

A BUBBLE BURST.

Fortunes Lost in a Most Bare-Faced Swindle.

The New York Evening Star prints what it terms an almost incredible tale of gigantic fraud. It states that the Electric Sugar Refining Company has been duped to the extent of over \$1,000,000, that its whole "secret process" turns out to be a humbug of the most bare-faced kind. The "secret process" was the invention of one Henry C. Friend, who appeared in the trade about four years ago with a sample of wonderfully pure sugar, which he said had been refined by his electric process. About a year ago he induced a number of English and American capitalists to organize a company and buy his secret process of him. This was done, and a factory erected, but no one was allowed inside save Friend, his wife and a few ignorant workmen. The rooms where the refining was supposed to be going on were always kept securely locked, as Friend said his process was not patentable, and he could not afford to have any one share his secret.

In the meantime the stock of the company has been bouncing up until it was worth nearly \$300 a share of \$100 par value. Friend then began to unload, but suddenly died.

The officers of the company suspected nothing wrong until a few days ago, when they found that Mrs. Friend and all who had been connected with the factory had disappeared. Mrs. Friend leaving word that she had gone West.

The officers of the company entered the secret chamber, and found no sugar refined there at all, merely a number of machines used in breaking cube sugar into smaller particles, and in granulating the coarser grades. Quantities of sugar, chiefly cubes, had been purchased by the operators, and prepared in some secret spot with a chemical liquid which eliminated ordinary impurities found in all sugars. This "doctored" sugar was then carried to the factory purporting to contain raw sugar. The chemical used had crystallized the tubes to a large extent, and when broken they had a finer appearance and quality than sugar had ever been known to possess.

The scheme was cleverly worked to the very last. The stockholders and officers of the company were kept in perfect confidence as to the future of the process until the largest possible amount of money had been secured, and then the bubble was allowed to burst.

There is no such process as electrical sugar refining, and the bug bear of the sugar trust is dead.

President Robertson said to a reporter: "I am heartbroken over the discovery we have made. I don't care so much about losing my own money, but I induced a number of my friends to invest in the scheme, and it is their financial ruin that distresses me. Then I had such high hopes that the scheme would bring fortune to us all. We have been shamefully treated and deceived. It means ruin to us. It is the most outrageous thing I ever heard of."

"Is there no prospect of being able to save anything out of the wreck?"

"Not that I can see. The revelations found in the factory prove the entire thing to be a fraud."

The result of to-day's investigation of the Electric sugar refinery give additional evidence of fraud, and President Cottrell left the city tonight for the purpose of procuring the arrest of Mrs. Oliver Friend and Win. E. Howard.

In London the sensation in Birmingham over the revelations regarding the Electric Sugar Refining Company, has been increased by alarming cablegrams. The local holding of stock is stated to be £20,000. One of the principal stockholders has departed for America, to inquire personally into the matter. The stock fell greatly in Birmingham and Liverpool to-day.

Brand on the Waters.

General Williamson, of Ohio, formerly commissioner of the general land office, has recently fallen heir to a large fortune. The exact amount is not known, but reports vary from \$250,000 to \$500,000. General Williamson has been general counsel of the Atlantic & Pacific railroad.

Some years ago an Irishman named Casey, who had a large contract for construction on the railroad, failed to comply with the condition thereon, and the officers of the road directed Williamson to prosecute on the contractor's bond. If this had been done, Casey would have been financially ruined, but General Williamson, after looking over the case, decided that Casey's failure was more his misfortune than his fault, and earnestly recommended that he be given an extension of time to finish the job. The General finally obtained permission to compromise the matter with Casey, and the latter carried out his contract, making considerable money, which was afterwards largely increased by other profitable contracts and good investments.

Casey was a bachelor, and before he died in Albuquerque last June, he made a will, bequeathing his entire property to General Williamson, in consideration of the latter's kindness to him, as described above.

The understanding, from all that can be learned, is that the contract of the Oregon Railway & Navigation company with the Pacific Coast Steamship Company will not be renewed, and that the navigation company will conduct its steamer business itself, running them independently of the coast company's steamers. It is thought that the offices recently secured by the Oregon Improvement Company in the new Peck building will be used as offices also by the navigation company.

At Yuba City Saturday a boy named Wallace picked up a shotgun from where he had left it, and threw it over his shoulder, without noticing that it was cocked. The gun was discharged, the load entering the breast of a boy named Greening, near by, inflicting a wound from which the latter died twenty minutes later.

HOME OFFICE.

Columbia Fire & Marine Insurance Company

Portland, Oregon.

OFFICERS.

FRANK DEKUM President.
W. K. SMITH Vice President.
J. A. CHILD Secretary and Manager.

DIRECTORS.

D. P. THOMPSON Portland, Oregon
FRANK DEKUM Portland, Oregon
W. K. SMITH Portland, Oregon
JOHN DONNERBERG Portland, Oregon
JACOB WORTMAN McMinnville, Oregon
R. M. WADE Portland, Oregon
A. H. BREYMAN East Portland, Oregon
JOHN B. DAVID Portland, Oregon
W. B. HONEYMAN Portland, Oregon
GEORGE H. WILLIAMS Portland, Oregon
E. S. KEARNEY Portland, Oregon
WALTER F. BURRELL Portland, Oregon
SAM P. STURGIS Pendleton, Oregon
T. L. CHARMAN Oregon City, Oregon
JOHN A. CHILD Portland, Oregon
JAMES F. WATSON Portland, Oregon
W. H. WALKER Portland, Oregon
ASAHEL BUSH Salem, Oregon
H. THIELSEN Portland, Oregon
GEORGE B. MARKLE, Jr. Portland, Oregon
W. T. WRIGHT Union, Oregon
R. L. DURHAM Portland, Oregon
CHAS. A. ALISKY Portland, Oregon
I. W. CASE Astoria, Oregon
J. E. SMITH Portland, Oregon

READ THIS!

It is of interest to Every Taxpayer in Oregon.

DEAD SIR:

Would say in reply to yours of even date that the sum of \$77.00 paid to me by the Columbia Fire and Marine Insurance Company, of Portland, Oregon, for School Tax in District No. 1, represents more money than paid to this office by all the Foreign Insurance Companies doing business in this city.

FRED A. DALY,
School Clerk District No. 1.

THIS PROVES OUR ASSERTION

That to protect yourself you should give your Insurance to the Columbia Fire and Marine Insurance Company, of Portland, Oregon—organized under the laws of Oregon. Has a guaranteed capital of \$500,000 for your protection, which is ten times the amount of deposit required of Foreign Companies, who pay NO taxes, and SEND ALL THE PROFITS OUT of the State, thereby increasing your taxes. Think of this and give our Company a part of your INSURANCE.

Yours, respectfully,

JOHN A. CHILD, Secretary.

Office: 303 1/2 St. Next Door to Child's Drug Store

Subscribed Capital, \$500,000.

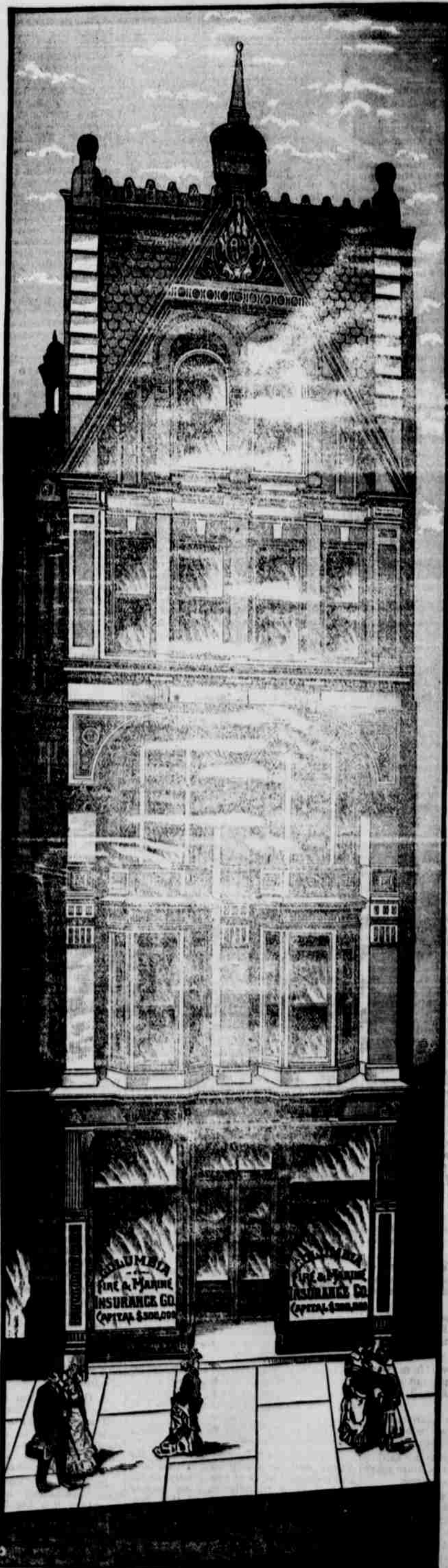
LIST OF STOCKHOLDERS

Columbia Fire and Marine Insurance

Of Portland, Oregon. Capital Stock, \$500,000.

D. P. Thompson, President Commercial National Bank, Portland, Oregon.
Frank Dekum, Pres. Portland Sav'gs Bank, Portland, Or.
W. K. Smith, Vice-Pres. Ainsworth Nat'l Bank, Portland, Oregon.
E. S. Kearney, Capitalist, Portland, Oregon.
Jacob Wortman, Pres. First Nat'l Bank, McMinnville.
R. M. Wade, Vice-Pres. Knapp, Burrell & Co, Portland.
John Hale, Railroad Contractor, Palace Hotel, S. F.
R. M. Steele, Capitalist, St. Johns, Mich.
C. A. Dolph, Attorney-at-law, Portland, Or.
John Donnerberg, Plumber, Portland, Or.
John B. David Northwest Coal and Transfer Co, Portland.
W. B. Honeyman, Capitalist, Portland, Or.
J. E. Smith, Contractor, Portland, Or.
A. H. Breyman, Pres First Nat'l Bank, East Portland.
John Soemerville, Merchant, East Portland, Or.
G. P. Runniman, Furrier Merchant, Portland, Or.
John A. Honeyman, Honeyman Bros' Country, Pullman.
Geo. H. Williams, Ex. U. S. Atty Gen'l, Portland, Or.
C. C. Beckman, Banker, Jacksonville, Or.
Walter F. Burrell, Capitalist, Portland, Or.
S. P. Sturges, Cashier First Nat'l Bank, Pendleton, Or.
T. L. Charnan, Druggist, Oregon City, Or.
H. H. Northrup, Attorney-at-law, Portland, Or.
John A. Child, Druggist, Portland, Or.
James F. Watson, Attorney-at-law, Portland, Or.
Vernon Watson, Portland, Or.
Frederick Pickel, Capitalist, Portland, Or.
Stacy & Walker, Agricultural Implements, Portland, Or.
Loyd Anderson, Pres First Nat'l Bank, Walla Walla, W. T.
W. H. Smith, Cashier First Nat'l Bank, Walla Walla, W. T.
A. R. Bond, Asst Cashier First Nat'l Bank, Walla Walla, W. T.
L. K. G. Smith, Merchant, Portland, Or.
J. S. White, McMinnville, Or.
Charles B. Durkum, Manufacturer, Portland, Or.
J. C. McDonald, Attorney-at-law, Portland, Or.
Louis Selens, President First Nat'l Bank, Vancouver, B. C.
R. L. Durkum, Cashier Commercial Nat'l Bank, Portland.
S. A. Durkum, Washington county.
Mary B. Spiller, Eugene City, Or.
C. A. Alisky, of Alisky, Baum & Co, Confectioners, Portland.
Asahel Bush, Banker, Salem, Or.
H. Thielson, Director Oregon National Bank, Portland, Or.
H. E. Johnson, Banker, Walla Walla, W. T.
H. C. Allen, with Suel, Helshin & Woodard, Portland, Or.
Geo. B. Markle, Vice Pres. Oregon Nat'l Bank, Portland, Or.
E. L. Eastham, Manager Bank of Oregon City, Oregon.
H. C. Stevens, Railroad Agent, Oregon City, Oregon.
W. T. Wright, Cashier First National Bank, Union, Or.
L. L. McArthur, U. S. District Attorney, Portland, Or.
Ramford Robb, Grain Dealer, Pomeroy, W. T.
C. E. Smith, Capitalist, Portland, Or.
S. G. Crandall, Cashier First Nat'l Bank, Pomeroy, W. T.
E. L. Canby, Cashier First Nat'l Bank, Vancouver, W. T.
I. W. Case, Banker, Astoria, Or.
Clifton & Jackson, Insurance Agents, Pendleton, Or.
John Wortman, Cashier First Nat'l Bank, McMinnville.
H. C. Wortman, Asst Cash'r Com'l Nat'l Bank, Portland.
W. H. M. Coy, Druggist, Spokane Falls, W. T.
Rufus Mallory, Attorney-at-law, Portland, Or.

Subscribed Capital, \$500,000.



Clopton & Boyd, Agents, East Oregonian Building, Pendleton, Or