

# Rogue River Courier.

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NO. 46

## EARMARKS OF FORGERY-- ALSO PREDICTS VETO

**Makes Malicious Statement about City Council--  
May Investigate Conduct of W. C. Merrill, Special Agent Pacific Telephone & Telegraph Co.**

The remonstrance presented to the mayor and city council at Medford against the granting of a franchise to the Citizens Telephone Company was presented by the paid agent of the Pacific Telephone and Telegraph Company. The persons whose names appeared among the first on the document were those of two prominent physicians who declare they never so much as saw the remonstrance paper, and these gentlemen's statements are far beyond reproach or doubt.

Also, W. K. Merrill, the paid agent of the Pacific Telephone and Telegraph Company, made the following statement to reliable business men, that the Citizens Telephone Company have not yet been given the franchise in Grants Pass, as "we have every reason to believe that the mayor will veto the same regardless of the council vote." This statement was made and can be verified on application.

Mr. Merrill also made the statement to reliable business men that he is amply able to block any game that the Citizens Telephone Company are able to bring before the City Council of Medford, and it is probable that the council will ask Mr. Merrill to explain this statement.

W. K. Merrill's conduct may yet be investigated and it would not be

any out of the way to take such an action as we are sure we have many citizens of good repute who do not care to associate in a business way with this type of society. And we would further suggest that the remonstrance presented to the City Council of Grants Pass might be likewise investigated.

Mr. Merrill's broadside in the local paper of our neighbor city of Grants Pass, while he was on his way to unknown parts is only a repetition of a series of acts in this city, which made it necessary for him to take his departure between the two lights of day.

If the gentleman giving the account of the meeting of last Sunday in the Citizens Telephone Company office in the Pacific Outlook Building in Grants Pass would have done as the gentlemen present at the meeting did our national reputation would be of a somewhat bolder type, as our Spokane friends who spent their hard earned money to call on us were disappointed at their reception and the display of our products presented at this time, and it would be safe to say that the gentleman who spent all his spare energy in the concoction of this conglomeration of foolishness was not present at the meeting of our Spokane friends and well wishers.

### A New Secretary Chosen.

The executive committee of the Commercial Club met on Thursday morning and elected E. E. Blanchard of Fruitdale, secretary. The club has not had a regular secretary for some weeks and consequently this action of the committee was highly necessary. Mr. Blanchard is a thorough going business man and has the required ability to do the work for which he has been chosen. He came here with his family nearly a year ago from Iowa and after carefully looking over the country he purchased property in Fruitdale and some other portions of the county. He has shown himself enthusiastic over our climate, soil and production and he firmly believes that Josephine county will eventually be one of the richest in Oregon and that Grants Pass will soon become a city of great importance.

From the very first Mr. Blanchard has been a hard worker in the cause of irrigation. He was chosen a member of the irrigation committee of the Commercial club and in this position he was a hard worker. Later when the Josephine County Irrigation and Power Company was organized he was elected a director of the company, and at once became a prominent figure in the board. In accepting the secretaryship of the Commercial Club,

he can be depended upon to work at all times for the best interests of that organization. His loyalty to the club and his impartiality as regards every member will never be questioned. It is understood that Mr. Blanchard will give only one-half of his time to club work, but the rooms will be kept open at all hours.

### The Moss Real Estate Office.

Joseph Moss, the real estate man, has become located and nicely fixed up in his new office in the Josephine Hotel building. The rooms are in every way equal to the best on the street and rank among the first as real estate offices. Mr. Moss fully realizes that to do business as it should be, it is necessary to have not only a good location but all the surroundings must be in keeping. Before making this move this practical real state man secured a list consisting of many of the very best properties in the county as well as a very large number in the city, and knowing how to advertise, he had a room full of buyers nearly all the time and that is why it is necessary to secure roomy quarters and nicely fitted and furnished offices. Those who want to buy farms, fruit lands and ranches, as well as city property at a bargain, should give Mr. Moss a call.

## DAM DEAL HAS BEEN CLOSED

**Purchase of the Big Golden Drift and the Grants Pass Orchard Company Properties By Our Local Irrigation Co.**

There was a meeting of the Josephine County Irrigation & Power Company in the parlors of the First National Bank on Thursday afternoon at which it is learned, some important business was transacted. There has been a deal on hand, which to some extent has been known by the public, between the company and the parties owning the Ament dam. For a time the attorneys representing the respective parties have been at work drawing the papers which were to convey the dam and the valuable water rights connected therewith. Senator Norton, who represented the Ament's, has been in Salem attending to his legislative duties and this made it difficult to bring the negotiations to a conclusion. Finally on Tuesday last, O. S. Blanchard, the Attorney for the Josephine Irrigation & Power Company went to Salem and had a conference with Senator Norton which resulted in the two reaching an agreement as to all the points which had been at issue, and the papers were prepared for signature.

Mr. Blanchard returned to Grants Pass on Thursday morning and at once Secretary Riggs notified the directors of the company to attend the meeting at the bank as above reported. The meeting was called to order by President Gilkey, all the directors being present. The document conveying the dam, the water right and the land on both sides of the river together with the contracts leading to the date of the full transfer of the property were read and after a full discussion by section a resolution was offered and passed, authorizing the president and secretary of the company to affix their names to the various documents. Representatives of the Golden Drift and the Grants Pass Orchard Company came next in order, and also affixed their names but this was not done until the next morning. President Gilkey and C. W. Ament and some of the directors of the company went up to the dam in the afternoon and selected a location for the first ditch. Work upon this will be commenced as soon as a few other important details relating to ditch construction have been attended to.

It will now be only a question of finding farmers enough to take the water to insure the immediate construction of ditches on both sides of

the river. There will be a gravity ditch on either side and suitable high line ditches to convey the water to the lands where it may be required. The company has made every arrangement to construct such ditches as will place a considerable section under irrigation this year. Nothing will prevent this unless those who own the land refuse to sign and take the water. From what is learned the whole irrigation business is in the very best shape and the water will be placed within the view of course as has been mentioned the water user will do his part.

Dry farming has been so unsuccessful and unsatisfactory in this valley that few will be willing to risk it longer. Irrigation will insure a full crop every year and it is quite certain that the many will avail themselves of this opportunity to secure it.

The Courier learns that there will be no delay now that the legal part of the business has been fully provided for, but the directors had resolved to be sure that everything was all right before they would go ahead. These gentlemen have given much time to the subject and it is quite certain they will make few if any mistakes.

It is hoped to be able to announce in our next issue that the farmers who have been asking for irrigation are signing up rapidly.

It has come down to real business with the officers of the company and they will give water for money or its equivalent in work. The many who have stood by this enterprise from the first until now have an opportunity to give much needed help. First they must sign up for themselves and then urge their neighbors to do likewise.

This is the consummation of the greatest enterprise that has ever been undertaken in Josephine county and is a matter of much rejoicing but let it be understood it has not yet been entirely accomplished. It takes money and labor to build ditches and this must be forthcoming or the work will lag. We have faith however, to believe that the spirit which has stood by and carried forward this enterprise during the past six months will continue with us until our irrigation plant will be an accomplished fact, from riverside to foothills.

### Work for a wagon Road.

Four and a half feet of snow is reported on the West Fork Gold Beach mail trail at "Three Mile," and the United States mail is delayed for an indefinite period. This occurs nearly every winter and is a great argument for a mail route down Rogue River from Grants Pass.

A combined effort of Josephine and Curry counties would probably induce the post office department to expend a portion of its funds for the improvement of post roads on this mail route, and assist the forestry service to complete the trail now being constructed, or possibly to change the trail to a wagon road, thus giving our coast neighbors an outlet inland for their produce.

Curry is one of the richest subdivisions of the state of Oregon but is held back by a lack of transportation and even fair mail facilities.

### Harth Business Sold.

A. C. Holcomb and J. F. Halligus have purchased the P. H. Harth Gentleman's Furnishing Goods and Boot and Shoe establishment, one of the oldest and most successful stores in Grants Pass. Under the new firm the store will be known as "The Ideal Clothing Company." The store room

will be thoroughly remodeled and a plate glass front of the most modern style will be put in, and every appointment about the place will be up-to-date.

The first step toward remodeling will be a colossal sale for which occasion the present stock has already been marked down.

A. C. Holcomb and J. F. Halligus come here from the state of Washington. They are solid men and will add to the business interests of our community. Mr. Halligus has not yet arrived but will be here with his family in three or four weeks. Mr. Holcomb has no family.

The sale of the Harth business means the severance of old associations by Mr. Harth and his family. He came here 19 years ago and has been in business in the city during that period and has made for himself and family many strong friendships. We have not yet learned just what will be determined as to the future residence of Mr. and Mrs. Harth. A son resides in Roseburg and a married daughter in Portland. It is quite natural that one of these places will become some time their home. But for the present, nothing permanently settled.

Quartz blanks at the Courier

## A SAMPLE OF FARGICAL TELEPHONE PROMOTION

**An Interesting Story of the Independent Telephone Company of Omaha, Nebraska, Up to Date—Financial History Is a Farce.**

(Public Service, Chicago, Feb, 1909)

Such reckless promotions as the one described in this article not only brings disaster and opprobrium upon the people directly interested in them but tend to intensify the general and unfounded distrust of soundly organized and capably managed public utility corporations that prevails in some communities. When, in order to induce the granting of a franchise, promoters promise to provide a public utility at rates known to be inadequate to meet the cost of furnishing that utility, they attempt the impossible, and the result can be nothing but failure, bringing disappointment, disgust and financial loss to the misled community. We submit that it is the duty of city governments to protect the people against such palpable frauds.

Omaha is not as proud of its "Independent" telephone company as it expected to be. The reality turns out so completely and amazingly different from the prospect that the thousands of good Omaha citizens who voted to give the "Independent" a franchise are wondering why they have faith in human promises.

The "Independent" telephone movement is responsible for many cases of bald misrepresentation and reeking fraud, but its Omaha case is the very superlative of bad faith and conscienceless manipulation. The promoters of the game, as is usual, promised the impossible and delivered something else. The same trick had been turned in many American cities before, but the knowledge of this fact did not prevent a majority of electors in Omaha from voting away the privilege for the game in their city two years ago last November.

As an extenuating circumstance for the people of Omaha, let it be said that the game, in its prospective form, is most alluring—to use the language of the chance-taking fraternity. Some suave and nicely dressed gentlemen appear upon the scene with the announcement that they have come to relieve the dear people of the exactions of a "grinding monopoly." In furthering this relief work, these patriotic gentlemen beg most eloquently to be allowed to invest large sums of money in the city in the construction of a telephone plant. Most any city likes to welcome investments.

### Bid for Labor Vote.

Furthermore, these capital-laden gentlemen point out that the construction of the plant will give work to a large number of men, and the operation of the plant, after it is completed, will furnish permanent employment to many. A good thing say all, for the industrial development of the city. But the great prize offered is a superior telephone service at rates much less than the city has ever heard of before. Of course, the promoting gentlemen say, this is to be a great and profitable business enterprise, it is not to be merely a philanthropic endeavor, and the good people of the town will be let in on the profits. Because a local financial interest will work for the future welfare of the business, Wall street is to be deprived of the opportunity to invest in the enterprise and what bonds and stocks can be spared by the backers of the promoters will be graciously sold to local people on a basis that will bring at least 10 per cent annually. How cruel to shut grasping Wall street out of such splendidly paying securities! But poor Wall street is used to being deprived of these .25 and 52 per cent securities—it even had to stand aside and see all of Miller's 52 per cent Franklin Syndicate securities go into the hands of frugal workmen and confiding widows.

After voting a franchise to the promoters, Omaha got its "Independent"

telephone plant. It has been in operation since December 2, 1907, more than a year. The "superior" service consists of not more than 4000 stations as against about 20,000 stations of the "grinding monopoly."

**Independent Rates are Higher.**  
The rates of the "Independent" are higher than those of the grinding monopoly. The "Independent" charges \$2 a month for a business telephone and the old company charges \$6 a month for a business telephone. Some thoughtless people may conclude from this statement of facts that the "Independent" rates are lower, but not so. There's a simple deduction to be made here. The man who buys 20,000 pins for \$6 gets a lower price than the man who buys 4000 pins for \$2. The \$6 purchaser gets his pins at 30 cents per thousand, while the \$2 purchaser pays 50 cents per thousand. The illustration is fair and applicable. No one rents a telephone to decorate his desk or wall; a man pays for a telephone for the service he gets out of it, and its worth to him is measured by the amount of such service. A telephone through which you may communicate with 20,000 other telephones certainly costs more to furnish and is worth more to the user than a telephone through which you can reach only 4000 other telephones. The merchant who gets a 20,000-station telephone service for \$6 per month is buying his telephone service at a lower rate than the merchant who pays \$2 per month for a 4000-station service.

In the construction of the Omaha "Independent" plant many men were employed for some months, it is true but their aggregate wages will not balance the waste forced upon hundreds of business houses for years by the necessity of having two telephones on account of the division made in the local telephone service. It is a clear case of one class of citizens gaining at the expense of another class, and on the whole such transactions bring no benefit to any community. Furthermore, many of the workmen who were engaged in building this plant took part of their wages in the bonds of the company, which are of doubtful value.

### Financial History a Farce.

The financial history of the Independent Telephone Company of Omaha is a comedy. The authorized capitalization is as follows:

Capital stock	.....\$5,000,000
Bonds	..... 3,330,000

The Union Telephone Construction Company was given \$1,500,000 in preferred stock for building the plant, with a switchboard capacity of 6000 automatic telephones. Whether or not any of the balance of the bonds and stock has been issued we are unable to state, but if not, then the outstanding capitalization of a telephone plant of 6000 stations is \$3,000,000, or \$500 per station. The amount of "water" in this may be imagined when one considers the fact that the Bell telephone plant at Omaha is capitalized at only \$97 per station.

The Union Telephone Construction Company and its fiscal agents met with poor success in their attempts to unload these "securities" in Omaha. It is understood that most of the real money put into the construction of the plant came from the Pacific coast. The funds were realized from bonds held by the Oregon Savings and Trust Company, of Portland, which failed in August, 1907, because it was not gone Savings and Investment Company to realize on the securities of which it held to the value of \$1,300,000. Some of the bonds were sold

(Continued on last page)

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