

HE ADJUDGED IT A CHEAT.

The Hard Lines of the Guarantee Investment Company.

Over Four Hundred of the Bonds Taken in Los Angeles.

The President Sent to Jail for a Year by Judge Grosscup in Chicago—What the Local Agents Say—Business Suspended.

An Associated Press telegram to the Herald yesterday morning announced that Judge Grosscup of the United States court at Chicago has sentenced George M. McDonald, president of the Guarantee Investment company, to 11 months in the county jail and \$1000 fine, and the secretary and treasurer \$500 each for using the United States mails for lottery purposes.

The company has an agency in Los Angeles, conducted by Messrs. Thompson, Mitchell & Co., to whom the conviction and sentence of the president has come like a thunder clap in a clear sky.

They have had their office open for several months and have succeeded in placing about 400 of the bonds of the investment company.

The decision of the federal courts forbids the use of the United States mails to the company, and when it was made November 23d Mr. Mitchell ordered in his large number of agents and discontinued all attempts to procure new business.

In conversation with a Herald representative yesterday he said that he was awaiting advice from the company as to the future policy, they had intimated that they would be able to make some modifications of their plan so as to continue business. But if the judgment of the court held he would go to the office, as he had no disposition to disobey the law. He and his partner had entered into the agency in good faith, had removed their families to Los Angeles, and the decision had been a thunderbolt. They had not come to Los Angeles to run a lottery and expected to remain here.

He said that if the judgment stood it would result in loss to the purchasers of the amounts they had put in, no doubt, except that they would get a share of the \$100,000 deposited with the state treasurer of Missouri. He was in the same position as any other bondholder, for he was carrying more than any one in the city.

The offices of the agency in the Bryson block were not cheerful yesterday afternoon. The people who were in them were faces as long as the moral law, and it could readily be seen that the agents and all concerned felt very blue about the prospects of the Guarantee Investment company.

The trial in Chicago of the officers of the company, which has been alluded to, was a sensational one, and the result seems to strike them with consternation.

There is no doubt that the plan of the company is a very plausible and ingenious one, and the agents have made a brilliant success in doing business.

The company sells \$10 bonds to any one who will pay \$10 and \$1.25 monthly. The bonds are supposed to mature within five years and the purchaser to receive many times the money he pays in.

The very fact that the Los Angeles agents have sold over 400 of the bonds in a few months shows how popular the idea has become.

Judge Grosscup delivered an elaborate charge to the jury in the case, and it was concluded in language that caused the officers of the company to write.

After discussing the constitution of the company's plan of lottery, he said about the company's plan:

"There is no doubt, gentlemen, upon the face of it that it constitutes a cheat. The testimony shows that this company has been in existence now for two years and has had 50,023 applications, according to the constitution of its organization it has therefore received more than \$500,000 from the \$10 preliminary fee. The testimony shows that they have paid out \$206,000 from the so-called trust fund. If they had paid out all they received, the constitution of the company required them to do, then they have received as maintenance from the dues more than \$30,000.

"Therefore, after an experience of two years the officers and the stockholders have received not more than \$50,000 and its so-called beneficiaries have received but \$206,000. This is public plunder."

After dissecting the plan of the company in detail, in comparison with lottery schemes, and saying that the Louisiana lottery is fair and honest as the day by contrast, the court said:

"The whole scheme disclosed by the proof is a cunning trick to attract the cupidity and ignorance of men," and said that the mails of the United States, being intended for legitimate business, are defiled by the dissemination and promotion of such a scheme as the evidence admittedly disclosed. The success of the enterprise depended upon its insolvency, its gross and well-known insolvency—so insolvent that in the very method of its organization no hope of its carrying out its promises could be entertained.

Discussing the probability of the purchaser of a bond receiving his money, Judge Grosscup said:

"It is said, and is one of the boasts of the company, that everybody who has been paid back has been paid \$1000 on an investment not to exceed \$30.

"That again shows the entire impossibility, according to the constitution of the scheme, of but a limited few—one in a hundred—ever receiving any return or prize except for the lapse. Because money lying idle in the treasury, shown in the first place of 20 per cent of the amount, will never grow to pay 1000 to 1 or 1000 to 30 so long as the present economic law of the universe prevails. These defendants have foreseen this, and foreseen that the company must therefore come to an immediate end and have instituted what is called 'the multiple system.' Thereby a chance is held out to men even after the company has grown to be 50,000 to receive an early payment of his bonds. But upon what is that chance based? What determines that return or that prize? Any law of nature, or of insurance companies or real estate investments? Not at all. It is solely dependent upon the order in which his bond may go through the registration process. If he draws a multiple and the company continues he eventually will be paid. If he draws a numeral, it is morally certain as any law in the universe that, unless the company is almost entirely abandoned by its bondholders he will never be paid."

In the face of this charge the jury was only out 15 minutes, and found the defendants guilty.

There are several other investment companies in this city based on similar plans to the one which has been picked by Judge Grosscup, and there is one in Pasadena.

The bond purchasers in the Guarantee company in this city embrace all classes and conditions of people, from rich to poor, from the ungodly to the regular church attendant, and there seems to be at present little prospect that their rosy vision of realizing a big lot of money for a small amount will come to pass.

ADVERTISING THAT PAYS.

The Classified Columns of the Herald Give Good Results Always.

"I believe in printer's ink," said a prominent merchant of Los Angeles to a Herald reporter yesterday as they were enjoying a fragrant weed together on the cars. This expression led to an interesting discussion regarding the merits of the Herald and the good work that it is doing.

"There is scarcely a business man in the city at the present time who fails to read the Herald, on account of the excellent course that the paper is pursuing relative to the progress and advancement of Los Angeles and Southern California, and everybody knows that the workmen almost swear by the paper, for the reason that it is a staunch advocate of their cause. I think that its classified columns make very interesting reading matter, and the rates being so very cheap, it certainly becomes an excellent medium if a person wants anything. Owing to the fact that it is read by such a various class of people, I should think that through those columns a person could obtain anything, from a hairpin to a house and lot."

The scribe heartily endorsed the sentiments of the merchant, and in return took the numerous instances where persons had come into the office expressing their gratitude for having their wants supplied at so small an expense; houses are frequently sold and rented and lost articles secured at a cost of but 25 cents. Parties frequently wish to make an exchange of property, or some missing friend, and one insertion often brings about the desired result. Rooms and board, also roomers and boarders, are always secured to excellent advantage through this medium. Curiously reads everybody, whether they want anything or not, to read these columns, in which there is frequently as spicy and desirable reading matter as can be found in any part of the paper. There is a moral in this conversation: "That all who are in need of its columns should read and advertise in them."

HEALTH OFFICER'S REPORT.

The Record of Deaths and Births for the Past Month.

The report of Health Officer Powers for the city for the month of November has been prepared.

During the month there were 93 deaths and 80 births.

Contagious diseases were reported as follows: Diphtheria, 12; scarlet fever, 5; typhoid fever, 5.

Of the deaths, 19 had been in the city less than one year. The coroner certified to 16 deaths.

Foresters' Election.

Los Angeles Circle No. 151, C. of F. biennial election was held on Wednesday evening. A large attendance of the members and many visitors from Angelina and Laurel circles were present.

The corps of officers for the next six months is as follows: C. G. Mrs. M. White; M. E. E. Kelly; R. S. Miss Emma Lewis; F. S. B. P. Campbell; Tress, L. C. Cummins; R. G. Miss N. White; L. G. Miss Ida Vignes; L. G. W. K. Wellman; O. G. L. McQuinn; Trustees, H. Hillbrunner, W. R. Blackman, W. P. Jeffries.

On next Tuesday evening, December 5th, this circle give a grand ball at Army hall. The executive committee have been up and going, and everything seems favorable for a grand success in every particular. Lowinsky's orchestra will be in charge of the music, which is conclusive evidence, as his is the best dance music in the city. Tickets can be had at Brown's music store and Merriam's confectionery and from members of the committee and at the box office.

As there are 1500 Foresters in Los Angeles there is no doubt that this ball will be a great social success.

Baseball.

A match game of baseball will be played this afternoon at Washington gardens, between the Olympics and Boyle Heights Stars. The Olympics are still playing fine ball, and hope to keep up their reputation as champions of Los Angeles, while the Stars have added new players to their club, and will try hard to win the game. The grounds have been put in good condition, and seats made for those who wish to witness the game. Playing will commence at 2 o'clock sharp. The Olympic club is made up of the following players: Early, catcher; Smith, shortstop; Cleveland, first base; Loughhead, third base; Allen, second base; Wilson, center field; Hart, pitcher; Van Horn, left field; Jones, right field.

Licensed to Marry.

Marriage licenses were issued yesterday by the county clerk to the following persons:

Samuel T. McCauley, native of Kentucky, 27 years of age, to Clara B. Williams, native of Iowa, 25 years of age, both residents of Alhambra.

Ferdinand Burker, native of Germany, 46 years of age, and Fanny Killigrew, native of Arkansas, 37 years of age, both residents of San Pedro.

Armand Van Dyck, a native of Belgium, 31 years of age, of San Bernardino, and Julia Serran, native of France, 24 years of age, of Ramona.

John M. Rowinson, native of California, 24 years of age, and Opal Amy, a native of Minnesota, 19 years of age, both residents of this city.

A New Company.

Articles of incorporation were filed yesterday with the county clerk by the East Side Oil company, formed for the purpose of acquiring and developing lands, mining claims, oil wells, etc., with a capital stock of \$300,000, of which \$157,000 has been actually subscribed.

Directors—W. A. Brophy, F. M. Brophy, C. I. Althouse, C. S. Sprecher and John Althouse.

It Should Be in Every House.

J. B. Wilson, 371 Clay St., San Francisco, Pa., says he will not be without Dr. King's New Discovery for Consumption, Coughs and Colds. That it cured his wife who was threatened with pneumonia after an attack of 'La Grippe' when various other remedies and several physicians had done her no good. Robert Barber, of Coalinga, Cal., writes: 'Dr. King's New Discovery has done him more good than anything else he has ever tried. It is a good thing like it. Try it. Free Trial Bottles at C. R. Heitzman's drug store. Large bottles, 50c and \$1.

THROUGH THEIR DISCUSSIONS.

The Teachers End Their Second Session at Pasadena.

A Lively Discussion Caused by the Proposed Pension Law.

The Matter of the Coeducation of the Sexes Considered From All Sides.

Relations of the High School to the University.

The second and closing session of the teachers' association of Southern California was held at Pasadena yesterday, with a continued good attendance of teachers, although not so large as on the opening day, many of the delegates from surrounding towns returning home Friday evening.

ON CO-EDUCATION.

The first speaker of the opening session was introduced by President Dozier immediately after calling the meeting to order, at 9 a. m., Prof. Earl Barnes, of Stanford university, one of the brightest speakers of the assembly, whose address upon co-education in secondary schools was listened to with much interest.

In this country we are now trying the experiment of co-education. In most European countries there is no co-education, even in the lower grades. In this country, on the contrary, co-education was introduced in the city of Boston from 1838 to 1839. The west is generally in favor of co-education, it being used in San Francisco in the secondary grades until 1864.

Of over 700 teachers and professional men questioned in regard to their preferences, only one-third were opposed to co-education.

The great predominance of females among the teachers is shown by the statistics from 91 cities, which averages three times as many female as male teachers.

In 81 cities there were high schools in which boys and girls sat in the same room. It has been demonstrated that when the boys and girls are separated the boys become more coarse and vicious, and the girls become silly.

Our curriculum on the coast is becoming feminized. This is the direct result of the preponderance of girls and female teachers. In Stanford university there are half as many women as men. There are 25 men taking Greek as their major, and not one woman.

We are fast moving towards a condition of female schools, offered by females, which would be as absurd as our co-education colleges offered entirely by men.

DISCUSSION.

The discussion of this paper was participated in by H. E. Wegener of Redlands and Mrs. M. J. Frick of Los Angeles.

The opening was made by Mr. Megeyer. In France there are as many men as women in the public schools, while in the private schools the women teachers outnumber the men three to one. In this country there is no co-education in schools having over 500 pupils. In Norway and Sweden there is no co-education. There is something in the masculine teacher which awakens the spirit of the boy as well as the girl, and I believe the conviction is gaining that we have too few men in our schools. My own observation is that in the company of girls, boys are more modest and refined than they are at any other time.

More of the objections of co-education are based on such work into brain work as a boy's physical work will be the result. It seems to me that it is folly to harness a strong boy and a frail girl to the same load.

The closing discussion on this subject was by Mr. M. Frick, Los Angeles, whose paper was of an interesting character, and was listened to with much interest.

WEST POINT METHODS EXPLAINED.

The closing address of the morning was delivered by Mr. Calvin Esterly of Pomona, who chose as his subject West Point Methods and Products.

West Point and its methods often came in for a share of commendation and criticism. Very few, however, know much of it because of its peculiar educational position.

The education is entirely conducted by army officers and West Point graduates. Every cadet has a long and somewhat perilous gantlett to run, but almost any one of ordinary intelligence can run it successfully.

AFTERNOON SESSION.

Only one paper was delivered at the afternoon session, by E. P. Davidson of San Diego, who took as his subject 'The High School in Its Broader Field Than as a Preparatory School for the University.' This article was exceedingly well prepared and delivered.

As the sun pours its light and heat over the planets so should the higher schools shed their influence over the schools of lower grades.

The colleges and schools should move more together for the mutual benefit of both, while teachers in the high schools should endeavor to inspire students with a desire for the higher education. Dr. Harris says that the common schools should point upward, always holding its hands towards the universities.

It should be as a ladder with its bottom in the gutter and its top in the universities.

The neglect of the high schools by the state was commented upon and a more generous support urged.

OTHER VIEWS.

Other ideas on this subject were given during the discussion by Messrs. C. Y. Root of Santa Barbara, F. E. Rehman, Santa Ana, W. Scott Thomas, San Bernardino. These gentlemen almost to a unit approved the idea that the high school is auxiliary to the university and that its main object should be to prepare its students for the college.

They held that only a very small percentage of the students ever entered the high institutions of learning, and that it was an injustice to the majority to direct studies in this direction rather than in the line of preparing them for the practical work of life.

LIVELY CLOSING SCENES.

The closing hours of the convention, which were devoted to reports of committees and the election of officers for the ensuing year, were exceedingly lively. Indeed, a spectator might have been led to believe from the heated discussions, with three or four delegates yelling at once, that he was witnessing a meeting of Wall street brokers rather than a gathering of sedate school marms.

The cause of the excitement was the following resolution relative to the pension question which came up at the last session of the legislature:

Resolved, That it is the sense of the Southern California Teachers' association that the passage of a bill for the purpose of pensioning teachers would be an unwise action if it is to be based upon the levy of a tax upon the public for such a purpose.

The adoption of this resolution was opposed by a small but "much heard" minority, led by Professor Baldwin of San Diego. They were, however, after much squabbling, quietly set upon by the majority, and the war was over.

By unanimous vote the officers of the association were re-elected as follows: President, Melville Dozier; vice president, G. W. Beattie; recording secretary, Florence A. Dunham; corresponding secretary, Edward Hutchinson; treasurer, Lyman Gregory.

Coronado was selected as the next place of meeting, one year from date, after which the convention adjourned sine die.

THE COURSING CLUB.

An Exciting Run-Or Announced for Today.

The Los Angeles Coursing club, which has made so auspicious a debut in the local sporting world, will run off the final heats of the first annual fall meeting at Long Beach today.

Sixteen dogs were entered to compete, and the first heats were run off with great success Thanksgiving day. The contest is now narrowed down to the best of the best, and the stakes are abundant and in fine running condition, the sport should be well worth the seeing.

MUSIC IN THE PARK.

Programme for the Concert Today at Westlake.

The following is the programme for the concert at Westlake park this afternoon by the Douglas Military band:

March, Gladiator, Sousa. Waltz, Sobre Las Olas, Ross. Polka, The Beautiful, Suppe. Song, Longing, Franke. Musical Panorama, Conradi.

A WOMAN FOR SALE.

A Betrayed Girl Offers to Sell Herself to the Southern Medical College.

With a pale, haggard face, with a wild, despairing look and tears literally streaming down her hollow, sunken cheeks, Maud Fambro, a once innocent country girl, entered the Southern Medical college yesterday afternoon. Approaching Uncle Robert Pierce, the kindly disposed old janitor, she asked for the ladies' refreshment room.

After having seated herself, the young woman in a dazed sort of way surveyed the room and its contents with evident fear and dread. After a moment's hesitation she inquired of the janitor if the college wanted to buy a subject. If so, she had one to offer for sale, which, although alive now, would in the course of a month or two be at the disposal of the college if terms were agreed upon.

"Where is the subject, miss?" he asked, bowing lowly.

"Why, here it is—right here. Do you see me? I am the one. Do you think they will buy my body?" she went on, looking the janitor squarely in the face.

"I am going to die, and I know it, and what I want to do is to arrange for the future. My history, I will say at the beginning, is familiar to all where I live, and rather too back and face my degradation and shame prefer to die! Wouldn't they buy my body?" she almost pleaded.

"Upon what terms would you make the disposition?" inquired a fendish looking medical student.

"I will sell it for most any price. What I want to do is to make future provision for my baby. I haven't but one copper in the world and am here without a place to shelter my head. I thought by coming to Atlanta I'd make a trade by the college agreeing to take my body after I am gone. I do not know what to give for it, but I will give it to you for \$1000. It is the same old story of man's perfidy and woman's worse than weakness. Six months ago she was a highly respected country girl, living on the line of the Atlanta and West Point railroad near a pretty little town of 1,800 or 2,000 inhabitants—now an outcast and a wanderer upon the face of the earth. A once poor, innocent country lass, she seeks to make a horrible and ghastly disposition of her corpse that she might make proper provision for her future offspring. It is indeed a sad case.

The girl, not meeting with what she thought proper consideration, left the college, saying she was going to carry out her intention or commit suicide. She was entreated to go home and was given enough money to pay a railroad fare to the little town of Brown, which she came yesterday. It is not known where she went after leaving the college.—Atlanta Constitution.

MANY MILES IN A CANOE.

Warburton Pike's Exploration Into the Interior of Alaska.

Warburton Pike, the English explorer, has arrived at Nainaimo, B. C., from the interior of Alaska, having made a journey of over 4,000 miles in a small canoe. He left Victoria, B. C., a year ago last July for Fort Wrangle, and thence proceeded to Sitka in a canoe through the Cassiar canyon and followed the Dease river as far as the junction with the Laird tributary of the Mackenzie river. There he spent the winter hunting big game. Late in the winter Pike started out with a dog sled for Francis lake, which he crossed, and thence made the portage to the Pelly lakes, getting into a country never before explored by white man.

Spring had set in by the time the Pelly lakes were reached, and crossing there Pike followed the Pelly river to its source. On his return he followed the Pelly river to Lewis river, which he followed to the Yukon. He then began a continuous journey of 2,500 miles, which lasted for two months. He left the Yukon river near the coast and made a portage to Kuskoquim river and thence made his way around the coast to Fort Alexander, the trip having lasted 18 months.

During the whole time he met with no accident. He used the same canoe all through. It weighs only 100 pounds and is 17 feet long. Mr. Pike formed a very poor opinion of the interior of Alaska. He says it is absolutely worthless except for hunting. Game of all kinds is abundant.—Washington Star.



THE Busy Bee SHOE HOUSE.

638 PAIRS LADIES' FINE SHOES To Be Slaughtered!

Why? Because they are all small sizes. They come in common-sense toes, opera toes, plain toes and tipped. They are all honestly worth \$4, \$5, \$6 and \$7. They are yours FOR \$2.00.

Sizes 2, 2 1/2, 3. AA to EE.

We are making a great success with our Gentlemen's \$3.00 Shoes.

This week we have opened a very large assortment of Ladies' and Gentlemen's FINE SLIPPERS FOR THE HOLIDAYS!

And you can rely on us that the prices are very low.

2 STORES 201 N. SPRING. 255 S. SPRING.

WM. O'REILLY.

PERSONAL.

Dr. Joseph Jarvis of Riverside is in the city. Mr. and Mrs. Fred Schein of Riverside, are guests of the Nadeau. Mr. and Mrs. S. Jess and son George of Pomona are staying at the Westminster.

R. N. Leashy and B. E. Mann of San Quintin, Lower California, are visiting Los Angeles. Rev. C. C. McLean, D. D., the new pastor of Simpson church, will arrive in Los Angeles next Friday.

F. F. Foster, a Wall-street banker of New York, accompanied by Miss Dows, a niece, is registered at the Westminster. C. J. Park and daughter of New York are in the city. Mr. Park is a member of the largest grocery firm in the United States.

G. Gratton Donnelly, of Philadelphia, the well known author and playwright, accompanied by Mrs. Donnelly, is at the Nadeau. Dr. Harry R. Lemen of Alton, Ill., assistant surgeon of the Sixth Illinois V. R. P., has become a resident of Los Angeles, and will locate in the Bradbury block.

Col. J. B. Duke, who has been confined to his country home at Cahoonka for a fortnight with an attack of la grippe, has recovered and has taken up his residence for the winter at his city house, 435 Temple street.

William A. Bowden, one of San Jose's legal lights, is in the city renewing old acquaintanceship. This is Mr. Bowden's first visit to Los Angeles since his departure 15 years ago, and his surprise at the wonderful growth and improvement of our city knows no bounds. He will remain several days.

Hon. Mr. Ficke, a member of the city council of Freiburg, Germany, for 18 years past, is passing a few days in Los Angeles, and is very much interested in studying our system of government. Freiburg had about 60,000 inhabitants and its municipal system is very different from our own. Mayor Rowan and Mr. Robinson have been extending the courtesies of the city hall to Mr. Ficke and he is very much interested in and pleased with Los Angeles.

At the County Jail. L. L. Graet, a Pasadena man, is spending 45 days in the county jail for disturbing the peace. Alexander Clark of Pomona is serving 25 days for petty larceny. John McMahon was brought up from San Diego yesterday by the United States authorities and lodged in jail for assaulting a letter carrier while on duty.

The Glowworm Store. Is by far the best in use; will positively save you at least 40 per cent in fuel; can be had only at the W. C. Furrey company, 159 and 161 North Spring street. Its lead in every respect; inspect them and you will not have any other.

Blue Violets. A bit of blue beside the trodden way; A fringe of green along the brown walk bare; Stoop, and lift up the leaves—O, heart of May, That underneath the maples best so say; When life was young—such color meets you there; Such essence, and such shape,—blue violets Close to dear earth, they, lowly, love to stay.

Not roses dropping petals to the grass, Not rich variations of color and hue, Not orange blooms in snowy orchard mass, Not when life was young—such color meets you there; When life was young—such color meets you there; Such essence, and such shape,—blue violets Close to dear earth, they, lowly, love to stay.

It may be that some women would not care to use the franchise if they had it. That is their concern, not ours. Voters who do not care to vote may be counted by thousands among men. Be that as it may, we are no more justified in refusing a human being a right, because he may not choose to exercise it, than we are in refusing to pay him his due because he may hoard the money.—Charles Kingsley.

Los Angeles Medical & Surgical Institute. Home, 9 to 3 7 to 8, 241 1/2 Main street. Nine years' practice in Los Angeles.

You Saved My Life!

WERE THE HEAVY LIFELINES GIVEN THE LOS ANGELES MEDICAL & SURGICAL INSTITUTE

On Sunday last by KARL SODERBERG. He is a stout, healthy young man of this city.



LOS ANGELES, CAL., Nov 26, 1893. This is to certify that I, Karl Soderberg, had been incapacitated from labor for five months, owing to an inflamed, stiff and painful ankle joint, and I continued to grow steadily worse under the treatment of three leading physicians of this city. I could get around only on two crutches. I was very thin and weak. I then went to the Los Angeles Medical and Surgical Institute, 24 1/2 South Main st., and after two months' treatment with rest I was able to go to work on my own feet, and have been working every day since. I have gained flesh and strength, and am now well. I highly recommend the physicians of the Institute as competent, professional and honorable business men. For further information address P. O. Box 37, Pico Heights. KARL SODERBERG.



NERVOUS, CHRONIC, BLOOD, KIDNEY AND PRIVATE DISEASES. Diseases of Women cured. EYE, EAR, NOSE AND THROAT.

"This is to certify that I have been under the care of the Los Angeles Medical and Surgical Institute for nasal and bronchial catarrh, and have been greatly benefited, and can cordially recommend its treatment." Wm. H. W. CRAIG. Los Angeles, Nov. 20, 1893. Los Angeles Medical & Surgical Institute, 24 1/2 Main street. Home, 9 to 3 7 to 8, 241 1/2 Main street. Nine years' practice in Los Angeles.