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The weather—Rain tonight and Friday; fresh southerly winds.

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PORTLAND, OREGON, THURSDAY EVENING, NOVEMBER 19, 1908.—TWENTY PAGES.

JOURNAL CIRCULATION

YESTERDAY WAS

30,417

# GRAFT CASE WITH VEToes ARCHITECTS' BILL VETOES UNIVERSITY CLUB MAY MOVE

## JOHN KRAUSE CUTS HIS THROAT

### Special Agent for Pacific States Telephone Company Was Enroute to France—Another Tragic Incident in Graft Cases.

Queenstown, Nov. 19.—While en route from Cherbourg, France, John Krause of San Francisco, special agent for the Pacific States Telephone and Telegraph company, and a missing witness in the graft trials, cut his throat with a safety razor while alone in his stateroom on the steamer Adriatic. The body was landed here for interment.

San Francisco, Nov. 19.—John Krause was the chief assistant of Theodore V. Halsey, chief agent for the Pacific States Telephone and Telegraph company here, just after the San Francisco fire.

Halsey is under indictment as a go-between for the Pacific States Telephone & Telegraph company and the Schmitz-Ruef lobbyists. He is accused of having openly passed money to the supervisors to prevent the granting of a franchise to an opposition telephone company. The members of the hoodlum board have confessed that they took money from Halsey and Burns and say they witnessed the transaction which was carried out in a trap set by Burns.

Halsey was taken sick when the trial was called and the two jurors that were called, were excused. Halsey is convalescing.

Krause was wanted as a witness here in connection with Halsey's trial.

## PLUNGES OFF BRIDGE; IS SAVED

Spokane, Wash., Nov. 19.—Mrs. O. Fjerstad, wife of the deputy county treasurer, leaped from the high bridge a few feet above the falls at this place today while temporarily demented. The woman was saved from being dashed to death over the falls by one of the most heroic and spectacular rescues ever witnessed here.

Lake Heffner, a fireman, saw her make the plunge. Without an instant's hesitation he dived from the bridge and landed but a few feet from the would-be suicide. Grasping her by the hair he struck out for the shore. He reached it just in time to avoid being carried over the falls. The woman will live.

## HENEY REPORTED MUCH IMPROVED

### Restless Night and Temperature Up, but Doctors Say No Alarm.

San Francisco, Cal., Nov. 19.—The doctors at the Lane hospital in attendance on Francis J. Heney, who was shot by Morris Haas November 13, gave out a statement this afternoon that his patient was in a much improved condition, although he spent a restless night and was not allowed to receive visitors this morning.

Mr. Heney's temperature is higher than it was last night, but the doctors say there is no cause for alarm.

## WHEAT KING NOT AT SUMMER HOME

Cove, Or., Nov. 19.—The report that A. B. Conley, the wheat king, who has been missing since 16-year-old Gertrude Williams was taken from his custody at Portland, was at his summer home is believed to be without foundation. The Cove authorities claim that Conley has not returned to this section since leaving La Grande a few weeks ago. The sons of Conley declare that they do not know the whereabouts of their father.

## RAY LAMPHERE'S LATEST POSE BEFORE A CAMERA



Ray Lamphere at Right and His Attorney, E. W. Worden, at Left.

## VEToes ARCHITECTS' BILL

### Mayor Lane's Act, However, Will Probably Not Prevent Thin Walls Measure From Becoming a Law as Majority of Councilmen Are Expected to Override It.

Mayor Lane vetoed the so-called "thin walls" building ordinance yesterday afternoon. The ordinance had been urged by a large number of architects of the city who had done their utmost to put it through the council in spite of the opposition of Building Inspector Dobson.

At the last meeting of the council the measure was passed by a vote of 11 to two. Unless some of the councilmen change from the veto of the mayor will not prevent the ordinance becoming a law.

The veto message of the mayor to the council sets forth fully his reasons for opposing the measure and is as follows:

"To the Honorable City Council: I return herewith ordinance No. 18,591 not approved. This is an ordinance which amends section 101 of ordinance No. 14,109 which regulates the construction, erection, enlargement, raising, alteration, repair and use of buildings, and provides for protection against fire. The nature of the amendment which is proposed by this ordinance is such that it will permit of the construction of buildings within the city with lighter walls than are allowed under the existing law.

"I am informed that this ordinance would allow the erection of buildings of such a character as would not only

increase the fire risk of the city, but would also endanger the lives of the occupants of such buildings and that buildings of the class which it would permit to be constructed are not allowed in other cities in this country.

"Every reasonable precaution which will render all buildings as nearly safe from fire or to human life as it is possible to make them should be taken. I do not consider the measure to be for the good of the community.

"Respectfully,  
"HARRY LANE,  
"Mayor."

The so-called "thin walls" ordinance provided that walls of brick and similar building material in buildings of more than four stories might be only eight inches thick on the third floor and 12 inches on the two lower floors. Building Inspector Dobson contended that it was not safe to have walls in a third story of less than 12 inches in thickness.

Another provision of the ordinance was that apartment houses and buildings of that kind should not be constructed to house more than six families. This and other parts of the ordinance did not meet with serious objections from Mr. Dobson.

the crime of embezzlement today after he had been in jail since November 3. Hopkins said today that he would plead guilty and "take his medicine."

C. P. Haag, manager of the bank, swore to the warrant. It charges that Hopkins embezzled \$427.50 on November 2, but the bank detectives say Hopkins took over \$20,000 from the bank.

Hopkins says the race track proved his undoing. He admits that he took money from the bank and says that he spent it on women and wine. His wife, who knew nothing of his double life until after his arrest, is in a state of collapse.

LEDWIDGE NAMED AS THIRD MEMBER  
Mayor Lane today appointed J. L. Ledwidge as the third member of the new city employment bureau. The other members are Messrs. Ruhlshoff and Hansen. The bureau will be established in the city hall by the first of next week.

## PENNS PAID REBATES TO JOHN D.

### Oil King Admits Acceptance in Course of Further Narration of History of the Continuing Merger of Standard Oil Interests.

New York, Nov. 19.—John D. Rockefeller created a sensation in the federal court this afternoon by admitting that he formerly accepted rebates from the Pennsylvania railroad.

Step by step over the record of expansion, absorption and development, Rockefeller told how, under the direction of his iron hand, the most marvelous business machine of modern times was built.

As he explained this move or that in the general scheme of reaching out and encompassing the trade, there was evident always the keenest business capacity; always there was the most remarkable consideration of details and the incomparable genius for organization.

Rockefeller explained the absorption of the refining plants and dock property of the Long Island Refining company, which was the initial effort of the standard refining oil for export.

Next he told of taking over the property of the Devoe Refining company, which was engaged in refining oil. He related how the Standard reached out and absorbed the Harvey Refining company of Louisville, Ky., for the purpose of increasing the market and getting a better outlet for the product of the refineries.

When he got to E. H. Rogers. Then the Imperial Oil Refinery at Oil City, Pa., which was owned by Charles Pratt and H. H. Rogers, was taken in. He explained that this concern controlled a large part of the Pennsylvania trade.

Rockefeller denied that he was interested in any manner in the Standard Oil company of Philadelphia. He explained the standard of oil acquired the stock of the Charles Pratt company and the Atlanta Refining company, now members of the trust agreement, for the purpose of extending and facilitating the export business. He said the deal involved the purchase of the Standard Oil company of Philadelphia and the Standard Oil company of New York.

The purchases of the refining business controlled by Porter and Moreland and by John D. Archbold were made for the purpose of extending the business.

He related the early incidents connected with starting in the lubricating oil business in 1876, and detailed negotiations and various business propositions, including the absorption of the Mica Axle Grease company and the establishment of the lubricating business.

Empire Carried Its Own Oil.  
The oil king stated that the Empire Transportation company owned cars and engaged in forwarding freight. He said the Pennsylvania railroad controlled the Empire, which in turn owned a number of pipe lines and two refineries.

He stated that it resulted in much rate cutting.

After a 10-minute recess, yesterday afternoon, which was taken to allow Rockefeller to rest and to give test-dants an opportunity to air the room, the examination of the oil king was continued.

Rockefeller admitted that the manufacture of barrels resulted in a good profit for himself. He explained that the Standard had taken care to preserve its credit and that this policy had resulted beneficially.

Rockefeller said, had grown until it became necessary to establish a branch in New York. The financial committee was necessary to maintain lighterage facilities and warehouses.

(Continued on Page Seven.)

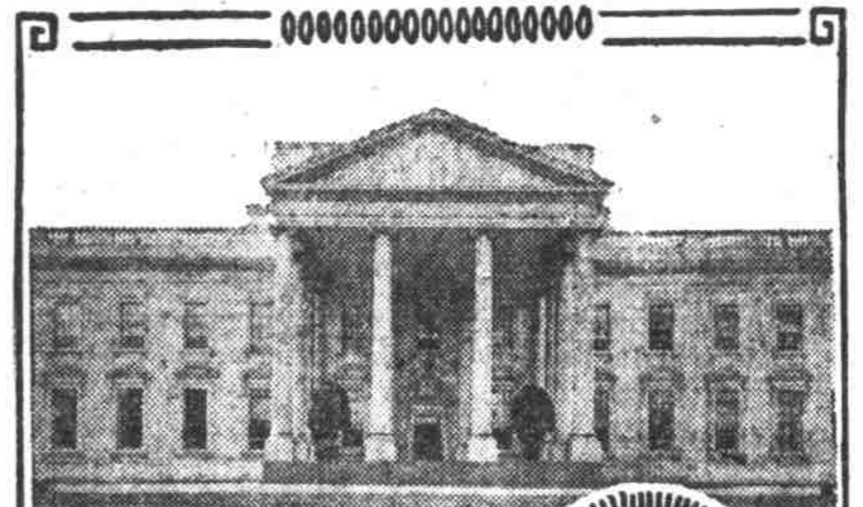
## TWO WITNESSES AGAINST CLAUDIA

### Hains Attorneys Claim They Will Damage Woman in the Case.

New York, Nov. 19.—That they have secured two new witnesses whose testimony will prove Captain Hains' story of his wife's alleged improper relations with William E. Annis, is the statement made by the attorneys for the Hains brothers.

Joseph A. Shay, one of the Hains attorneys, declares that one of the new witnesses is a tradesman who sold goods at Fort Hamilton and who will swear that he saw Mrs. Hains and Annis together on many occasions and often under such circumstances as to attract attention.

## MRS. TAFT PLANS CHANGES IN HER WHITE HOUSE HOME



Washington, D. C., Nov. 19.—Mrs. Taft has been ambitious to be in the White House for many years and at last her dreams have come true. She is already planning changes which will make it more to her liking and one of the most striking will be in the red room. If she has her way, she will turn this into a place where all of President Taft's gifts can be displayed.

Probably no chief executive ever came to the White House so laden with gifts from distinguished public men and women. He has some of the most magnificent and most ancient teakwood furniture in existence, some the gift of the sultan of Sulu and some from the dowager empress of China, and the big men in the various tribes of the Philippine archipelago.

Bedroom Changes.  
The bedroom set which was presented to Mrs. Taft by the Manila council is regal. The bed is about once again the size of the ordinary bed. It has canopy lined with brocade rose satin and accompanying the bed was a lace spread which is almost fabulous in value. The article of furniture being too huge for the ordinary home has been in a state of limbo in the White House since it was occupied after March 4 next, which she is already planning to change materially.

A mosaic casket is another, and there are some small mosaic pieces given by the lesser officials of the Vatican. Mrs. Taft has a fine illuminated portfolio presented by the papal secretary of state, Rampolla, with whom Judge Taft conducted his successful negotiations about the Philippine church property. These cabinets could find easy quarters in the red room of the White House. It is the only one of the suite which has no particularly valuable or historic furnishings. The present equipment was selected when the White House was renovated, and is only rattan and willow with tapestry covers.

Teakwood Cabinet.  
Mrs. Taft has a teakwood cabinet, which has been familiar to the Washington public, in her small drawing room, and where she kept some of the more valuable presents of silver and bronzes given by the empress of Japan. A larger cabinet was placed in the dining room and this too, is filled with carved ivory crucifix is one of the gifts from the late pontiff, Leo XIII.

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## UNIVERSITY CLUB MAY MOVE

### Considers Purchase of Site at Eleventh and Yamhill Streets and Sale of Present Home on Stark and West Park—Special Meeting of Members Called.

Following the lead of the Arlington club, which has just purchased a site for a new clubhouse in the district south of Morrison street, the University club is considering a proposition to sell its present building at Stark and West Park streets and purchase the quarter block at the southeast corner of Eleventh and Yamhill on which to erect a modern building suitable for the purposes of this progressive organization.

A meeting of the club members has been called for Saturday night, when the subject in all of its bearings will be thoroughly talked over and some definite conclusion reached if possible.

The present site of the organization, on which the club is understood to hold an option, belongs to the Ladd estate, and has been offered to the club for \$10,000. It is looked upon as one of the most desirable locations for a clubhouse in the city, and is one of the best sites that was seriously considered by the Arlington club before the property at Salmon and Park streets was purchased.

The University club's present site has a frontage of 102 feet on Stark street and 100 feet on West Park, and because of its location it is even now in the business district is regarded as one of the most valuable corners on Stark street. The financial committee of the club has set a price of \$85,000 on the property, and a number of the best informed realty brokers of the city have given the opinion that it would not be difficult to find a purchaser at this price, while others are of the opinion that within a year of two the holding can be sold for \$100,000.

The majority faction in the club is understood to be in favor of selling the Stark street property and purchasing the quarter at Eleventh and Yamhill. The difference between what the present site can probably be sold for and the cost of the property on Yamhill street would practically wipe out the bonded indebtedness of the organization and leave it with a highly valuable piece of property free from incumbrance.

There are other members of the club, however, who are opposed to the sale of the present site, holding to the theory that Stark street property will increase very rapidly in value in the next few years, and by the club's remaining where it is for the present it will be but a few years until its property will sell for double the best price now placed on it.

These questions will all be thrashed out at Saturday night's meeting, when full instructions will be given the finance committee as to what policy to pursue.

Perfect Gun Practice.  
Port Townsend, Wash., Nov. 19.—Advices from Port Casey give the news that in a fire control large practice the Eighty-fifth company, Captain Hero commanding, made 100 per cent, and the Seventy-first company, Lieutenant Anderson commanding, 75 per cent with the 10 inch guns.

## Concerted Movement Necessary

"Exploiting a commodity as the product of a Portland manufacturing establishment will not avail or rebound to the credit of Portland or to the benefit of those who stand sponsors for the commodity, unless there is a concerted movement by the concern for their welfare and the other manufacturers of the city to extol the advantages of Portland as a manufacturing city at all times and under all circumstances," said W. F. Dillon of the Gold Medal Shingle company. "I am of the opinion that Portland is excellently situated to match up with the best manufacturing communities of this country, and that we can take equal rank with them in the diversity of the articles of commerce manufactured within our borders. Our commodities will secure permanent recognition in the markets of the world if our citizens will adopt the slogan of 'home production always gets the preference,' and follow the faith in the cry by works of energy and enthusiasm. Efforts of this character done with a will and with a loyal love of Portland as the incentive will without doubt work to our welfare and to our supremacy among the coast cities."

## RIVAL POWER COMPANY IS FORMED

### Local and Eastern Capitalists Will Harness the Clackamas River at Estacada—Plan to Spend \$500,000 on Electric Plant.

To erect another big electric power plant on the Clackamas river and to bring the current there generated into Portland for sale in competition with the product of the Casadero and Oregon City plants of the Portland Railway, Light & Power company, is the plan of the Clackamas Land & Electric company, which yesterday filed articles of incorporation in the office of the county clerk and in the office of the secretary of state at Salem. The capital stock of the new company is \$500,000.

The firm, H. B. Crozman and C. K. Williams are the promoters of the company, of which the principal promoter is Fred Morris, of Morris Bros., brokers and bond dealers, who have offices in the Chamber of Commerce building, and who through a member of the firm who resides in Philadelphia, has secured strong financial connections in the east. The new power plant will be built at Estacada, where the river will be harnessed at a cost of about \$500,000.

"Work on the new plant was begun this morning," said Mr. Morris today. "From now on we will have several hundred men at work all the time until the plant is completed, which will probably be in about two or three months."

Think Time Is Ripening.  
"I have owned the land up in Clackamas for a long time and have for some time been contemplating putting up an electric power plant. It seems to me the time is ripe for it now and that Portland offers a good field for the sale of the electricity. The city needs more electricity and no do manufacturers and other concerns. We are going to supply it to them."

The Casadero plant some years ago. The new plant at Estacada, however, will be much better than the one at Casadero. When the latter was built we had no modern and up-to-date and we had to build a log-dam. It is good of its kind, but our dam at Estacada will be a real one. It will cost not less than \$500,000. It will generate about 15,000 horse power. Everything is in the way of electricity and we will have the latest machinery. I am going up this morning to start the work and we will push the work to completion.

"The work which started this morning is of a preliminary nature—clearing away trees and brush, building bunk houses, etc. The distance the power will have to be transmitted is about 10 miles, and we will supply it to them."

Will Need Franchise.  
So far no application for a franchise to bring the electric current from the new power plant into Portland has been made to the city council, and Mr. Morris did not discuss that feature of the case this morning. Such an application, however, will probably be made as soon as the preliminary work on the power plant has been completed.

Asking for the advent of the new company into the field might be expected to have upon the business of the Portland Railway, Light & Power company, B. S. Jossell, president of the company replied.

"None whatever. The more the merrier. We are not trying to hog all the water power in the state of Oregon. But this is the first I have heard of a new company. I don't know anything about it. Competition is the life of trade, and two companies in the field will probably have the effect of increasing the amount of electricity used in Portland. Two sets of sollicitors talking electricity will help the business. They come welcome to their share. We are not afraid."

"Portland is growing and there may be enough business for two companies."

## RAILROADS MAIL COMMISSION LAW

### Washington Supreme Court Takes Rate Cases Under Advisement.

Olympia, Wash., Nov. 19.—Arguments were made before the supreme court yesterday and decisions taken under advisement in two appeals attacking the railroad commission law. In the case involving the legality of the commission's order requiring the Oregon Railroad & Navigation company, the Great Northern and the Northern Pacific to raise rates on wheat, from eastern Washington points to Puget sound, argument was made against the order by L. C. Gilman, western counsel for the Great Northern.

The order as well as the constitutionality of the law was defended by Harold Preston, appearing specially for the commission and for the attorney general.

The case involving the order of the commission requiring the raising of rates on eastern Washington points was argued for the railroad by Zera W. Jones of Portland, attorney for the G. N. P.

(United Press Leased Wire.)  
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