

SOUTHERN PACIFIC ADMITS PAYMENT OF REBATES

BEAUTIFUL WOMAN HELD AS A FORGER PRETTY EASTERNER ACCUSED BY PIANO COMPANY

BUYS INSTRUMENT, TENDERS BAD CHECK, CHARGE Mrs. M. D. Gorham, Believed to Be Wife of Wealthy New Yorker, Is Prisoner in City Jail

Mrs. M. D. Gorham, said to be the wife of a wealthy young manufacturing jeweler of New York city, was arrested in the Wiley B. Allen piano store at 416 South Broadway last night and booked at the central station on a charge of forgery.

Mrs. Gorham arrived here from the east a month ago and took apartments at the Alexandria hotel. She remained there for two weeks and then left, it is said, because she could not honor the request of the cashier for a remittance on her board and room bill.

When she left the Alexandria Mrs. Gorham moved to the Angelus. She obtained apartments there and within the past two weeks, or since she had been living at the Angelus, she has been a steady patron of the various art and music studios of the city.

In this way she became acquainted at the Wiley B. Allen company and yesterday afternoon she appeared in the piano and asked to see the manager.

When the manager came forward at her request she stated that she had been commissioned by Mrs. M. S. Dimmick of 1318 Westlake avenue to purchase a piano.

The management was of course agreeable and after some considerable time Mrs. Gorham selected an upright piano which cost \$350. She ordered the piano sent to the residence of Mrs. Dimmick and then tendered in payment a check drawn to the order of Mrs. M. D. Gorham and signed by the name of Mrs. M. S. Dimmick.

The check was for \$400 drawn on the Farmers and Merchants bank and was indorsed by the name, Mrs. M. D. Gorham.

Mrs. Gorham requested that she be given the difference in cash, and while the transaction appeared perfectly regular the management considered it best to telephone the bank for information.

As a consequence the woman was asked to wait a moment until the cashier could get the change, and in the meantime the Farmers and Merchants bank was telephoned to.

The reply from the bank was that Mrs. Dimmick had no account at the bank and was unknown there.

When this fact was mentioned to Mrs. Gorham she stated that there must be some mistake and that Mrs. Dimmick must have drawn her check on the wrong bank.

While she was detained in the piano store discussing the matter the police were telephoned for and Detective McKenzie was sent to the place.

Arrested on Forgery Charge On the complaint of the Wiley B. Allen company the woman was arrested on a charge of forgery.

Mrs. Dimmick stated last night that she had issued or signed no check for \$400 or any other sum and that she did not know Mrs. Gorham.

The prisoner is a beautiful woman about 25 years of age, and when arrested was dressed in a tailor made gown, a Paris creation, which must have cost several hundred dollars.

She wore jewelry worth several hundred dollars and carried a handbag such as is sold ordinarily for not less than \$100. In this handbag were a powder puff, a piece of chamois skin, several samples of dress goods and a score or more addresses of well known men and women in Los Angeles.

The baggage of the woman has not yet been examined, but it is believed that she resorted to the method she did to raise enough money to get out of the city. When arrested she did not have a cent of money and at the jail ate heartily of the supper sent her from the prisoners' kitchen with a relish as if she had not had a meal for some time. She refused to make any statement.

INSANE SWEDIE FIRES SHOTS AT KING HAAKON'S CASTLE By Associated Press. CHRISTIANA, March 10.—A Swede, apparently insane, fired the royal castle here with a rifle at noon today. He fired a dozen bullets, several of which crashed through the windows and embedded themselves in the interior walls of the castle. The man was promptly seized by the police and disarmed. At the police station he declared that it was his intention to kill King Haakon. He still had forty or fifty cartridges in his pockets.

TURKISH ACTING SPIES ARE ARRESTED IN RUSSIA Trouble Between Czar's Realm and Ottoman Empire Still Brewing—Troops Sent to Caucasus

By Associated Press. TIFLIS, March 10.—It is reported here that three Turkish army officers attached to the general staff have been arrested in Yelizavetpol province while engaged in making maps of the country.

ODESSA, March 10.—Two steamers containing war material and having on board two battalions of Russian infantry left here today for ports in the Caucasus. The actual destination is not known.

ORCHARD IS GUILTY; MAY BE HANGED MURDERER OF STEUNENBERG CHANGES PLEA

Appears in Court at Caldwell, Idaho, and Admits Assassination of the Former Gov.

By Associated Press. CALDWELL, Idaho, March 10.—Harry Orchard this morning, before Judge Fremont Wood in the district court, was allowed to withdraw his former plea of not guilty entered at his first arraignment by order of the court when he stood mute and entered another plea of guilty to the charge of murder in the first degree, as charged in the indictment. Judge Wood will sentence Orchard March 18.

Orchard pleaded guilty to having killed former Governor Steunenberg by the explosion of a dynamite bomb at the side gate of his residence here early on the evening of December 30, 1905. He was arrested for the crime January 2, and in Peabody confessed that he was hired to kill Steunenberg by William D. Haywood, secretary, Charles H. Meyer, president, and George A. West, treasurer, of the Western Federation of Miners.

Haywood and Pettibone were then tried in Boise and set free. The case against Meyer was dismissed.

Summary of the News FORECAST For Los Angeles and vicinity: Fair Wednesday; light southwest winds. Maximum temperature yesterday, 81 degrees; minimum, 44 degrees.

LOCAL Cousin of Jay Gould dying in destitute circumstances on Fifty-eighth street. Woman testifies in court she lived in fear that husband would kill her. Judge grants divorce. Alleged slayer of Benjamin Tait surrenders to the county authorities. Italian nearly killed by oil explosion. Savoy hotel member of parliament. Attorneys in will case engage in a three-cornered fight. Liquor question agitates Redlands. Long Beach woman shakes diamonds from window in tablecloth. Los Angeles sportsmen guests of the White Sox at banquet. Attorney asks court to change wording of deed, but request is refused.

COAST Eugene Schmitz, ex-mayor of San Francisco, released on \$325,000 bail following decision of supreme court that his conviction on extortion charge was illegal. Cruiser Albany arrives at San Diego bringing details of phenomenal target record made at Magdalena bay. Langdon and Heney, bribery graft prosecutors, file affidavits denying Abe Ruef's charges that they broke the immunity contract.

Nurses in San Francisco almshouse sue aged patients from death in fire which destroys the buildings. High official of Southern Pacific admits rebates were paid to favored shippers.

EASTERN Evelyn Nesbit Thaw, wife of slayer of Stanford White, sues for divorce on ground that husband was insane at time she married him. Four negroes are lynched by a mob in Mississippi for setting fire to buildings. Public barred from trial of Actor Hitchcock in New York, who is accused by a young girl. At trial of priest's slayer in Denver few witnesses are found who actually saw the shooting. Turkish army officers arrested as spies in Russian province; Russian troops shipped to Caucasus ports and trouble between two nations seems imminent.

FOREIGN King Alfonso of Spain arrives at Barcelona in safety; bomb throwers make no attempt on life of ruler. Insane Swede fires fusillade of shots at castle of King Haakon of Norway in attempt to slay ruler. King Edward of England writes a friendly letter to Emperor William of Germany explaining agitation in Britain over Tweedmouth letter incident. Last act of justice in Dreyfus case is performed by officials in Paris.

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INSANE SWEDIE FIRES SHOTS AT KING HAAKON'S CASTLE By Associated Press. CHRISTIANA, March 10.—A Swede, apparently insane, fired the royal castle here with a rifle at noon today. He fired a dozen bullets, several of which crashed through the windows and embedded themselves in the interior walls of the castle. The man was promptly seized by the police and disarmed. At the police station he declared that it was his intention to kill King Haakon. He still had forty or fifty cartridges in his pockets.

Offers \$12,000,000 for Concession By Associated Press. VALPARAISO, March 10.—It was learned today that negotiations have not yet been completed for the purchase of the Port Coloso railway and nitrate fields as well as nitrate fields in Tarapaca and Antofagasta by an Anglo-American syndicate. The syndicate's offer of \$12,000,000 for the property it was said is under consideration.

SKI Runner Killed by Avalanche BERNE, Switzerland, March 10.—Stephenson Koch of St. Moritz, the champion ski runner in Switzerland, was skinned in the mountains above Borgen yesterday when he was carried over a precipice by an avalanche and killed.

SCHMITZ IS RELEASED ON \$325,000 BAIL MILLIONAIRES PUT UP MONEY FOR FORMER MAYOR

COURT ALLOWS HIM TO LEAVE JAIL Heney and Langdon File Affidavits in Answer to Those of Ruef—Deny They Broke Immunity Contract

By Associated Press. SAN FRANCISCO, March 10.—Tried and convicted on an indictment of extorting money from French restaurant keepers and sentenced to five years in the penitentiary, followed by his removal from office, Eugene E. Schmitz, former mayor of San Francisco, was set at liberty this afternoon, after having been confined for nine months in the county jail pending a decision of the case by the supreme court.

Judge Frank H. Dunne this afternoon presided in his department of the superior court long enough to make an order sustaining the demurrer to the indictment, and dismissing Schmitz from custody, in pursuance of the remittitur of the court of appeals, sustained by the decision of the supreme court yesterday, bringing the trial court to take this action on the ground that the charge as contained in the indictment did not constitute a crime because it did not aver that an "unlawful injury" was threatened by the mayor.

Judge Dunne, however, being of the opinion that the objection on which the demurrer was allowed may be avoided in a new indictment, directed that the case against the former mayor be submitted to another grand jury.

Secures Bail Campbell, Metson & Drew, John J. Barrett and Judge C. H. Fairall, the array of counsel for Schmitz, were extremely active all day. Bonds for \$250,000, on which William H. Dilligee and Thomas H. Williams were the sureties, were filed by the attorneys with Judge Lawlor for Schmitz' release on the indictments in the United Roadways trolley and the San Francisco gas cases.

The bonds were accepted promptly by Judge Lawlor. There remained for the former mayor to furnish bail for \$85,000 in Judge Dunne's department. Bonds for this amount were tendered to Judge Dunne this afternoon and accepted.

Affidavits Filed The other developments of the day in the bribery-graft prosecution were the filing of affidavits by Francis J. Heney and District Attorney William H. Langdon in answer to those made by Ruef and others in support of Ruef's motion for the vacation of his arraignment in the trolley cases on the ground that he had been promised full immunity by the prosecution.

Langdon, in his affidavit, besides denying that Ruef was promised full immunity or that Drs. Nieto and Berger Klipstein, who were called to the stand to approach Ruef and influence him to disclose what he knew in regard to the bribery of the supervisors, through the request of the prosecution, as those two gentlemen aver in affidavits, declares that Ruef became "traitorous to the state" and sought not only to escape punishment himself but endeavored to assist his co-defendants.

For that reason, avers the district attorney, the contract with Ruef is void, and no longer in force and effect. No specific instances or proof of Ruef's alleged double dealing are given by District Attorney Langdon. The district attorney alleges that Ruef is not satisfied beyond a doubt that Ruef has not disclosed all he knows in the bribery-graft cases and that he had not kept faith with the prosecution he would resign from the office of district attorney, before he would violate or break the agreement entered into with Ruef.

Langdon Makes Denial Langdon denies that the prosecution promised Ruef that his plea of guilty to the extortion charge would be withdrawn, and adds the interesting statement that Ruef stated to him "that he (Ruef) was one of the ablest lawyers in the state and that while it would not do for him to appear as attorney of record in the prosecution of the graft cases, yet he ought to be admitted to the most intimate confidence of the prosecution, and that he would be of the greatest assistance in shaping its policy and determining the mode of procedure in the graft cases."

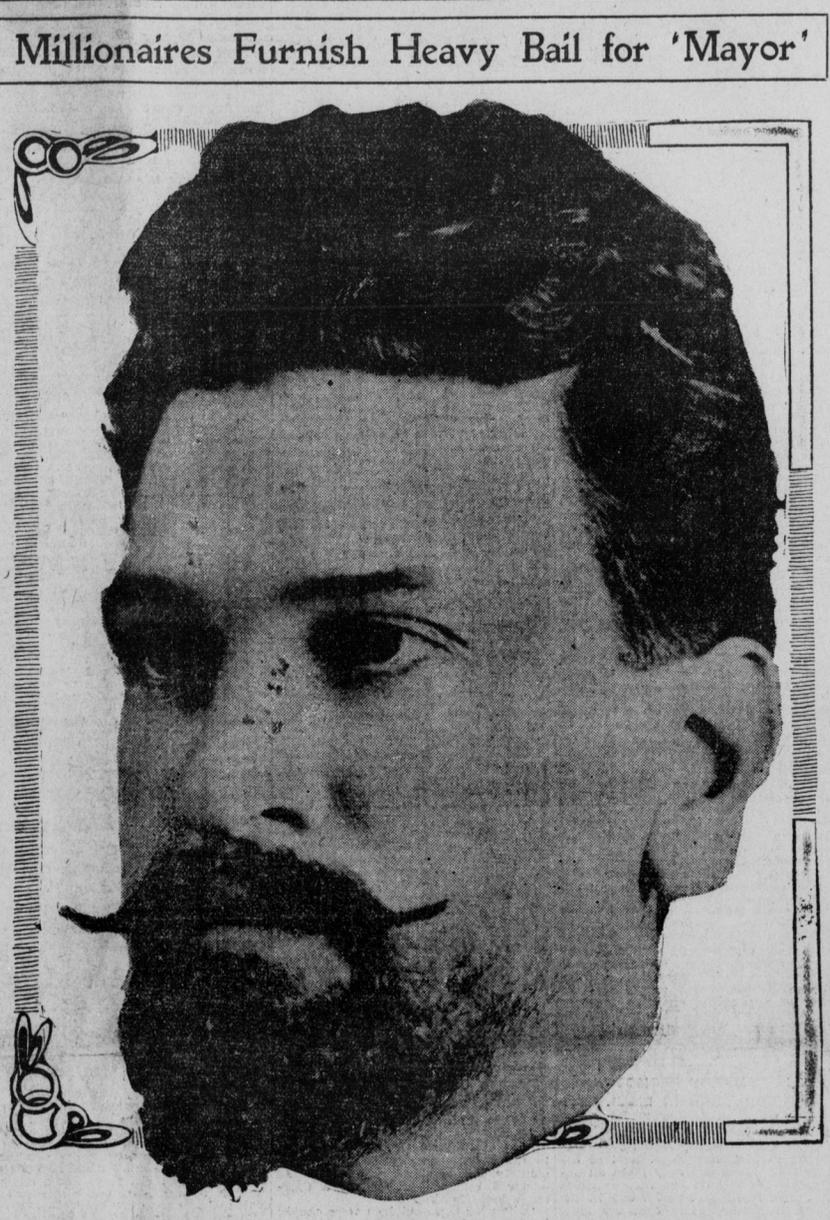
The affidavit of Assistant District Attorney Francis J. Heney was not filed until 5 o'clock tonight. It is perhaps the most voluminous affidavit ever filed in a criminal case in any court in this city. The document contains about 65,000 words, and is a detailed history of the bribery-graft cases, in which the former political boss has ever been the central figure.

Beside this document, the rapid fire of affidavits that Ruef has directed at the prosecution during the past three weeks, numerous as they are, pale in significance so far as words and volume are concerned. It is the longest affidavit ever filed in this case, but in a civil action for the recovery of the money paid by himself for his own incarceration in a private prison, only contains about 20,000 words.

Heney Also Denies Heney denies that Ruef was promised full immunity, and declares that Ruef failed to live up to a single pledge. The immunity contract runs like a thread through the entire narrative. Heney avers that the two Jewish rabbis were not asked by the prosecution to assist in influencing Ruef to confess and turn state's evidence, but that they acted voluntarily and that one of them appeared to be more interested in getting Ruef free than in the moral issue involved.

Heney avers that it was still in his belief that Henry Ach, leading attorney for Ruef, was cognizant of the corruption existing in the board of supervisors.

Millionaires Furnish Heavy Bail for 'Mayor'



FORMER MAYOR E. E. SCHMITZ, WHO IS FREE AFTER PASSING NINE MONTHS IN JAIL

MRS. THAW BEGINS SUIT FOR DIVORCE

CHORUS GIRL SAYS WHITE'S SLAYER IS INSANE

Culmination, Long Expected, is Announced by Attorneys for Both Sides—Husband May Contest Action

By Associated Press. NEW YORK, March 10.—Evelyn Nesbit Thaw tomorrow will institute proceedings for the annulment of her marriage to Harry K. Thaw. The action will be based on the allegation that the defendant was insane when the union was contracted. Thaw purposes to defend the suit.

The papers in the case will be served some time tomorrow, and an early trial is expected. In the meantime the two, by mutual agreement, will remain apart.

Official statements by counsel for both parties tonight, who confirmed the long suspected culmination in the wedded lives of Stanford White's slayer and the woman whose story in his defense brought her an unhappy notoriety as wide as the reading world.

For weeks it had been gossiped that a divorce was imminent, and even during Thaw's last trial, throughout which his wife stood gamely by him, it was generally believed that whatever the outcome for the prisoner the two would never again live together. These reports were frequently based on rumored opposition to the young woman on the part of the Thaw family.

In statements tonight, however, her counsel denied that Mrs. William Thaw, Harry's mother, had taken any part in the proposed separation. During the day Col. Franklin Bartlett, counsel for the older Mrs. Thaw, made a statement, in which he said there was no truth in the reports that detectives employed by Mrs. William Thaw had had her daughter-in-law under surveillance for months.

Col. Bartlett said: "The matter is chaotic. There is every disposition on the part of my clients to be absolutely fair and just toward Evelyn Thaw and to make liberal provision for her support, and even more than that."

WORK OF DESERT INDIANS PRAISED BY AN EMPLOYER

General Manager of California Development Company Says Red Men Are First Class Laborers

By Associated Press. WASHINGTON, March 10.—Proof that "Poor Lo" is not the lazy man he is at times represented to be is furnished in a letter from H. T. Corey, general manager of the California Development company of Calexico, Cal., to Charles H. Dagenett, supervisor of Indian employment at Albuquerque, N. M. The letter has just been received at the bureau of Indian affairs.

Mr. Corey gives his experience with Indian labor in the work of diversion of the Colorado river into Salton sink, which resulted in the formation of the Salton sea and also with the attempts to close the break in the banks of the river and again divert its entire flow down its other channel to the gulf of California.

In this work 500 Indians, consisting of Yuma, Digeno, Cocopah, Maricopa, Pima and Papago tribes, were employed. In speaking of the efficiency of the Indian laborers Mr. Corey says: "This Indian labor was in the highest degree satisfactory to us—in fact I am certain the work could not have been carried to a successful conclusion without it."

These tribes particularly are thoroughly acclimated to the desert and to hot, long summers, and seemingly work with no discomfort at 120 degrees in the shade. We found them timid, but very willing to do their best. With foremen who understood their character they are the most efficient laborers obtainable in this region."

4 NEGROES ARE LYNCHED BY A MOB

OFFICER OVERPOWERED, HIS PRISONERS HANGED

Enraged by Incendiary Fires, Thirty Men Seize Suspects—They Confess and Are Left Dangling from Trees

By Associated Press. MOBILE, Ala., March 10.—Dave Poe, Tom Ranston and two Jenkins brothers, all negroes, were lynched at Van Cleave, Miss., twenty miles north of Biloxi, by a mob of thirty men at 8 o'clock last night.

The men were in the custody of Deputy Sheriff Evans of Jackson county, en route to jail, when the mob overtook them. A series of incendiary fires of warehouses causing losses in charcoal, foodstuffs and other supplies incensed the people of the vicinity. The four men confessed their guilt when the mob took them from the deputy and all four were hanged to limbs of trees by the side of the road, where their bodies were found this morning.

The immediate cause of the lynching was the burning of the warehouse of Sam Byrd last Friday night, when the incendiaryists attempted to waylay and rob Byrd, who conducts a store near Van Cleave.

DEMOCRATIC COMMITTEE ARRANGES FOR CONVENTION

By Associated Press. CHICAGO, March 10.—Members of the Democratic national committee having in charge the arrangements for the national convention at Denver met here today to consider details in connection with the practical work of holding the convention.

Thomas Taggart, chairman of the national committee, said: "It is my opinion that the convention will meet among the most pleasant surroundings of any national convention ever held in this country. The hall provided by the citizens of Denver is a model of comfort. It is splendidly lighted, ventilated and its properties and appliances are of the best. We have an agreement with the hotel men of Denver that the rates will not be raised above the ordinary charges."

LOW RATES GRANTED TO FAVORITES

FREIGHT AGENT LUCE CALLED TO TESTIFY "TRIED TO HELP ALL SHIPPERS" HIS DEFENSE

High Official of Harriman Line Called Before Railroad Commission to Tell of Discriminations

Special to The Herald. SAN FRANCISCO, March 10.—Rebates, plenty of them, but no discriminations, was the defense of General Freight Agent Luce of the Southern Pacific before the state railroad commission today.

Even the bundles of flimsy sheets taken from the railroad's books, each telling of some advantage accorded one firm over its competitors, failed to affect Luce, who glibly told why each rebate had been granted; this, to meet eastern competition; that, to meet water transportation, and others for some other reason.

Luce sat there calmly and justified all below the published rates, on shipments of sand by four corporations from near Monterey. According to Luce the railroad had helped every shipper could and in some cases had gone so far as to remit switching charges where no switching was done, "just to make the shipper feel good," was Luce's naive explanation.

Luce testified that the special rates were made to meet water competition, competition over short hauls offered by teams and that it was the general practice here, as in all the country, to extend advantageous rates to unfinished products that were later to be manufactured. He further stated the same rates would be granted to all, under the same conditions.

Luce said most of the rates were renewals of special rates existing during or before 1905, that a few rates have been granted in the early part of 1906, but that he thought none had been granted in 1907 or 1908.

Favored Shippers In explaining the manner in which the rebates were granted Luce said an application was usually received from a shipper, accompanied by his reasons why the rate should be granted. He added that the conditions were investigated and if found to be as stated the rate was granted.

Luce was asked whether the interests of the company were the chief consideration in granting the special rates. Attorney Dunne objected and the commission sustained his objection. The attorney general then amended his question and Luce was allowed to say the interests of the company were among the considerations in influencing the granting of special rates.

Continuing, he explained that the shipments were made at the published tariff and that freight was collected at the rate; that the difference between the published rate and the special rate were then issued to the claimants, and that they were returned to and paid by the auditing department.

It developed from the testimony of Luce that there were 170 special rates and that there were regular published tariffs for the same commodities on all these shipments if the special rates had not been made. He said this arrangement was in existence when he took his present office in 1901, and that prior to his incumbency he thought the same practice had been followed.

Attorney General Webb asked Luce why he did not make the same rate in all instances, and he said that conditions varied in each instance, and that each rate was made with the special conditions in mind.

He added that the general policy of the company was to make lower rates to manufacturers than to consumers, for the reason that other shippers would arise from the first shipment of raw materials to firms turning them into finished products.

Low Rate to Canners The special rate investigated was one made to the California Fruit Canners' association. It provided for the protection of one-half the regular tariff on all shipments of fruit from the driers to the packing houses, not including shipments to San Francisco. Luce said this rate would be extended to all firms under similar conditions.

The call to his attention that C. H. Chaddock & Co. had a rate of 65 cents a ton on dried fruit from Malaga and Flower to Fresno, and he was asked why the same rate the California Fruit Canners' association enjoyed was not extended to this firm. He said the association shipped no fruit between these points, and that if it did it would be compelled to pay the same rate as Chaddock or Chaddock's rate would be lowered to meet the one-half tariff enjoyed by the association.

In the case of the Johnson-Loock Mercantile company no charge was made for switching in and out of the packing houses, where the engines on the trains did the work. Asked to explain this Luce said no firm paid any such charges and that the item appeared in the list as a concession merely to make the firm think it was getting more than it was entitled to. The commission then adjourned until tomorrow at 10 a. m. Attorney General Webb asked Luce to bring the published tariffs of the company with him so he could make comparisons when called on between published and special rates. This he agreed to do. The railroad commission was represented by Attorney General Webb and Assistant Attorney General Benjamin. The Southern Pacific was represented by Attorney Peter Dunne, while O. K. Cushing was permitted to examine the witnesses in the interests of the California Traffic association.

Eight Hurt in Collision By Associated Press. NEW ALBANY, Ind., March 10.—Eight persons were injured here today when a passenger train ran into a trolley car at a grade crossing.