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PORTLAND, OREGON, SUNDAY MORNING, JULY 16, 1911.

PRICE FIVE CENTS

Indictments May Be Drawn Against President Phillips, Cashier Daniels and Maybe Two Directors.

INVESTIGATION BARES ARRAY OF EVIDENCE

Juggling of Accounts and the Transfers of Stock Alleged by Examiners.

What Report Shows.

Bank honelessly when it was closed, and for some time previous.

Officers and directors knew of its condition at all times. Bank's blotter, which would be valuable to prosecutors, is miss-

Deposits of nearly \$20,000 were made the day the bank closed. Bank's reserve seldom reached the minimum required by law. County Clerk Wilkinson made preferred creditor by giving

him security for deposits the day the bank closed. Notes given on afternoon of to cover heavy overlast day

drafts. Bonds held by bank as collateral, and not owned by it, apparently disposed of for \$8000. Fifteen thousand dollars in notes cancelled day the bank closed by accepting property turned over by Moore & Hardin. Property and notes now both

Exactly \$320,924.01 loaned to 10 interests, or 89 per cent of the

Forty thousand dollars loaned to Phillips & Aldrich less than two weeks after bank was pur-

Notes of Phillips & Aldrich and their companies juggled back and forth continually for five

Fictitious remittances entered as having been made to other banks, notably \$40,000 to the Oregon Trust & Savings of Port-

Loans to Phillips and A. L. Miller juggled so they would not

counts. mysteriously increased one day by \$100,000 by certificates of deposit, wiped out the

next day. Deliberate faisification of the books to mislead bank examiners, depositors and minority stockholders.

Vancouver, Wash., July 15 .- Unfolding a riot of high finance, leading all the way from loans by the officers to themselves and juggling of figures to show fictitious cash balances down to desperate manipulations on the last day and the concealment or destruction of valuable records, the story of the Commercial bank of Vancouver is told in detail in the report of Experts John W. Ferguson and John Y. Richardson, rendered yesterday to the depositors' com-

Based on the records of the bank, the experts had no hesitancy in declaring that the bank was hopelessly insolvent, not only when its doors were closed by State Bank Examiner Mohundro on December 17 last, but for a long time With equal positiveness the opinion is given that the officers and directors of the bank knew at all times hat they were upon the precipice.
Following the announcement of the

eport came the statement from Prose-ting Attorney Tempes that informations will be prepared without delay upon which the officials held responsible for the wreck will be arrested and placed on trial. Martin L. Pipes of Portland, who performed a like service in the Title Guarantee & Trust cases, will draw the indictments in consultation with Tempes and will be the chief

figure in the prosecution. Warrants to Be Issued.

Warrants are expected to be issued Seattle Steel company is to be taken in next Tuesday or Wednesday, after the William Pigott, the principal financial report of the experts has been fully di- force in the concern; E. M. Wilson, its gested and care taken to draw papers that will stand the assaults of tech-The tenor of the report urer, are now in San Francisco. is such that charges are believed a certainty against President H. C. Phillips, Cashier Gilbert W. Daniels, Director (Continued on Page Six.)

Syndicate's Grip on Alaska

Undisturbed, Departs for a

Week of Speechmaking-

(By the International News Service.)

vestigation of Attorney General Wick-

ersham in connection with the newest

Alaska spoliation scandal was delayed

unexpectedly today by the absence of

the committee on the judiciary.

Judge Clayton is to report the reso

for all information in

award of coal contracts for use

ifter the statute of limitations

criminal action impossible.

resolution through

learned

Wickersham.

tion with the alleged frauds in the

Alaska and for an explanation why no

prosecutions were undertaken until

adjourned today until next Wednesday

Judge Clayton 4s expected to push the

Another important end to this scan-

while secretary of war, had sim-

gave any reason why he failed

that General Dickin-

dal became known today when it

ilar information as to the frauds in

the war department's Alaska coal awards submitted to him by Delegate

Wickersham. Dickinson ignored the complaint. So far as is known he

to investigate these contracts under

The department of justice is apparently unruffled by the threat of im-

peachment and allegations of crimes

and misdemeanors by Attorney General

The attorney general left here this

afternoon on the Congressional Lim-

ited for New York for a week's ab-sence, which will be spent principally in the west, where he will make some

Syndicate Still Liable.

The department of justice points out that while in all probability the stat-

ute of limitations in the Alaska affair

has run against prosecutions for per-

jury, it has not run against the syn-

dicate or its members for prosecutions

has played in recommending the dis-

missal of Dr. Wiley. This committee

will attempt to reconcile Mr. Wicker-

sham's opinion teat Dr. Wiley should

be dismissed for hiring a \$1600 expert

with thee fact that the attorney gen-

eral himself saw nothing wrong in pay-

the thousands. Frank B. Kellogg, for

\$22,000 in expenses in lump sums and

(Continued on Page Seven.)

STEEL MILLS IN

Worked Out Is Claim.

(By the International News Service.) Seattle, Wash., July 15.—Following

the trend towards consolidation of the

steel interests throughout the world, s

merger of three principal steel concerns

of Seattle, Portland and San Francisco

is being worked cut in the latter city.

As regards this city the plant of the

president and general manager, and D.

E. McLaughlin, vice president and treas-

Seattle is to be the headquarters of

the merged concerns. The Seattle Steel company's plant, some five acres in ex-

(Continued on Page Four.)

MERGER, REPORT

PACIFIC COAST

unitemized accounts.

the proofs of frauds submitted.

The house

ution of Delegate James Wickersham calling on Attorney General Wicker-

Washington, July 15 .- The prompt in-

Dickinson in Scandal.

Two Sordid Chapters Disclose

DELAYED FOR TIME

Attorney General, Apparently Developments Probably Will Bring Under the Light Men Close to the Administration and Guggenheim.

> (Washington Bureau of The Journal.) Washington, July 15 .- Plans are eing made to bring into the investigation of Alaska and Controller bay matters an attorney of national note. whose experience will make it possible for him to analyze the evidence and to possibilities that it is known to con- at Mercy hospital." tain. Efforts have been made to get either Francis J. Hency or Louis B. investigation. Heney municated with, and it is thought by some that he will accept the position. dexter based his resolution calling for all information on the matter, were conservative. Developments since June when the resolution was introduced, justify the statement that this case holds more dynamite than the Cunningham case, and that the facts brought out will exceed in public in-terest those elicited in the Ballinger-

Exaggeration Is Impossible. Many wild statements have been at of light surrounding made, which in detail are inaccurate, the body and the head. but they do not exaggerate the dy-namic character of the scandal, which will involve persons not hitherto believed to have interests in Alaskan op-Investigation in New York istration were interested in the operawill be established beyond question that parts.

every act connected with that syndi"The patient was reported as having

House. taken up the part the attorney general the war department, although that map the aura." was seen by more than one person, Miss Abbott was one of them.

Disappearance of the map, however, continues to create interest, and the war department attaches feel keenly the intimation that it might have been ing his own experts sums running into abstracted from the department's files. instance, received \$59,000 fees and

says she saw there. Persons who know the inside of the The committee on expenditures in the case regard it as so remarkable that they hesitate taking up the burden of ferreting out all the facts that may be brought to the light of day.

Task Unpleasant One. They say that the duty is unpleasant because the necessity will arise of involving persons to whom an attack would be most unwelcome. But the determination has been declared to go to the bottom once and for all, and to clear up the maze of scande, which has wrapped Alaska until it has become almost unsafe for anyone to touch anything connected with that territory. However, while the alleged corruption is being brought to light, it is the de-

(Continued on Page Two.)

Consolidation of Steel Inter-

ests in Seattle, Portland and San Francisco Being PRAIRIE FIRE AT DES MOINES' DOOR

Spectacular Blaze Threatens Iowa Capital Until Checked by Fruit Trees.

was still an almost unbroken prairie was presented in miniature here this afternoon, when thousands of people in Des Moines office buildings viewed a hours after he had been rushed back

the city's door. Leaping as if by magic from an un-known cause, the flames swept over 20 known cause, the flames swept over 20 known cause, the flames swept of the come to New York without being subcity and paused at the edge of the mitted to any fumigating process and Des Moines river north of which lies even without changing their clothes. the city of Des Moines. For two hours

During the fire fight thousands of ness practically was suspended for the The first check to the fire fiend, which threatened to sweep over

DR. P. O'DONNEL

Chicago Physician Explains a Remarkable Experiment Performed on Dying Patient in Charity Ward of Hospital.

X-RAY EXPERT TRIES TEST ON FOUR GIRLS

Phenomena That Accompanies Passing Away.

This startling announcement made by Dr. Patrick O'Donnell, an X-Brandels, the latter of whom conducted ray expert of Chicago today. He adds the examination of witnesses for the to the statement that he believes he has Pinchot side in the Ballinger-Pinchot discovered what in fact constitutes the soul or spirit

invited number of Chicago physicians Hints given in original dispatches to attended his latest demonstration at The Journal, upon which Senator Poin-Previously he had held demonstrations in his office in the Heyworth building, using four young women as models for the detection of the "human aura."

hemicals held between two small plates of glass all of the physicians invited admitted that they had seen the "human aura" or "halo" of light waves that surrounded the bodies of the women. This "aura" developed as a strong radiata of light surrounding the outline of

O'Donnell, believing he had found the secret of death and the way the soul reveals that men close to the admin- passes from the dead clay when dissolu tion comes, went further. Here is his tions of the Morgan-Guggenheim Alaska own story of his version of what hap-syndicate, while it is probable that it pens when death comes and life de-

cate's deal was known to the White only a few minutes to live. I looked at ouse.

After denial has been made of the for almost half an hour. The aura was existence of the celebrated "Dick to plainly distinguishable. The doctor at Dick" postscript connecting C. P. Taft tending said the patient was sinking with R. S. Ryan and his Controller rapidly and I did not take my eyes from Bay railroad, for which the president the screen. Suddenly it was announced of conspiracy to defraud the government.

The house committee on expenditures in the agricultural department has a man of the structure agrees the middle of the structure agrees the structure agree the structure agrees the structure agrees the structure agrees map of the structure across the mud body and disappear. Further observation of the body revealed no sign of

record for integrity, and the most earnest search has been made to find a trace of such a map as Miss Abbott

He wants to solve the question "has an animal a soul or spirit kindred to that of man?"

Tomorrow he expects to test a horse

NEGLECT CHARGED

Health Officials of Eastern Metropolis Engage in Struggle to Prevent Dread Malady From Gaining Ground,

(United Press Leased Wire.) New York, July 15.-With cholera at gates, the health officials of Ne York are taking more energetic precau tions than ever tonight to prevent the disease gaining a foothold in the city. Allegations of carelessness on the part of the quarantine officials were freely made and it is likely that, as the re-sult of today's developments, stringen regulations will be adopted to prevent employes and attaches of the quaran-tine station mingling with outsiders. Des Moines, Iowa, July 15.—The hated enemy of the pioneer when Iowa at quarantine, lay for 24 hours in the public ward in St. Vincent's hospital

Des Moines office buildings viewed at to quarantine he died.

spectacular prairie fire that knocked at to quarantine he died.

Allegations that Dr. A. H. Doty.

were also made today by Attorney Charles Dushkind, counsel for persons and go from the contagious disease Dr. Doty insisted tonight that every-

thing possible was being cone to pre-yent cholera getting into this country. "There is absolutely no danger of the in thousands of fards of flapping can-disease getting here," he said. "There vas, terrified men and women strug-

days later the girl's father forced them to go though the ceremony. Schultz with great rapidity.

The river, coupled with the wind that cury went down only to 70 negrees all of this prior to their marriage. This carried the flames southward, preventations and denies.

Cabinet Members Involved in HOT SPELL KILLS Investigation of Sen. Lorimer



His Proper Place

-Drawing by Homer Davenport,

he had sent a telegram favoring Lori-mer. I told him that Mr. Hines had telephoned to me that President Taft With Dr. Cathey He Will Visit Scene of Recent Crime in ator Aldrich. Effort to Connect Perpetrator With Hill Murder. Burgess, James Keeley and Henry Tur-

If Swan Peterson, the section laborer in Jail at Olympia charged with the killing of Arthur Coble and his wife at Rainier, last Monday night, is guilty of the crime a strong link in the evi- Lumber company, in which Wiehe is aldence will be added tomorrow when Sheriff Mass of Clackamas county and Dr. C. C. Cathey will make a thorough examination of his clothes and endeavor Tomorrow he expects to test a horse or a dog to see if it, too, has an aura.

Tomorrow he expects to test a horse to trace him every day since the Barbara Holzman murder last March. So fully does the Coble crime duplicate the Hill crime at Ardenwald that Sherthe Hill crime at Ardenwald that Sheriff Mass has concluded to go over the ground and get the facts first hand. Dr Cathey will go to test the clothing of the accused man, for there are two mer in the Olympia jail charged with the crime, in an effort to trace the blood spots that must have fastened themselves to the clothing of the murderer. On the floor of the Coble home where the crime was committed, small spots of blood were found as far as four feet from the side of the bed in which the dead couple lay. The blood had been forced from the head of Mrs. Coble when her skull was split open by the blow (Continued on Page Eleven.)

THROWN IN PANIC

Five Thousand Chicagoans Seized With Fright When Wind Downs Tent.

(By the International News Service.) Chicago, July 15 .- Five thousand persons at Buffalo Bill's wild west show were thrown into a panic this afternoon when half the large tent w s blown down in the electric storm. Several men and women were injured by collapsing seats and falling tent poles. The great damage was done in the "extension" tent, which is just beyond the entrance pavilion, and which was occupied by an audience of more than 2000 The band had just finished persons. the second overture and the performers,

A blinding flash of lightning was the roof from the tent, tore the canvas walls from their anchorage and sent seats and tent poles flying. in thousands of yards of flapping canthemselves with the help of canvas men and other employes of the show. The presence of a squad of police and the coolheadedness of show attaches

grees. No prostrations were reported.

WAVE IS BROKEN Suns Rays Beat Down P. F. Mahler in Field Near Fairview-Portland Man Over-

SEC. MACVEAGH

Governor of Illinois Testifies to

Lorimer Election.

called as a witness.

Kohlsaat

Having Told President's

Agent of Part He Played in ..

Washington, July 15 .- As a result of

evelopments at the Senator Lorimer

learing this afternoon, a second mem-

ber of the president's cabinet will be

The climax of Governor Dencen's tes-

imony came when the name of Secre-

tary of the Treasury MacVeagh was

"In August, 1909, three months after

the election of Lorimer," said Deneen, "I

was asked to meet Secretary MacVeagh

President Is Mentioned.

Four witnesses were summoned for

Monday-Herman H. Hettler, William

Edward Hines, that he (Hines), "elect-

ed Lorimer." Burgess will be asked rel-

in March, 1911, on a train in Minnesota

with O. F. Wiehe, secretary of the Hines

leged to have remarked that he con-

CHURCH DOWN:

Windstorm Strikes Presbyteri-

in the main business section, especially

felled to the ground that the lives were

carpenter, and Singh Hunt, a Hindu. Both were crushed by the falling walls

and died a short time later at the St. Thomas hospital.

pieces of timber and debris, none was

were caused by the cyclone, but the damage by flames was very nominal.

to the high buildings and churches.

penter and Hindu.

TWO LOSE LIVES

about the Lorimer "slush

come, Falls Off Dock. TEMPERATURE FALLS AS COOL WINDS BLOW

Forecaster Beals Says Indications Are That Relief Is at Hand.

....83|7 12 noon.....83|8

The first death due to the prevailing hot weather occurred yesterday, when P. F. Mahler, an employe on the farm Secretary of the Interior Fisher al- of C. W. Clute, near Fairview, died in ready has been named. He was appealed the hay field. After the body was to by Senator Root, Republican, New brought to Portland, Deputy Coroner York, to get from Publisher Kohlsaat of Dunning examined it, with the result Chicago the name of the men who told that he learned death was caused by the heat.
The man appeared at the Clute farm

Friday morning, and asked for work. He worked that day, and yesterday until about 2 o'clock, when he became ill, A physician was called, but the man died before he arrived. He was about 58 years old. Overcome by the excessive heat of

yesterday afternoon, John Vigar, a laat the federal building in Chicago. He borer, fell from an East Burnside street dock to some logs ten feet below, break. wanted to know for the information of the president the part I had played in ing one of his legs. When searched at police headquarters, where he was taken for attention, \$410 was found in his "I told him to tell the president that he. President Taft, was the one who had elected Lorimet, that he was the one who was under suspiction and that pockets. He was quickly revived after being relieved of his clothing at the

With a promise of cooler weather today, a slight breeze sprang up last night between 7 and 8 o'clock, putting had sent that word to me through Sen- an end to a day which, if not the hottest of the season, was a sizzler, the lack of any wind during the day causing the people of Portland to suffer more than they did last Thursday, when the thermometer reached the highest rish. Hettler will be asked regarding an alleged statement made to him by point of the summer so far-97 degrees Freakish atmospheric conditions are held responsible for the weather that ative to an alleged conversation he had has made Portland pant for the last three days, according to the weather man, and yesterday presented an unusual condition for this part of the country by an increasing temperature leged to have remarked that he con-tributed \$10,000 to the Lorimer slush est point for the day at 6 o'clock, when Old Sol ran the mercury up to 94 de-

grees.

After 6 o'clock perspiring Portlanders began to draw long breaths of relief as the breeze began to freshen and the tiny thread in the thermometer began to drop. Two degrees were lopped off by 7 o'clock and by 8 o'clock the gov-ernment thermometer read 85 degrees. a fall of eight degrees in two hours. Among those who felt the heat yes

terday was the usually genial weather prophet, District Forecaster E. A. Deals, who said that conditions were none of his making, but one of those unusual conditions—last year on the same date the thermometer stood only at 70 de-grees from 4 o'clock in the afternoon until 7 o'clock in the evening-which an Meeting House and the sometimes prevail, the heat being caused Walls Fall, Crushing Car- there being no movement in it. He said, however, that the wind was blowing at by a sluggishness in the atmosphere the rate of 18 miles an hour at North Head yesterday, and that there was but little doubt but that it would find its way up here.

Above the Mormal.

(United Fress Leased Wire.) El Centro, Cal., July 15.—Two persons lost their lives and several others were injured here this afternoon by a Temperatures, he said, were still de-cidedly above the normal on the Pacyclone, which destroyed property to cific slope, and the 100 degree mark the extent of about \$50,000. The storm came shortly before 3 Roseburg, Or., and at Red Bluff and o'clock and was very terrific while it Fresno, Cal. A peculiar feature of the hot spell.

as pointed out by Mr. Beals, was the fact that after Thursday the hour at The Presbyterian church was razed which the maximum temperature was not it was when this structure was recorded was later each day until recorded was later each day until yeserday, the greatest heat occurring the felled to the ground that the Novant, a first day at the normal period of 3 lost. The victims were Leslie Novant, a first day at the normal period of 3 corporate, and Singh Hunt, a Hindu. o'clock. Friday it came at 5 o'clock. the mercury then beginning to fall. The official forecast for today for Portland and vicinity is fair and cooler

Of others who were struck by flying with northwesterly winds. Old Sol made every possible use of seriously injured. Several small fires his time yesterday and out of a pos-

(Continued on P. . Bleven.)

MAYOR McCARTHY FREES PRISONERS FOR HIS OWN POLITICAL PURPOSES

(Special to The erating them for the sole purpose of followed by a wind flurry that lifted distributing banners and election cards the canvas is the latest phase of the coming elec-e and sent tion which Mayor P. H. McCarthy is Enveloped having worked at the rate of one a day through Sheriff Tom Finn and District Attorney Fickert. This start-ling fact was brought out by an investigation today into the records of the district attorney's office, shows that McCartny and his friend, shows that McCartny and his arrange and Film of tactics until the election in Novembre scheme literally "to death" for the past scheme literally "to death" for the past ber is over.

Examination of the records in the

influence was brought to bear when San Francisco, July 15.—Paroling the case was called in the courts and prisoners from the county jail and libsent to the county fall to serve 90 Bahrt started his sentence, but after

serving 13 days in Finn's bastle, was liberated by Finn and District Attorney Fickert. Bahrt is now distributing banners for McCarthy and Pinn, an-nouncing their canaddacy for re-election. From people who are in touch with the affairs of the present admitte istration comes the word that McCartay and Finn will practice the same nort

The presence of a squad of police and the coolheadedness of show attaches alone averted a seriods catastrophe.

At Medford 106 Degrees,

(United Press Lessed Wire.)

Medford, Or., July 15.—The thermometer this afterneon stood at 106 degrees. No prostrations were reported.

Scheme Rierally to death 107 the place and the police of the pressure of the records in the month. The latest case to come to light through investigation is the liberating of Frederick Bahrt. Bahrt was curp victed in the police court of vagranty for the past month at an arrange of the place of the plac

TO INDIAN WHO WEDDED ANOTHER (Special to The Journal.) (Special to The Journ March to Schultz, a full blood Black- with the brush, and it was through air.

SEEKS ANNULMENT OF HER MARRIAGE

already had a wife at the time of their marriage.

This wife, she declares, is a full-blooded Indian girl named Margaret Strong, whom Schultz married on the Blackfoot reservation is 1978. Her suit is accompanied by 1978, her suit is accompanied by 1978, her suit is accompanied by 1978. Browning, Mont.

bearing out bak statement. Schulle Denies Charges. Schultz is almost as well known in she denies.

art circles of San Francisco and New the two met. They eleped to Santa ascended the roofs of various high Tork, in which she is well known and Ana and were marked to Santa buildings and watched the roofs of various high the sand watched the roofs of various high the sand watched the roofs of various high the roofs of various hig York, in which she is well known and Ana and were married and it was in the exclusive Arroyo Dinner club not until a month later that the secret of this, city, of which she is a member, leaked out. Schultz declared today that of this city, of which she is a member, has filed suit for the annulment of the allegations made against him in his fired suit for the annulment of the allegations made against him in his standing in the shock, was met in an immense or chard.

Mrs. Schultz charges that her husband already had a wife at the time. The fire ate its way slewly through the fallen tent managed to except the fallen tent managed to extricate the fallen tent managed to except a study and outs standing in the shock, was met in an immense or chard.

The fire ate its way slewly through the fallen tent managed to extricate th mits that be did go through a ceremony with an Indian maid, but later found out that it was invalid. This ceremony followed a meeting at a reservation dance, followed by his flight with the girl. They rode away on the same horse and upon their return three days later the girl's father forced them to go though the ceremony. Schultz to get it under control before it reached the fleids of grain.

Prairie fires are almost unknown at this time of the year in Iowa, but the long drouth caused the grass to be unusually dry, and the flames spread to a pitch of as extreme heat as one invent before the week when the merchant.

Claims to Have Witnessed the

(By the International News Service.) Chicago, July 15 .- "I have actually observed the spirit leaving the body of bring from the case the tremendous a dying man who was a charity patient

According to Dr. O'Donnell's story, an

Using a film of dicyanin and other

Secret of Death Explained

Following up these experiments Dr

Dr. O'Donnell says he does not claim that this aura is the soul or spirft. He says he does not know what it is but declares that he has witnessed the fact that it is radio activity that is present during life and passes away after death Dr. O'Donnell promises to go further. No department here has such a clean He wants to solve the question "has an