

MORE HELP WANTED? BOARDERS WANTED? APARTMENTS TO LET? ADVERTISE IN THE JOURNAL

The Weather—Showers tonight and Thursday; southerly winds.

Oregon Daily Journal

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ON TRAINS AND NEWS STANDS FIVE CENTS

BANKER ROSS MUST STAND TRIAL

JUDGE PIPES SCORES SPLENDID VICTORY FOR STATE BY DECISION

BURNETT IN SUPPORT OF A HEARING

Salem Judge Holds Officers of Bank Are Liable for Wrong-Doing of Corporation and Must Proceed to Trial—Is State Case.

(Special Dispatch to The Journal.)

Salem, Or., April 22.—Judge Martin L. Pipes, for the state, scored a splendid victory in the first legal battle of the Ross trial this morning, when Judge Burnett held that the officers of a bank are liable for the wrong doings of the corporation.

The defense had contended in a comprehensive argument extended over four hours that a bank as an institution, and not the officials of the bank, is liable.

"This is not a case between the Title Guarantee & Trust company and the defendants, but it is a case between the state of Oregon and the defendants. A corporation cannot be indicted, and therefore those who are the moving spirit of the corporation are held liable, for they have aided and abetted in a criminal act."

That was the conclusion arrived at by Judge Burnett, after hearing the argument of counsel, which began at 9:30 o'clock yesterday morning and lasted until 5 o'clock last evening.

"The argument on this point," said the judge, "on whether the dealings were with the Title Guarantee & Trust company, as a corporation, or with the officers of the institution, took a wide range. The contention of the defense was that a deposit by the state treasurer was not a loan, and that a violation of a trust rendered the bank liable to the treasurer as a debtor."

"It is conceded in this argument that the statute of 1907 does not affect the funds in this case. But the duty of the treasurer is fixed by other statutes. He must have charge of the funds and must keep the funds, and if the funds become lost he must make them good to the state. That has been held by our supreme court."

"In the case of Baker versus Williams and the England Banking company, it was decided that the treasurer had the lawful right to deposit moneys in the bank, and he was not bound to keep them in his vault. It was lawful for the treasurer to have an open account with a bank without interest, as has been the custom."

Omnibus Control Authority.
"However, in view of the statutes, the treasurer cannot confer a greater authority on the bank than he holds himself from the state. The funds are still the property of the state. The treasurer's duty is only to keep the funds in charge. The bank is his servant, and has no greater rights over the property. Therefore the bank is liable to the state, and not to the treasurer as a debtor."

"If the transaction between the treasurer and the institution was not a loan for moneys left with the bank for safekeeping, if it was not a loan on the part of the treasurer, it was not a loan on the part of the bank. If the bank had charge of the moneys and was in possession of the money, the authorities hold that the officers are liable for the money in their possession."

In support of this the judge cited a

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HAPPY SOLUTION OF THE "TROUBLES OF THE RICH"

(Special Dispatch to The Journal.)

Chicago, April 22.—The troubles of the rich will soon end if the "Anti-Expense for Litigation society," which met here last night, has its way. The society has passed resolutions calling upon the taxpayers to favor laws which will make it unnecessary to try anyone worth more than half a million dollars for any crime. Here are the reasons.

"Resolved, That no man with money can be indicted these days. If a rich man kills a man with a mallet, an effort would be made to show that there was a flaw in the complaint and that the murdered man was in reality killed with a hatchet, and the complaint therefore invalidated. Therefore in minor cases it would be impossible to secure convictions. By presenting the rich man with a clean bill of character—or an immunity bath—the case need not go beyond a mere preliminary complaint. Thus the state can be spared enormous expense for prosecution which never amounts to anything anyway."

The society adds that it might be possible to do away with the courts altogether and thereby save further expense for maintenance.

The movement is said to be very popular with the wealthy, who have been greatly annoyed all over the country of late by pestiferous charges of graft preferred by the plain people, and by being kept away from their business.

BAD NOTES FOOLED BANKS

Held in City Depositories for Weeks—No Law to Prevent Circulation of Spurious Paper—The Indictment Against Man Who Pleaded Dismissed.

Portland bankers have been deceived on several occasions by the defunct Merchants & Planters State bank notes, for the circulation of which five men were indicted by a federal grand jury for using the mails to defraud and whose cases were dismissed in the United States circuit court by Judge Wolverson yesterday because there is no law to cover the offense.

These bills, which are absolutely worthless, were taken into the banks by persons who had been victimized and who in many cases, no doubt, were unaware of the fraud which had been perpetrated on them. The notes first appeared in Portland in great numbers last fall.

In most cases the members of the gang took advantage of the unsuspecting, preying particularly on old women and others who operated small stores in the suburbs. Many of these persons took the spurious paper to their banks where they deposited, or exchanged them. In several instances they were accepted as good by the receivers and remained in the banks for days before being discovered.

Dismissal Indictment.
The indictment against M. E. Wells, one of the gang who had pleaded guilty, was dismissed by Judge Wolverson in the United States circuit court this morning. This was at the suggestion of District Attorney McCourt, who stated to the court that Wells had agreed to turn state's evidence. As that the court found that the others could not be tried for using the mails to defraud, as there was no law covering this case, Mr. McCourt said that it was only right that the Wells indictment should also be dismissed.

Until yesterday Wells and M. J. Dorsey had been in jail. James Sheehan, Frank Caviness and M. Sawyer, the other defendants, had been on bonds of \$1,500 in each case.

ASKS FOR MONEY FOR PAPER TRUST CASE

(United Press Leased Wire.)
Washington, April 22.—Representative Mann of Illinois today introduced in the house a resolution for an appropriation of funds sufficient to pay the expenses of engaging clerks and other employees to carry on the investigation of the paper trust which was authorized yesterday. As soon as this resolution is passed the committee appointed to prosecute the inquiry will begin work.

ROOSEVELT USING INFLUENCE TO GET MORE BATTLESHIPS

Washington, April 22.—President Roosevelt began today using the lash and exerting his personal influence to secure the authorization of four battleships by the senate. Not only is he drawing Republicans into line, but he is trying quite a few Democrats to his chariot wheel.

SPENT TOO MUCH FOR WARDROBE

Mrs. Sidney L. M. Starr Sued for Divorce in California Court Because She Incurred Too Many Bills at Dressmaker's.

Judge Rules Against Closed Doors and the Case Must Come to Trial With Public Admitted Tomorrow at San Rafael.

(Special Dispatch to The Journal.)

San Rafael, Cal., April 22.—Gossip of the divorce case of Mabel V. Starr against her husband, Sidney L. M. Starr of Portland, Oregon, was revived again today. The case will be tried in the superior court here before Judge Lennon next Thursday afternoon. The wife charges the husband with cruelty and intemperance. The case has been set for trial by stipulation and it is understood that just before the trial the husband will file a cross complaint in which he will charge his wife with great extravagance in money matters.

All parties involved refused to discuss the case and every effort was made to have the divorce proceedings take place as quietly as possible.

San Rafael society is wondering just how large and how many venations will be produced by the trial. The silence of the parties and the knowledge that the husband has retained counsel and is going to fight back has caused a flutter in society on both sides of the bay. Under the California law complaints in divorce cases are placed on secret file, and just what they contain must come from the litigants.

Mrs. Starr is celebrated about the bay as one of the best dressed women in the state. She is strikingly handsome and moved in the best society. She lives at the St. Francis and Palace hotels before the fire. Starr belongs to a prominent and wealthy family of Portland. He is a member of the best clubs in San Francisco and is a man of good standing.

It is said that the first cloud of their troubles appeared about three years ago when Mrs. Starr went to Honolulu. After her departure her husband is said to have been flooded with bills contracted by his spouse. Two of his wife's intimate friends are also seeking divorces from their husbands, Mrs. Harry Blood of Oakland and Mrs. Lee Blain-game of Fresno. The Starrs have never been known as residents of Marin county and the divorce proceedings now indicate that both parties desire as little publicity as possible.

The wife is represented by Attorneys Bourdette and Bacon of San Francisco and District Attorney Boyd of this city. Joseph Rothschild of San Francisco is guarding Starr's side of the fight. Judge Lennon, before whom the trial will take place, has declared against closed doors in divorce cases and tonight he said that no exception would be made in the Starr case.

PILE DRIVER FALLS IN SEA; TWO MEN KILLED

Six Injured in Accident at North Head Jetty and One Will Die—Life Saving Crew at Point Adams and Tug Samson Go to Rescue.

(Special Dispatch to The Journal.)

Astoria, Or., April 22.—Two men were killed and six injured, one fatally, when a pile driver toppled into the sea from the jetty at North Head station this morning. The dead men are Jack Lehman, a brother of the postmistress of Hammond, and Martin Carlson.

The injured are Martin Johnson, seriously, and J. C. Fulhart, internal injuries, very serious. Slightly injured: Pat Shea, Thomas Turner, John Tenbrook and R. C. McAfee. The injured are at the post hospital at Fort Stevens.

The accident occurred about 8 o'clock this morning when the men were adjusting the pile driver. Suddenly the tall machine toppled over and fell into the sea. Several of the men were caught under it and Lehman was thrown into the sea and drowned.

The Point Adams life saving crew's lookout noticed the accident and the crew with commendable promptness went to the rescue. The tug Samson also responded to signals for help and rendered assistance in taking care of the wounded men and getting them to the hospital.

The scene of the accident is about one and a half miles from the edge of shallow water.

GREAT FORTRESS FOR PHILIPPINES

Russia Thinks United States Is Preparing to Maintain Open Door Policy.

(United Press Leased Wire.)

Manila, April 22.—Power that cannot be broken and an open door in China are what the American government proposes as its policy in the far east. The world powers are just waking up to the fact that this policy is the reason for the United States' quiet determination to move the Philippine naval base from Olongapo to Manila bay and make it a 14-inch gun with 14-inch caliber shells. The world powers will be able to get past.

They believe it in Manila, Tokio and Shanghai. Most of all they believe it in St. Petersburg, where the Nevez Vremya in a leading article points out that Uncle Sam is about to construct at Cavite the most powerful naval base in the Pacific so that he may insist upon a practical as well as a theoretical open door in China.

It is proposed to construct an artificial island between Corregidor and Caraboa and man it with huge fortifications and modern guns and give Uncle Sam a Gibraltar-like fortress, navy yard and harbor in the far east which could resist successfully any operations made against it.

Hobson in Southern Idaho.

(Special Dispatch to The Journal.)
Boise, Ida., April 22.—Representative Hobson, who is reported to be en route to San Francisco to gather data in support of the four battleship measure, is advertised to deliver a lecture here tonight. He will arrive this afternoon.

REQUISITION FOR HARRY CALDWELL

(Special Dispatch to The Journal.)
Salem, Or., April 22.—Governor Chamberlain has issued a requisition for Harry Caldwell, wanted in Multnomah county. Caldwell was apprehended at Merced, California, and is held in custody there, awaiting the arrival of Detective Tichenor, who is the officer who will be detailed to return Caldwell to Portland.

DISCOVERY OF BODY CLEARS MYSTERY OF EUGENIE CLOGENSON

(United Press Leased Wire.)
Stanford University, Cal., April 22.—In the discovery of an exposed coffin containing the remains of a woman, on Cemetery hill, near San Francisco creek may lie the solution of the mystery of the disappearance of Eugenie Clogenson, a French exile, many years ago.

The gruesome find was made yesterday by a party of students while they were out walking. By whom the grave was opened is not known. The dirt had been removed and the leaden top of the casket was turned back. Through an aperture in the casket the face of the corpse, fresh and well preserved, was visible, though it was apparent that the burial took place many years ago.

The casket was of marvelous workmanship and the remains were those of a strikingly beautiful woman. Of all the theories advanced by the antiquar-

George Sontag, ex-Bandit, Now Bouncer for Dance-hall, Collides With Swift Punch to the Jaw and Goes Down and Out.

Hibernian Stevedore Gives "Tim" McGrath, Fight Promoter, and His Followers a Lesson or Two on Ring Tactics.

(Special Dispatch to The Journal.)

San Francisco, April 22.—George Sontag, once famous as the partner of Chris Evans, bandit who held up a Southern Pacific train years ago and led the police on one of the most noted criminal hunts in history, has come into the limelight again. Sontag was liberated from the state prison a few weeks ago, and Tim McGrath, prize-fight promoter, saw in George a good man for "bouncer" in his new Barbary Coast saloon. George took the job, and now he is sorry he did.

McGrath, "Spider" Kelly and "Law" Purcell, all more or less kings of the Queensbury realm, saw bright opportunities in the "restricted district," and they have been doing a landoffice business running dance halls. Sontag was detailed to go the floor and make a noise like a guinea if any obstreperous character interfered with "the ladies' suppers." The assault was a failure, this time flinging about on one ear and then another ready to plant a right hand swing to the jaw. Pat was there quicker than Sontag. Before anyone could "butt in" Sontag's jaw connected with the Irishman's fist. The subsequent proceedings interested George no more.

Then Tim McGrath lit into the longshoreman, assisted by two or three of "the guys." The assault was a failure. Sontag has lost out, and he held this morning. "Tom" detectives are watching me all der time, and I think dey put Jeffries in disguise up agin me just to git even."

GALLAGHER ON STAND IN TRIAL OF FORD

(United Press Leased Wire.)

San Francisco, April 22.—James L. Gallagher, the self-confessed go-between of Abraham Ruef and the boot-ling supervisors, continued his testimony this morning in the third trial of T. L. Ford on a charge of bribery. Gallagher described the agreement entered into between the prosecution and the supervisors whereby the latter were permitted to retain offices after the bribery exposure. Gallagher explained that he "acted in spirit" for the supervisors when he signed the agreement for them. He also admitted signing an immunity contract and that his testimony was given under that contract. If he failed to tell the whole truth, he said, the district attorney might prosecute him.

LOOK OUT FOR BILLS LIKE THIS ONE, THEY ARE NOT AS VALUABLE AS A PENNY



United States District Attorney John McCourt has in his possession bills of the kind shown in the accompanying illustration which, if they were genuine, would represent \$1,000. The bills were found in the possession of the gang of five men who were yesterday released in the federal court, owing to a legal technicality.