Miles Company Authorizes Additional \$50,000 Common Stock Issue

QUARTER SHOWS PROFIT

Manufactured Products for First prison where Dr. Cook is prisoner Three Months Valued at \$12,000; Two-Thirds Sold: Record Set

capital stock of the Miles Linen company is \$250,000. Of thi, \$150,000 was subscribed when company was organized. though there were at that time offers of further subscriptions. At the annual meeting of the company a resolution was passed authorizing the sale of \$50,000 more of the stock, which is all common stock. The idea is to use the money to be thus provided in increasing the output of the mili.

October 1st last, when the mill opened for work, till Jannary 1st, the first three months, the mill showed a net operating profit of \$1243.80, after charging off \$2500 for depreciationshowing gross earnings that are he had been for a long time. most gratifying for a concern just starting. The manufactured output for the first three months was thirds of which has been sold.

This is in salmon twine and shin's surgeon. been almost entirely to the trade of this section.

ditional gill spinning machine and another twisting frame.

products can be found, the tentative plans are to put on a double their last meeting until today. shift at the mill.

R is the hope of the company to obtain all flax fiber needed n the vicinity of Salem. If, however, enough fiber is not available in the Willamette valley the company will probably buy some fiber supplies outside of the state. The main object in view at present is crease the output to meet it.

ample market found for the class tives a supplemental estimate of mill. The thought was suggested rigation works on the Kittitas dithat production in larger quantity would reduce cost of produc- Washington. tion, reduce proportionate overhead, and allow a better profit.

One of the problems, however, in expanding production is securing the right quality of fiber. Good flax, it was held, is grown in Oregon. It is hoped by memers of the mill company htat farmers here will grow enough flax to supply the entire fiber demand, but in case this is not done immediately, enough outside fiber will be bought to keep the mill in full operation.

It is no secret that the stockholders of the Miles company expect in due time to add weaving to their spinning. Their management had the idea of entering the manufacturing of flax fibers on a conservative scale; to get good, new machinery to start with; to try it out and add other machinery as the markets seemed to demand, and their ability to supply the demand at a profit was proved.

It is within the possibilities that this mill will help in creafing a PRESIDENT OF UNIVERSITY varn supply for specialty mills, s the flax and linen industries are developed here.

DENY "RED" ATTITUDE FOUR OHIO PROFESSORS DE-

CLARE CHARGES UNTRUE COLUMBUS, chio, Jan. 19 .-

Three of the four professors, it A. E. F. and the other did arious kinds of war service in arious parts of the country. The professors called were

North, sociology department; R. Spencer and F. W. Coker, litical science department, and eorge P. Arps, dean of the edution college.

Daily

cialism.

Statesman eatures

Sport Page Late Fight Returns," giving results of all Pacific coast

ate Basketball Returns,"scores of Pacific coast teams sketball Who's Who," intimate sketches of high school asketball players.

Don't Forget

ten In," conveniently arranged for reference, will always find something

HE OREGON STATESMAN Clean and Vigorous

AMUNDSEN VISITS COOK IN LEAVENWORTH CELLS

TWO PIONEERS OF ICE FIELDS RENEW FRIENDSHIP

Famous Polar Explorer and Dr Cook, Former Companions, Reunited

LEAVENWORTH, Kansas, Jan. 19. (By Associated Press.) -Recalling the days when they fought ice packs in the polar wastes and formed a lifetime friendship, Captain Amundsen and Dr. Frederick A. Cook spent forty-five minutes together here today at the federal number 231,110.

Captain Amundsen when he arose to go, clasped in his rugged hand the hand of his friend which is beginning to be touched by the prison pallor. Amundsen promised to visit Cook again if he returned alive from his next polar expedition.

Dr. Cook, self styled "discov erer" of the north pole is serving a sentence of 14 years and nine months. He was convicted of a charge of using the mails to defraud in the sale of oil stock. Captain Amundsen whose unsuccessful atemtpt to reach the north pole in an airplane last year attracted world wide attention, ar rived today.

Neither Captain Amundsen nor bill. Cook would comment on the meeting, but prison attaches said Dr Cook was in brighter spirits than

Dr. Cook and Captain Amund years. Amundsen was mate of the Belgian Antarctic expedition Dr. Cook was the in 1897-99. hoe thread. The sales so far have both were decorated by the Belgian king. again in Copenhagen 17 years ago. The plans for the immediate Dr. Cook professed to have just future call for putting in an add discovered the north pole. Amundsen gave him a warm welcome. They met again later, they said If sufficient market for the today, in Paris and again in Christiana. Norway. That was

COOLIDGE SENDS IRRIGATION MEASURE TO HOUSE

to increase the market and in- Associated Press.)-The turning the president who felt that, while Cooperative association \$1762.58 point in a long political fight over the treasury might stand the adin the report submitted at the reclamation projects was reached ditional reduction. annual meeting the conviction was today when President Coolidge might be encountered if there was expressed that there should be an sent to the house of representaof goods manufactured by the \$2,000,000 for construction of irvision of the Yakima project in

> Recommended works include construction of canals and diversion dams. It is estimated the project will place more than 70,-000 acres under irrigation.

The federal government has apoperate to the extent of financing er Northwestern. Representative Summers present- men. ed to the case to the federal authorities calling present piecemeal appropriation poor economy.

BOARD OF REGENTS MEET

IS TO BE SELECTED

EUGENE, Or., Jan. 19 .- (By Associated Press.) - That the field of prospective presidents for the University of Oregon had been considerably cut down, but that as yet no successor had been named to fill the chair of the late Frince L. Campbell was the only By Associated Press.) - Four statement issued by the board of thio State university professors regents in session here today. The the have been accused of being regents said that choice of a presommunists, today denied before ident would be made within the e university trustees investigat- next few months. All officers of committee they ever have had the board were re-elected. Dean connection with communism Earl Kilpatrick of the extension the slightest leaning toward division resigned and his place was filled by Alfred Powers. Captain John J. McEwan, ex-West veloped, served overseas with Point gridiron mentor who is now ceach of football at the university, was given a professorship and will teach English.

Alfred Powers, new dean of extension and director of the Portland social center, graduated from the University of Oregon in 1910 majoring in English.

Mr. Powers entered extension work of the university in 1917. He is contributor to national mag-

BEEMEN CLOSE MEETING

SALEM AND DALLAS, MAKE BID FOR NEXT CONVENTION

THE DALLES, Ore., Jan. 19 .-(By Associated Press.) - The annual convention of the Oregon Beekeepers' association ended here tonight following election of officers, a day of speech and

W. G. Rodda of Hermiston was en president, succeeding C. C. Haris of Portland. A. Scullen of Oregon Agricultural college was reelected secretary-treasurer. The 1926 convention city was not chosen, although representations were made or Schalf of Dallas and

Senate Compromise Tax Reduction Bill Throws Treasury Into Furore

Ronald SAY SLASH TOO SEVERE

Senate Finance Committee Called Into Session: Vote for Increase in Incorporation Tax

compromise tax reduction bill was kets looked upon with hopeful but skeptical cas today at the White

House and at the treasury ment of the federal government from the field of inheritance taxation in favor of the states, he was not prepared to state whether the federal levy, as proposed by the

Compilation of estimates on the otal reduction provided for in the ill, meanwhile brought a quick alarm from the treasury when it was disclosed that the measure would make a slash of almost \$400,000,000 in the nation's revenues this year. The senate finparty lines the republicans voted three-month period of 1924, an te increase the incorporation tax to 13 1/2 per cent, effective upon than \$102,000.000, and with \$1, enactment of the bill into law.

The committee previously had voted to increase this levy from crease of more than \$47,000,000, 12 1/2 to 13 per cent on taxes paid this year and to 13 1/2 per cent somewhat seasonal fluctuations. next year to offset the loss of revenue expected from the proposed repeal of the capital stock tax. By making the rate 13 1/2 per cent immediately, Chairman Smoot estimated this would yield \$43,000,-

000 additional revenue this year. Even this excess over the \$330.-000,000 limit approved by Secre-WASHINGTON, Jan. 19 .- (By tary Mellon was frowned upon by difficulties

(Continued on page 6.) \$25,000 INVESTMENT TO BE MADE BY COMPANY

Fully \$25,000 will be spent on this year, according to announcepropriated \$375,000 for this work company, whose new 85-foot beam in each of the last two years, with dredge has just arrived, in the the provision that the state co- wake of the returning river steam-

settlers. Gubernatorial opposition A new dock will be constructed however, has been sufficient to near the plant, a dredge conveyor hold progress on this basis in constructed and barges purchased. abeyance. Organization of a William McDonald, employed by \$300.00 corporation recently in the plant for six years, will have to Tacoma's chief industrial dis- dividual Indians any amount from Ellensburg to indemnify the state charge of the dredge. Ross Miles trict, will be closed to traffic and the tribal funds equal to the value for its financing operations led to is manager of the company. A. B. boarded up immediately if funds of the property owned by the Inacceptance of a compromise with Kirby, superintendent, Dick Sla- are not forthcoming, J. W. Silver, dian. After being paid the Inthe state legislature, after which fer and Harold Nichols, contact commissioner of public works, dian would have no further inter-

STATE OF OREGON RANKS DOITSH SHIPMENTS ARE LISTED FOR THREE-MONTH TERIOD

Overseas Trade Amounts to Over \$12,000,000; Missouri

WASHINGTON, Jan. 19 .- (By Associated Press.) - Shipments from the state of Orgeon overseas during the third quarter year ended September 30, 1925, amounted 7,224,363 for the preceding three-month period, according to statistics released today by the department of commerce.

Missouri which in the second quarter of the year led Oregon in exports by approximately \$7,-000,000, and nosed out in the three-month period under discussion by the latter state, which won WASHINGTON, Jan. 19 .- (By 20th place in the race for all of Associated Fress.) - The senate the states to supply foreign mar-

quarter is largely accounted for It was stated at the White arations of grains, which predom House that, while President Cool- insted among the exports of the in value of their foreign shipments from \$1.663.945 in the second three-month period to \$6,337,566 in the third quarter. Wood and time had come for repeal of the manufactures of wood ranked next to grains in importance, with exportations totaling \$2,688,615. while canned fruits maintained its important position with exports amounting to \$1,055,723. and milk and cream followed close with valuations of \$990,897 and \$473.908 respectively.

> Total exports from the United States for the third quarter amounted to \$1,116,917, 014.675.692 for the corresponding increase in the 1925 term of more 069,916,075 for the second threemonths of 1925, reflecting an inthis latter difference representing

\$1,762 VERDICT GIVEN OREGON GROWERS ASSOCIA-TION MUST PAY LENTZ

Benjamin Lentz, through his guardian, Louise Lentz, will recover from the Oregon Growers as the result of an opinion handed down by the state supreme court Tuesday. The opinion was written by Justice Bean and reversed Judge Percy R. Kelly of the Marion county circuit court.

The suit was brought by Lentz to recover money for 44.036 lbs of loganberries delivered to the association during the months of er court directed a verdict for the terior to apportion the tribal enlargements and improvements growers' association and Lentz later appealed the case to the sument made by the Oregon Gravel preme court for final determina-

ion that the circuit court erred in directing a verdict.

MAY CLOSE BRIDGE

said tonight.

SALEM, OREGON, WEDNESDAY MORNING, JANUARY 20, 1926

Charge International Shyster Organization Preys on Victims Here

to \$12,859,121, as compared with INVESTIGATION FOLLOWS

Consul in Portland Declares, Or ganized Trickery Subjects American Laws to Foreign Disdain

Shysters, amassing their profits at the expense of innocent Oregon in an elaborate "sharping" enterprise with British subjects, resident in Oregon, as their prev.

So subtle has been their opera ions in law evasion and trickery that the organization has reached nternational proportions, and subjected American laws to foreign contempt before their enterprise has reached the ear of authorities. Declaring his ability to give concrete instances of "sharping," J. C. Bell, British consul of Portland. yesterday appealed to Gov

ernor Pierce for aid The organization functions as An unnamed Portland company obtains the names and addresses of British heirs. They then instruct representatives in Europe to obtain from the heirs a blank power of attorney with disastrous results to their interof attorney, estates pass into the ownership of the enterprising Portland organization

Immediate investigation of the practices of this unnamed company will probably follow the appeal of the British consul to Governor Pierce Extracts from the letter, bringing the complaint, fol-

"I have the honor to invite the attention of your excellency for appropriate action to the intent the conventions between the United States and the United Kingdom that notice of deaths of British subjects should be report ed in all cases to the nearest British consul," read the letter re-

(Centimued on page 8.)

M'NARY INTRODUCES MEAS- year.

URE TO PAY OFF INDIANS

WASHINGTON, Jan. 19 .- (By Associated Press.) - A measure to July and August, 1922. The low- authorize the secretary of the infunds of the Klamath and Modoc tribes and the Yahooskin band of Snake Indians, to their individual members and to drop their names Justice Bean held in his opin- from tribal rolls as they are paid, was introduced today by Senator McNary, republican, Oregon.

An appraisal of the property af the tribes would be made by a TACOMA. Jan. 19 .- The 11th commission and the secretary of street bridge, on the main artery the interior would pay to the inest in hte tribal property.

"SIR"



Thrift Week Squanderers Warned In Pierce Appeal

Proclamation Asks Wholehearted Support of People in Observing Program Dedicated to Benjamin Franklin, Apostle of Prudent Saving

"There never has been a time in our history when our people as a whole were so prodigal of their income, so given to indulgence and apparently so oblivious to the necessity of laying up a competence for old age," Governor Walter M. Pierce declared in a proclamation issued yesterday in connection with the observance of national thrift week, from Janu- NEW CABINET IS FORMED ary 17 to 23. The proclamation asks the whole-hearted support of the people of Oregon in observing the program outlined for the week.

his message.

general public.

thrift.

racite strike.

Monday,

"Life Insurance Day,"

urday, "Pay Bills Day."

or insurance and safe investments

will make for a better citizenship,

ernment," Governor Pierce said in

organization interested in the wel-

tional Thrift week was instituted

scope and in its general applica-

vantage of it in constructive ad-

vertising features directed at the

In the schools children are

taught to save money and also to

spend it wisely, one of the max-

ims of Benjamin Franklin, whose

memory is celebrated in thrift

thrift week. nI many churches.

FIELDS, REPORTS SAY

SCRANTON, Pa., Jan. 19.

spectres, privation and bankrupt-

cy, are stalking through the hard

coal fields as the miners tighten

their belts and the merchants re-

inventory their wares for an in-

definite prolongation of the anth-

mass meetings in the last three

days, voted to contine the strike,

Clothing merchants report a vir-

Each added day of idleness at

employes, railroad workers, store

clerks, waiters and others who

perity and their jobs, have joined

The United Mine Workers have

and have launched a plan for the

collection of funds from workers.

in the bituminous fields and from

ONE YEAR FOR CRIME

sentenced to one year in the coun-

he maximum jail sentence 'was

perversion yet tried in this county. She stolidly denied every charge

HANSARD OUT ON BAIL

other union workers.

day afternoon.

the miners in enforced idleness.

ual cessation of buying.

Although keenly feeling the

(By Associated Press.) -The twin

years ago. Since that

fare of the community to cooper-

"It has become the well estab-

"A proper observance of such a program of education, of systematic habits of living, of budget making, of accounting,

WAR BUREAU OUTLINES a happier people and a safer gov-

DEPARTMENT OF NATIONAL DEFENSE NOW CONSIDERED

House Military Committee Under- honor each year to be observed as erings and controversies takes Survey; Unit Control Suggested

Press.) -The house are fully with the thrift commitmilitary committee began a new tee of the state in the observance survey of the air craft situation of the week. today and the war department made public an outline of legislation it considers necessary to several carry out recommendations of the president's air, board

The committee took up first the tion. Thrift programs are observ-Hill bill to supplant the war and navy departments with a depart- various business houses take adment of national defense in which under-secretaries would have

Colonel William Mitchell, under court martial sentence because of Sunday was "Share With Others his attacks on the air service ad- Day," ministration attended the hearing Tuesday, "Budget Day," today is and was asked by the committee whether he would be willing to testify and whether the war department would give him permission. He replied that he was still on duty in Washington, would be glad to appear and was sure the department would offer no objec-

Representative Wainwright, a former assistant secretary of war, special services are held during pointed out that presidential ap- the week. In the business world, proval had not yet made effectuanking houses in particular, have tive the court martial sentence entered into the spirit of the week against Colonel Mitchell, whose by offering special inducements testimony before a special house to depositors and by making an committee at the last congress especial appeal to children in inlaunched the aircraft controversy ducing them to form the habit of WOULD APPORTION FUND which has raged for more than a

Members of the committee showed a disposition to avoid PRIVATION HITS MINERS duplication of the information brought out by the house air craft committee, the air board and the PINCH OF NEED IS FELT IN Mitchell court martial, and decided to introduce many documents pertaining to the air service without having them read into the record at its sessions.

Representative Hill, republican. Maryland, told the committee that his measure would save a vast amount of duplication in handling supplies, would promote a more efficient national defense and aid aviation particularly.

COUNTY JUDGES GATHER

MAKE PLEA FOR REIMBURSE-MENT FOR LOSS OF TAXES

go into a new wage contract. PORTLAND, Ore., Jan. 19 .-By Associated Press.) - County to the coal fields, thus eliminating Judges of a majority of the 18 a considerable transient trade. land grant counties of the state affected by the withdrawal of the lands and consequent loss of taxes, met here today and went on record for united effort in a campaign ment in other industries and subto seek congressional reimburse- tracts from the region's buying ment for loss of taxes amounting power. Hundreds of street car in all to about \$4,660,000.

At the annual meeting of county judges, county courts and distrcit attorneys scheduled for tomorrow the preliminary organization effected today will make a plea for state-wide ratification of the proposed campaign.

Judge C. P. Barnard of Lane county presided. W. H. Gore of Medford presented the case for the counties, the facts being that the federal government took the JAIL CONVICTED MOTHER lands from the Southern Pacific holders of the Oregon-California MRS. ANNA SPRINGER GETS railroad in 1916, since which time the taxpayers of the counties have had to shoulder the additional tax burden formerly carried by the

was that the railroad had violated tributing to the delinquency of Baldwin, former receiver of the the original agreement that lands her 14-year-old daughter. were not to be sold to settlers for tence was passed by Circuit Judge of the charge of consp more than \$2.50 an acre.

FIVE DIE AT CROSSING FAST PASSENGER LOCOMO TIVE CRASHES INTO COUPE

TOLEDO, Ohio, Jan. 19 .- Five invoked. persons were killed, five miles northwest of here teday when a circuit court Monday in one of New York Central passenger train the most revolting cases of moral struck a small coupe. The dead:

Morse, 21, his wife; Joseph D. and other witnesses, maintaining from Morse, eight months, their son; that she was being persecuted by Mrs. Catherine Dressler, 53, malevolent nieghbors. mother of Mrs. Morse, Laura E. Dressler, 23, her daughter.

TO VOTE ON SCHOOL BOND SPOKANE, Jan. 19. - School board directors of Spokane de- rested Monday night by Officer the church in session here. cided at a meeting tonight to put a \$690,000 bond issue before the on \$25 ball pending hearing of a group in Seattle, and travelers at the city election next vagrancy charges filed by the po- will meet here to be well as the city election next vagrancy charges filed by the po- will meet here to be a seattle.

Hindenburg's Forceful Language Puts Stop to Continual Bickering

President's Unquestioned Determination Brings Results; Pettifogging Politics Rouses Ire

BERLIN, Jan. 19 .- (By Associated Press.) - President Von Hindenburg, resuming the role of lished custom to observe the field marshal today summoned the birthday anniversary of Benjamin leaders of the reichstag parties to Franklin, America's early apostle the executive mansion and after of thrift, by naming a week in his demanding that all political bickthrift week," the governor declar- plainly intimated that the choice ed in issuing a call to each citi- lay between a dictatorship or par-

zen, business, establishment, and liamentary government, Pettifogging politics as exhibited in the German parliamentary crisis roused the old soldier ire of Von Hindenburg and he determ ined to put an end to the political impasse which has left Germany without a duly authorized govern ment for more than six weeks

The president's forceful lan guage and unquestioned determination had the desired effect, for less than three hours after the political leaders had left his presence, Chancellor Luther was able to announce the roster of his new cabinet which he will introduce in the Reichstag Thursday.

Each day of the week is se These sorry exhibitions of a aside for particular observance. perennial government crisis must cease," declared Von Hindenburg, "Thrift Day," 'The condition of the fatherland more than ever now demands con-Thursday, structive work." "Own Your Own Home," Friday, This was the president's first "Safe Investment Day," and Sat-

encounter with practical politicals as engaged by the reichstag parties, and the fact that he summoned the leaders for the p of informing them that they to choose between parliamentary government and a dictatorship is interpreted as reflecting his private loathing of the political game as played by numerous German parties and factions. The ministry was constituted ar

Chancellor, Dr. Hans Luther. Minister, Stresemann

Interior, Wilhelm Kuelz, dem Finance, Peter Reinhold, demo-

Economics, Julius Kurtius, German Peoples party. Labor, Heinrich Brauns, cen-

Justice, Dr. Wilhelm Marx, centrist. Defense, Dr. Otto Mossler, nonpartisan.

Posts and telegraphs, Karl Stingl, Bavarian people's. Transport, Dr. R. Krohn, German peoples. The portfolios of agriculture

and occupied areas will be tem-

porarily taken over by other mempinch of need, the miners at three bers of the cabinet. The four middle parties which accept the responsibility for the government are the centrists, now in its fifth month, rather than accept arbitration of what shall lemocrats. German peoples and Bavarian peoples party. They Stores and hotels report traveling represent only 171 out of 493 men have almost ceased to come mandates in the reichstag, making it a minority ministry, which is wholly exposed to the parliamentary mercles of the two majority parties, the German nationalists and the socialists. The socialists the mines increases unemploymay be relied upon to support the

treaties. depend upon the mines for pros-RAIL ACTION DISMISSED promised that none shall starve. TWO DEFENDANTS EXONER-

government on all issues connect-

ed with fulfillment of the Dawes

plan and the policies initiated

with the adoption of the Locarno

ERATED OF FRAUD NEW YORK, Jan. 19 .- (By Associated Press.) - Dismissal of the \$200,000,000 equity action which was brought by minority stockholders of the Denver Crande railroad so far as it applied to two of the defendants Alexander R. Baldwin and Alvin W. Kreich, was granted today by

Mrs. Anna Springer, 43, was Supreme Court Justice Mullan. The court action completely ex The government's contention found guilty of a charge of con- Equitable Trust company and Mr. Sen- old Denver & Rio Grande L. H. McMahan at 1 o'clock Tues- wreck the road with the int of freezing out the minority stock The maximum sentence for such holders. Eighteen other defend a crime is a jail sentence of one ants remain, including director year and a fine of \$1,000. Due and former directors of the road to the fact that the woman was and the estate of the late George obviously unable to pay any fine, J. Gould.

Mrs. Springer was tried in the FAVOR KIMBALL CHANGE PORTLAND CONFERENCE AD-VISES MOVING SCHOOL

PORTLAND, Jan. 19 .-Joseph J. Morse, 28; Lillian made against her by her daughter at of Kimball School of T would be housed in the new cational plant to be built I University Methodist Epi hurch, was recomme board of trustoes of the Everett Hansard, claiming resi- tonight by a me sing of m dence at Lebanon, Ore., was ar and laymen of the conference intention of settling the m