

Arrest Two in Reynolds Death Case

HEIR'S WIFE AND FRIEND ARE DETAINED

Woman Will Be Allowed to Remain at Her Estate Under Guard

ALBERT WALKER GETS JAIL CELL

Secret Inquest Under Way, With Both Held As Material Witnesses; to Resume on Monday.

WINSTON-SALEM, N. C., July 9 (AP)—A coroner's jury investigating the shooting to death of Smith Reynolds, tobacco heir, today ordered Mrs. Libby Holman Reynolds and Albert Walker, friend of the dead youth, held as material witnesses pending a resumption of the inquest Monday.

Sheriff Transou Scott made this announcement when the inquest was adjourned after a five-hour session behind locked doors at which several witnesses were heard.

Scott said Mrs. Reynolds, the former New York torch singer, who secretly married Reynolds three months ago, would be allowed to remain at the Reynolds estate under guard, but Walker would be held in the county jail.

Attorney Mrs. Dalton, at the request of the jury, also ordered Miss Blanche Yurka, New York actress and close friend of Mrs. Reynolds, to remain at the call of the jury.

Yurka, who was one of the guests in the Reynolds home on the night of the shooting, was re-examined today. Walker also was questioned again.

Assistant Solicitor J. Earl McMichael, said today's session was adjourned because of the discovery of new evidence. He said blood marks and fingerprints were found in a bathroom adjoining the sleeping porch on which young Reynolds was shot.

Blood Found on Door

Bloody finger prints, he said, were on the door leading from the bathroom into a bedroom. Records were made of the prints and they will be compared with the fingerprints of every person in the home Wednesday night.

McMichael also said the jury wished to check several discrepancies in the evidence, which were not revealed. Although Mrs. Reynolds will be permitted to spend the weekend in her apartments on the estate instead of in jail, Sheriff Scott said one of her deputies would be posted outside her door, day and night.

Mr. and Mrs. Alfred Holman, of Cincinnati, parents of the former Broadway star, are staying in the Reynolds home, but Scott said they could not talk to their daughter except in the presence of his deputy.

Holman said he would remain at Reynolds until after the inquest.

DIVER REACHES SUBMARINE; NO ANSWER HEARD

CHERBOURG, France, July 9 (AP)—A diver descended to the sunken submarine Promethee today, knocked repeatedly on the hull and received no reply, a wireless message, received from the rescue party by the maritime prefecture, said.

The submarine had been on the bottom more than 56 hours and there was very little hope that any member of the crew remained alive.

President Signs Kidnaping Measure

WASHINGTON, July 9 (AP)—President Hoover today signed a bill making it a federal crime, punishable by \$5000 fine or 20 years imprisonment to send ransom demands and kidnaping threats through the mail.

Hoover also signed a joint resolution allowing a compact between Idaho and Wyoming for the apportionment of the waters of the Snake river and its tributaries.

WEATHER FORECAST

Oregon: Fog on coast and fair in the interior tonight and Sunday; slightly cooler in the interior of west portion Sunday; fresh, north and northwest winds offshore.

For the week: Normal temperature and fair weather but with fog on the immediate Pacific coast.

WEATHER TODAY
7 a. m.—67 above.
Minimum: 51 above.
Condition: Clear.

WEATHER YESTERDAY
Maximum 85, minimum 55 above.
Condition: Clear. Range—30 degrees.

WEATHER JULY 9, 1931
Maximum 98, minimum 82 above.
Condition: Clear. Range—46 degrees.

Supreme Court Gives Decision In Damage Suit

Appeal From Judgment For Ethel M. Kerns Denied Union County—Other Opinions Issued.

COUNTY LOSES APPEAL

The supreme court late yesterday handed down an opinion upholding Judge C. H. McCulloch, of Baker county, in his verdict granting Ethel M. Kerns \$2778 damages from Union county in a case involving road construction and right of way.

This morning there appeared to be a possibility that the county might file a petition for a rehearing, although District Attorney Carl Helm was to consult with J. M. Devers, who handled the case, before any definite course of action could be agreed upon.

SALEM, July 9 (AP)—Opinions handed down by the Oregon supreme court late yesterday included three of major importance—several and finding against The Dulles in the \$650,000 Columbia river toll bridge bonds, upholding the Portland public market ordinance, and affirming the conviction of John Stringer of Baker county on a charge of assault with a dangerous weapon in connection with running down and injuring Robert N. Stanfield with his automobile.

The supreme court held against the city of The Dulles in a suit brought by J. T. Rorick, taxpayer, to enjoin the municipality from issuing and

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Boys' Camp Will Be Held July 31, Aug. 14 At Lake

Twenty-four La Grande boys have registered and 10 more have expressed their intention, along with five prospects from Wallowa county, of attending the boys' camp which will be held at the Methodist camp ground at Wallowa lake resort, from July 31 to August 14, Harvey Carter, camp director announced at a meeting of the staff last night at the Methodist church. A total registration of at least 35 boys is needed for the camp.

Members of the staff were assigned to their duties which were outlined by Mr. Carter last night, and arrangements were practically completed for the two-week outing.

Assisting the director, who has spent many summers in boys' camps, will be Woodrow Damerell, veteran of the old Wallowa Lake and Catherine Creek camps, who also has spent two summers at Glacier Park Eagle Scout

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Judge Instructs Jury In Hutton Love Balm Suit

LOS ANGELES, July 9 (AP)—The jury in the St. Pierre-Hutton breach of promise suit retired to chambers for deliberations at 12 a. m. today after hearing brief instructions from Superior Judge Lester W. Roth.

The court, referring to the long string of witnesses presented by each side, told the jury of seven men and five women that, in determining the value of testimony, it was not a question of the number of witnesses but of their integrity.

"If you are satisfied that the defendant has broken a promise to marry the plaintiff, you must take into consideration her feelings, affections and wounded pride in determining the element of damage to her," the court said.

The amount of damages the nurse asked, \$200,000, "is to be construed in no way as a value for her affection," the court said.

Bible School To End This Weekend

The Daily Vacation Bible school of the American Sunday school union, will close tonight after a series of sessions at Summerville which have been attended by 56 young people. A special program has been arranged and will be presented tomorrow evening at Summerville.

Teachers in the school are Miss June Hug, Mrs. H. B. Smith and Miss Williams.

Vale Youth Here For Eye Treatment

With the right eye completely perforated by a screw driver, Woodrow Glen, 19-year-old Vale youth, was brought to La Grande for treatment yesterday, and it had not been determined today whether he will lose the use of the injured eye. He was "riding the brakes" of an automobile at the L. K. Bullock garage in Vale, and was attempting to loosen a spring when the screw driver which he was using sprung back and pierced his eyeball.

LEGION NINES COMING HERE

JULY 15-16

Ontario, Burns, Baker and La Grande to Play For Championship

WINNER TO MEET PENDLETON TEAM

State Finals to Be Played in Portland—Practice Game Scheduled For Tomorrow.

The play-off in district No. 7 for the American Legion junior league championship will be held in La Grande next Friday and Saturday. It was announced today by John R. Carley, member of the La Grande legion post, and in charge of the baseball in this county.

The district comprises all of the far eastern section of Oregon south of the Blue mountain area, and four teams will participate in the play-off here. Besides La Grande, the other teams to play will be Baker, Ontario and Burns.

Winner to Go to Portland

The winner of the district play-off will meet the Pendleton team (or rather, as it is called over in Umatilla county, the Athena-Milton junior league team), and the winner of this game will participate in the state finals to be held in Manchester, New Hampshire on Aug. 12 and 13.

Three Games Scheduled

Plans for the play-off here call for two games on Friday, one in the

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WALLOWA WOMAN CALLED BEYOND

Death Takes Mrs. Julia Steinwender at Age of 74—Funeral Sunday.

By Mrs. C. A. Hunter (Observer Correspondent)

WALLOWA, Ore., July 9 (Special)—Another of Wallowa's older residents passed on when Mrs. Julia Steinwender died at the home of her daughter, Mrs. Reese Sutphin, Thursday morning, July 7. She had been in ill health for many years, suffering from diabetes, but was only confined to her bed for a week during her last illness.

Mrs. Steinwender was born in Baden, Germany 74 years ago and had lived in the United States the last 50 years, coming to Pennsylvania when 24 years of age. She married J. C. Steinwender and for 23 years they made their home in Pittsburgh. He died May 7, 1908 and the following year she and her family moved to Wallowa where they have since resided.

She leaves to mourn her loss three

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U. S. ATTITUDE ON WAR DEBTS IS UNCHANGED

WASHINGTON, July 9 (AP)—A declaration that the United States has not changed its attitude on war debts since June 1931, was made by the state department today at about the same time a demand was made in the senate to know if any representative of the government had expressed a willingness to consider any further reduction in the debts.

The state department statement called attention to one issued by President Hoover on June 20, last, in which he said he was opposed to cancellation but that he was certain the American people had no desire to extract any sum beyond the capacity of any debtor to pay.

Rev. A. J. Starmar To Deliver Address

Rev. A. J. Starmar, pastor of the Methodist Church South, will deliver an address in commemoration of all members of the Odd Fellow and Rebekah lodges of La Grande who died during the past year, tomorrow at the annual memorial services, at 2 o'clock at the I. O. O. F. temple. Plans for the event were completed last night when the lodge met at the hall.

All Odd Fellows, Rebekahs and the public are invited to attend the services.

The Odd Fellows will meet next Friday evening at 8 o'clock at which time, it is believed, the remainder of the officers will be installed.

Stone Promises To Give Private Traders Chance

Will Call Upon Grain and Cotton Trade "To Go to it" in Effort to Boost Prices.

By Frank L. Weller

WASHINGTON, July 9 (AP)—Chairman Stone, of the farm board, has tacitly promised a "statement" shortly calling upon the private grain and cotton trade "to go to it" on its promise to boost prices once stabilization stocks were wiped out.

He indicated the tenor of his challenge would be:

"I want to see 'the boys' go to it. Now that that dark cloud over the market has been reduced from 329,641,052 bushels of wheat to 28,000,000, and now that cotton stocks probably will be reduced from 1,300,000 to 150,000 bales.

"They have said they could push prices up if they were not for stabilization pressure—so now's their time. Stabilization wheat amounts to but little more than half a month's mill supply for the country and with 500,000 bales of cotton going to the Red Cross and 850,000 bales into orderly market channels during the fiscal year beginning August 1, stabilization is just out of the picture."

Stone's occasion for jubilation was congress' appropriation of sufficient funds to pay the market price on the date of delivery, plus accrued charges during the interim, on 45,000,000 bushels of wheat and 800,000 bales of cotton to be distributed for the relief of the unemployed.

Up to June 30, 1931, when it stopped buying, the grain stabilization corporation had purchased a total of 329,641,052 bushels of wheat for which it paid \$270,304,503.78 or an average of 81.97 cents a bushel. To May 31, 1932, the farm board had lent the grain and cotton stabilization

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World Looking To America To Point The Way

CHICAGO, July 9 (AP)—Peter B. Carey, president of the Chicago board of trade, asserted in an address today that "something more than a business depression" was responsible for present world economic ills.

Pledging commodity exchange leadership to better the present unsatisfactory situation, he declared the entire world looked hopefully to America to lead the way to betterment.

"In a concerted move for higher price levels," he said, "congressional representatives are now endeavoring to reduce the tax on commodity sales for future delivery from 5 to 2 cents per 100."

"The lower figure would be an increase of 100 per cent over the former tax, but the markets could survive and the tremendous burden reflected back to the producer would be removed."

Refraining from predictions of price, Carey hailed the spirited recovery in hog prices as a favorable omen, and asserted that "immediate removal of the new burdensome tax upon the farmer's produce and a period of market freedom will do more than all the nostrums ever suggested in the way of aiding the farmer back to a permanent prosperity."

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REPARATIONS SETTLEMENT IS COMPLETED

All Europe Rejoices at Closing of Difficult Financial Chapter.

GERMANY TO PAY CENT ON DOLLAR

United States Will Be Asked to Reconsider Scaling Down War Debts Due to Her.

By Melvin K. Whiteleather (Associated Press Staff Writer)

LAUSANNE, Switzerland, July 9 (AP)—The Lausanne conference on war debts and reparations was officially declared closed at 11:25 a. m. today after representatives of the principal powers had formally initiated the agreement to scale Germany's reparations bill down from the original \$44,000,000,000 to approximately \$12,500,000,000.

Germany claims to have paid more than \$16,000,000,000 in reparations. France asserts the allies have received \$5,000,000,000.

Prime Minister Ramsay MacDonald, of Great Britain, was the first to sign the document that represents one of the largest financial settlements in history.

He was followed by Premier Renkin, Paul Hymans, and Emile Francqui for Belgium. Sir John Simon, representing the British, Dominions, Antonio Mosconi for Italy, Premier Herriot, M. Garmain-Martin for France, August Zaleski for Poland, Ambassador Shigeru Yoshida for Japan and Chancelor Von Papen, Ambassador Von Neurath and Count Schwerin von Krosigk for Germany.

Two Committees Created

Two committees were created before the conference adjourned. The first committee was to deal with non-German reparations. M. Theunis, of Belgium, was named its chairman. M. Bonnet, of France, was elected chairman of the second committee, which is to deal with Danubian problems.

Sir John Simon and M. Garmain-Martin read statements suspending the intra-European war debt until the new agreement is ratified by national parliaments. This statement was made at the behest of the Italian delegation.

"Great transfers of post-war sums," Prime Minister MacDonald said in his closing address, "have not been made as soon as the war ended."

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NEW ANGLE IN CHATTERTON DIVORCE CASE

HOLLYWOOD, July 9 (AP)—A surprising turn to the contemplated "friendly divorce" of Ruth Chatterton and Ralph Forbes, both of the screen, took place last night with the announcement of George Brent, leading man for Miss Chatterton, that he and Miss Chatterton were to be married as soon as the Reno ink is dry on the divorce papers.

"This was all decided before Miss Chatterton left for Europe but we tried to keep it a secret," said Brent. "We plan marriage but the time is indefinite because of the divorce."

Brent is now in Reno where, according to his announcement, he had planned to establish residence for the convenience of Miss Chatterton, who is now touring Europe. Forbes was to allow her to get the divorce on grounds of incompatibility, he intimated.

California Crew Defeats Penn A. C.

REGATTA COURSE, Worcester, Mass., July 9 (AP)—California's great crew today qualified for California's Olympic rowing by leading the hard fighting Penn A. C. eight to the finish line of Lake Quinsigamond's 2000 meter course by a scant two feet.

California was timed in 6:08 and Penn 6:10 1-5. At the half way point California was a half length in the lead, coming down the home stretch the westerners fought off the clubmen's mighty squirt and crossed the finish line with only inches to spare.

Senate Approves Relief Bill

Officers of Two States In Manhunt For J. Storey, Wanted For Murder, Kidnapings; Escapes From Toledo, O.

TOLEDO, O., July 9 (AP)—Accused of a series of holdups and kidnapings and one murder, James Storey of St. Paul, Minn., one of a bandit gang of three brothers, was being hunted in Northern Indiana today after forcing a Toledo man to help him escape.

Storey late last night kidnapped John Hova and his nine year old son, William, and compelled them to drive him to South Bend, Ind. Earlier Storey shot and critically wounded Dr. Martin Larkin, Toledo physician, while police were hunting the gunman for the slaying of Marshal Jay Davis of North Baltimore, O.

Hova and his son were released unharmed at South Bend.

Two of Storey's brothers, Bert, 19, and Manley, 17, are under arrest. Bert was probably fatally wounded when he and James engaged in a fight with Marshal Davis yesterday. Manley was alleged to have accompanied the other two brothers in a holdup the day before. Bert at first told police his companions were James Wilson, of New York, and Manley Gorman, but later admitted they were his brothers.

After firing a bullet into Dr. Larkin's jaw and another into his thigh, Storey reappeared at the residence of John Hova, another Toledoan. The

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FLIERS TO REACH MOSCOW SUNDAY

Telephone Conversation With Mattern and Griffin Finally Achieved.

By Stanley F. Richardson (Associated Press Staff Correspondent)

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MOSCOW, July 9 (AP)—James Mattern and Bennett Griffin, American round the world fliers whose adventure failed when they were forced down into a peat bog near Borisov, Russia, Thursday morning, are coming to Moscow tomorrow, they told me over a shaky telephone line from Borisov today.

It was their first contact with an American since they landed at the remote Russian town at 4 a. m. Thursday, and damaged their plane, the "Century of Progress," in the soft muck of the bog.

"Neither of us was hurt except for a few scratches," they said. "We are coming to Moscow tomorrow by train and are bringing parts of our plane there for repairs."

Difficult Conversation

It was a conversation under excruciating difficulties. For over 24 hours it had not been possible to get a call through from Moscow to Borisov at all. When the connection was finally established it was impossible for the fliers to hear me, or vice versa.

So the conversation had to be carried on through operators acting as relays and this made it necessary to translate from English into Russian and again into English, both ways, from me to them and from them to me.

Technical difficulties with the controls of the plane forced us to land," they said. "Then the plane turned over as we came down in the bog."

"We're both all right, but very sorry we failed in our effort to beat the round the world record. We were forced down just after we thought we had completed the most difficult part of the trip and we were making excellent time."

May Repair Plane

"Even then we would have been all

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HOOPER VETO, HOWEVER, IS HELD CERTAIN

Congressional Action Completed on Controversial Measure.

WHITE HOUSE TO GET BILL MONDAY

As Finally Approved, the Measure Provides For Loans to Individuals, Which Hoover Opposes.

WASHINGTON, July 9 (AP)—Senate approval today completed congressional action on the \$2,100,000,000 unemployment relief bill.

It now goes to the White House for an almost certain veto from President Hoover.

As finally approved, the bill provided for loans to individuals, the provision which aroused a sharp conflict between President Hoover and Speaker Garner.

The measure would be made by the reconstruction corporation from a fund of \$1,500,000,000 created under the bill.

Other Provisions

\$300,000,000 fund under the reconstruction corporation for loans to states for direct relief of the jobless, and appropriation for a \$222,000,000 public construction program.

The vote was 43 to 31. There is little likelihood, however, that President Hoover will have an opportunity to veto the bill today. It has yet to be signed by Speaker Garner and the house is in recess over the weekend. He must sign it during a session of the house.

Twenty-nine Democrats voted with fourteen Republicans to approve the conference report in the senate. Twenty-five Republicans, five Democrats and Shipstead, the lone Farmer-Laborite, opposed adoption of the report.

The five Democrats opposing the bill were: Bailey, South Carolina; Black, Alabama; Connally, Texas; Glass, Virginia, and Gore, Oklahoma. Representative Snell, of New York, the Republican leader, told President Hoover today he believed a new relief bill could be passed by congress within three days. He said there would be no need for holding long hearings on a new bill.

The vote by which the senate approved the conference report follows: For: Republicans—Barbour, Borah, Brookhart, Frazier, Howell, Johnson, Jones, McNary, Norbeck, Norris, Nye, Steiwer.

Extension of the moratorium by the

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Cut-off Presented To Three States

BURNS, Ore., July 9 (AP)—The Yellowstone cut-off highway, passable but not completed, was presented to the states of California, Idaho and Oregon at formal dedication ceremonies here today.

Completion of the Burns-Lakeview highway has closed the last link in the cut-off route and the event was commemorated by a two-day celebration in this cattle capital of Oregon.

William Hanley, president of the Yellowstone Cut-Off association, and former Oregon highway commissioner, presided at today's formal dedication in which the new route was presented to the western states.

Philip Winters To Open Bakery

With a background of 31 years in the bakery business, Philip Winters will open a bakery on Adams avenue Monday morning. The bakery is well equipped with an electric baker with a capacity of 1000 loaves per eight hours.

A general line of bakery goods will be offered by the new establishment. Mr. Winters has been in the bakery business for 31 years, during 23 of which he operated for himself. He recently came to La Grande from Hermiston where he was in the bakery business for two years.

Wheat Today

CHICAGO, July 9 (AP)—With a government crop report from Washington due Monday, wheat traders backed water today, and values underwent a succession of narrow declines and intermittent rallies.

Buying power was poor in all the grain pits. Nearly all the large wheat consuming countries of Europe were reported preparing to use their domestic wheat as soon as it was possible, and keep the import of foreign wheat down to a minimum.

Wheat closed unsettled, $\frac{3}{4}$ @ $\frac{3}{8}$ under yesterday's finish. Corn $\frac{1}{4}$ @ $\frac{1}{2}$ down, oats $\frac{1}{4}$ @ $\frac{1}{2}$ off, and provisions unchanged to a rise of $\frac{1}{4}$ cents.



Here are four of the leading figures at the reparations conference. Left to right, they are Signor Antonio Mosconi, Italian financier; Baron Franz von Papen, German chancellor; Prime Minister Ramsay MacDonald of England, who was elected president of the conference; and Premier Edouard Herriot, of France. Friday the disagreement between Germany and France was settled.