

## BARNETT PLAN IS OPPOSED BY E. J. LE BRETON

Receiver of California Safe Deposit and Trust Company Objects to Rehabilitation

Committee Representing Quarter of Deposits Favors the Proposition to Reorganize

Prtest Is Made Against Receiver's Move to Have Ten Cent Dividend Declared

## DEVELOPMENTS IN AFFAIRS OF BANK

Receiver Le Breton of the California safe deposit and trust company recommends against adopting the Barnett plan of rehabilitation, and favors having the court order a dividend of 10 cents to the depositors August 16.

A committee of the depositors, representing a quarter of the deposits, urges the Barnett scheme and ordes an extension of 60 days in the matter of the proposed dividend.

Receiver E. J. Le Breton, receiver of the California safe deposit and trust company, yesterday rejected the scheme of Walter J. Barnett for the rehabilitation of the defunct company.

After Le Breton had decided to oppose the Barnett scheme the reorganizers, met an approved the Barnett proposition of inviting \$1,000,000 of New York capital to re-establish the institution. They will urge an extension of 60 days on the proposition of declaring a dividend.

The situation yesterday resulted in a wide divergence of opinion between the receiver and the reorganizers, backed up by a quarter of the depositors.

"I can not recommend the Barnett plan or offer to the depositors of the California safe deposit and trust company for acceptance," said Le Breton. "I make this statement for the benefit of all the persons connected with the project of reorganizing the company. If any disappointments should occur later on I wish to avoid the accusations hereafter that, being familiar with the affairs of the California safe deposit and trust company, I allowed representations to be made to the depositors and intending investors which I could not conscientiously indorse, and in whose accuracy I did not believe."

Although he knew the plan before it was submitted to him, he desired to find out who were the people behind the project. He has listened to Barnett, to the members of the depositors association and to Henry I. Kowalsky, who says he represents interests that have offered to rehabilitate the bank.

In his statement issued yesterday Le Breton says: "The plan as explained to me was that New York investors would be asked to furnish \$1,000,000 capital for a new organization on the condition that the present stock holders of the company would furnish a similar amount, thus organizing a trust company with a capital of \$2,000,000. The company so formed planned to buy the claims of the depositors of the defunct bank and pay for them as follows: "Twenty-five per cent in cash (using in part the \$900,000 now on hand). "Fifty per cent in certificates of the new trust company, payable in one, two, three, four, five years, one-fifth annually, without interest and security. "Twenty-five per cent in certificates of preferred stock of a company that was to take over the shares owned by the California safe deposit and trust company in the El Dorado lumber company, Pacific window glass company and the Carnegie brick and pottery company.

"I do not believe the superintendent of banks would allow the new bank to do business on those lines, because the new bank would be crippled from its inception.

"Waiving that objection, however," he continued, "and leaving that difficulty to the solution of the promoters.

## SOME VAGARIES OF THE GAS COMPANY

Charge to big consumers downtown—60 to 75 cents per 1,000 feet.  
Charge to small householders—\$1 per 1,000 feet.  
Average rate collected—\$6.723 cents per 1,000 feet.  
AMOUNT OF HOLDUP:  
Per Year.  
For extra depreciation...\$450,000  
For "casualty insurance reserve".....30,000  
For extra insurance.....18,000  
Total holdup.....\$528,000

## INDEX OF THE SAN FRANCISCO CALL'S NEWS TODAY

TELEPHONE KEARNY, 86  
FRIDAY, AUGUST 6, 1909

WEATHER CONDITIONS  
YESTERDAY—Clear; west wind; maximum temperature, 60; minimum, 52.  
FORECAST FOR TODAY—Fair, increasing cloudiness; moderate north winds. Page 13

EDITORIAL  
Some questions that Mr. Hellman might answer. Page 6  
How California fares in the tariff. Page 6  
Should correct the government record. Page 6  
Another dream of state division. Page 6  
Inspiration of the attack on Pinchot. Page 6

GRAFT  
William Crocker, candidate for mayor, excused from service on Calhoun jury. Page 14

POLITICAL  
Wisacres wonder at Tim Sullivan firm securing Byron Manly contract. Page 3  
Chairman of union labor party and Registrar Zemansky dispute size of vote. Page 3  
Primary gives new power to voters, who may select 18 party nominees for the board of supervisors. Page 3

CITY  
Receiver E. J. Le Breton opposes Barnett's scheme to reorganize California safe deposit and trust company. Page 1  
Dr. Wallace I. Terry will resign as chief of emergency hospital service in October. Page 1  
Lieutenant E. H. King of illustrious family, arrested on charge of having passed bogus checks in Los Angeles. Page 1  
Gas company's plot to extort \$528,000 yearly from small consumers through temporary rate barred. Page 1  
Failure of the Calkins syndicate brings loss of \$10,000 to the Citizens' alliance and investigation is under way to determine upon what authority Captain McKinney made the investment. Page 3  
Millionaire Dunphy talks lucidly at examination as to his need of guardian. Page 14  
Hobo returns gold piece given him instead of nickel and is rewarded for honesty. Page 14

SUBURBAN  
Photographs of Mercury taken by Crocker expedition settle dispute about planetary system. Page 5  
University professors unearth rare specimen of peacock in old lava beds. Page 5  
Prominent Berkeleyans in automobile accident, which results in the destruction of machine by fire. Page 4  
Child, aged 2 years, run over, but not seriously hurt. Page 4  
Agitation for the creation of Richmond county. Page 5  
Fitchburg schoolgirls take part in military drills. Page 4  
Oakland in need of more playgrounds for children. Page 5  
Peter White, pioneer lumberman, dies at his Alameda home. Page 4  
Mayor Mott favors subway in Twelfth street, Oakland, for Key route trains. Page 14  
Oakland bride of three months deserts second husband because of peculiar religious beliefs. Page 4  
Oakland commissioners protest against small park fund and suggest resignations. Page 4

COAST  
James Warner, who stole Dr. Bethel's automobile, is arrested in Marysville and machine recovered. Page 14  
Heirs of George E. McAnery ask for letters of administration on estate, which is said to be worth \$500,000. Page 9  
Japanese laborers abandon their strike on Hawaii plantations, employers refusing to yield. Page 1

EASTERN  
Thaw introduces evidence in his sanity hearing reflecting on man he killed. Page 1  
Speaker Cannon carries out threat to remove committee chairman who fought him on rule. Page 2  
President Taft in official statement gives his views on the tariff bill. Page 8  
Congress finally passes and President Taft signs the tariff bill. Page 1  
A. Piatt Andrew appointed director of the mint. Page 1

FOREIGN  
Zepplin airship sails from Frankfurt to Cologne. Page 3  
Stockholm's food supply is almost exhausted. Page 3  
Car of Russia tells Britons of desire for general peace of nations. Page 2

SPORTS  
Coast league scores—Portland 3, San Francisco 2; Oakland 7, Vernon 0; Los Angeles 0, Sacramento 0. Page 9  
State league scores—Oakland 4, Fresno 3. P. P. E. Geers, veteran driver, badly hurt while driving Annabelle Lee in 2:14 pace by going over embankment. Page 8  
Cubs continue their winning streak by taking double header and the Pirates lose to Brooklyn. Page 9  
Pacific jockey club grants dates for Reno and Anaconda meetings. Page 8  
B. E. Montgomery's colt Bill Logan wins the 3 year old pacing futurity stake at Salinas. Page 8  
Annual meeting of Public Schools athletic league an active season is planned and officers are elected. Page 8  
Jeffries sails for Europe and Jack Johnson falls to show up at pier. Page 8  
Battling Nelson sues swell Philadelphia hotel for \$10,000 damages. Page 8  
Jobany Reagan is matched to fight Perry Cove for Mission club. Page 8

MARINE  
Korea carries light cargo for the far east, but cabins are crowded with passengers. Page 12

SOCIAL  
Engagement of Miss Ethel Husing of San Mateo and Harry Augustus Cahalan of San Francisco no longer a secret. Page 6

## GAS COMPANY SCHEME TO ROB PEOPLE EXPOSED

City Attorney's Office Uncovers Bold Plot to Extort \$528,000 Yearly From Users

Gross Discrimination in Favor of Large Consumers Shown by Temporary Rate

The city attorney's office exposed yesterday a new and particularly bold attempt on the part of the San Francisco gas and electric company to hold up the city for \$528,000 during the year. At the same time it was disclosed that the company is using the \$1 rate allowed it temporarily by the court to discriminate against the small house holders. The large establishments down town are not required to pay more than 60 to 75 cents for their gas, but the small consumers are compelled to pay \$1 for the same service. The average rate collected at present is \$6.921 cents per 1,000 feet. City Attorney Percy V. Long and Thomas E. Haven, his chief deputy, contend that this is ample proof of the fairness of the \$5 cent rate.

"The rate of \$1 was suggested by the company itself and was allowed temporarily," said Haven. "Now we see that the company is on this basis collecting at an average of eighty-six and a fraction cents. It gives a low price in the competitive district where the large establishments are located, but it wants the \$1 rate for the small consumers, whom it counts on to make up what it sacrifices to give the competitive rate."

The peculiar operations of the gas company were laid bare yesterday during the hearing before Commissioner Heacock. The action is based on the \$5 cent ordinance which the supervisors have adopted for the present fiscal year. The company has obtained a temporary injunction, but Assistant City Attorney Haven declared at the outset that there were certain features of the company's business into which he desired to make immediate inquiry. This investigation was begun yesterday and it required but the single session to bring forth surprising developments.

J. D. Butler, the auditor of the gas company, was the only witness called. It was brought out that under the 85 cent rate the company collected only an average of \$2.723 cents. Under the \$1 allowance it assessed the consumers an average of \$6.921 cents. This is taken as proof that under the company's own system of figuring it would find the 85 cent rate profitable if equitably applied.

Have made inquiry as to the company's expense account and was surprised to find therein a charge against the city of \$450,000 for "depreciation." It is the first time the gas company has made such a charge. Haven's surprise was the greater when he learned that the account had been maintained throughout the year at \$600,000, but that \$120,000 actually expended in replacements had been deducted and put in a separate account. The city attorney's office contends that depreciation must be actual and not imaginary.

Figures Prove Startling  
It appears that the company has inaugurated a system by which it demands of the city \$600,000 a year for depreciation. Actual replacement is deducted, but it appears again in a replacement account and the city is asked to make this sum good also.

"It is certainly a startling system of accounting," was Haven's comment. "If you figure such depreciation," asked Haven of the witness, "why don't you deduct it from the value of your plant?"

"Because we constantly renew," was the answer. "By replacement we keep the plant to full value."  
"Then the amount of depreciation is the amount of replacement if you figure that way," commented Haven.

"No," replied the witness; "we have unavoidable depreciation."  
Butler sprang another surprise a few moments later when he announced that the company had opened a casualty insurance reserve account to the amount of \$30,000 a year which it expected the city to provide for.

Just before adjournment Butler produced another new special insurance account to the amount of \$18,000 a year, which the company insists the city must pay. This account, as explained by Butler, covers such insurance as the company regards as too expensive to place with regular companies.

## MORE STANFORD WHITE STORIES TOLD IN COURT

Sensational Testimony Given in Thaw Sanity Hearing Concerning Man He Killed

Episodes in Life of Dead Architect Similar to Affair With Evelyn Nesbit

WHITE PLAINS, N. Y., Aug. 5.—More of those stories which have stained the memory of Stanford White, stories that paralleled the tale of the Madison Square tower room as told by Evelyn Nesbit Thaw, were related at the Thaw sanity hearing before Justice Mills today. They were told first by witnesses called in Harry K. Thaw's behalf and then by Thaw himself, who testified, hoping to show that things he knew about White were not "delusions" and that this phase of the state's attack on his sanity is unfounded.

Thaw may be called again tomorrow. The attorneys will sum up Saturday and Justice Mills hopes to render a decision next week.

Stories About White  
David N. Carvalho, the New York handwriting expert testifying for Thaw, told of episodes connecting Stanford White with two young women whom it is alleged he tried to ruin. One was Miss Mae McKenzie, an actress, and the other's name was given as "Sue Parker." From Miss McKenzie, Thaw's attorney had obtained a note which figured in the trial as the "mushroom letter."

White was represented as the author. It was read in court today. It was concerning this that Miss McKenzie had said, according to Thaw, that her father would kill both herself and White if he had seen the contents.

Letter Written by White  
The letter was dated April 11 and is as follows:  
"I am the most wretched fraud when it comes to letter writing. It is no use. I have what Peter Dooling calls 'writophobia,' and a bad case at that. I am glad you are having such a good time. A dose of hope, after all, is the best medicine any of us can take. Whatever you do, however, do not come back prettier or more alluring than you were, for under those circumstances I could not be responsible for my actions and then there would be 'real trouble.'"

By the way, when is that fall boat going to sail? The social whirl has opened and is really quite good. Seriously, when are you coming back? Lovingly.  
Instead of a name, the letter was signed with what the witness declared as a hand opened with what looked like porcupine quills extending from it.

Jerome explained that this was Stanford White's regular signature in letters to his friends.

Sue Parker Affidavit  
Carvalho testified as to an affidavit which he said "Sue Parker" made, describing an alleged attempt of White to ruin her when she first came to New York as a young chorus girl. The woman's affidavit, Carvalho said, described in detail how White had first met her when she was 17 years old and later taken her to a place known as "The Eagles Nest," given her wine and either ruined her or attempted to. Asked why she was willing to tell this story regarding a man who, after all, had been kind to her, Carvalho testified that the girl said, "He has taken from me more than I ever got from him and no what he is dead and I am destitute I feel justified in selling the letters for what I can get." She produced a bundle of letters which she said White had written her and offered them for sale to Thaw's attorneys for \$5,000.

The letters were finally bought, the witness said, for \$500, with the understanding that the owner was to receive \$500 more if they could be used at the first trial.

Thaw on the Stand  
When Thaw took the stand the district attorney seemed anxious to let him tell all he knew, evidently with the hope that the witnesses' palpable eagerness to talk on this theme would show "Justice Mills that he was insane on the subject."

And Thaw was eager to tell. "This thing I am going to tell you now," he said, "affected me very seriously at the time."  
He described in detail the alleged experience of a girl whom he said White tried to wrong when she was but 16. He said that after winning her confidence, White lured the girl to his place in Twenty-fourth street, New York. The girl escaped through a lucky chance, he said, and later obtained a large sum of money from White under threat of a suit. After that, he continued, White had the girl boycotted, so that for several years she could not play an engagement at any theater in New York.

"This woman now," continued Thaw, "is one of the foremost actresses on the American stage."  
Thaw gave the location of four places he said White maintained for immoral purposes.

Delmas Received \$50,000  
Mrs. Mary Copley Thaw, mother of the prisoner, took the stand at 2:50 p. m. She told why her son dismissed Delphin M. Delmas, his chief counsel in the first case. Delmas was engaged mainly for the summing up, she said, and with that his work was done.

"He was to have received \$25,000, but he got \$50,000."

## Not a Perfect Tariff Bill —President Taft

AFTER signing the Payne tariff bill yesterday President Taft issued a statement embodying his views of the measure, from which the following excerpts are taken:  
I have signed the Payne tariff bill because I believe it to be the result of sincere effort on the part of the republican party to make a downward revision, and to comply with the promises of the platform as they have been generally understood and as I have interpreted them in the campaign.  
This is not a perfect tariff bill, nor a complete compliance with the promises made, strictly interpreted, but the fulfillment free from criticism in respect to a subject matter involving many schedules and thousands of articles could not be expected.  
This is not a free trade bill. It is not intended to be. The republican party did not promise to make a free trade bill.  
The corporation tax is a just and equitable measure, which it is hoped will produce a sufficient sum to prevent a deficit, and which, incidentally, will secure valuable statistics and information concerning the many corporations of the country.

## SON OF ILLUSTRIOUS FAMILY IN PRISON

Officer, Said to Be Lieutenant King, Taken Into Custody by Secret Service

A man declared by the local secret service to be Lieutenant E. H. King, son of General Horatio King and member of one of the most illustrious families in American history, was arrested in this city yesterday afternoon on charges of having passed a number of worthless checks. The specific charge which has placed an honored name on the prison register grew out of a \$65 transaction with the Hamburger department store in Los Angeles.

King, who is but 29 years of age, sought to conceal his identity and gave his name as Major G. S. Anderson. Harry Moffatt, chief of the local secret service agency, searched his effects and it was then discovered that the young man was not only of distinguished ancestry, but had himself served his country bravely and well in Cuba, in China and in the Philippines.

Nephew of Gen. Charles King  
The young man is the nephew of General Charles King, noted alike as a soldier and novelist. His aunt is Mrs. Mary King Waddington, widow of a former French ambassador to Great Britain. Mrs. Waddington's memoirs, published in the magazines and later in book form, were one of the literary features of the last few years. Young King's sister, Helen, married Baron Giskra, at one time secretary of the Austrian embassy at Washington, but now Austrian minister to Mexico. It was the lieutenant's niece, Miss Esther King, who unveiled the monument to the martyred heroes of the prison ships of the revolution in New York last year, when Taft, then president elect, made the principal address. The family owns vast stretches of land in Texas, and it is said that an offer of \$10,000,000 was recently refused for the property.

King himself is a famous athlete, hunter and polo player. His ponies were among the best while he was stationed in Washington.  
In the career so brilliant in environment and promise and so sordid in its climax there is a strange hiatus of two years. There is a lapse in the period from 1907 to 1909. According to King himself he served for a time at the McCloud reformatory at Minneapolis, and this, it is thought, may account for the discrepancy.

Born at the Presidio  
The records show that King was born at the Presidio at San Francisco in 1880. His grandfather's record in the civil war and that of his father and uncle gained him admission to West Point. He was graduated in 1898 a member of the famous class that left the academy for the battlefield. He served with distinction in Cuba, the Philippines and in China. He was given special mention by General MacArthur for bravery at Tabuan. Later he entered the cavalry service and then became a member of the Philippine scouts. During the war he was brevet captain.

Recently he was employed under the name of Major G. S. Anderson as military instructor at the California military academy at Santa Monica. He has been in San Francisco just a week. Secret Service Agent Moffatt received a wire yesterday from Los Angeles saying that the man was wanted not only on a charge of passing bogus checks, but also for impersonating an officer and a secret service agent. With Detectives McPhee and Taylor he located King at Sixth and Mission streets.

King refused to discuss his family affairs and declared that he had simply impersonated Lieutenant King. Moffatt declared, however, that the identification was complete.

## DR. TERRY TO QUIT HOSPITAL SERVICE

Chief Surgeon of Emergency Institutions Intends to Retire to Private Practice

Dr. Wallace I. Terry, for two years chief surgeon of the San Francisco emergency hospital service, will resign his office in October. The reason given for this action is that Dr. Terry's present position with the city interferes with his private practice. Prominent among the prospective physicians who have been mentioned as the possible successor of Dr. Terry are Dr. Reuben C. Hill, Dr. James T. Watkins, Charles B. Pinkham and Drs. Bush, Russ and Russell.

The board of health has not been officially notified of Dr. Terry's intention, but the rumor that he was about to resign, which had been current for several days, was verified last evening by Dr. Terry. In speaking of the matter Dr. Terry said:  
"I shall resign my position as chief surgeon of the emergency hospital service some time in October, probably in the early part of the month. I am prompted to take this action because of the great amount of time required to attend to the duties of that office, thereby preventing sufficient time to attend to my private practice."  
Dr. Terry said that he was satisfied with the work of the service since he had been its chief.

While there is no active campaign being made to secure the position which will be made vacant by Dr. Terry, friends of the physicians named are urging their merits. Dr. Charles B. Pinkham, a former chief of the service, is especially prominent as a possible successor. He has not stated his willingness to accept the appointment, but he has many friends who are solicitous in his behalf. Dr. Hill is also popularly mentioned. Dr. Pinkham is still in the emergency hospital service, being an assistant surgeon. Dr. Hill resigned several months ago.

## Taft PUTS SIGNATURE TO TARIFF

President Approves Revision as Placed Before Him by Both Branches of Congress

Congressman Payne, by Whose Name Measure Is Known, Presents It to Executive

Head of Nation Jollies Senators Who Failed to Secure What They Wanted

Official Statement Issued From the White House Regarding Newly Enacted Law

WASHINGTON, Aug. 5.—The tariff has been revised and the extraordinary session of congress has been brought to a close. Both houses adjourned sine die officially at 6 o'clock tonight. That is the time entered upon the journals, but as a matter of fact the house adjourned at 5:35 p. m. and the senate at 5:58 p. m.

The closing hours were uninteresting. The revision had been according to the desires of some and with the hearty disapproval of others, and the last two days had been consumed by members of the senate in expressing their satisfaction or dissatisfaction. The conference report was agreed to by the senate, 47 to 31, at 2 p. m. and, soon after the concurrent resolution making certain changes in the leather schedule was adopted by both houses.

The Vote in Detail  
The following is the vote in detail:  
YEAS:  
Aldrich, Depew, Lorimer, McComber, Borah, Dick, Olver, Payne, Bradley, Dugout, Page, Brewster, Elihu, Pennington, Perkins, Brandegee, Flint, Piles, Bryan, Gable, Scott, Burleigh, Guggenheim, Smith (Mich.), Burton, Hale, Street, Burrows, Heyburn, Stephenson, Carter, Johnson, Stanford, Clark (Wyo.), Jones, Sherman, Crane, Keam, Warner, Crawford, Lodge, Wetmore—47  
NAYS:  
Baucus, Dooliver, Newlands, Bacon, Fletcher, Overman, Bankhead, Custer, Taylor, Hiram, Beveridge, Innes, Payne, Eristow, Gore, Silver, Chamberlain, Heyburn, Stanford, Clapp, La Follette, Smith (Ind.), Day, McLaughlin, South (S. C.), Culberson, Murray, Stone, Cummins, Nelson, Tallaferro—31  
Daniel.

The pairs on the bill were as follows, those for it being first mentioned:  
Briggs with Johnson; Dillingham with Tillman; Gallinger with Taylor; Mann with Owen; Richardson with Clark (Ark.); Warren with Money; McEnery with Davis.

## ARRIVAL OF PRESIDENT

President Taft arrived at the capitol at 4:45 and entered the president's room. His appearance there, the first since being president, caused congressmen to form in line to be received by him. There was a constant procession of hand shaking statesmen through the president's room from the time of his arrival until his departure at 5:30 o'clock.

At six minutes past 5 the Payne tariff bill, as the measure will be known, was laid before the president. He picked up a pen supplied by Chairman Payne, which had been used by both the vice president and the speaker in signing the bill, and attached his signature.

After writing "William H. Taft" the president added, "Signed five minutes after 5 o'clock, August 5, 1909—W. H. T."

Cabinet Members Present  
With the president at the time were Secretary Knox, Secretary MacVeagh, Attorney General Wickersham, Postmaster General Hitchcock, Secretary Nagle, Secretary Wilson, Senator Michrich, Representative Payne and many others of the senate and house.

As the senators filed into the room the president had something of a personal nature to say to each, and good nature appeared to be overflowing. Senator Tallaferro of Florida, in rather a plaintive tone, said:  
"Mr. President, surely you are not going to sign that bill with that pine apple paragraph in it?"

He referred to the fact that he had the duty increased on pineapples in the senate, but the advance was eliminated in conference.  
"What would you have me do? Shall I strike out pineapples altogether or just write in a rate to suit you?" asked Mr. Taft, laughingly.

Taft in Good Humor  
A short time afterward Senator Fletcher of Florida was telling the president goodby. The Florida was dismissed with a "Goodby, old Pineapples; take care of yourself."