

CITY OF ST. PAUL OFFERS ITS BONDS IN BLOCKS OF \$10

Minnesota Municipality Puts Issue Within Reach of Small Investors.

ISSUED AS CERTIFICATES

Securities Sold Over Counter at Par and Are Redeemable Upon Presentation.

FEW OFFERED FOR REDEMPTION

WHERE 'WE WILL' THERE'S A WAY

—Chicago's New Proverb.

BY R. L. HAYFORD. City bonds over the counter in \$10 slices. Bonds that draw 4 per cent interest. Bonds that can be cashed in any minute for their face value, plus the interest which has accumulated up to that minute.

That is the plan under which the city of St. Paul, Minn., is attempting to work out—with the aid of its citizens—its own financial salvation.

Last July, when the municipal government found it difficult to sell several issues of city securities at par or above, the scheme of cutting them up into small pieces and calling on the people of St. Paul to finance themselves was conceived. The start was modest.

First of all, the help of the sinking fund committee was called for. That committee is a municipal body which has in its control the funds gathered for the purpose of paying the interest on city bonds and the bonds themselves as they mature. It has usually in the bank a large sum of money which draws only 2 per cent interest.

BEING allowed considerable discretion in the making of investments, the committee bought in one or two small issues of bonds and issued against them what are called participating certificates, each certificate representing \$10 and drawing 4 per cent interest. It also bought \$350,000 worth of the city tax levy certificates, which also draw 4 per cent. Against them, also, \$10 participating certificates were issued.

Three days before the sale began it was announced for the first time. The certificates were sold over the counter at the office of the treasurer in the city hall. They sold at par and accrued interest, with the privilege of presenting them for payment at any time.

The first three days after the sale began more than \$220,000 of the certificates were disposed of. By Dec. 1 the total sales amounted to more than \$3,500,000 of both classes of certificates. During the same period less than \$250,000 worth were presented for payment or redemption.

THIS constantly increasing sale, which is now said to average more than \$5,000 a day, had, of course, made it necessary for the sinking fund committee to buy in many of the larger city bond issues.

At present nearly 2,000 citizens of St. Paul are stockholders in their town, the individual investments varying from \$10 to \$5,000. In January, 1914, the sales of the certificates were \$286,000 in excess of the amount presented for payment.

Even before the city stepped in to take matters into its own hands at least two attempts had been made by private agencies to market city bonds at home. During the early months of 1913 a local department store purchased a small bond issue in \$500 pieces and sold them over its counters like any other merchandise in a couple of days. But that sale represented a considerable expenditure for advertising.

A LITTLE later the Northwestern Trust company, which is controlled by James J. Hill, took over a lot of city bonds and issued \$10 certificates against them, which it also offered over its counter. While this sale was successful in disposing of the bonds, it was not profitable to the bank.

It was not until the municipal authorities took hold that the plan was really worked out on an attractive and apparently successful basis. In order to protect themselves against possible legal action—which has been threatened—the sinking fund committee reserves the right to recall, discharge, and cancel this certificate

SUMMARY OF THE NEWS.

SATURDAY, FEBRUARY 14, 1914.

WEATHER FORECAST. For Chicago and vicinity: Fair Saturday and Sunday; no important change in temperature; moderate northerly winds.

For Illinois: Fair Saturday and Sunday; moderate north winds.

Sunrise, 6:30; sunset, 5:21. Moonrise, 10:36 p. m.

TEMPERATURE IN CHICAGO (Last 24 hours.) Maximum, 7 p. m., 23. Minimum, 3 a. m., 9.

SHIPPERS' ADVICES. Special Forecast for Shipments Within Radius of 500 Miles.

SHOPS YOU OUGHT TO KNOW—PAGE 9

STATE. Ten members of university faculty will resign if Dr. Edmund J. James leaves. Page 1. Validity of suffrage act up to Supreme court; local option main issue. Page 2.

LOCAL. Quacks employ detectives in vain attempt to besmirch ethical physicians. Page 1. Mystery of remnant of lady managers' funds partly solved; Mrs. Potter Palmer's brother wires such a fund in her safety deposit box. Page 1.

DE WOODY SLATED FOR DISMISSAL. Government's Special Agent to Be Ousted, Report from Washington. INQUIRY CLEARED HIM.

THAT MYSTERY OF \$20,000 CLEARING. Mrs. Palmer's Brother Wires Old World's Fair Fund in Her Safety Box. DOES IT DRAW INTEREST?

DE WOODY SLATED FOR DISMISSAL. Government's Special Agent to Be Ousted, Report from Washington. INQUIRY CLEARED HIM.

THAT MYSTERY OF \$20,000 CLEARING. Mrs. Palmer's Brother Wires Old World's Fair Fund in Her Safety Box. DOES IT DRAW INTEREST?

DE WOODY SLATED FOR DISMISSAL. Government's Special Agent to Be Ousted, Report from Washington. INQUIRY CLEARED HIM.

THAT MYSTERY OF \$20,000 CLEARING. Mrs. Palmer's Brother Wires Old World's Fair Fund in Her Safety Box. DOES IT DRAW INTEREST?

DE WOODY SLATED FOR DISMISSAL. Government's Special Agent to Be Ousted, Report from Washington. INQUIRY CLEARED HIM.

THAT MYSTERY OF \$20,000 CLEARING. Mrs. Palmer's Brother Wires Old World's Fair Fund in Her Safety Box. DOES IT DRAW INTEREST?

DE WOODY SLATED FOR DISMISSAL. Government's Special Agent to Be Ousted, Report from Washington. INQUIRY CLEARED HIM.

THAT MYSTERY OF \$20,000 CLEARING. Mrs. Palmer's Brother Wires Old World's Fair Fund in Her Safety Box. DOES IT DRAW INTEREST?

DE WOODY SLATED FOR DISMISSAL. Government's Special Agent to Be Ousted, Report from Washington. INQUIRY CLEARED HIM.

THAT MYSTERY OF \$20,000 CLEARING. Mrs. Palmer's Brother Wires Old World's Fair Fund in Her Safety Box. DOES IT DRAW INTEREST?

QUACKS EMPLOY SLEUTHS TO FIGHT COURT CONVICTION

Charlatans Combine with Detectives in Attempt to Besmirch Reputable Doctors.

DEFENSE PLOT FALLS FLAT

'Frameup' Fails to Trap Ethical Physicians and State Blocks Manufactured Testimony.

VICTIMS TELL OF SWINDLES

A group of the doctors whose charity has been exposed by THE TRIBUNE, yesterday was disclosed as having formed an alliance with a collection of private detectives. The detectives, subsidized by the money wrung from unfortunate victims of the quack doctors, are revealed as interesting themselves in the amiable business of attempting to besmirch the reputations of doctors of high standing in Chicago who have had the courage to take an active part in the fight THE TRIBUNE is waging against swindlers in the medical profession.

The unveiling of the combination occurred in Judge Ryan's court. 'Drs.' Isaac Walter Hodgins and Thomas A. Dupuis (pronounced Dupe-you) are on trial there for swindling.

Strong Evidence Against Them. The evidence against them is regarded by Chief of Police Gleason, who ordered the investigation, as strong. That the quacks themselves believe it to be strong is indicated by the circumstance that for more than two months they have been trying to get a detective agency to take up the particular kind of sleuthing they have in mind.

The Plot Is Laid. The scheme did not work. Norway visited Dr. Forrester's office and asked for treatment. He claimed to have a venereal disease. The doctor looked him over and told him he was mistaken. The fellow insisted on a physical examination. Dr. Forrester made an examination and then the sleuth demanded a prescription which would prevent venereal infection. He got that also. Finally he asked for the bill and was told that it would be \$5.

The Little Scheme Fails. The alleged sleuth then hot-footed for the Municipal court warrant clerk's office. When Norway arrived at the warrant clerk's office a Tribune reporter and Assistant State's Attorney Patrick J. Murphy were on hand.

Mr. Honoré's Message. But yesterday the light began to break. Mr. Honoré wired:

Investments for fund allowed to remain intact in safety deposit box awaiting Mrs. Potter Palmer's orders. Is there any intimation to the contrary? Kindly inform me what is the cause of your inquiry.

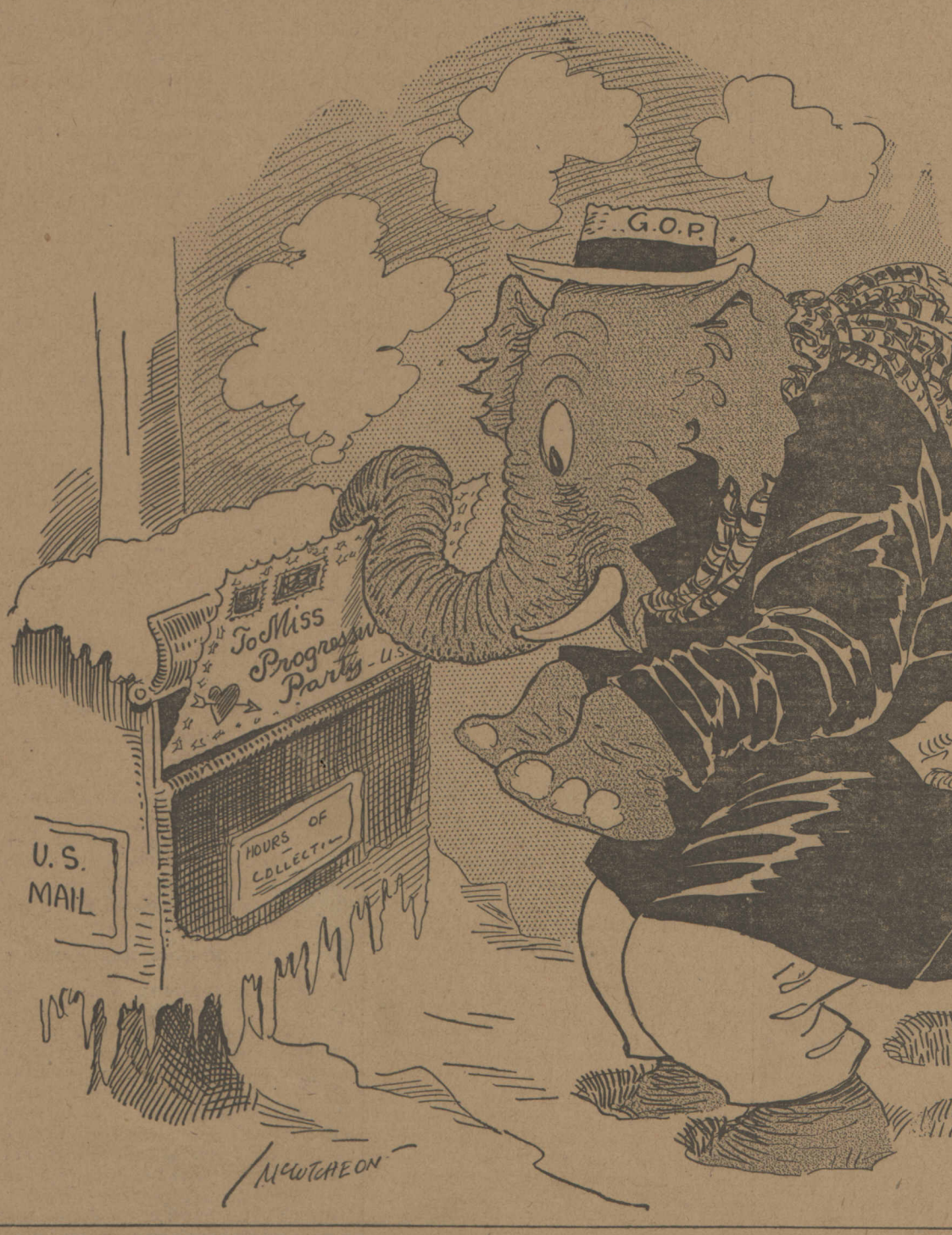
Has It Drawn Interest? But the message of Mr. Honoré leaves it uncertain whether the money in Mrs. Palmer's strong box is in jingling gold or paper money, or interest-bearing securities.

Searching the Archives. The exact amount of the fund in the safety box at the present time is known only by Mrs. Palmer and to her business agent, Mr. Honoré. President Higinbotham says he does not remember the size of the fund when turned over to Mrs. Palmer.

Wels Makes Confession. To Dr. Forrester and a Tribune reporter Wels made the following 'confession': 'I have been employed by Dr. Ross and Dr. Flint to run down THE TRIBUNE's evidence. The fellow who went to see Dr. Forrester was named Norway. That fellow will do exactly as I say. I am tired of this business and I will get out of it because it is crooked. My only interest in the case now is to see that Dr. Forrester gets a square deal. I will bring that fellow Norway downtown and make him give Forrester an affidavit of the true facts in the case.'

WILL SHE BE HIS VALENTINE?

(Copyright: 1914: By John T. McCutcheon.)



THAT MYSTERY OF \$20,000 CLEARING

Mrs. Palmer's Brother Wires Old World's Fair Fund in Her Safety Box. DOES IT DRAW INTEREST?

The mist that has been hanging over that \$20,000 remnant of the funds the board of lady managers of the Chicago world's fair began to clear away yesterday afternoon. Adrian C. Honoré, brother of Mrs. Potter Palmer, was instrumental in dispelling some of them. He wired to THE TRIBUNE from Sarasota, Fla., that the fund is stored away in a safety deposit vault.

EDITOR WHO INSULTED WILSON THREATENS AMERICAN CHARGE

Mexico City, Feb. 13.—Diaz Miron, editor of El Imperial, against whose insulting attacks on President Wilson Charge d'Affaires Nelson O'Shaughnessy protested, says the first time he meets Mr. O'Shaughnessy he will repeat the insults to his face.

PRESIDENT CONTINUES ILL; PASSES SECOND DAY IN BED.

Washington, D. C., Feb. 13.—President Wilson spent a second day in bed nursing a severe cold, and had to forego attending the special reception given at the White House tonight for the New Jersey Democracy.

Men Wasteful; Women Saving. Before hearing from Mr. Honoré yesterday THE TRIBUNE sent telegrams to several mem-

TEN EDUCATORS TO LEAVE UNIVERSITY IF DR. JAMES GOES

Leading Faculty Members Agree to Resign if President Is Forced to Retire.

OPPOSITIONS LAYING PLANS

Trustee Trevett Says Executive's Power to Nominate Instructors Is Unlawful.

GOV. DUNNE CITED ILLEGALITY?

Champaign, Ill., Feb. 13.—(Special.)—Fearing that President Edmund J. James of the University of Illinois will be forced to resign ten leading members of the faculty have made a 'resignation agreement.' If the president leaves they will retire.

The agreement became known today following THE CHICAGO TRIBUNE'S expose of the conditions. Those who have entered the agreement include some of the oldest and most valuable men of the faculty.

While Capt. J. R. Trevett of Champaign, a Democratic member of the board of trustees, reiterated today that there is no 'fight' on James, the agreement of the faculty leaders demonstrates that they believe otherwise. The leader of the faculty adherents of the president is Dr. David Kinley, vice president.

Object to Dr. James' Expenses. Opponents of Dr. James are said to be 'loaded' with material to be used in case matters come to a head. This will include reflections on an alleged propensity of the president to spend a great deal of time traveling on business, and the expense of his European trip and an investigation of his European trip and its expenses. Several years ago Dr. James went to Europe to investigate veterinary colleges and attempted to obtain an appropriation for a veterinary school, which failed.

On the other hand, it is charged that some of the expenses bills of the trustees have been unduly heavy. The trustees receive no salaries.

The most bitter clash of the president with the board came over the purchase of 169 acres of land south of the university at a cost approximating \$800 an acre. The president said the purchase was not expedient, but he was overruled. He insisted that it be made a matter of record that he objected. Eugene Davenport, dean of the college of agriculture, for whose purpose the land is to be used, also objected, and as a result is in the 'black books' of certain of the trustees.

Gov. Dunne Takes a Hand? Capt. Trevett today reiterated his statement that Gov. Dunne pointed out to him that the bylaws which give the president the power to make all nominations conflict with the statutes of Illinois. The bylaw is: 'The president shall make all nominations for appointments to positions under the board of trustees and in case nominations are not approved he shall make officers.'

'What is the whole matter about?' Capt. Trevett asked today. 'There seems to be little to it aside from idle gossip. What do we care about how the president wears his hair or any of the other petty things which have been mentioned? It appears to be a straw man stood up and then knocked down.'

Trevett Delves Into History. 'Much is heard about the recent rapid growth of the university. Ex-Gov. John P. Altgeld deserves as much or more credit than any other man for developing the university. He was the first man actively to champion the proposition to grant this school an appropriation very much larger than the bare running expense, yet his name and picture do not adorn the walls.'

Although elected upon an economy platform, he favored an appropriation of over \$300,000 for the school, and when strong opposition was waged he said, 'Just charge it up against me, but give the school the money.' Of course, afterward the Republican did not dare go backward. Since then the school has expanded wonderfully.

'This recent trouble seems to have originated at a board meeting held in the governor's office at Springfield in December. At that meeting Gov. Dunne pointed out the fact that our bylaws, which provide that all nominations for faculty appointments must be made by the president, conflict with the statutes under which we are operating, the statutes providing the nominations shall be made by the board.'

Holds Board Must Pick Faculty. 'It may be the board is incompetent to make faculty selections without the permission of the president, but the law provides they shall be made in that way. Some people, however, appear to be above the law.'

Asked when the next meeting of the board would be held, Capt. Trevett replied: 'The annual meeting will be held in March.' He could not say where the meeting would be held, but added: 'The law provides it shall be held at the university. I suppose, though,

Announcements of Moving Picture Theater Attractions for today, tomorrow, Monday and Tuesday will be found on page 7 of today's Tribune