

Tonight and Thursday, rain in West, snow in east portion of state; warmer tonight in east portion.

OBSTACLE TO STRAHORN BOND ISSUE REMOVED

WINNING SUIT MAY OPEN WAY TO COMPLETION

Permission of Interstate Commerce Commission Now Expected

PORTLAND, Jan. 4.—Robert E. Strahorn, who brought suit against the Oregon, California & Eastern railway for recovery of \$472,000 in capital stock and an interpretation of an amendment to the transportation act, was granted a judgment immediately after the conclusion of arguments.

The suit was brought by Strahorn because the railway company feared that carrying out its contract with Strahorn might have been a violation of the amendment. The effect of Judge Bean's decision will be to allow Strahorn to dispose of \$550,000 of railway bonds, \$300,000 of which will go to the city of Klamath Falls in return for its municipal railroad.

This suit was purely technical, made necessary by reason of certain provisions of the transportation act that stood in the way of Mr. Strahorn securing the approval of the interstate commerce commission for the bond issue of \$550,000. It has been known here for some time that Mr. Strahorn had succeeded in marketing the bonds, but before the deal could be consummated the interstate commerce commission had to approve of the issue.

Investigation revealed the fact that the transportation act stood in the way and it was to remove this obstacle that the suit above referred to was instituted. It is to be presumed that the approval of the commission will be forthcoming as soon as the usual formalities connected with it have been complied with.

With the floating of the bond issue it will be now possible to complete the railroad to Sprague river, put the road bed in first class condition and secure sufficient equipment to operate the road. Mr. Strahorn has been waging a lone battle in New York, Washington and Portland, pursuing his well known policy of silence, and the news that he has won will be gladly received here.

With the completion of the line to Sprague river will come the opening up of immense bodies of the best timber in the county. It will also mean the immediate completion and operation of the Saddle Mountain Lumber company mill, as well as the construction of other sawmills in that vicinity.

It is understood that if the line is finished to Sprague river that Mr. Strahorn has assurance of sufficient assistance to enable him to extend the line to the Long-Bell timber in the vicinity of Yamsee mountain.

PREMIERS GEORGE AND BRIAND WOULD SAVE BREAKING OF ENTENTE

CANNES, Jan. 4.—To save Europe from complete economic disintegration and keep the entente from falling apart, are the tasks undertaken here, by Premier Lloyd George and Premier Briand, who opened private conversations here in preparing a program for the allied supreme council which convenes here Friday.

COPCO TO OCCUPY NEW QUARTERS ON MAIN THIS MONTH

Move Made Because of Large Floor Space Available in Former Bank Building

The California Oregon Power company some time this month will move from its present location on Seventh street to the former First National Bank building at Fourth and Main. It was announced today by J. C. Boyle, local manager. The present lease will be retained until May.

FIRST AUTOS ARE SOLD

White Pelican Opens Season With Sale of Two Cars

The first reported sale of an automobile for the year comes from the White Pelican garage. Lou Arens announced that this morning he turned over to Sheriff Woodcock of Lake county a '490' Chevrolet touring car and an FB Chevrolet touring car to F. L. Koser. Both gentlemen, whose homes are in Lakeview, arrived here last evening and started on the return trip this morning, taking with them their new purchases. They state that they had a hard time of it coming over.

Mr. Arens states that he looks forward to one of the best years he has ever experienced in the automobile business. That there is keen rivalry between the Chevrolet and the Ford not only here but throughout the country, is recognized by auto dealers, and the predictions are that the Chevrolet will 'carry off the bacon.' It is claimed for the Chevrolet that notwithstanding the fact that there is only \$68 difference in the first cost, there is in the neighborhood of \$200 difference in values, when the equipment that goes with the Chevrolet is taken into consideration. It is the prospects of this demand for Chevrolets that is causing many of the dealers to fear that it will so far exceed the capacity of the factory that before the season is half over there is going to be great difficulty in securing cars.

NEW IRISH PROPOSAL

De Valera Would Form Treaty of Amity With Great Britain

DUBLIN, Jan. 4.—On reassembling the Dail Eireann today received a new version of De Valera's amendment to the Irish peace treaty proposing to make it a treaty of amity and an association between Ireland and the governments of Great Britain and other states of the British commonwealth. De Valera, after sharp exchanges with Griffith and Collins over 'document number two,' announced he would move for his alternative proposal tomorrow.

BELFAST, Jan. 4.—Six deaths have resulted from the present series of disorders in Belfast, one victim being a child shot in his mother's arms.

MARKET REPORT

PORTLAND, Jan. 4.—Cattle slow: Hogs 25c to 35c lower; Prime light, 40 to 55.65; Sheen weak; eggs 5c; butter 30c to 35c; Butter, steady. Wheat \$1 to \$1.05.

BATTLESHIP HITS SCHOONER

BOSTON, Jan. 4.—The battleship North Dakota collided with the British schooner T. K. Bentley off Cape Cod last night. Neither was damaged seriously.

SHORTER ROUTE FROM LAKEVIEW TO K. F. URGED

Proposed Road Would be 18 Miles Shorter, With 5 Per Cent Grade

Construction of an all-year highway from Lakeview to Klamath Falls, which would leave the Bly road at the school house in Drews Valley, then run south and west to the north side of Langell Valley, thus shortening by 18 miles the present route via Bly, has been proposed by the Lakeview chamber of commerce, which probably will take up the matter formally with Klamath county. The proposed route would have a maximum grade of 5 per cent, it is claimed.

The Lakeview chamber of commerce has passed a resolution urging that from the money derived from sale of Lake county road bonds, the sum of \$40,000 be devoted to construction of this road to a point designated as near the northeast corner of section 3, township 39 south, range 17 east, thence to continue in a westerly course through the Fremont national forest to Bonanza. The resolution urges that the forest service cooperate with the county court of Lake county in providing funds for construction.

F. Z. Baldwin, of Lakeview, has advised President Gordon of the chamber of commerce that the state highway commission is in favor of this road, and that Judge Smith, of Lakeview, and Supervisor Brown, of the Fremont national forest, recently returned from a conference at Portland with the district forester, who was reported as being in favor of the road. Co-operation on behalf of the forest service would effect a saving of thousands of dollars for both Klamath and Lake counties, Baldwin said.

The road already has been surveyed by the county surveyor of Lake county, who reported that a 5 per cent grade could be maintained and that a large portion of the road would be on south slopes, thus giving an all-year road.

The resolution points out that a highway on this route would be of great value to the forest service, the forest users, the traveling public, local residents and tourists;

ANNUAL REPORT OF FIRE CHIEF SHOWS EXCELLENT RECORD

With Exception of Lakeside Fire, Loss for Year Would Be only \$14,281.27

Had it not been for the Lakeside Lumber company fire the total fire loss for Klamath Falls during 1921 would have been only \$14,281.27, according to the report made last night to the city council by Fire Chief Ambrose.

The report showed the total loss paid to have been \$59,181.27, which included \$44,900 paid for the Lakeside loss. The total insurance risk on property damaged by fire was \$464,010, which, without the lumber company loss, would indicate an excellent record for the year.

The council passed to its third reading and adopted the ordinance providing for payment to the Stutz Fire Engine company the amount agreed upon for the new fire equipment.

The question of better lighting for Klamath avenue between Ninth and Eleventh was referred to the light committee.

The finance committee was instructed to make a survey of the city hall heating problem with view to reducing the expense. Permit was granted C. T. Atkinson to move a small house from lot 19, block 94, Klamath addition, to Main street near the bridge across the canal. The following applications to operate rooming houses were referred to the fire committee: Clairmount, Fourth and High, N. E. Dennis; Star, 536 Main, Martha L. Eads; Eleventh and Klamath avenue, Jas. C. Smith; Murdoch building, 216 Main, Ethel Stearns.

ILLNESS CAUSES POSTPONEMENT OF LEONARD-PINKIE FIGHT

MILWAUKEE, Wis., Jan. 4.—The Benny Leonard-Pinkie Mitchell bout, which was to have been staged here, Monday afternoon was postponed until January 9 because of the illness of Mitchell.

would make more accessible for fire protection and general administration a large area of national forest; and would make more accessible to the general public the camping, hunting, fishing and other recreational features of the Fremont national forest—this in addition to the shorter route and less grade.

President Gordon said that he is heartily in favor of this road, and will lend his support to its construction.

POLICE SEIZE 175 QUARTS, 2 ARRESTS MADE

Mills Addition Raid Nets Large Source of Local Moonshine Supply

A complete still, 175 quarts and one 5-gallon demijohn of alleged moonshine whiskey was seized yesterday afternoon by Chief of Police Wilson in a house on White avenue in Mills addition on a federal warrant issued by U. S. Commissioner Bert C. Thomas. Dick Berard and Eddie Lehinder were arrested by Port Summers in connection with the raid and were slated for arraignment this afternoon before U. S. Commissioner Thomas.

The Liquor was Discovered Chief Wilson discovered the liquor hidden in a large excavation beneath the woodshed floor. The cracks of the floor had been covered over and wood scattered about to conceal the cache, he said.

The raid is believed to have cut off one of the largest local sources of supply.

EXPLAINS ROAD BONDS

Forum Members Hear Address on Proposed Issue

The meaning of the proposed \$500,000 county road bond issue, which it is proposed to place before the electors at a special election early this spring, was the subject of an address by County Judge Bunnell at the forum this noon. Judge Bunnell said the bonds would equal 4 per cent of the assessed valuation of the county, or approximately \$800,000, and that practically every main road in the county would be improved thereby.

E. B. Hall made a short address on the policies of the United States Chamber of Commerce. W. C. Van Emon requested volunteer members for the Klamath Amateur Athletic association, which was answered by a large number of those present.

Harry Borrel entertained with excellent violin selections. He was accompanied by Mrs. C. W. Eberlein.

R. E. Wright presided at the meeting, which was well attended.

EUROPEAN RESERVE BANK IS PROPOSAL OF SENATOR OWEN

WASHINGTON, Jan. 4.—Establishment of a European Federal Reserve bank, providing for gold secured currency and linked with the American Reserve System, was advocated today by Senator Owen, Oklahoma, as a move toward a more stable economic condition throughout the world. He proposed that the United States postpone for ten years collection of interest or principal on war debts, and that final payment be required in 50 years. He also suggested a three per cent interest rate.

OPPOSE TAPPING STATE ROAD FUND TO FINANCE FAIR

Charles Hall Says People Affected by Tax Should First be Represented

PORTLAND, Jan. 4.—Challenged by Chairman Meier of the 1925 Exposition board to explain his opposition to the fair measures in view of the fact that the State Chamber of Commerce had endorsed the Exposition, Charles Hall, chamber president, late yesterday said he favored the Oregon 1925 Exposition but that he opposed tapping the state road funds to finance it until the people affected by the tax were properly represented.

Speaker Dean said it was not a case of fighting the Exposition, but of sufficient time to devise means to finance it. William Handley, of Burns, was elected president of the State Chamber, Hall declining to serve another term. E. B. Hall, of Klamath Falls was elected one of the seven new members of the Board of Directors.

LOCAL MAN HELD UP

'Whitey' Dahl Victim of Footpads in Los Angeles

'Whitey' Dahl, a former employee of the reclamation service, who recently went to Los Angeles, was held up in that city by footpads who relieved him of \$200. Dahl had met a stranger in the hotel where he was stopping, and together they went for a walk to view the sights of the city. While engaged in this he was held up, and when the hold-up men found he had nothing but travellers' checks they compelled him to sign four of them, each calling for the payment of \$50. He gave a good description of the men to the police, but at last reports they had not been apprehended.

BILL TATE BEATS WILLS ON FOUL

PORTLAND, Ore., Jan. 4.—Bill Tate, Chicago negro heavyweight, won on a foul over Harry Wills of New York in the first round of a scheduled 10-round battle here Monday afternoon. The referee raised Tate's hand when Wills crashed in a right to the chin that toppled Tate over, after he had requested the two to break from a clinch. Tate made an attempt to step back to obey the command when Wills struck him. This breach of rules cost Wills the fight. The round had about 10 seconds to go when the referee raised Tate's hand.

SOLDIERS WORE ROPES

Graves Registration Employee Tells of Condition of Bodies

WASHINGTON, Jan. 4.—Rufus P. Hubbard of New York, employed by the American Graves Registration service in preparing bodies of American soldiers for shipment from France, told the Senate committee today that on three bodies disinterred he found a rope around the neck and a black cap over each face. He said there was nothing in the coffins by which the bodies could be identified, and that the black caps had not been removed before the bodies were shipped to the United States for burial.

\$15,000 IN TAX BUDGET OF '22 FOR BLOCK 10

County Court Would Spend Large Amount for Jail in H. S. Building

Table with 2 columns: Category and Amount. Includes County and State (12.30), Market roads (1.40), County schools (3.20), Attorney and witness fees (.35), State Agricultural college (.18), Warrant redemption (.53), Carnegie library (.11), Courthouse construction (.88), High school (2.15), County road (4.50), Total (25.40).

A levy of .68 mills for "courthouse construction", or the completion of the jail in the building on Block 10, which will amount to \$15,000, was included in the county budget completed by the county court yesterday afternoon.

The item was included in view of the fact that "a protest has been filed against the proposed levy under the heading, 'Courthouse Construction Fund,' to prepare courthouse building on Block 10, Hot Springs addition, to make a jail habitable, there being no jail now in the county in which unruly prisoners can be confined; and it appearing also that a petition has been filed favoring said protest, and that 41 electors have signed said protest; and that 143 electors have signed a petition favoring the levy." Upon motion of Commissioner Burrell Short the court unanimously decided that the petition against inclusion of the item be denied.

For the purpose of bringing to the attention of Judge Calkins the action of the county court, it is understood that contempt proceedings will be instituted and an effort made to secure the punishment of all those who have had anything to do with the violation of the provisions of the Injunction, issued last year by Judge Calkins to prevent the levy of \$50,000 for the Hot Springs building. These provisions direct that "they and each of them (the county court) are ordered not to expend upon such building on said block 10 any of the funds levied for courthouse purposes in the tax levy for the year 1918. (This levy had been collected before the injunction was issued).

Another paragraph provides: "And they and each of them are hereby restrained from and ordered not to enter any contract or incur any obligation of any kind or character on behalf of said county, either in the building or completion of said courthouse on block 10, and they and each of them are restrained from and ordered not to enter upon the records of Klamath county, Oregon, any tax levy for any such purpose and not to report any such tax levy to the defendant, J. P. Lee, as county assessor for said county."

Another provision is: "Or to make ANY LEVY for the expenditure of money for courthouse purposes on said block 10."

Another paragraph provides: "And that the defendant, C. R. DeLap, as county clerk of Klamath county, Oregon, be and he is hereby ordered not to make any record upon the records for Klamath county, Oregon, of any tax levy by the county court for Klamath county, Oregon for said or any miscellaneous item, or for the said sum of \$50,000, or for any other sum for the purpose of courthouse construction upon said block 10, Hot Springs addition, or elsewhere, and from making any record of any report of any such tax levy by said county court to said county assessor."

Another provision is: "This injunction order applies to and restrains not only the defendant, but their deputies, agents and employees and all others in their aid or behalf, and applies equally to their heirs, assigns and assigns of their heirs."

WANTED—A ROAD SCRAPER



Although the Cyclo-Stormograph at Underwood's Pharmacy shows that the barometer has been rising for the past 24 hours, at the time of making this report the tendency was again slightly downward. If this develops into a movement of any consequence the change for clear weather is not very good. The present reading favors clearing tonight.

Forecast for next 24 hours: Unsettled—with indications slightly in favor of clearing. The Tycos recording thermometer registered the following maximum and minimum temperatures today: High.....34 Low.....16