

MEDFORD MAIL TRIBUNE

Complete Series: Thirty-ninth Year: Daily, Fifth Year.

AN INDEPENDENT NEWSPAPER PUBLISHED DAILY EXCEPT SATURDAY BY THE MEDFORD PRINTING CO.

A consolidation of the Medford Mail established 1893; the Southern Oregonian, established 1902; the Democratic Times, established 1872; the Ashland Tribune, established 1898 and the Medford Tribune, established 1906.

GEORGE PUTNAM, Editor and Manager

Entered as second-class matter, November 1, 1899 at the post office at Medford, Oregon, under the act of March 3, 1879.

Official Paper of the City of Medford

Subscription Rates table with columns for One year by mail, One month by mail, Per month delivered by carrier, and Weekly, only by mail, per year.

The Mail Tribune is on sale at the Post News Stand, San Francisco, Portland Hotel News Stand, Portland, Bowler News Co., Portland, Ore., W. O. Whitney, Seattle, Wash., Hotel Spokane News Stand, Spokane.

Postage Rates table with columns for 2 to 12-page paper, 13 to 24-page paper, and 25 to 36-page paper.

Sworn Circulation table with columns for Average Daily for November, 1909; December, 1909; January, 1910; February, 1910; March, 1910; April, 1910; May, 1910; June, 1910.

July Circulation table with columns for 1 to 12-page paper, 13 to 24-page paper, and 25 to 36-page paper.

Total Gross, Daily Average, Less deduction.

Net average daily circulation 2,574

On the 1st day of August, 1910, personally appeared before me, George Putnam, manager of the Medford Mail Tribune, who upon oath, acknowledges that the above figures are true and correct.

Notary Public for Oregon.

MEDFORD, OREGON

Metropolis of Southern Oregon and Northern California, and the fastest-growing city in Oregon.

Population, 1910, 9,900

Bank deposits, \$2,150,000

\$500,000 Gravity Water system completed in July 1910, giving finest supply pure mountain water.

Sixteen miles of street being paved at a cost exceeding \$1,000,000, making a total of twenty miles of pavement.

Postoffice receipts for year ending June 30, 1910, show gain of 36 per cent.

Banner fruit city in Oregon—Rogue River apples won sweepstakes prize and title of "Apple King of the World"

at the National Apple Show, Spokane, 1909. Rogue River pears brought highest prices in all markets of the world during the past five years.

Write Commercial Club, enclosing 6 cents for postage of the finest community pamphlet ever written.

BIG SHOOT TO START THURSDAY

The fifth annual tournament of the Medford Gun Club opens Thursday morning at 9 o'clock and will continue two days. Eight main events will be shot off each day, besides events and special matches.

Some of the greatest shooters in the United States will be present and take part in the tournament. Among them are F. C. Reihl and Harry Ellis, representing the U. M. C. company, Ed Morris, of the Winchester, Hugh Paston of the Peters Cartridge company, Clancy, representing the "Dead-shot" powder, C. A. Haight, of the Dryport. Heath and Cortelou also of the U. M. C. company.

In addition Ad. Topperwein, the greatest trick shot with a rifle in America, will give an exhibition, and Mrs. Topperwein will shoot in the tournament. Mrs. Topperwein is regarded as one of the best shots among the ladies who follow the traps.

This afternoon a practice shoot will be held and a number of local and foreign shooters are preparing to engage in the events.

WORKMEN TO GET TANK DOWN

(Continued from page 1)

A deed from J. W. Redden et ux. to land for street purposes was accepted.

Plank sidewalks were ordered in on Narregon street from Jackson to Clark and on Clark street from Central avenue west to city limits.

Paving resolutions were passed for several streets on which the width had been changed.

Paving assessment ordinances for South Central and South Riversides were passed.

Permission to put in a spur at the yards of the Medford Lumber company was granted.

T. Y. Spangler, of the upper Elk creek, was in Medford Wednesday, on a business trip. Mr. Spangler has been connected with the Elk creek hatchery for the past eight years or more. The government is now contemplating establishing a plant to take the eggs of Rainbow trout at the Umpqua Fish Lake.

AMENMENT CASE IS FINALLY CLOSED

(Continued from Page 1.)

From the evidence it appears that C. W. Ament caused the corporation to be organized; when the first meeting was held there were present only two directors out of seven, one of those directors being the brother of C. W. Ament and the other brother's wife. They resided in California where the meeting was held. At this meeting the record introduced shows that C. W. Ament proposed to sell the corporation, which had one and one half million shares of one dollar each, some mining property near Grants Pass, called the "Dry Diggings," for all of the stock of the corporation, excepting seven shares, which was left for the seven directors. The evidence shows that he did not at this time own the Dry Diggings, but that he had a bond on it for about \$15,000; nevertheless, this board of directors voted him practically a million and a half dollars in its stock for this property. This was in December, 1901 and he did not convey the property to the company until August of the next year, after he had reaped from the sales of this stock sums testified by the experts to aggregate \$128,967.82. The evidence shows that in the next month after the corporation was organized he entered into a contract for the company with certain Chicago brokers to sell the stock at certain prices, viz: forty cents per share, one dollar per share and three dollars per share. The plaintiff contend that if the proposition had been legitimate the defendants would not have been able to tell in advance what the market price of the stock would have been. This same contract provided for disbursing dividends though the company at that time, according to the evidence, owned no property, but simply had a bond on a dry placer mine.

Organized in 1901.

The evidence discloses that the corporation was organized December 20, 1901, and that the first monthly dividend of one per cent was paid on the 27th of the following three months dividends in the spring following. The plaintiffs contend that these dividends were paid from money received from stock sales and were made for the purpose of stimulating the sales, and that the last ones were paid because the stock sales had fallen off. The evidence shows that during this period prospective buyers were besieged with literature through the mails and that there was an army of agents abroad representing to the people that the stock was a good investment and sure to continue to pay dividends. The literature sent out by the company, as introduced in the evidence, shows that the company represented that these dividends would be permanent and would increase from time to time and that the company was already paying on the basis of 33 1/3 per cent on the investment. The company being capitalized at one and one half million it would, of course, have required fifteen thousand dollars per month to have paid a monthly dividend of one per cent.

Dividends.

The plaintiffs contend that since the defendants were in charge of the company and did not pay any dividends on any stock except that bought by the public that the rest of the stock must have belonged to the company and that, therefore, Ament was a trustee of the unsold stock. The result of this would, of course, be that the company owned all of the stock. The plaintiffs contend that the stock could not have been given away by two directors and also that there was no adequate consideration paid for it. The evidence shows the defendants began the sale of the stock on the monthly payment plan. They had thought dividends would be paid only on such stock as was more than half paid for. The first dividend that was paid was only \$167, though \$15,000 would have been required to have paid such a dividend on all the stock of the company then outstanding. The evidence shows that no dividends were paid on the stock sold by the defendants, and the plaintiffs contend that this caused the investors to believe that the company was prosperous and paying \$15,000 per month in dividends, whereas, the real amount paid out was only \$167 for the first period. The plaintiffs contend that this so stimulated the stock sales that the next monthly dividend was, as shown by the evidence, \$513 then \$854 then \$1051 then \$2829 and then \$3225.

Did Company Have Stock?

All of the sales of stock which were on the monthly payment plan were on contracts assigned by the company and bearing the company's seal. The plaintiffs contend that if the original transaction had been valid, whereby C. W. Ament became

the owner of all of the stock but seven shares, that the company had no stock to sell. It is contended by the plaintiffs that these sales in the company's name were made to induce the purchasers to believe that the company was getting the benefit of the sales. The evidence shows that the company kept no books when it was first organized, and that the present books, introduced in evidence, were made up long after the most of the sales were made. The plaintiffs contend that this enabled the defendants to take the position that these sales made in the name of the company were company sales or private sales, just as circumstances might require.

Ament Sells Stock.

After these sales had continued for nearly a year, and when approximately \$64,567.40 had been realized from stock sales, a resolution was passed by the board authorizing C. W. Ament to sell stock in the company's name as though it belonged to the company, and for this privilege, according to the resolution, he was to allow the company a sum equal to \$50,000, less the expenses of making the sales and running the office. The evidence shows that while the company was allowed the benefit of sales aggregating approximately \$98,000, yet the defendants drew out in expenses and salaries and direct payments from the company more than that sum. It is the claim of the plaintiffs that this resolution was an afterthought for protection against the many sales that had already been made in the name of the company, while the company, according to its books, had no stock in its treasury. The evidence shows that after the company had been organized it began to build a dam across Rogue river between Woodville and Grants Pass and which is now known as the Ament or Golden Drift dam. During the time that this work was progressing C. W. Ament took credit on the books of the company for large sums which finally aggregated about \$95,000. This appeared in the evidence as advances or loans made by Ament to the company. The evidence shows that when money was required at Grants Pass for this purpose, those in charge of the local office wired the amounts to Chicago and that the money was then sent to meet the payroll. It was this money for which Ament took credit, but which the plaintiffs claim came entirely from the stock sales and belonged to the company. The evidence showed that in many instances the money was drawn out of the bank account of the company in Chicago upon company checks and that the bank wired the money to Grants Pass. The evidence shows that while this money was drawn out of the bank account, yet Ament took credit for it as though he had advanced it. In the case he contended that in those instances where checks were drawn on the company's account, he had deposited the money in currency to the credit of the company, but the plaintiffs showed that in many instances no corresponding deposits were made at or near the dates when the money was drawn from the company's account. The money thus drawn out of the company's account and for which Ament took credit aggregated about \$44,597.95. The plaintiffs claim that this was company money and introduced the original company checks to show that fact.

Experts' Evidence.

The evidence furnished by the experts shows that the cash paid in by the stockholders where they bought stock for cash was \$189,000, and the amount paid in by them on monthly contracts was \$98,000. The cash sales were all taken by Ament, according to the evidence. When a contract was made there seemed to be no way to tell whether it was to be filled by stock which was supposed to belong to the company or whether it was to be filled by stock which Ament claimed to belong to him. An analysis made by the experts and introduced showed that the contracts for large first payments and for large amounts were almost invariably put on the books as belonging to Ament, while those where the payments were small, or the sales small, were put on the books as belonging to the company. The evidence shows that the company, at its own expense, kept two sets of books, one showing sales that were supposed to be company sales and the other sales that were supposed to be of Ament's stock. However, the plaintiffs were never able to force the defendants to bring into court any book which would show the money received by Ament from cash sales. He first testified that there was such a book and afterwards that he did not know whether there was or not.

Get the Books.

When the receiver was appointed it was supposed that all of the books

were turned over to him according to the court order. However, the defendants brought in new books through the entire trial. As the case progressed first one book and then another was required to be brought in in order to explain some transaction upon which the plaintiffs had introduced evidence. By this means practically all of the books were finally produced, excepting those showing cash sales. The experts, however, computed the cash sales from the stubs of the stock certificates. These stubs, in many instances, had the price marked on them. The experts produced in court during the last days of the trial, a list giving the numbers of the stock certificates upon which the price was marked at one dollar per share. Many of these notations were in pencil. C. W. Ament, under an examination by the plaintiffs, testified in almost every instance that he made the notation. This was in the early examination of the case in June. Just before the case was closed it was discovered by the experts that these pencil notations had largely been removed and erased. However, as C. W. Ament had testified to them separately they are probably all entered in the record, so that this destruction of the evidence will not affect the result. The plaintiffs' experts testified that they did not know by whom the erasures were made, but none of the defendants took the stand upon this subject.

Soranson Employed.

George W. Soranson, who was for many years in the employ of the postal department as postoffice inspector and as an expert accountant in fraud prosecutions by the government, testified that he had been working on the books of the company in connection with Ernest H. Lister, for a period of three months. That the result of this investigation showed that the total amount of money received from the stock sales was the sum of \$277,804.82, and that the company only received \$97,967.62 thereof. That the Ament family had taken credit upon the books of the company for advances amounting to \$105,000. That a bond issue had been made for which all of the property of the stockholders was mortgaged, and that of these bonds the Ament family had taken \$105,000 as payment for these advances.

Claim of Plaintiff.

The plaintiffs claim that when advances were from funds received by the Aments from the sales of stock which belonged to the company that all of this stock was sold in the name of the company under representations that the money was to belong to the company and that the company paid the expenses of making all the sales. The plaintiffs contend, therefore, that the bonds so taken belong to the company and they have brought the suit for an accounting and for a cancellation of these bonds and to get the rest of the stock remaining unsold back into the treasury of the company.

The experts submitted schedules to show that if the bonds so given out are cancelled, the defendants would still owe the company \$112,065.19. That if the bonds remain outstanding because of inability to get them into court, that the defendants would owe the company the sum of \$214,505.19. In arriving at these amounts the experts testified that he had given the Aments full credit for all amounts which the defendants claimed to have advanced without regard to whether the advances came out of the company's bank account or from private funds. The plaintiffs in their complaint also claim that there is a very large amount of land in Josephine county, and which is worth a considerable sum, standing in the names of the defendants, and which was bought with the money of the company, and they therefore ask that defendants be decreed to be trustee for the stockholders of all of the lands standing in the names of the Aments.

Land Transactions.

The evidence introduced from the defendants' records shows that in this period of time there were about 100 land transactions in Josephine county, where property was either taken in the name of the defendants or in the names of others for them. The evidence showed that in almost every instance the lands were bought in the names of people other than the defendants, but the defendants furnished the money which the plaintiffs claim was company money. These titles were taken in the names of relatives, some of whom were women and non-residents, and afterwards transferred to some of the defendants. The title to these lands is now all involved in the suit, and if the plaintiffs win will belong to the stockholders. The evidence showed that during the time that money was coming in rapidly from stock sales C. W. Ament was dealing in fast horses, automobiles and other luxuries, but it is the plaintiffs' opinion that this will not necessarily result in loss to the stockholders, inasmuch

as the lands purchased by the defendants have greatly enhanced in value since their purchase. This land was of little value when purchased, for anything else excepting mining, but the activity in the fruit industry in southern Oregon has greatly enhanced the value of these lands for horticultural purposes. Should the plaintiffs succeed in establishing that the lands were bought with the company's funds, the lands would be a considerable asset to the stockholders. If the contention of the plaintiffs is correct, the outstanding stock, which was not purchased for cash, will all be cancelled so that the balance would belong to those stockholders who invested their money. Should the plaintiffs succeed in establishing that the proceeds of the stock sales belonged to the company, this would result in a cancellation of the bonds taken by the Aments, leaving the balance practically free from indebtedness so that under present conditions the investment would be profitable.

Valuable Water Right.

The water right belonging to the company is one of the most valuable on Rogue river. There is at this time great effort on the part of the citizens of Josephine county to irrigate their lands from the river. If this plant could be used as part of a general system of irrigation in the county, it would be very valuable to the stockholders whether the improvements are of any value or not.

Just prior to the appointment of the receiver a high water in the river took out a large portion of the dam. It is conceded by both sides that the structure should be repaired while the water is low. The defendants claim to have no money with which to make these repairs. The receiver has no funds. The plaintiffs, at the close of the trial offered to make the repairs if the property should be turned over to them for that purpose, and receiver's certificates issued them as security for the money required. They offered to pay for the repairs in cash and take the certificates as security. The defendants refused to enter into this stipulation, so that it is now a matter of considerable concern to the people locally whether the dam will be repaired during the present summer when the work could be done at comparatively small expense. It seems to be the universal opinion in the community, in which both the plaintiffs and defendants join, that the dam in its present condition will not withstand the floods of the coming winter unless it is repaired. The plaintiffs have insisted upon pushing the case to trial and concluding it in order that an early decision might make provision for these repairs. The case has been so long drawn out, however, and the record is so voluminous that it would now seem impossible that a decision could be made before the fall rains begin. It is to be hoped that some temporary arrangement can be made whereby the plaintiffs may be permitted to advance this money for the preservation of the property.

Outside of the railroads, this is probably the largest individual investment in the community and the loss of the property would be a serious loss to this section.

FORMAL ANNEXATION OF KOREA EXPECTED

SEOUL, Korea, Aug. 17.—The Japanese resident general today opened negotiations with the Korean court that are expected to end in the formal annexation of the Korean peninsula to Japan. In view of the approaching absorption of Korea, Japan has strengthened every garrison on the border and is prepared to put down rebellion with a strong hand. Prior to formal announcement of the annexation, which many believe will be withheld for some time, although the virtual loss of Korean integrity will soon take place, Japan has arranged for the acquisition of police powers. Japanese officers have been placed in charge of the palace police and hundreds of Japanese secret agents are scattered throughout the ancient kingdom.

GOUGHAM COPS STOP KAUFMAN-LANGFORD GO

NEW YORK, Aug. 17.—The sudden action of the authorities in preventing the Kaufman-Lang fight last night is regarded here as another body blow to the fight game in America. Acting Mayor Mitchell holds that the contest was not to be a boxing exhibition, but a prize fight, and he said he could not understand why \$15,000 worth of tickets had been sold if the affair was merely a spar-

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EVERYTHING FOR THE HOME Weeks & McGowan Co. 114 TO 124 WEST MAIN STREET

ring exhibition before an athletic club.

Mitchell announced today that there would be no more fights held in New York while he is acting mayor. It is expected that Mayor Gaynor will take the same stand when he returns to his duties.

Four Fly in Aeroplane.

NEW YORK, Aug. 17.—Chas. F. Willard, in a Curtiss aeroplane, flew with three passengers and himself for 500 yards at Mineola, L. I. this evening. This is the first three passenger flight recorded in America.

Haskins for Health.

When School Opens EVERY STUDENT WILL NEED A Waterman's Fountain Pen \$2.50 TO \$4.00

Medford Book Store. 40-50-60-70-80-90-100-110-120-130-140-150-160-170-180-190-200-210-220-230-240-250-260-270-280-290-300-310-320-330-340-350-360-370-380-390-400-410-420-430-440-450-460-470-480-490-500-510-520-530-540-550-560-570-580-590-600-610-620-630-640-650-660-670-680-690-700-710-720-730-740-750-760-770-780-790-800-810-820-830-840-850-860-870-880-890-900-910-920-930-940-950-960-970-980-990-1000

Pittsburg wants to get rid of its smoke nuisance. What, and that smoke nuisance its best advertising feature!

Wanted

Close in residence lot. Girls to cut fruit \$1.25. Close-in lot, quick. 12 bridge carpenters. Sawmill men. Girl for general house work 10 laborers. Loggers.

BUSINESS CHANGES

9 acres, bearing fruit, close to city, \$8000. 80 acres, income \$2500, wells and teams, \$6500. Rooming houses. Lunch counter. Business nets \$1000 yearly. Furniture and lease. FOR SALE.

Team, harness, wagon, \$235. Furnished 9-room house, close in. 7-room house, W. Main, big lot; 5 wagons, \$30, \$40, \$50, \$70, and \$90. Heavy span of horses and harness. National cash register. 2 acres, 1 1/2 miles west \$575. Horses, harness and tack \$300. 5 room house, lot 59x150, \$850. 5-room bungalow, furniture, \$2200. 10-acre tracts in full bearing. Irrigated tract, \$200 per acre. 3 fine lots, your own terms. 1 acre fruit, 4-room house, cheap for quick sale. 160 acres, 5 miles out, \$2750. 160 acres, 4 miles out, \$60 per acre. 20 acres Newtown and Spitz apples, Eagle Point, \$125 per acre. 300 boxes Gravenstein apples. Swell camping outfit, cheap. 10 acres, \$1600, 1/4 mile Phoenix. 2 acres, north, under ditch. For Trade. Wagon buggy, driving horse, harness. 40-h. p. auto, 1910 model, trade for city property. Seattle residences \$10,000, \$2100, for acreage. 20 acres, 12 in fruit, for city lots. 2 ranches for city property. Relinquishments. Two 160-acre tracts fine fruit land, can irrigate, \$200 each.

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