

MILLIONS FROM FAKE SCHEMES

Twenty-five years ago one of the students at Trinity College was Edward G. Lewis, son of a New England clergyman, says a St. Louis despatch. He showed aptitude for the study of chemistry and of human nature, and he paid his way through college partly by the sale of tablets which he prepared and warranted to cure the tobacco habit. They appealed to women because they could be put into the coffee of husbands, sons and brothers without exciting suspicion. The same Edward G. Lewis is now under indictment here on charges of using the mails to defraud, and enterprises which drew subscriptions said to amount to nearly \$10,000,000 chiefly from women, are in the hands of a receiver.

The records of the civil and criminal proceedings against Lewis show that in the 25 years since he left college he has invented many schemes and won the confidence of many persons who were willing to risk their savings in the shape of being made rich quickly. Senator Burton, of Ohio, in defending the action of the post office department toward Lewis' enterprises said recently on the floor of the senate:

"They are as numerous as the list that Bagehot gives of the absurd enterprises in which people were urged to invest about the year 1700, when the wheel of perpetual motion and a lot of other ridiculous things furnished the bases for the formation of stock companies."

While Lewis did not begin the most picturesque period of his career as a promoter until about 1895, he was not idle during the years immediately following his departure from college. He had made money with his tobacco cure and he sought to build up a fortune with a sarsaparilla blood medicine, but this failed and he lost all he had made with the other cure. He was successively sales agent for a diamond broker and a demonstrator for Waterbury watches, and finally he drifted to Nashville, Tenn., where his inventive brain originated "Anti-Skeet" and "Bug Chalk."

It was here that Lewis awoke one morning in 1895 to find his total assets were \$1.10. Then he had an idea. He went to a wholesale house and bought a gross of ordinary crayons for 35 cents, and a bottle of oil of wintergreen for 25 cents. He poured the wintergreen over the chalk and after capturing a live roach he went to the drug department of the store and announced a demonstration of his "wonderful bug chalk."

He made a chalk mark on the table and set the roach free. When the bug started to walk across the chalk mark and smelled the wintergreen it backed off and went the other way. He sold the mixture of crayon and wintergreen in the store for \$7.50 and then made a house to house canvass with the chalk. He soon had a small bank roll.

Lewis then originated "Anti-Skeet" and "Anti-Fry." These preparations were tablets, which when burned made a cloud of smoke supposed to be deadly to mosquitoes and flies. His first corporation was formed to take over these preparations, but the sheriff finally seized the assets, including a carload of "Anti-Skeet," and one of Lewis' partners committed suicide. The sheriff was induced to release the carload of mosquito tablets, and Lewis moved on to St. Louis and began his career in this city.

There followed in rapid succession "Dr. Hott's Cold Crackers," warranted to "crack a cold in half an hour"; "Walk Easy Foot Powder," which made money for Lewis the first summer but went out of business in the winter; "Anti-Cavity," a toothache medicine; "The Progressive Watch Company," an endless chain scheme by which one could get a watch by paying a dollar down and inducing a number of other persons to do the same; a mail order publishing concern through which Lewis first entered the publishing business with a small magazine to exploit cheap jewelry; an installment company to sell watches and jewelry for one-third down and the rest monthly, the cost of the article being really covered by the cash payment; an addressing machine company which sold stock but no machines; a coin controller which sold devices for use on telephones which proved to be an infringement on a patent; a collection agency to assist mail order houses to collect accounts, mainly from children who answered advertisements in weekly papers and magazines, and a guessing contest on the attendance at the St. Louis exposition.

Then Lewis turned his back on the smaller creations of his mind and went in for greater things. He organized the Development and Investment company, a holding company for later schemes, the stock of which was guaranteed to pay 1 per cent. dividends a month, and in 1901 he bought the Woman's Farm Journal and the Woman's National Weekly with the purpose of drawing subscriptions to his stock selling scheme from women readers. He paid for both publications chiefly with stock in his investment company.

His first big enterprise came in 1904 with the organization of the People's United States Bank, which was to transact all of its business through the mails. Its office was at University City, a suburb of St. Louis, where Lewis had established the University Heights Realty and Development company and the Lewis Publishing company. The bank was chartered under the laws of Missouri in November, 1904, \$1,000,000 capital stock, half paid up, was subscribed to, 9,915 out of 10,000 shares were bought. Lewis bought the stock with his own money. The following March the capital was increased to \$2,500,000, with \$2,000,000 paid up. It developed later, with this \$2,000,000 had been

entirely subscribed by 60,000 persons throughout the country, mostly women, who were reached through the Woman's Magazine and Farm Journal.

Complaint was made to the post office department that Lewis was using the mails to defraud in connection with the bank, and in July, 1905, a fraud order was issued against the bank. The department was moved to act because of Lewis' statements concerning the bank in his periodicals, one of which said:

Never before have the people of moderate means been permitted to get in on the ground floor of a great bank. I am not only putting nearly a million dollars into it myself, but am so doing as to add my share of its earnings to the reserve of the bank, thereby doubling the value of your stock from year to year. I would advise my own mother to put the last penny she had in the world into it. I tell you frankly your profits will burn your hands. I will sacrifice the flesh on my body before the purpose of this great bank shall be moved one inch from the path laid out, and I ask you in turn for that confidence and love, as it is the sweetest wine that can ever pass a man's lips. I hope to see the day when an election to the board of this bank will be harder to gain and more sought after than an election to congress.

The evidence upon which the postmaster general issued the fraud order showed that Lewis had not put in a cent of his own money but that he had received and held as payment for stock \$2,290,000 and had accounted to the bank for only \$2,200,000. He had represented that there were seven directors, independent, strong, capable men, "standing behind the intrigue and influence of the cold blooded banking business and the people's money," but in-

vestigation showed that there were only five, and they consisted of Lewis, the editor of his magazine and three employees of the publishing company.

Out of the paid up capital of \$1,000,000 Lewis lent himself \$900,000. The State of Missouri finally acted and a receiver was appointed in August, 1905. At that time the bank had about \$1,000,000 left, and Lewis represented to the stockholders that he was the victim of a persecution by the money powers and notified all the stockholders that no one should lose a dollar and that he would assume all the loss.

He induced them to send him their stock and he gave them in return his trusted notes, which were secured by a trust deed on his income above his living expenses. He then increased the stock in his publishing company to \$3,500,000 and traded it for bank stock, with the result that he got back \$1,700,000 of bank stock. When the receiver finally paid 85 per cent on the bank stock Lewis presented what he had and got \$500,000 in cash and had \$900,000 of his notes paid.

In 1900 Lewis started a daily paper called the Woman's National Daily, which was used to promote various new schemes, one of which was the United States Fiber Stopper company. It was to manufacture stoppers of paper or fibre, and he represented that the English rights had been sold for \$500,000. This proved to be untrue and the stock has never been worth anything.

In 1908 Lewis announced through the Woman's Daily, a so-called "readers pool." Every person who sent in \$5 in subscriptions to the paper would have a certificate of membership in the pool. Of each \$5 remittance \$2 was to be set aside and when the fund grew large

enough land was to be purchased for the members of the fund.

Finally Lewis announced that he intended to close the pool on a certain date, and urged that enough be sent for a fifty-acre lot, to cost \$75,000. When the time was up Lewis said he had more than enough to buy 50 acres. Since that time the members of the pool have been unable to get an accounting to find out how much land was bought or what was paid for it.

Following the "readers' pool" came the most pretentious scheme of all. He organized the American Woman's League as an auxiliary of his publishing company. In his first literature he proposed it as a scheme for paying his debts.

Membership was to be secured by sending \$52 worth of subscriptions to his paper. One-half the money remitted was to go for subscriptions and the other half into a fund for the benefit of the league membership, which was to be limited to 1,000,000 persons and would give an endowment of \$2,600,000. The league was to own the publishing company, the real estate and a bank, and have an income estimated roughly at \$3,800,000 a year. The endowment of \$2,600,000 would remain undisturbed.

This income would build and support club-houses in all parts of the country; establish a free university with instruction from the lowest grades to the highest and in all professions; found an old ladies' home, library, orphanage and loan and relief fund, and give other benefits.

As a bait to attract women Lewis launched the Founders' Chapter, to be composed of the first 100,000 members who sent in \$52 each. Men could get in for \$20. He promised \$1,000,

000 of publishing company stock, and said the endowment would pay \$1,000,000 the first year and several times that thereafter.

Last year the league was announced to have 26,000 life members at \$52 each, which should have made a fund of \$1,352,000. Last fall, after persistent demands for an accounting, Lewis said he had received only \$893,576, and had paid out \$1,117,782. Nothing came of the great educational university except correspondence lessons from three existing concerns with which Lewis had contracted, and the league is now said to have nothing but an indebtedness of about \$2,000,000.

Last summer when Lewis had defaulted on the notes of his enterprises, including his trustees notes, and money had quit coming into the league, he had a "hurrah for Lewis" meeting in this city. He insisted that every one of his schemes had proved a fortune maker and boasted of \$800,000,000 of assets with liabilities of only one-third of the amount. He said that if a building fund of \$2,500,000 could be raised all his enterprises could be financed. He proposed to issue debentures against this fund, and in spite of past experiences the women gave up \$1,500,000 more for debentures.

From these schemes the post office authorities estimate that Lewis has taken in \$10,000,000. He is still optimistic, and hopes to have his trial set down for the week of October 23, when the American Women's League is to have its convention here.

"I believe my trial will draw 25,000 more women to the convention," he says.

DIDN'T WANT A BREAKWATER

In the Yakima Valley, Washington, where the big apples are grown, and bearing orchards sell at one thousand dollars an acre, rain is scarce. Irrigation is practised everywhere. But now and then during the growing season a light rain will fall for a few minutes. These rains are highly prized, for irrigating water is measured closely, and served to each user in proportion to his acreage.

Last summer a fruit grower who owns 40 acres of orchard was rejoicing in one of the precipitations of moisture, when one of his hired men entered the house.

"Why don't you stay in out of the rain?" inquired the fruit grower.

"Oh, that's all right," replied the man. "A little dew like that doesn't bother me a bit; I can work along just the same."

"That isn't the point!" exclaimed the rancher. "Next time it rains, you come into the house. I want that water on the land!"

HAD RISKED ENOUGH

Billy Wilson had saved the life of Mary Thomson. She had been overturned in a stream in a very swift current, and the young man's prompt action was worthy and heroic. The news spread—and so did the gossip. No one praised Billy's act louder than Mrs. Watson, the oldest woman in the village. She was the source of rumor that Billy and Mary were to marry.

"Billy saved Mary's life," the old lady said, "and now they ought to marry and be happy ever afterwards, just as they do it in the story-books."

But Billy demurred. The arrangement did not suit him.

"Why don't you marry Mary, Billy?" said the old lady. "She is yours for the asking, and we ought to have a wedding."

"She's a nice girl, all right," replied Billy, "but I don't think we oughter marry. Seems to me," he went on, "I have done enough for Mary."

A RARE BOOK

Preacher—Where are you going, Uncle Eben? You're all tussed up.

Uncle Eben—Going down to New York. Coming back with something that will surprise you, too.

Preacher—What's that?

Uncle Eben—Got a letter from a feller down there offering me a chance to buy an autograph copy of the Bible for \$25.—Puck.

An Irishman aboard a man-of-war was ordered to hand in a tow line. After pulling in forty or fifty fathoms he muttered: "Surely, it's as long as today and tomorrow! What, more of it yet? Och, murder! the say's mighty deep, to be sure!" After continuing in a similar strain, he suddenly stopped short, and, addressing the officer, exclaimed, "Bad manners to me, sir, if I don't think somebody's cut off the other end of it. It's missing!"

"How many pints does a gallon contain?" asked a teacher in a county council school. "I forget," replied the boy specially addressed. "Try to think," suggested the teacher. "Surely you know? Now your father," she added, taking what seemed an appropriate example, "is a milkman. He sometimes sells a gallon of milk, doesn't he? Perhaps you can tell us how many pints of milk he puts in that gallon can?" "It's all milk!" was the lad's indignant response.

Wife—John, you had been drinking too much last evening.

Husband—Nonsense! But what makes you think so?

Wife—You were so good-natured, you know. The children said they never saw you so pleasant.

The Commission of Conservation

One of the most valuable publications of the year is the volume just issued on "Lands, Fisheries, Game and Minerals," by the Dominion Commission of Conservation. The book, representing as it does a great deal of exacting research work, makes available to the average man a mass of instructive and entertaining information otherwise unobtainable by him. As a reference work for the journalist, the student of public questions and the well-informed man on the street, it will be found of no small value. It is a large volume of some 525 pages, substantially bound in cloth and fully illustrated throughout with maps, diagrams and two-color photo-engravings.

The section devoted to lands describes the agricultural survey of one hundred representative farms in each province, made by the Commission of Conservation in order to ascertain just what the condition of agriculture is in Canada. Some of the subjects on which information was obtained are: rotation of crops, use of manures, prevalence of weeds and insect pests, water and fuel supply and the use of selected seed. One of the striking facts revealed is that not more than nine per cent of the farmers of Canada follow any intelligent and effective rotation of crops. By the adoption of more scientific methods which could readily be put into effect, it is estimated that the field crops of the country could be doubled in twenty years. The report is replete with agricultural information, valuable because it is not hearsay, but a statement of actual facts scientifically obtained by men in the field. An article on Agricultural Production in Canada indicates just what each province has produced of field crops, fruit and live stock since 1891, and also gives crop areas and comparative crop yields.

The section on fisheries and game is a valuable

compendium of facts and conclusions by various experts. On account of the frequent disputes over jurisdiction in the case of fisheries between the Provinces and the Dominion, an analysis is given of the clauses of the British North America Act referring to fisheries, showing what powers each authority has. Following this is a digest of the federal and provincial fisheries laws and regulations.

Mr. James White, Secretary of the Commission, has an important article on the North Atlantic fisheries dispute in which he traces the historical development of the case leading up to the late Hague arbitration, gives the terms of settlement and recounts the advantages accruing therefrom to Canadian fishing interests.

The Canadian oyster industry is dealt with by M. J. Patton, Assistant Secretary of the Commission. The statement is made that Canada pays out annually over \$350,000 for oysters imported from the United States, when the natural conditions in this country are excellent for producing all that is required for home consumption. The Canadian output has decreased from 64,646 bbls. in 1882 to 38,535 bbls. in 1909, in spite of the fact that prices have risen 240 per cent in the past 20 years. This degeneration of the industry is due very largely to the long-standing dispute over jurisdiction between the Provincial and Dominion authorities, which has left the oyster fishermen in such a state of uncertainty as to his holdings that he will not undertake the artificial cultivation of oysters. The article relates the experiments of other oyster-producing countries and shows that the only means of rehabilitating the industry is by definitely settling the jurisdictional dispute so that oyster culture may be confidently engaged in by private individuals.

Mr. C. W. Gauthier, a practical fisherman, in an article on "Whitefish in the Great

Lakes," strongly advocates the establishment of more hatcheries for the artificial propagation of that species of fish. Maps are reproduced showing the area frequented by whitefish in each of the Great Lakes. Following these is a statistical article on fish culture in Canada, which points out that last year only fifty-six per cent of the appropriation voted for this purpose by the Dominion Parliament was expended. In other articles the fisheries of Manitoba, Prince Edward Island and British Columbia are described and measures necessary for their conservation suggested.

In the section on game there is a full description of the game and game fisheries in Nova Scotia, Prince Edward Island, Quebec, Saskatchewan and British Columbia. This portion of the report will be found of especial value to the sportsman in search of good hunting and fishing territory. At the end of the section a statistical article gives the amount of revenue derived from the fishery and game resources of each province.

The minerals section of the report opens with a summary of the Provincial and Dominion laws and regulations respecting mining. An exhaustive article on the conservation of mineral resources, by W. J. Dick, Mining Engineer for the Commission, takes up each mineral of economic importance in Canada, showing the extent of the deposits, the consumption, and the methods of mining; and recommends measures for conservation. Mining accidents in Canada and in foreign countries are fully dealt with in another article and suggestions are advanced pointing out how the heavy death rate in Canada from this cause may be reduced.

The volume is perhaps the most thorough and complete record of investigation and research that has ever been issued by any government in Canada.

CHLOROFORM IN SURGERY

The final report of the Chloroform Committee of the British Medical Association, which has been at work for nearly ten years, has been issued. The chief objects of the committee has been to obtain data as to what are "sufficient" and what are "excessive" quantities of absorbed chloroform in the human body under given conditions, and thus obviate the risk of overdosing in surgical operations. The conclusions at which the committee has arrived with regard to dosage of chloroform may be summed up as:

1. That a 1 per cent. vapor is generally insufficient to induce surgical anaesthesia in an adult, at all events within the limits of time ordinarily available.
2. That a 2 per cent vapor of chloroform in air is sufficient to induce full surgical anaesthesia.
3. That in pathological conditions such as depraved blood states, some diatheses, and grave pathological states, the safety dose or percentage is below 2 per cent, and must be determined in each case.
4. That the dosage for the maintenance of anaesthesia is of as much importance as that of the induction period, and the neglect of recognizing this has caused many deaths, and constantly delays convalescence.
5. That no definite limit of safety can be fixed for this dose, but that it is in most cases 1 per cent at first, and must be lowered as time goes on.

Although several methods for providing accurate doses are described, the one found most useful by experimenters seems to be that devised by Mr. Vernon Harcourt, which secures an absolute control over the relative por-

tions of chloroform and air. By using this instrument it is believed that the dangers of anaesthesia are reduced to a minimum, if not wiped out altogether. Indeed, the sentence which makes special allusion to this form of inhaler in the appended quotation from the report would suggest that all danger has gone when capable hands take charge of the instrument. Here is the new gospel of safety as announced in the summary of the report:

"The members of the committee have now had large experience, and have found that in induction of anaesthesia there is no danger of chloroform death when percentages gradually rising to two are employed. Sufficient proof of this statement is advanced not only by previous observers, but by the fact that no death is known to the members of the committee to have occurred during the induction of anaesthesia by means of the Harcourt inhaler; whereas it is a matter of common knowledge that the induction period is fraught with grave danger, and many deaths have occurred during it when non-dosimetric methods have been employed. It was found that the fall of blood pressure—the usual active source of danger, since it determines loss of the necessary blood supply to the nervous system and heart—does not go beyond a safe degree of declension provided 2 per cent is not exceeded nor continued after the required degree of narcosis has been attained, but rapidly reaches a dangerous limit with the use of higher percentages."—London Standard.

Mrs. Dashaway—Yes, while we were in Egypt we visited the Pyramids. They were literally covered with hieroglyphics.

Mrs. Newrich—Ugh! Wasn't you afraid some of 'em would git on you?

MAKING CHAIN ROCKETS

Most difficult of all rockets to make is the hanging chain. The expert at the head of the department does all the work on these himself, apart from making the projecting case. Into the relatively small case that is called the head of the rocket, must be carefully placed a paper parachute and perhaps 200 feet of twine, in such a manner that neither will be set on fire. Attached to this cord at intervals are cases called "lances," loaded with fireworks that burn like a ball of fire.

The exploding charge drives the cone-shaped cap from the rocket; then the parachute, supporting the hanging chain, is released. It opens as soon as downward pressure is exerted after the fireworks part is forced from the case.

At the moment when the exploding charge acts, a fuse to the first lance is ignited. First it frees the lance from a pasteboard disk, and the core unwinds before the lance itself is ignited. Then the second one is ignited, unwinds, and drops down in the same way. Finally all are burning. Of course, neither the parachute nor the cord can be seen, so the effect is that of a chain of brilliant balls of fire suspended in midair. It requires particular skill to wind the cord so that it will not become tangled nor set on fire, and to arrange the fuses so that the lances will be released and their contents fired in regular order. It costs about \$20 to manufacture a rocket with a chain 100 feet long. This form of display is not especially popular except among firework men themselves, because many other effects are at once much more brilliant and cheaper. But the experts hold the chain rockets in the highest esteem.—Everybody's.