

forces wear at a disadvantage, first, on account of the steepness of the ground, secondly on account of a lack of suitable positions for our artillery, while the heat was over 100 degrees, Fahrenheit."

Japs Near Port Arthur.

Tokio, Aug. 2.—It is reported that the Japanese have captured Shan Tai Kow, an important defense of Port Arthur, after three days fighting.

VENEZUELA WANTS DAMAGES.

Brings Suit for Breach of Contract Against American Company.

Washington, August 2.—Minister Bowen, at Caracas, cables that the Venezuelan government has brought suit against the New York and Bermuda Asphalt Company upon the allegation that the latter had pledged itself to develop other resources of the country in addition to the bitumen but failed to carry out the contract.

Bowen has been instructed to protest against a receivership on the principal that an American corporation is being made a victim of government exigency.

UNIONISTS ARE ENJOINED.

Joe Leiter Will Force Miners' Union Out of Coal Mining Town in Illinois.

Springfield, Ill., August 2.—Josefa Leiter today asked and obtained from the federal court a temporary injunction against the union miners at Zeigler, his mining property, which has been stockaded and which he expects to operate with non-union help after evicting all the unionists. Three hundred and seventy-four members of the Mineworkers are made defendants. The hearing is set for September 15.

Salem's Large Delegation.

Portland, Aug. 2.—Salem sent 100 delegates to the meeting of the Oregon Development League today, this being the largest delegation present outside of Portland.

SUMPTER BANK CLOSED ITS DOORS

BANK OF SUMPTER SUSPENDS, PRESIDENT DISAPPEARS.

Hard Times in the Mining District Cause of the Failure—Roy H. Miller, President, Has Left Sumpter After Assigning Assets for Benefit of Creditors—Capital Stock Was \$25,000—Other Baker County Banks Not Affected—Institution Is Five Years Old.

Baker City, Aug. 2.—A special to the Baker City Herald from Sumpter, says that the Bank of Sumpter has closed its doors, pending an investigation, and the whereabouts of Roy H. Miller, the president, who has been absent for about a month, ostensibly on a vacation, are not now known.

Investigation of the condition of the bank discloses the fact that Mr. Miller has made an assignment of the assets of the institution to C. H. McCulloch, an attorney of Sumpter, for the benefit of the creditors of the bank.

It is not believed that Miller is short in his accounts, although the bank made a good many bad loans, which, added to the financial and business depression in Sumpter, has forced it to go out of business.

Neither the First National of Sumpter nor the Baker City banks will be affected by the failure.

The bank of Sumpter was organized five years ago, with A. P. Goss as president, who managed the concern until the first of this year, when Goss sold his interests to a new company and Roy H. Miller became president. The bank has done a fair business and seemed to be in prosperous condition, until the sudden depression of business in the Sumpter district disclosed its weakness.

The capital stock of the Bank of Sumpter is \$25,000, its organizers being principally local men.

Cattle for Montana.

J. E. Reynolds, a Montana cattle buyer, who has been in Central Oregon for the past three months, has bought 900 yearling steers and heifers which will be shipped to the Montana ranges from Arlington tomorrow, where they will be held for future markets. Reynolds has just sent out a large shipment from Baker City to the same ranges.

Found His Brother.

A few days ago W. C. Laws & Co. had an application from Pendleton from a plumber and tinner. He was written to in the affirmative, and upon arriving here was discovered to be a brother of John Rowan, the dairyman who lived over the hill from Young's bay for so many years. Mr. Rowan is a very good mechanic and a welcome addition to the workmen of Astoria.—Astoria Daily News.

Hood River will hold a fruit fair from October 13 to 15, this season.

OPERATORS TIE UP "KATY" SYSTEM

Twenty-seven Hundred Miles of the Lines Are Demoralized.

ALL PASSENGER TRAINS ARE GREATLY DELAYED.

Freight Traffic Is Virtually Suspended—Kansas City, Houston, Salida and Other Centers Are Badly Crippled—Operators Have the Entire System at Their Mercy—Officials Claim That the Strike is a Failure, But No Trains Are Arriving.

Kansas City, Aug. 2.—Traffic over 2700 miles of the "Katy" system is badly hampered today by the telegraph operators' strike and hundreds of towns are without telegraph communication.

Houston Tied Up.

Houston, Texas, Aug. 2.—The "Katy" is badly tied up here on account of the operators' strike.

Parsons Not Crippled.

Parsons, Kan., Aug. 2.—Headquarters of the "Katy" system maintained this morning that the operators' strike had not affected the operations of the road seriously. The striking operators are asserted to have thoroughly tied up the road and their claims are supported by the non-arrival of trains.

Flyers Delayed.

Salida, Aug. 2.—Both the "Katy" flyers are eight hours late this morning. All other passengers are from six to 10 hours late. Practically no freight is moving.

PURSUING BANDITS.

Clew to Robbers Who Held Up the "Diamond Special."

Chicago, Aug. 2.—A clew to the hold-ups that robbed the Illinois Central "Diamond Special" last night was obtained this morning, when three men entered the town of Griffith, Ind., and endeavored to dispose of a diamond to a local saloonkeeper.

They called for the papers, read the accounts of the robbery and disappeared after failing to sell the stones. A good description of the men was obtained. Hundreds of officers and citizens are searching the territory contiguous to the spot where the robbery occurred. The train arrived at St. Louis this morning, where an inventory of the losses were made. They will not exceed \$1000.

The robbery occurred near Mattson, Ind., and the first reports said the robbers had secured \$10,000 in money and valuables from the Pullman passenger car, alone, were robbed. The train crew did not know of the robbery until the train was stopped by the robbers, who fled into the darkness.

CARRIERS BENEFITED.

Those Eligible for Highest Pay on June 30 Will Receive \$720 Per Year.

Washington, Aug. 2.—An order issued by the post office department today says all rural carriers appointed prior to June 30, who were entitled to a maximum pay of \$600 under the rules governing the establishing of routes at that time, shall receive a maximum of \$720 under the readjustment. The standard rule fixes 24 miles as the maximum.

Coal Miners Will Strike.

Scranton, Pa., July 2.—The executive board of mine workers this afternoon decided to approve the position taken on the check weight man question which probably means a strike in district No. 1.

STRIKERS READY FOR BITTER WAR

Situation Has Now Resolved Into a Test of Endurance on Both Sides.

ONE THOUSAND MORE STRIKE BREAKERS IMPORTED.

Strikers See Their Jobs Melting Away Day by Day—Packers Confident That a Stampede Will Occur While the Employees Say They Are Prepared to Fight to the Bitter End—Commissary Department Thronged at All Hours.

Chicago, Aug. 2.—The stockyards strike has settled into a question of endurance with confident claims by both sides that they have the situation well in hand.

The packers this morning shipped in 1000 new men, most of whom it is alleged are skilled. No rioting characterized their arrival and distribution about the big plants.

Large crowds are gathered about the commissary departments established by strikers. That the stores lack food is stated to be false by the union officers who say they have plenty of money.

Injunctions Served at St. Joe.

St. Joseph, Aug. 2.—The arrival of President Donnelly and the serving of a sweeping federal injunction against the strikers were features of the packing strike situation this morning. Donnelly made two addresses. The federal marshals served the injunction papers and the pickets withdrew. With the backing of the federal court peaceful conditions are expected.

Strike Breakers at Omaha.

Omaha, Aug. 2.—Two carloads of strike breakers came today for the Cudahy plant. Everything is quiet.

Enjoined at Sioux City.

Sioux City, Aug. 2.—Alleging that its property and the lives of its employees are threatened by strikers, attorneys for the Cudahy company, this morning applied for a writ of injunction in the federal court.

Quiet at Kansas City.

Kansas City, Aug. 2.—The packers' strike situation is very quiet today.

Italian Strikers Riot.

Sunnyside, Utah, Aug. 2.—Italian strikers camped here since last November, are giving trouble. Yesterday they caught a Mormon strike breaker in the foothills, and brutally beat him with pick handles until he will die. At a Scofield riot 40 shots were fired and the armed guards of the Utah Fuel Company clubbed with rifles, leaving broken heads.

N. P. Follows O. R. & N.

Walla Walla, Aug. 2.—The Northern Pacific Railway Company has applied to the board of equalization of Walla Walla county to have its assessment reduced from \$10,000 a mile to \$5280, as previously valued. This action follows a similar course taken by the O. R. & N. company.

Burglars Under Bonds.

Walla Walla, Aug. 2.—D. W. Fagades and his wife, charged with entering and robbing the store of W. G. Allee, were arraigned before Justice of the Peace J. J. Huffman yesterday and held to the superior court in bonds of \$500 each. The Fagades formerly owned the store occupied by Allee.

Chicago Grain.

Chicago, Aug. 2.—Old September wheat opened 93½, closed 95½; new September wheat opened 92½, closed 94½. September corn opened 51½, closed 53¼.

CHAFFEE REVIEWS WALLA WALLA POST

Walla Walla, Aug. 2.—Lieutenant General Adna R. Chaffee, chief of staff United States army, arrived in Walla Walla this morning from Portland, to spend the day inspecting Fort Walla Walla and meet a few prominent citizens.

With General Chaffee traveling in a special car are Quartermaster General C. F. Humphrey and Capt. in Grots Hutcheson, of the general staff. The party arrived on the early morning train and remained in the car until 8:30.

Colonel Godfrey, in command of the post, met the party at about 8:30 and conveyed General Chaffee to the garrison, where the troops were reviewed.

After this an informal reception was given by the officers and ladies of the post at General Godfrey's residence.

This was the first visit of General Chaffee to his old regiment, the Ninth Cavalry.

About 11 o'clock Governor Moore and Mayor Hunt called upon General Chaffee in an effort to entertain him at an informal reception at the Walla Walla Club rooms from 12:15 to 12:45 today, under the auspices of the Commercial Club.

At 1 o'clock General Chaffee and his party took luncheon with Senator Arkeny, and at 3:30 the party departed over the O. R. & N. line for Boise.

O. R. & N. PROTESTS.

Tax Agents File Applications to Reduce Assessment in Walla Walla.

Walla Walla, August 2.—Tax Commissioner J. W. Morrow, of the Oregon Railway & Navigation Company, yesterday filed with the county auditor his protest against the assessment of railroad property in this county, as fixed by Assessor R. J. Berryman. He asks the board of county commissioners, acting as a board of equalization to reduce the assessment of the railroad from \$10,000 to \$5,808 per mile.

New Snake River Eteamer.

Lewiston, Aug. 2.—The new Snake river steamer, Mountain Gem, is now ready for her trial trip, which will probably be made from this city to Eureka next Saturday, when the little boat will take a load of supplies and passengers for Eureka mining camp. Water in the Snake river is now three feet higher than when the Innaha went to pieces on the Wild Goose rapids, and it is thought by the company that the Mountain Gem can make the trip safely.

Lost off New Guinea.

Liverpool, August 2.—A cablegram to the Leyland line's offices reports the wrecking of the ship Argburgh on the coast of New Guinea. Captain Reid and seven of the crew were saved and 15 of the crew are missing.

Mrs. Nelson A. Miles Dead.

West Point, August 2.—Mrs. Nelson A. Miles, wife of General Miles, died here last night, of heart affliction. Gen. Miles arrived today from Washington, where he was occupying their cottage for the summer.

Montana Scalp Bounties.

Helena, August 2.—The total scalp bounties paid by the state of Montana to date amounted to \$20,000, with the sum of \$112,000 still due on unpaid warrants.

EXPECTS GOOD SHEEP PRICES

J. E. SMITH SEES PROSPEROUS TIMES AHEAD.

Demand for Coarse Wool Bucks Not Heavy, But Fine Wools Sell Readily—He Has Just Delivered 600 Merinos to Montana Purchasers—Speaks of Conditions in State of Montana—Shropshires Are Preferred There Because of Their Hardiness.

The prices of sheep this fall, in the opinion of J. E. Smith, head of the J. E. Smith Livestock Company, will be good, especially in Montana. Mr. Smith has just returned from a 12 days' trip to Glendive and Miles City, where he took between 500 and 600 pure-bred Merinos and lambs to be disposed of.

"The winter was a severe one," said Mr. Smith, this morning, "and the sheepmen will keep most of their lambs. This is bound to bring up prices. The demand for coarse wools is not very heavy, but fine wools find a ready sale."

"From Miles City over 3,000,000 pounds of wool was shipped last season. The winter was so hard that I know of one man who shipped away 17 carloads of pelts."

Mr. Smith says that because of their hardiness, the Montana sheepmen prefer Shropshires.

To Prepare Airship Engines.

La Grande, Aug. 2.—Grant Keys, who is building an aeroplane, at Morgan Lake, near this city, left last evening for Chicago, where he will supervise the construction of the special engines for the machine.

The Ohio Falls in Speed.

Washington, Aug. 2.—The navy department was advised that the battleship Ohio's trial trip failed to develop 18 knots, as the contract required.

BRIGHT CARBONATE.

A Quartz Mine in the Greenhorn, Owned by Pendleton People.

Frank Duprat has returned from the Greenhorn district, where he has been looking over the Bright Carbonate and its prospects. The Bright Carbonate is a quartz holding upon which patents have been secured to 6000 feet of a ledge that is between 40 and 100 feet in width. Some very rich mineral has been taken from the Bright Carbonate, and the owners have faith in its future.

The owners of this mine are A. D. Stillman, Henry Kopittke, George Darveau, Frank Duprat and John Selbert, all of this place.

New North Side Residence.

Ben Burroughs and Royal Sawtelle will tomorrow morning begin the erection of a six-room dwelling on Washington street, on the north side. The intention is to have it completed by the middle of September. Cole & Sheek are the contractors.

FREIGHT RATES ARE REDUCED

Direct Rate Now in Effect From the East to Pendleton and Common Points.

DISCRIMINATION FAVORING COAST CITIES IS REMOVED.

Spokane, Pendleton and Wallula and All Intervening Points Get a Direct Rate to the East, Without Paying Local Freight Rate Back From the Coast—Greatest Benefit Will Come Through Carload Lots—Rate on Farm Implements Materially Reduced—New Rate Means Much to Inland Empire Points—No Future Discrimination.

The new freight tariff agreement making direct rates from New York, Buffalo, Pittsburg, Cincinnati and common points with Spokane and common points, became effective yesterday.

Agent E. C. Smith, of the Oregon Railroad & Navigation Company has received copies of the new tariff. The territory affected by the new rates is from Pendleton and Wallula and north to Spokane.

"The reduction," said Mr. Smith, "as far as I have had time to examine, is not very great. The advantage comes through the making of direct rates from eastern points. Most of the rates are quoted in carload lots."

Heretofore, the only rates available from the east to Spokane and common points was to Portland with the return rate added. It was this state of affairs that caused the business men of Spokane to raise up and declare themselves and institute a boycott against the Northern Securities company's lines.

The lines agreeing to the new direct rates are the Northern Pacific, the Great Northern, the O. R. & N. Co., the Burlington & Missouri River railroad in Nebraska, the Union Pacific Railroad Co., the Denver & Rio Grande railroad and the Oregon Short Line.

Grain rates are not affected by the new tariff as it applies only to west-bound freights. The straight rate on agricultural implements in the new tariff is \$1.75 per 100.

The securing of direct rates from the East is considered a valuable thing for Spokane's business growth and the development of the country embraced in the Inland Empire.

Portland and the Sound jobbers are not expected to reap benefits from the change, as heretofore it were cheaper in many instances to buy from Portland than to buy in the East, on account of former freight rates.

INDIANA DEMOCRATS.

Issue in the Party is to Nominate a State Ticket.

Indianapolis, Ind., August 2.—Democratic politicians of Indiana swarmed in the lobbies of the Grand hotel today and numerous conferences were held in regard to the state convention which meets tomorrow to name candidates for governor and other state officers to be chosen in November. The leaders profess great confidence in their ability to swing Indiana into the democratic column this fall.

It is impossible to forecast the makeup of the state ticket. For every place there are numerous names mentioned, but it is an unusually open race from the gubernatorial race down. There appears to be some sentiment among the leaders in favor of incorporating a gold plank in the platform, but the sentiment of the majority appears to be in favor of simply indorsing the national platform.

Father Boschi to Missoula.

Father John Boschi, assistant pastor of the Catholic church, will leave tomorrow for Missoula, Mont., where he will preach a special discourse to the Catholic sisterhood of that place, and will return about the 15th.

Menelik Greets Roosevelt.

Rome, August 2.—A telegram from Djibouti states that King Menelik treated Ambassador Hells with great honors, and gave him presents to be conveyed to Roosevelt, these including some young lions. Ambassador Hells is embarrassed by the profuse hospitality of Menelik as he has no possible means of bringing such presents as young lions to Washington. He will wire for instructions.