

BREAKS SILENCE IN RELATING TALE OF HIGH FINANCE

Former Manager of North-western Long Distance Telephone Co. Throws New Light on That Concern.

Breaking the silence of years, C. C. Craig, former manager of the Northwestern Long Distance Telephone company, told today the story of how the company was financed.

"It is a tale of high finance that makes Get-Rich-Quick Wallingford look like a uniform plucker," said Craig, who is now a member of the firm of Slauson & Craig.

National attention has been turned on the affairs of the Northwestern company since the Bell interests admitted to the attorney for the receiver of the Northwestern that they bought the bonds of the company with intent to disrupt the service it has been giving independent telephone lines in the Northwest. The admission gave impetus to an investigation started at the instance of Samuel Hill, president of the Portland Home Telephone company by the attorney-general of the United States, looking toward the dissolution of the American Telephone & Telegraph company as a violator of the anti-trust law.

For some time the company has been in the hands of a receiver. Cases have been filed against William Mead, proprietor of the company, before the federal courts in Portland and Los Angeles. Mr. Craig has just returned from California where he was followed across the state by a subpoena, always just one day behind him. His testimony in both cases is desired.

Charges Are Made.
In one case Mead is charged with diverting to his own use money that should have been paid on the company's bonds. In the other with transferring securities to the Bell interests with intent to disrupt the company.

What Craig told today comprises largely the evidence that he will be called upon to give before the United States court.

"I was assistant general manager of the Home Telephone lines in Los Angeles," said Craig. "It was a concern financed by the Adams-Phillips, who were backers of the Pacific Railway and other concerns. From another circle of banking interests William Mead looked on. He decided to duplicate the Los Angeles enterprise in the Northwest. He started the Northwestern Long Distance telephone company and I came here as general manager. When I arrived I had nothing at all save a desk.

"The panic of 1907-8 came. I found one morning that our bank had closed, and that our total assets were \$12,350. We had 188 employees, \$50,000 of current indebtedness and \$300,000 to expend in completing the plant.

Sells \$45,000 in Bonds.
"I telegraphed Mead in Los Angeles the exact situation. He wouldn't listen. I borrowed \$500 on my own account, turned \$400 over to the auditor, kept \$200 and went to Los Angeles. I could not get audience with him until late afternoon after I had arrived. The panic had hit Los Angeles and the bank was closed, with a long line of people out in the street. When I finally reached Mead he was terribly angry with me for the job. But before our conference finished I had persuaded him to let me sell some of the company's bonds in the Northwest. Then, at 5 o'clock the same day, I got on a train and started back. After the third day, I had sold \$45,000 of the bonds to one man. I ran all the way to the bank to get his check certified for we needed the money so badly. Then I wrote to the dealers in supplies, told them the exact situation.

Bonds Are Returned.
"I discharged the engineer, and without any experience, took his place. I got credit for \$27,000 in copper wire. Without a cent's aid from the south, that plant was finished in a year and it was profitable from the start. Then Mead came. He wanted to clip coupons from the profit bonds and cash them at the Portland banks, using and injuring our credit.

"I wouldn't stand for it and sent them back to him. We opened up operation books and he came in with a slip of paper ordering the price of bonds which had sold at \$5 and never lower, down to \$3. I believed he wanted the difference to be his personal profit. He wanted to add unearned interest. All these things, false securities, he wanted to spread on our operating books as assets. I refused, as manager, to permit this. Then he discharged me. That was in January. I refused to be discharged, because I had sold bonds to people and I thought they should be protected. In April I finally resigned.

Stock Is Increased.
"I have been informed that I scarcely reached Oregon City until Mead issued an order increasing the stock to \$1,600,000. The plant had not cost over \$600,000, and on that valuation it was earning money. But I couldn't get out on \$1,600,000 with \$1,000,000 in watered stock. Eight months afterward it went into the hands of a receiver. There it is today, and criminal charges have been brought against Mead because he so worked as to deliberately disrupt the company. Why, that company was so run that it didn't have an annual meeting for two years, and during all that time he was connected with it, Mead never inspected the physical property of the plant."

ANOTHER HOOD RIVER RURAL CARRIER QUILTS

Hood River, Ore., Jan. 24.—Clarence Pullen, rural carrier on route No. 2 out of Hood River, has quit his job on the ground of insufficient pay and too much mail. The Hood River carriers are carrying almost ten times as much mail daily as the average rural carrier in the United States. No citizens are on the list and the rural carriers are greatly inconvenienced.

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Meteorological Summary for Year Ending Dec. 31, 1912, Is Issued by Weather Bureau

Miscellaneous data shown in the annual meteorological summary for the year ending December 31, 1912, just issued by the local weather bureau is of more than ordinary interest and the tables giving comparative figures are also of much interest. This summary is issued free to anyone who wishes to pay the weather bureau. The miscellaneous items are as follows:

Barometric pressure, sea level: mean, 30.96 inches; highest, 30.67 inches on December 6; lowest, 29.31 inches on April 23.

The last killing frost in spring occurred March 2, and there was none thereafter until the end of the year.

Twelve thunderstorms occurred in Portland during the year.

Hail fell on the following dates: June 26, November 9 and December 18.

The total snowfall for the year was 7.9 inches. This is 7.1 inches below the average for 41 years. The greater part of this amount fell in January, and the greatest fall in one day was 3 inches on January 8.

An ice storm, the first since that of January 23, 1907, occurred on January 6. The average amount of sunshine received during the year was nearly normal.

The total amount of precipitation for the year was 1.71 inches less than the normal. The excess (+), or deficiency (-), of the monthly amount of precipitation as compared with the average for each month is as follows: January, +1.51; February, -1.07; March, -3.77; April, -1.01; May, -0.47; June, +1.25; July, -0.08; August, +2.74; September, -0.68; October, -0.03; November, -0.73; December, +0.67. The longest periods without precipitation were 14 days, from May 6 to 18, and from September 9 to 23, inclusive. The longest period of rainy weather was 14 days, from November 1 to 14, inclusive.

The August rainfall, 3.39 inches, was the greatest monthly total for August since the establishment of the local office of the weather bureau in Portland in 1871.

The mean temperatures for the various months and for the year differed from their respective normals as follows: January, +2.3 degrees; February, +4.0 degrees; March, +2.1 degrees; April, -1.3 degrees; May, +2.4 degrees; June, +2.3 degrees; July, +1.1 degrees; August, -0.1 degrees; September, +1.6 degrees; October, -1.7 degrees; November, +1.5 degrees; December, +0.3 degrees; and for the year, +1.1 degrees.

The highest temperature of the year, 96 degrees, occurred on July 17, and the lowest, 20 degrees, on January 8.

The highest water in the Willamette river at Portland occurred during the annual rise in the Columbia, a stage of 19.7 feet being recorded on June 2.

MAY CEDE PARK TO UNITED STATES

Plan to Surrender Jurisdiction of Crater Lake Park Is Submitted.

Will G. Steel has submitted to Governor West a proposition for Oregon surrendering to the federal government jurisdiction within the Crater Lake National park. The governor referred the matter to the Jackson-Klamath county delegation, and a bill has been prepared as follows:

"Section 1. That exclusive jurisdiction shall be, and the same is hereby, ceded to the United States over and within all the territory which is now or may hereafter be included in that tract of land in the state of Oregon set aside by the act of congress approved May 22, 1902, for the purpose of a national park, and known and designated as 'Crater Lake National Park,' saving, however, to the said state the right to serve civil and criminal process within the limits of the aforesaid park in any suits or prosecutions for or on account of rights acquired, obligations incurred or 'wrong' committed in said state, but outside of said park, and saving further to the said state the right to tax persons and corporations, their franchises and property, on the lands included in said park. Provided, however, that said jurisdiction shall not vest in the United States until the congress of the United States shall accept the cession herein made."

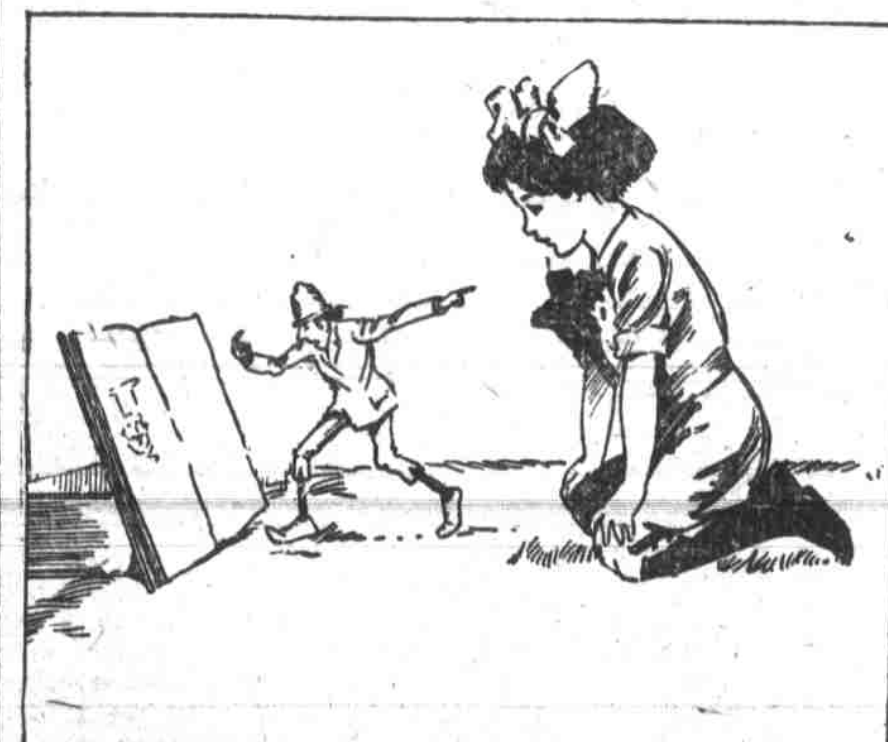
This action is made necessary, so Mr. Steel says, because of the fact that a great development and the expenditure of a large amount of money, will commence early in the spring, because of which, unless this action is taken, there is danger of friction and possibly conflict between the state and the federal government. Mr. Steel says that such action has been customary in other states where national parks exist.

OCTOGENARIAN FREIGHTER FORDS ICY MALHEUR; DIES

(Special to The Journal.)
Vale, Or., Jan. 24.—Milton G. Eneley, a pioneer of eastern Oregon, who has freighted out of Vale and other interior Oregon points for the last 48 years, contracted pneumonia a few days ago after fording the icy Malheur river, dying this week at the age of 85 years. He was always hale and hearty, and might have lived much longer had he kept out of the water.

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**New Feature, Beginning
Tomorrow**

20 YEARS BRINGS MARKED CHANGE

Portland No Longer a Sleepy Town Says Man Who Returns on Business.

Twenty years ago Arthur Camp came to Portland looking much the same as he does today, only at that time he was a young lawyer just about 24 hours and a nickel removed from a free lunch counter, instead of being the special representative of Harpers Weekly, with a big letter of credit and a mission, that he is today.

Anyway Mr. Camp is back, and this time he does not look as unkindly upon Portland as he did when he visited it the first time. The first time he got discouraged and pulled up stakes, because his aspirations for honors and glory "as Portland's leading attorney, were cruelly nipped in the bud."

"And I guess it was just as well," said Mr. Camp at the Multnomah hotel today. "Portland 20 years ago was not the Portland today by many an odd thousand. It was a sleepy, snugly satisfied little provincial town of about 70,000. Today it boasts more than three times that population, and has blossomed out into a great cosmopolitan city, busy, imbued with a go-ahead spirit, and hitched to the lucky star of expansion and prosperity."

Mr. Camp is in Portland for the purpose of securing a number of industrial articles on Oregon for the publication he represents. Later he will traverse Washington and other northwestern states, on a similar mission.

"Portland will never be a boom town," said Mr. Camp, discussing the trade outlook here. "The money invested in Portland belongs to her own citizens. They own their own homes, their business blocks and stocks. Very few of the business structures are mortgaged to eastern concerns or the insurance companies. As a result if a financial setback comes, her business men are in a position to go home, and rest easy. Business is transacted conservatively here."

"With the opening of the Panama canal, Portland will be in position to ship lumber of ordinary length and quality to the eastern markets at a profit. And she along with other Pacific coast states, will secure the best class of European immigrants while the eastern seaboard will have to handle the poorer class. The high class artisan from foreign soils will come direct to the Pacific coast. They will go to the farms and into the factories, and with their acquisition by the Pacific slope, and the reduction of freight rates, I would not be surprised to find the manufacturers on this coast invading eastern trade centers with their goods, in the future."

Mr. Camp will be in Portland for several days. He is accompanied by Mrs. Camp.

Things to Remember

Shipper's Hot Springs open all year. House physician in attendance at all times. Competent attendants and massagers for both women and men. House steam heated and excellent table. A positive cure for rheumatism, stomach and kidney troubles, and eczema. E. L. Shipper, Mgr., Carson, Wash.

4 MAYORALTY CANDIDATES TOTAL 244 YEARS IN AGE

(Special to The Journal.)
Aberdeen, Wash., Jan. 24.—Four candidates have declared their intention to run for mayor at the coming city election, whose combined ages total 244 years. The candidates are Judge J. C. Pearson, 72; Eugene France, 68; J. A. Hood, 57; Joseph Jacob, 47.

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