

**BOOTH-KELLY CASE
HEARD BY JUDGES**

Complainants Seek to Recover \$165,000 From Railroad Company,

The state supreme court yesterday heard arguments of attorneys in the suits brought by the Booth-Kelly Lumber company and Hammond and Winton to recover from the Oregon-California Railroad company approximately \$165,000.

The records in the case show that the Booth-Kelly company contracted with the defendant corporation for the purchase of 47,000 acres of railroad grant lands for which it was to pay \$7 an acre. A similar contract was negotiated by Hammond and Winton for the purchase of 19,283 acres of the grant lands at \$10 an acre.

It was alleged that after paying this amount of money for the lands the grant was revoked by an act of congress with the result that the plaintiff corporations were compelled to pay to the federal government an additional \$2.50 an acre to obtain satisfactory title.

Suit later was started by the Booth-Kelly Lumber company and Hammond and Winton to recover from the railroad corporation a refund of \$2.50 an acre, which was the amount the plaintiffs were compelled to pay to the government. The circuit court for Multnomah county held for the plaintiffs with the result that the suit later was appealed to the state supreme court.

The Booth-Kelly company claims a refund of \$177,000, while Hammond and Winton are asking to recover approximately \$48,500.

S. W. Williams, representing the United States attorney general's office in Washington, was here today to protect the government's interest in the suits.

**LINEN MACHINERY
CONTRACT IS DUE**

Oregon Linen Mills Expert Negotiating for Foreign Equipment

Contract for \$100,000 worth of preparing and spinning machinery for the new Oregon Linen Mills, Inc., was being worked out yesterday by J. J. Aldred, representing the Salem plant, and Mr. Oliver, representing machinery manufacturers of Europe. The machinery, it is understood, is to be manufactured in Leeds and in Belfast. Mr. Aldred and Mr. Oliver are in New York at present.

A special meeting of the board of directors of the linen mill will be held Monday. It is expected that the contract will be signed at this time. Mr. Aldred and Mr. Oliver are planning to wire the contract to Salem in order to get action as swiftly as possible.

It is understood that 90 days will be allowed from date of signing the contract for the manufacturing of the machinery. This would mean that the machinery would be ready for shipment to Salem about May. It is predicted that several shipments will be required. However, officers of the plant hope to have the mill in operation before the end of August.

The machinery to be purchased in Europe is entirely new. Some second hand machinery was recently purchased in Lockport, New York. This, however, is for weaving and finishing while the new machinery is for preparing and spinning.

The Salem plant is to be an extensive one. In Europe, it is said, preparing and spinning are handled by one plant and weaving and finishing by another. The Salem mill, however, will perform all these functions.

**ELEVEN INSTITUTIONS
REPORT 1926 SURPLUS**
(Continued from page 1.)

\$417,250. Of this amount \$203,228.95 was expended in 1925. There remains in the funds of this institution for the year 1926 the amount of \$23,523.28. This institution shows a slight deficit in its operating expense account and a slight surplus in its salary and wage account.

The state school for the deaf had an appropriation of \$112,994 for the biennium. Of this amount there was expended in 1925 a total of \$62,870.60. There remains in the funds of this institution for 1926 a total of \$60,117.14.

Out of \$63,840 appropriated for the conduct of the state industrial school for girls there remains \$28,611.47 for the year 1925. Expenditures for 1925 aggregated \$35,228.53.


The eastern Oregon state hospital, with a biennial appropriation of \$617,800, expended \$280,434.29 during 1925, leaving a balance of \$337,365.71 for the year 1926. There was appropriated for this institution for betterments \$271,000, of which \$121,472.51 has been expended. There remains available for improvements in 1926 the amount of \$149,527.49. Out of a total appropriation of \$75,080 authorized for the Old Soldiers Home for the biennium there remains \$36,474.93. There was expended at this institution in 1925 a total of \$38,604.07.

The Oregon employment institution for the blind had an appropriation of \$42,355.23, of which \$37,822.66 had been expended. There remains in the funds of this institution only \$4,532.57, which will not be sufficient to conduct the plant during more than one or two months of this year.

DUFUR MERCHANT DIES

THE DALLES, Ore., Jan. 5.—(By Associated Press).—Philip R. Knowles, 64, prominent Dufur merchant and ex-mayor of that city, died today following an apoplectic stroke. Funeral services will be held Thursday at Dufur.

**Feel Splendid!
Nicest Laxative,
"Cascarets" 10c**



Don't stay head-
achy, dizzy, bilious,
constipated, sick!
One or two pleas-
ant candy-like
"Cascarets" taken
any time will mild-
ly stimulate your
liver and start
your bowels. Then
you will both look
and feel clean, sweet and
refreshed. Your head will be clear,
stomach sweet, tongue pink and
your skin rosy.
Because "Cascarets" never gripe
or sicken, it has become the largest
selling laxative in the world.
Directions for men, women, children
on each box—any druggist.

Going after a thing is of course necessary, but getting it is all that really counts.



9-4 Pequot Sheeting 59c
Regular standard quality, bleached, high grade Sheeting

Turkish Towels 25c
Double Thread, good quality Turkish Towels

27 Inch White Outing Flannel 19c
Extra good quality, suitable for infants and bed wear purposes

36 Inch White Outing Flannel 22c
In this assortment are also colored stripes suitable for Night Gowns and Pajamas

36 In Rayon Crepes Clearance \$1.00
Everfast Suiting New Spring Price 49c

An extra large display of this popular material—suitable for the new spring dresses. The new 1926 price is to be 49c—look for name on selvage of every yard.

Colored Corduroys 69c
33 inch colored Corduroys, regular Waterside Washable

Silk Draperies
Our entire stock, ranging in widths 36 to 46 inches, such colors as Rose, Gold, Blue, Mulberry, also fancy stripes and brocades.
Clearance Price 1-3 and 1-2 Price

Woolen Dress Goods
56 inches wide Clearance, yd. \$2.59

In this assortment of odd lots are values up to \$3.95 a yard. All wool plain fabrics, also stripes and checks.

Silks
Values to \$3.00 \$1.79
A lot of short lengths and odd lots of silks suitable for dresses, linings and blouses.

Many Other Bargains in Silks, Woolen Dress Goods and Coatings

Downstairs Store

Clearance Sale Bargains

- Children's Hose a pair 11c
- Towels, 25x14 each 11c
- 40 inch Unbleached Muslin, yd. 14c
- 27 inch Outing Flannel, yd. 16c
- Girls' white Middies, regular \$1.50 and \$1.98 values at 98c
- Fancy covered flat Baskets 69c
- Women's Union Suits 98c
- Heavy Cotton Blankets, 64x76, regular \$2.25 \$2.98 at
- Women's Outsize Hose a pair 75c to 95c value, a pair 39c
- \$1.25 Sheets, 81x90 each \$1.00
- Women's Pajamas and Night Gowns, \$1.25 and \$1.50 at 98c
- Women's \$1.98 Dresses at \$1.49
- Women's \$1.49 Dresses at 98c
- Women's 79c Dresses at 59c
- Women's \$5.95, \$5.50, \$4.50 Dresses at \$2.98

Follow the Crowd to **Kafoury's**
Our Annual January
Store-Wide Clearance Sale
Of All Stocks Begins
THURSDAY, 10 o'Clock a. m.

And there will be crowds of eager buyers—there always has and there always will be, for it marks the period of greatest value giving and lowest price of dependable merchandise.

January Clearance Sale
Silks--Woolens--Wash Fabrics--Linens
Bedding--Gloves--Hose--Underwear
Women's Coats--Dresses--Corsets
Etc. Etc.

Here are just a few of the many items offered—we can't list all of the bargains. Come and share in this clearance.



Womens' Coats
THREE GROUPS AT CLEARANCE PRICES
\$14⁷⁵ \$24⁷⁵ \$39⁷⁵

Our winter coat stocks must be reduced; they simply must be cleared out, and we feel that at the prices they're now marked they'll go out a-flying. Quality is of Kafoury standard for every coat is from our regular stock.



- WOMEN'S SILK BLOUSES**
To Clean Up
Former values up to \$6.50
Now Odds and Ends \$1.98
- Women's Cotton Wash Blouses, former \$2.98 values, Clearance price \$1.49
- Pettibocker Bloomers, made of good quality Venetian Sateen, \$2.79 value for \$1.98
- WOMEN'S DRESSES**
Silk or Wool
Special Lot, former values from \$15.00, \$16.00 to \$25.00 \$10.75
Included are dresses of Cut Velvet, Duvetyn, Flannels, Canton Crepe, Crepe Satin and Crepe-de Chine.
- One lot of Women's Corsets Clearance Sale price \$1.98
- One lot of Women's Brassieres Clearance Sale price \$1.00

ALL FUR PIECES AT KAFOURY CLEARANCE HALF PRICE

- One Special Lot of **Infants' Shirts**
Regular cotton and wool; silk and wool, and all wool, values to \$2.00, to clean up quickly 49c
- Women's Wool Sweaters**
Special lot of brushed wool; Fancy Knit; silk and wool and Popcorn Stitch, regular \$7.95, \$8.50, \$8.95 values, Clearance Sale, each \$5.95
- Women's and Children's White Muslinwear**
Children's white Gowns, Combinations and Panties, choice 49c
Women's white Gowns and Combinations, outsizes, values to \$1.98, Clearance price 98c
- Women's Outing Flannel Gowns**
One special lot in various styles, all sizes, slightly soiled, regular \$1.98 to \$2.25 Clearance Sale price, each \$1.00

HOSE AND GLOVE BARGAINS AT CLEARANCE PRICES



Kafoury Bros
SALEM STORE 466 State Street
PORTLAND SISK SHOP 383 Alder Street
"Can and Do"