRECK AT PITTSBURG

(United Press Leased Wire.)

Pittsburg, Nov. 12.—A hundred passengers narrowly escaped death and four were seriously injured on the Chicago-New York 18-hour train leaving Pittsburg this morning. It was wrecked in a head-on collision with a stationary freight train near Lashme station, 20 miles east of this city.

The collision was due, officials say, by the operator moving the wrong lever of the interlocking switch. The passenger train dashed into the caboose of the freight, disabling and derailing the engine and converting the freight cars into a mass of wreckage.

Traffic was delayed for several hours. The baggage car was partially wrecked and the passengers were hurled from their berths.

OFFICER GUARDS BANK OFFICER'S HOME

Fear that some crank would do injury to J. Thorburn Ross, president of the Tiltip Guaranty & Trust company, caused a policeman to guard the home of the banker last night. A report was received at police headquarters that a suspicious man was lurking around the Ross home and protection was requested. An officer was dispatched, but no arrests were reported.

SALMON LADEN BARK SERVIA GOES ASHORE

(United Press Leased Wire.)

San Francisco, Nov. 12.—The bark Servia, belonging to the Alaska Packers' association, touched at Julia Ford Point on November 6. The vessel had a cargo of 45,000 cases of salmon. Musaharak is on her way to bring down the crew.

Metzger saves you money on watches.

Hanan shoes keep your feet dry.

Manure for roses. Phone Main 5623.

Eyes fitted to glasses \$1. at Metzger's.

Rosenthal's fit the feet.

SPEND YOUR MONEY

For Selz Royal Blue Shoes

It's your money; and your feet to be shod.

You can take your feet anywhere for shoes and spend your money for any shoes you want.

Take this from us: If you're looking for the best of it, you'll bring your feet and your money to this store, and put both into Selz Royal Blue shoes.

We ask \$3.50, \$4 and \$5 for them; and every man who buys one pair buys more of them. They fit; and we guarantee your satisfaction.

Seventh and Washington

Rosenthal's

Seventh and Washington

PORTLAND'S BEST SHOE STORE

"If It's Shoes, It's Rosenthal's"

"See Our Windows"

Uneda Biscuit

A food to work on—

A food to smile on—

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Energy and good-nature in every package.

The most nutritious wheat food.

In moisture and dust proof packages.

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A liquid preparation for the Face, Neck, Arms and Hands. Cannot be detected.

It is neither sticky nor greasy.

It's harmless, clean and refreshing.

Two colors, Pink and White.

Use it morning, noon and night, Spring, Summer, Fall, Winter. SAMPLE FREE

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Metzger saves you money on watches.

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Don't Pay Cash

FOR CLOTHES

What is the use of spending money for clothes when you don't have to. Save your cash for other things—you may need it.

Our plan of a little now and then is more popular than ever since cash became scarce.

In times of sunshine prepare for rain.

How about that CRAVENETTE?