

WEATHER FORECAST  
Tonight and Sunday, rain in West,  
snow east portion; not so cold to-  
night in east portion.

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## Western Pacific Plans To Buy N. C. & O.

### WOULD EXPEND MILLIONS FOR NEW EQUIPMENT

First R. R. Development in Years to Affect Klamath County

SACRAMENTO, Jan. 28.—Expenditures of millions of dollars by the Western Pacific Railroad company for extension of tracks, terminals and purchase of new property and further invasion of rich agricultural and timber lands of California and Oregon was indicated Thursday when Charles M. Levy, president of the company, returned to California after a stay of three weeks in New York city.

From an authoritative source it was learned that the Western Pacific intends to spend millions for three purposes:

Extension of the present terminals at Eighth and Brannan streets, San Francisco; purchase of the Nevada-California-Oregon railway, operating from Hackstaff, Lassen county, to Lakeview, Oregon, and construction of an electric line from Woodland to Vallejo, to be operated in connection with fast steamer service from Vallejo to San Francisco.

These three moves are intended by the Western Pacific to add materially to its freight traffic, as well as to increase its passenger service, especially between Woodland and San Francisco.

**Head Note Proposed**  
It is understood that stockholders of the Western Pacific will meet on February 29 at Wilmington, Delaware, for the purpose of approving the sale of company bonds for the acquisition of the Sacramento Northern railroad and extension of existing Sacramento Northern lines from Woodland to Vallejo.

Although the proposed electric line takes on the color of an ambitious venture, the reported acquisition of the Nevada-California-Oregon railroad, running from Hackstaff to Lakeview, a distance of 170 miles, is declared a far more strategic move.

**Would Broad-Gauge N. C. & O.**  
The existing road from Hackstaff to Lakeview is narrow gauge. It is the intention of the Western Pacific officials, upon taking over the property, to tear up the narrow gauge tracks and lay standard gauge, to conform with the Western Pacific equipment.

Charles Moran, president and owner of the Nevada-California-Oregon railroad, is a resident of New York city and it is reported that President Levy of the Western Pacific and other Western Pacific officials conferred with him on the proposed sale.

**Taps Rich County**  
If the Western Pacific takes over the Nevada-California-Oregon property it will give the Western Pacific access to a rich agricultural and timber district, particularly at the Oregon terminal.

Officials of the Western Pacific went into conference with President Levy in San Francisco upon his return from the east.

No official word was available of the proposed extension plans of the Western Pacific, but it was learned that for many months plans have been carefully considered for the three ambitious extensions and improvements.

Announcement of the Western Pacific's plan to acquire the N. C. & O. and make it a standard gauge road is the first definite move toward railway extension that has affected Klamath county since the war, halted railroad development, and these in touch with the situation went by things.

## Modoc Lumber Company Mill To Resume With 400 Men Employed

### CAPITAL SNOW-BOUND FOLLOWING HEAVIEST BLIZZARD SINCE 1888

WASHINGTON, D. C., Jan. 28.—The National Capital is cut off from the outside world so far as transportation is concerned, by one of the heaviest snow storms in the city's history. Trains from the south wholly suspended operations following a two-day storm. The snowfall in the middle Atlantic section is the heaviest since the blizzard of February, 1888.

### THIRSTY THIEVES ROB J. P.'S OFFICE OF THREE QUARTS

Moonshine Exhibits Vanish; Justice Wonders Whether Men Wanted Evidence of a Drink

It is not often that burglars pick out a hall of justice for the scene of their depredations, but Justice of the Peace Garhagen when he entered court this morning discovered that he had been made an impromptu host overnight to the extent of furnishing some marauder with several bottles of moonshine, which had been marked as exhibits in charges preferred against bootleggers.

Apparently the overnight visitors sought to leave as little trace behind them as possible. Evidence had been gained by prying off a piece of molding from the door, leaving an opening small enough for the insertion of a knife blade far enough to slip the latch.

Three milk bottles containing moonshine and marked as exhibits were on the top of the desk. There was still another inside the desk. The visitors got them all. In a lower compartment there were a dozen or more quarts. The mark of some sharp instrument was discernible, but the door to this compartment was locked and the thieves did not spring it.

So far as he could discover this was all that was taken, and the judge is in a quandary as to whether the moonshine was stolen for the kick in it, or to destroy the kick it might contain for the bootleggers when offered in evidence against them. The thieves were careful to replace the molding on the door through which they had entered.

### CIRCUIT COURT CALENDAR

The following cases are scheduled for jury trial in the circuit court, which will convene on Monday: State vs. Kennedy; State vs. McDonald and Canner; Duke vs. Merley and Marx vs. Trainer.

### BIG TRACTOR FOR UPPER LAKE LANDS

J. F. Walsh, who has leased about 2500 acres of the Indian marsh lands above Upper Klamath lake from the California-Oregon Power Co., has his monster tractor at the O. K. Blacksmith shop, overhauling it to have it in readiness for work in the spring. It is the largest tractor ever used in this part of the country, the whole being eight feet in diameter and being seven feet in width over all. It is thought this great width will enable to travel over the soft, dredged land.

### K. A. A. BOARD TO MEET AT CHAMBER TONIGHT

In accordance with a motion passed at the last meeting of the Klamath Amateur Athletic association, the board of directors will meet at the Chamber of Commerce tonight at 8 o'clock.

### VETERAN EDITOR DEAD

ALBANY, Jan. 27.—Samuel S. Train, editor and publisher of the Albany Herald for almost two decades, ex-postmaster of Albany and prominent in the affairs of this city for many years, died at his home here, aged 81 years.

### CREDITORS OF FIRST STATE TO BE FULLY PAID

Receiver Says Depositors to Get Dollar for Dollar; Stockholders Safe

"The affairs of the First State and Savings bank will be liquidated by me in a manner that will safeguard the interests of the depositors and stockholders and without distressing those who owe the bank or disturbing the business of the community."

This is the message that comes from C. E. Wallace, receiver of the First State and Savings bank, which closed its doors this morning, in a cheering message, one that will stabilize conditions and cause business to move along its regular channels without clogging, through fear or uncertainty, Mr. Wallace has been here but a few days, but long enough to inspire a notable degree of confidence among the depositors and directors of the bank and the business men of the city. In a way he is a remarkable man, for one cannot talk with him five minutes without being carried away with his honesty, sincerity, ability, interest in the welfare of others and a manifest desire to place everything upon a solid foundation. It is this characteristic of the man that is going to carry through the winding up of the affairs of the First State and Savings bank to a successful conclusion, a conclusion that will mean that every depositor will be paid dollar for dollar and almost a certainty that the stockholders will be equally as fortunate.

**The Second Closing**  
Almost a year ago to a day the bank closed for the first time. Spurred on by the confidence reposed in the men at the head of the institution, the people of the county rallied to its support and subscribed tens of thousands of dollars of the new stock, resulting in reopening the bank under conditions never before known in the banking history of the state. But the fate, seemed to have decreed that this success would not continue, for the business depression of last year was too great to enable the bank to gain the strength needed through new accounts and increased deposits. Those who had money on deposit were forced to withdraw it to keep their business going or meet ordinary expenses, with the result that there was a gradual depletion of the reserve. No bank ever put up a stronger battle to keep going, the officers realizing that if the period of depression could be passed that it would once more win the fight and resume its place among the solid banks of the city.

When it seemed as if the fight had been won unexpected difficulties arose and these cast the weight against the bank, with the result that it was forced to close.

**STATE OFFICIALS WILL DISCUSS ANTI-BOOZE LAWS**  
PORTLAND, Jan. 28.—A meeting of law enforcement officials of Oregon is to be held here tomorrow to discuss proposed methods for better enforcement of prohibition laws and to plan investigation of the high cost of food.

**FINGER-PRINT SYSTEM TO BE ADOPTED BY COUNTIES**  
PORTLAND, Jan. 28.—Sheriffs and district attorneys of the state are to be instructed in taking finger-prints as a result of the action of the district attorney's convention today, following the demonstration by J. M. Hunter, Portland expert. Officers desired to take steps to introduce the system in all counties. Neppert, of Douglas, discussed "Non-Support Legislation."

(Continued to Page 4)

### THIRTY NEW WORKS OF LATEST FICTION AT CITY LIBRARY

New Non-Fiction Volumes Added to Growing Stock on Shelves of Institution

Visitors at the city library are glad to note about thirty volumes of the latest fiction have been placed upon the shelves recently. Owing to lack of funds the Library Club has not been able to buy all of the latest fiction but are putting in some of the best works.

Among them are Walpole's "Young Enchanters"; Galsworthy's "To Let"; W. L. George's "Ursula Truet"; and "Dangerous Ages," all stories of modern English life; Gertrude Atherton's "Sisters-in-law"; and "Brass" by Norris, both California stories that are attracting wide attention in the West.

"God and Woman," a Scandinavian story of Bojer, said by reviewers to be the strongest fiction of the year, is among the new fiction, and "The Brimming Cup," by Dorothy Canfield, which has been widely read ever since its publication, is still in great demand.

Mrs. B. E. French, the librarian, also has added some choice non-fiction, in "The Mystic Isles of the South Seas," which has a strong appeal to all lovers of "The White Shadows of the South Seas" by the same author and in "Mirrors of Washington," illuminating sketches of the lives of contemporary American and British public men, which are being nationally read and discussed.

The public is urged by the library and to ask for any desired book which is not found on the shelves as Mrs. French is desirous of adding each month the books for which there is popular demand.

### NEW CROP HELD AS ESSENTIAL TO PROSPERITY

Agriculture and Livestock Important; 12th Reserve Banks Strong

SAN FRANCISCO, Jan. 28.—States of the Twelfth Federal Reserve district, being so largely dependent for prosperity upon the agricultural and livestock industries, must await the results of the 1922 crops before they will recover permanently and substantially from the severe readjustment of the past year, John Perrin, San Francisco, federal reserve agent, declared in his monthly report issued here today.

"There is already apparent, however," the report said, "pronounced improvement in the credit situation when compared with the beginning of 1921 as indicated both by the strong position of the banks generally throughout the district and by the availability and cost of bank credit for agriculture, industry and commerce."

"Total borrowings of member banks from the Federal Reserve bank at the beginning of 1921 were \$171,211,000, or more than twice the \$71,271,000 borrowed at the beginning of 1922."

**Improvement Shown**  
"Improvement on the condition of the 67 reporting member banks is reflected in the reduction during the year in the ratio of their total loans and discounts to total deposits, which was 81.3 per cent at the beginning of 1921 and 75 per cent at the beginning of 1922."

"Prevailing interest rates charged by the principal member banks were reported to be easing slowly late in 1921, and it would appear that conservative enterprise in general will not be hampered in its conduct in 1922 either by lack of available bank credit or by its cost."

"Customary yearly returns to the United States department of agriculture show that the December 1st farm value of the 15 principal crops of the district was \$518,000,000, compared with \$730,000,000 in 1920, a decline of 30 per cent. "These figures reflect the substantial decreases which have occurred in the prices of farm products."

"As a measure of the purchasing power of the rural communities, however, they should be qualified by allowance for reductions which have occurred during the same period in the cost of living, which were 29.4 per cent between July, 1920, and December, 1921, and particularly in the farmer's cost of production. In the latter item wages of farm labor are one of the predominant elements, and these are

### NATION GUARD ORDERED TO NEBRASKA CITY; MARTIAL LAW IS PROCLAIMED

LINCOLN, Nebr., Jan. 28.—Five companies of the Nebraska National Guard today were ordered to Nebraska City in response to an appeal for protection from alleged disorders in connection with the packing house strike. Governor McKelvie proclaimed martial law for Nebraska city.

### POLITICAL POTS ALREADY BOILING THROUGHOUT STATE

Many State Offices to Be Filled; Primaries May 19, General Election November 7.

SALEM, Jan. 28.—Political pots have already started boiling throughout Oregon in anticipation of the primary election which will be held May 19, when candidates will be nominated for officers to be elected at the general election which will be held November 7.

Nominations will be made at the primary election by the political parties for the following offices: One representative from each of the three congressional districts. Governor. State Treasurer. Three justices of the state supreme court. Circuit judges for ten judicial districts. District attorney for Benton and Multnomah counties. Sixteen state senators. Thirty six legislative representatives.

There will also be nominated at the primary a superintendent of public instruction; commissioner of bureau of labor statistics; inspector of factories and workshops; and a commissioner of the state public service commission from the state at large. Each of the major political parties also will elect a national committeeman.

### HOLD-UP FRUSTRATED

Radical Sought for Centralia Riots Shot by Detective

LOS ANGELES, Jan. 28.—Walter E. Lambertson, asserted to be a radical, and who is said by the police to be wanted in connection with the Armistice day disorders at Centralia, Wash., was in a serious condition in a hospital, here today as a result of four bullet wounds sustained last night when detectives frustrated what they declared was an attempt by Lambertson to derail the Southern Pacific shore line limited train bound from San Francisco to Los Angeles and rob the baggage car of a \$150,000 money consignment.

### WATER PIPES BURST

KITCHEN IS WRECKED

WEED, Jan. 27.—Not realizing that the hot water tank was a Wood Lumber Company watchman, started a fire in the kitchen stove Saturday morning. As soon as the stove became thoroughly hot, both the hot water coils in the stove and the tank exploded. The stove was wrecked, the tank demolished, three windows in the kitchen were blown out and the house generally damaged. No one was injured.

### LOGGER BREAKS LEG WHEN SLEIGH IS CAPSIZED

Louis Robbin, a logger, sustained a broken leg yesterday morning at Quigley's logging camp when a sleigh he was driving capsized and he leaped to the ground to escape before the sleigh was overturned. The break was near the knee. This is the second time Robbin has suffered a broken leg, the bone being broken in three places in a previous accident. He is being treated at the Warren Hunt hospital.

### EXTENSION OF LOGGING ROAD WILL BE MADE

Large Crew to Be Required in Construction; New Planer to Be Added

Immediate resumption of activities by the Modoc Lumber company, which suspended operations last year in the midst of the general financial depression, was announced today by J. O. Goldthwaite, president of the company, who returned last night with reorganization plans completed and, according to report that preceded his arrival, backed by financial support that permits no possibility of failure in carrying them out.

**Here's the Program**  
Here are the outstanding features of the enlarged operations: Completion of the logging road to the Calamus Butte unit. Between five and six miles of this nineteen mile road are done and the extension will be begun at once. The road is flanked by a heavy timbered country for its entire length. Logging operations to start as soon as weather permits. Dry kilns ordered and a construction contract, called for their completion by May 1st, let. Planer equipment ordered, and expected to be running May 1st. Overhauling and extension of the sawmill to permit of operation to capacity, 135,000 feet per shift, and employment of two shifts. Starting the mill at the earliest possible date the weather permits and the employment of 400 men in all company operations, with several hundred more employed by contractors in extending the road and erecting kilns and planer.

Goldthwaite left today for the mill, above Chiloquin, to get preliminary work under way.

**Highest Year in History**  
He has been in close touch with lumber circles in the Middle West and on the Coast for the past few months and said he had formed the opinion that the lumbering industry in the Klamath basin faces the biggest year in history from the payroll point of view. More men will be employed, he believes, than ever before.

From the price viewpoint he foresees "no runaway market, but a strong and steady demand at prices that will permit the manufacturer to operate at a profit."

The Modoc Lumber company will operate two mill shifts from the beginning, and it is understood that all the big manufacturers are planning to do likewise.

Owing to a depleted log supply this means that woods operations must be larger than usual from the start.

### Live Fish Pumped From Oil Well

VISALIA, Calif., Jan. 27.—Considerable interest has surrounded the pumping from an oil well near Lindsay of fish which have two perfectly good eyes. The fish are very small and have many small fins along their back, not unlike the feet of a centipede. They are hardly an inch in length. Blind fish were pumped some years ago from an artesian well near Spa. They, however, did almost immediately. These little fellows are thriving in a glass bowl.

### WEATHER PROBABILITIES

The Cyclo-Stormograph at Underwood's Pharmacy shows that there has been very little change in barometric conditions for the last 24 hours, but the tendency is still downward. This favors a continuation of our present unsettled weather, with probably more snow.

Forecast for next 24 hours: Cloudy, unsettled weather, with moderate temperatures.

The Tyco recording thermometer registered maximum and minimum temperatures today as follows: High 25 Low 13

## Highway Commission Agrees to 50-50 Aid From Fort Klamath to Crater Lake

PORTLAND, Jan. 28.—The highway commission today designated 1,176 miles of primary highways and 1,640 miles of secondary road to receive federal aid.

The Dallas-Columbia highway, Oregon River highway with the Columbia River extension, and that part of the Oregon-Washington highway from Pendleton to the Washington line were designated as primary. It was decided to leave the policing of highways in the hands of Chief Traffic Inspector Rafferty, who is to name his own deputies. The commissions' engineers are to be assistant traffic officers.

The commission ordered several bids advertised to be opened February 21st.

The highway commission has decided to co-operate, fifty-fifty, with Klamath county on the road from Fort Klamath to Crater Lake. This decision was telegraphed to county officials this morning, but no word had been received from them when the commission adjourned. If this offer is accepted the state commission will place this road on its 1922 program. This will complete the Klamath Falls connection with the sapphire lake. The section the state wishes hurried is the Anna Creek project.

The Klamath Falls-Lakeview highway is included among secondary state highway, on the federal aid list.

The Fort Klamath-Crater Lake stretch of which the dispatch speaks, according to County Judge Bunnell, is from near Old Fort Klamath to the Crater Lake park line. It is not a state highway, but the state is agreeing to co-operate because of dissatisfaction over the routing of the main highway in the Fort Klamath section, which, it is said, will be remedied by this road. The cost will be about \$50,000.