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Moose Carnival Friday and Saturday, August 4th, 5th

BRIEF OUTLINE RURAL CREDITS

Salient Points in Federal Farm Loan Act as Passed by Congress Last Month

WILL PROMOTE AGRICULTURE

Affords Farmer Money at a Low Rate of Interest

The Federal farm loan act, popularly called the "Rural credits law," was signed by the President and became a law on July 17, 1916.

The primary purpose of this act is to promote agricultural prosperity by enabling farmers to borrow money on farm-mortgage security at a reasonable rate of interest and for relatively long periods of time. To attain this object, two farm-mortgage systems are provided: (1) A system operating through regional land banks, and (2) a system operating through joint-stock land banks.

To attract money to the farm-loan field the act provides a method whereby those who have money to lend can find safe investment in the form of debentures or bonds, of small and large denominations, issued by the banks and based on the security of mortgages on farm lands.

These two systems are to be under the general supervision of a Federal Farm Loan Board in the Treasury Department, composed of the Secretary of the Treasury, as chairman ex officio, and four members appointed by the President. This board has authority to appoint appraisers, examiners, and registrars, who will be public officials.

OUTLINE OF FARM LOAN ACT

The act provides for the creation of 12 Federal land banks and permits the establishment of any number of joint stock land banks for the purpose of making loans at a reasonable rate of interest, for long periods of time, on farm lands.

A Federal Farm Loan Board has complete control over these banks.

(A) FEDERAL LAND BANKS

Twelve Federal land banks are provided, one in each of 12 districts into which the country will be divided. These banks are empowered to lend on first mortgages on farm lands in amounts of \$100 to \$10,000 for approved purposes. The loans are to be made through farm loan associations and agents. No loan may be made for more than 50 per cent of the value of the land mortgaged and 20 per cent of the value of the permanent improvements upon it.

National farm loan associations—local organizations composed exclusively of borrowers—are authorized. These associations must be stockholders in the land banks in proportion to the amount their members wish to borrow. Eventually all stock in the Federal land banks will be owned exclusively by these associations.

A reasonable interest rate is established. The act prohibits the Federal land banks from charging more than 6 per cent on any mortgage, or requiring fees not approved by the Farm Loan Board.

The borrowers will share in the net profits of the bank because they are stockholders. It is contemplated that ultimately the borrowers will be the only stockholders.

Long-term loans are provided by authorizing mortgages for periods of from 5 up to 40 years.

Small annual or semi-annual payments on the principal are made a required feature of all mortgages.

(B) JOINT-STOCK LAND BANKS

Joint-stock land banks are authorized. They are corporations for carrying on the business of lending on farm mortgage security and issuing farm loan bonds. They are to be under the supervision of the Farm Loan Board, but the Government will not invest in them. Subject to geographical limitations and subject to the 50 and 20 per cent limitation, these banks can lend to an individual, these banks can lend to an individual any amount they wish, and for any purpose. They cannot charge an interest rate exceeding 6 per cent, and such rate must not exceed by more than 1 per cent the interest they have paid on their last issue of bonds. Their mortgages, however, must provide for amortization payments. These banks are prohibited from charging, under any pretext, fees or commissions other than those authorized by the act.

CONDITIONS UNDER WHICH LOANS MAY BE OBTAINED

The act specifically defines the pur-

poses for which loans may be obtained. These are:

(a) To provide for the purchase of land for agricultural uses.

(b) To provide for the purchase of equipment, fertilizers, and livestock necessary for the proper and reasonable operation of the mortgaged farm; the term "equipment" to be defined by the Federal Farm Loan Board.

(c) To provide buildings and for the improvement of farm lands; the term "improvement" to be defined by the Federal Farm Loan Board.

(d) To liquidate indebtedness of the owner of the land mortgaged, existing at the time of the organization of the first national farm loan association established in or for the county in which the land mortgaged is situated, or indebtedness subsequently incurred for one of the purposes mentioned in this section.

Loans may be made only on first mortgages on farm land.

Only those who own and cultivate farm land or are about to own and cultivate such land are entitled to borrow.

No one can borrow save for the purposes stated in the act, and those who after borrowing do not use the money for the purposes specified in the mortgage are liable to have their loans reduced or recalled. The secretary-treasurer of each association is required to report any diversion of borrowed money from the purposes stated in the mortgage.

No individual can borrow more than \$10,000 or less than \$100.

No loan may be made for more than 50 per cent of the value of the land mortgaged and 20 per cent of the value of the permanent insured improvements upon it.

The loan must run for not less than five and not more than 40 years.

Every mortgage must provide for the repayment of the loan under an amortization plan by means of a fixed number of annual or semi-annual installments sufficient to meet all interest and pay off the debt by the end of the term of the loan. The installments required will be those published in amortization tables to be prepared by the Farm Loan Board.

The bank is given power to protect itself in case of default by recalling the loan in whole or in part, or taking other necessary action.

Public Service Commission Holds Hearing at Eugene

The Public Service Commission which had a hearing at Eugene Thursday to determine the freight rates on the Willamette Pacific, heard the testimony of the railroad company and the towns affected and have taken the case under advisement.

The Eugene Register has the following to say regarding the hearing:

Representatives from the different cities affected by the rates as proposed by the railway company were present at the hearing, having been sent by their commercial bodies and business men to voice the sentiments of their respective communities regarding the rates proposed by the company. In every instance there was an objection each delegation contending that its city was being discriminated against.

The members of the commission, F. J. Miller, Thos. K. Campbell and H. H. Corey, patiently heard the arguments and the testimony, putting in an occasional question to railroad officials or other witnesses and will take the evidence under advisement for some time before rendering a decision.

The railroad company in making its freight rates for the Eugene-Coos Bay branch did so with a view to meeting water competition at coast points and this is the reason, it is explained, that the rate to Marshfield from Portland is lower than the rate from the same point to Cushman or other similar points along the line. The railroad company contends that lower rates to such points are necessary to meet steeper competition and endeavored to show that such rates exist on many other lines similarly situated.

H. A. Hinshaw, general freight agent of the S. P. company for the lines in Oregon was the principal witness for the railway company. He stated on the stand that the company desires to place the tariffs in effect about August 5, and that the road will be turned over to the operating department about the first of October. He stated that at Coos Bay the company is confronted by sharp competition by steamers and if the company secures any of the freight business of the territory it must make rates that will compete with the water lines. He said it is not unusual for the company to ask for the suspension of the long and short haul clause and that it was suspended in the case of its Eureka branch in California, where similar conditions exist.

The Commercial Club meets tonight.

MRS. BRENNER ELECTED QUEEN

Will Reign for the Two Days of the Moose Carnival, Friday and Saturday

BIG PROGRAM IS ARRANGED

Spectacular Surprise Scheduled for Saturday Night

Mrs. Ed Brenner is to be queen of the Moose Carnival here Friday and Saturday. At the final count made last night it was found that Mrs. Brenner had 230,680 votes while Mrs. Erros Torrey Leyland had 123,000.

Preparations for the biggest time Coquille has ever seen are going ahead rapidly and by Thursday night it is expected to have everything in readiness for the first day.

The program for Friday, the first day, will consist of crowning the queen at 10 o'clock. This will take place in front of the city hall. Immediately following, about 11 o'clock, the street parade will start and will occupy the afternoon until noon. At 2:00 o'clock in the afternoon the street sports will start. These will consist of many amusing contests, such as human skating wheelbarrow race, pushmobile race and numerous others. At four o'clock the

crowd will adjourn to the river where the water sports will be held. There will be surf board riding, a battle royal and swimming and high diving. In the evening the dance at the intersection of Front and Taylor streets will be the chief attraction.

On the second day there will be a repetition of the street and water sports and at night just before the dance the crowning event of the carnival will be held on the river. This will be something new and spectacular and the Moose intend to make it a fitting finish for the two days of fun.

Expects Big Crowd

H. B. Donahay, traveling salesman for the Bleumauer-Frank Drug company of Portland, was in town visiting the local druggists on his regular semi-monthly trip Thursday. In speaking of the prospects of the railroad jubilee, Mr. Donahay said that in his opinion the crowd would be even larger than the estimates that have been made. While he was in Marshfield Mr. Donahay tried to make reservations at the hotels there for two during the jubilee but could not do so.

Telephone Co. Bankrupt

The E. E. and F. Telephone company a concern doing business in Lane county, has filed papers in bankruptcy.

The Eugene, Elmira and Florence telephone line was established 15 or 20 years ago, and has operated between these places as a mutual line. It ran its line to the city limits of Eugene, where it connected with the Pacific Telephone company's lines. The assets of the company are placed at \$56 and the liabilities at slightly over \$500.—Register.

TO ENTERTAIN MANY VISITORS

Coquille Making Preparation to Give Strangers a Warm Welcome August 25

COMMERCIAL CLUB ACTS

From 500 to 1000 People Will be Here

Coquille is making preparations to entertain at least 500 people from outside the county on August 25th, this being the Coos County day of the Railroad Jubilee. Definite action was taken in the matter at a special meeting of the Commercial club called Wednesday night for the purpose of hearing F. E. McKenna's report on his meeting with the jubilee committee at Marshfield Tuesday.

In his report Mr. McKenna stated that the Bay people had made it very plain that they would do whatever the people on this side wished them to do. Before the meeting he said, "I have an entirely new conception of the people of Marshfield and North Bend and their feeling toward us." Mr. McKenna told the club that there are to be no attractions at either Marshfield or North Bend on the second day of the jubilee, and that those in charge of the celebration are in readiness to send out what-

ever excursions the people of the county wish. He further stated that the Southern Pacific Company is planning to bring into the county for the celebration between 6000 and 7000 people, and that it is estimated that at least another thousand will come in by auto.

After a discussion lasting nearly two hours, the Commercial Club decided that Coquille would provide entertainment, in the way of auto rides into the country, a picnic dinner in Lamb's Grove, and a speaker who would tell the strangers about the resources of the Coquille valley, for at least 500 people. It was thought that if the town asked for that many that there would probably be more, and these, together with the farmers and their families who would be in town on that day would make up a crowd as large as the town could handle and do itself justice.

Many suggestions came before the meeting as to what might be done. L. H. Hazard first suggested taking care of part of the crowd by automobile. Excursions into the country, with a basket dinner at some common meeting point was part of his plan.

A. J. Sherwood, when called upon by the chair, said, "I will be glad to do anything I can on whatever plan is decided on." He continued that it might be well to have the picnic dinner here instead of in the country, as this would include all those whom the autos could not take.

"The automobile suggestion is good as far as it goes," said J. A. Lamb, "but it is inadequate. If the Southern Pacific is going to bring 6000 people into the county, Coquille ought to take care of 1000 for one day." Mr. Lamb then suggested a barbecue or picnic dinner and offered to donate the myrtle grove just back of his house as a place where it could be held.

Mr. Sherwood then started a healthy discussion by stating that the club was overestimating the crowd, and that the number of people coming in from the outside would be nearer 600 than 6000.

The consensus of opinion, however, seemed to be that the Southern Pacific was in a position to know what it was doing and that its estimate of the crowd would not be far wrong. "There is no doubt about the crowd," said President Norton, "this country is better advertised than the people here have any idea of and there is a great interest all over the coast in Coos county."

"We need not worry about the crowd," was the statement of A. T. Morrison, "the Southern Pacific knows better than anyone else what to expect, and there will be all the people here who can get under cover." Then Mr. Morrison brought up the idea of a speaker to tell the visitors of the resources of the country they are coming to see. "Let the speaker impress upon these people that what we need is capital to change the land of this valley that is now idle, into land that is producing. The main thing is to make these people feel at home and to let them see us as we are."

At this stage a controversy arose over the advisability of having a barbecue and a vote was taken on the matter deciding the meeting against this method of providing luncheon for the visitors.

As the plan that a picnic dinner in Lamb's grove seemed to be conceded to be the proper thing, the matter of finances was brought up. Mr. Lamb was of the opinion that about \$75 ought to defray the expenses; this estimate was raised to \$100 by R. S. Knowlton, and W. L. Kistner said he would add to this that everyone be made acquainted with what the committee intended to furnish, and then be asked to bring a basket.

Judge James Watson put a motion that a picnic dinner be prepared of sandwiches, coffee, etc., to be held in Lamb's grove, and that the people be impressed with the importance of bringing well filled baskets. The motion passed unanimously.

President Norton then proceeded to appoint committees to look after the different phases of the affair.

The committees appointed were: Finance, L. H. Hazard, Henry Lorenz and F. C. True. Entertainment, J. A. Lamb, James Watson and A. J. Sherwood. Grove committee, Walter Oerding, I. W. Cook, C. W. Gardner, W. L. Kistner, C. E. Schroeder, Lunch, E. E. Cook, M. J. Hartson and Frank Leslie. Reception, A. T. Morrison, M. J. Hartson, Chas. Skeels, J. A. Lamb, C. W. Endicott, R. S. Knowlton, H. W. Young, A. J. Sherwood and L. H. Hazard. It was later suggested that every citizen of the city wear a tag bearing the inscription, "I am a citizen of Coquille, Ask Me;" but no action was taken on this matter.

The committee appointed two weeks ago, composed of J. E. Norton, L. H. Hazard and F. E. McKenna, to confer with the committee of the Jubilee was left standing.

The Commercial Club meets tonight.

MARY FUSONNE IS DROWNED

Former Coquille Girl Meets Sad Fate While Bathing in Coos River

HAD MANY FRIENDS HERE

Funeral Was Held Friday at Marshfield

Miss Mary Fusonne was drowned in Coos river last Tuesday while bathing, and though the body was recovered in about half an hour it was found impossible to bring her back to life.

The news reached here by phone shortly after the occurrence, and caused a great shock to the friends of the young lady, who had formerly made her home here. Her parents were both dead, and she was a ward of Rev. T. B. McDonald, formerly the Christian minister here. She had made her home for about three years with Mr. and Mrs. L. A. Liljeqvist and had attended the high school here until the Liljeqvists removed to Marshfield, belonging to the class of '17. She was universally regarded as a very estimable young lady and had a large circle of friends among her schoolmates and others. She was 20 years of age.

The accounts of her death that have appeared in print have been far from accurate. She had gone up Coos river on the Presbyterian picnic. Soon after having lunch she went up the river with Miss Miriam Wright, to a point about a quarter of a mile from the rest of the picnickers, where she entered the water. As is well known to her friends, she was very fond of the water, having no fear of it, and no apparent realization of danger under any circumstances, often taking great chances with the breakers when at the beach, and usually staying in until thoroughly chilled, often causing the greatest anxiety on the part of her companions. She had learned to swim last summer, but was not at all expert.

On the day of her death she had swum across the river and back. Then she remarked to Miss Wright: "Oh, I am so cold. Do you think I can make it again?" Miss Wright told her that she had better not try it, and thought she had given it up until Miss Fusonne remarked: "Well, I'm going to try it again; say a little prayer for me." She then started to swim across and had reached a point about five feet from the opposite bank, when she began to struggle and sank again twice, and Miss Wright says that on the last appearance she made a swimming stroke.

Miss Wright ran to the other picnickers and gave the alarm, but was so badly excited that she was entirely incoherent and could give no assistance in the way of locating the spot where the girl had sunk. Every effort was made by diving to find the body but without success, until someone thought to induce the Wright girl to sit down where she had been sitting when Mary sank. Then she at once pointed out the spot and in a few minutes the body was found in about eight feet of water and brought to the surface. She had then been under water for about half an hour, and all efforts to resuscitate her were unavailing.

The body was brought to Marshfield that evening and prepared for burial. The funeral was held from the Episcopal church on Friday, as the pastor of the Christian church, to which Miss Fusonne belonged, was absent. The attendance was quite large, and the floral tributes were unusually profuse.

A. J. Sherwood went over from here in his car, accompanied by members of his family and three of Miss Fusonne's young friends.

Built at Coquille

The Enterprise, a small gasoline schooner, built at Coquille in 1908, has been added to the halibut fishing fleet working out of Portland. She will be operated by the Burke Fish company, which also operates the Decorah from Portland, a much larger boat, and the Nenahmoah, a smaller boat out of Yacoma. Capt. Johnson is in charge of the Enterprise, which has been fitted with modern appliances for the work. She will use what is called the "long-line" system of fishing, as distinguished from the old dory style of fishing. By this means all work is carried on from the deck of the vessel by the crew. For operation of the line a new "gurdy," a sort of winch, has been installed and other improvements made. She will be able to handle 12 tons of halibut on each trip.—News.

The Journal Advertises Coquille

Fred Lockley, Special Writer, Says Coquille is Center of Coos and a Lot More

By Fred Lockley

Coquille, Or., July 21.—Coquille, the county seat of Coos county, is in the center of the Coquille valley, and is almost in exact geographical center of the county. It is on the recently completed Willamette Pacific line, whose eastern terminus is Eugene, and whose present western terminus is Powers. It is 26 miles distant by river from Bandon by the sea, and passenger and freight service is maintained by water both to Bandon and Myrtle Point. Several auto stage lines maintain excellent service to Marshfield, Bandon, Myrtle Point and Roseburg.

Coquille is looking forward with great interest to the celebration of the opening of the new road, which occurs on August 23, 24 and 25. With Marshfield, North Bend and the other communities of the Coos bay country, it is planning to give a warm welcome to The Journal all-Pullman special that will take 100 wideawake Portlanders to see the Coos Bay district.

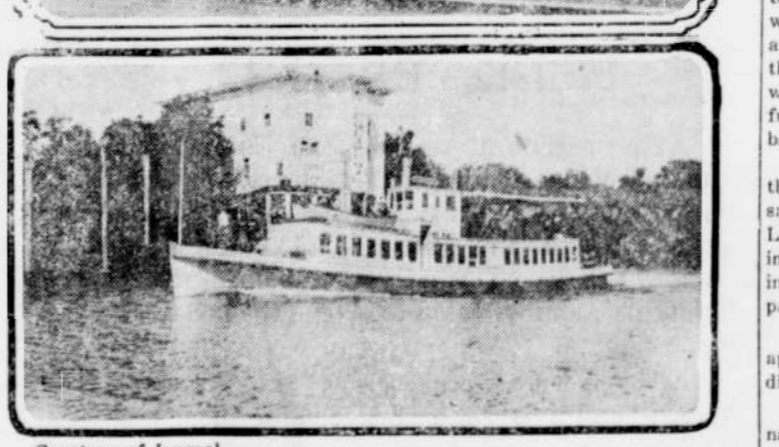
Approximately 10 per cent of the residents of Coos county live at Coquille. The estimate of the population of Coos county gives the county a population of 21,000 persons, of whom about 1850 live at Coquille. Coquille, being the county seat, sees considerable travel of residents of the county, who come there to transact county business.

The cash value of the taxable property of Coos county is \$29,592,196. If this sum were divided equally among the residents of the county, every man, woman and child would have \$1469.

Coos county in the past has been handicapped by many poorly located and improperly constructed roads, but this condition will soon be a thing of the past. They have just voted a bond issue of \$362,000, for the improvement of their roads. The present road from Coquille to Bandon will be relocated.

John H. Lewis, state highway engineer, recently spent some time in Coos county, investigating road conditions. The appropriation of any state money toward the improvement of Coos county roads is conditional upon the work on the roads being done in accordance with the plans prepared by the state engineer.

Between Coquille and Marshfield the proposed route has been decided upon, while the present road between Coquille and Myrtle Point will be changed but little. The road between Coquille and Bandon will be almost completely relocated. When this road was located it was crowded up on the steep hillsides, so that no bottom land would be taken from the use of the farmers.



Courtesy of Journal
Top—View of Taylor Street from the Herald office.
Middle—Coquille High School.
Bottom—Coquille Valley Creamery which burned recently and which is being rebuilt.

or going. Few roads in Oregon have will go along the bottom lands of the river next to the hills, and will have no grades steeper than 5 per cent, and no sharp turns.

The city of Coquille itself, as well as the county, is preparing to do considerable improvement work. The citizens have voted \$30,000 bonds to regrade and pave its streets. The improvement district contains 1,020,000 square feet, and the work will be done in a permanent and substantial manner.

Coquille will soon have a new and up-to-date creamery. Recently the building occupied by the Coquille Valley creamery was completely destroyed by

more of sharper curves. The new road fire. The loss on the building was \$9500. In addition to this 40 cubic feet of butter and 193 cases of cheese were burned. There was \$6000 insurance on the building. Shortly after the fire a meeting of the stockholders was called and it was decided to build at once a modern creamery. This creamery's cheese and butter production will amount to from \$10,000 to \$12,500 a month.

Coquille, on account of the beauty of its situation, the mildness of the climate and the fertility of the adjacent country, is bound to see a steady and substantial growth.