

GIANT TELEGRAPH MERGER ANNOUNCED

Consolidation of Mackay and International Interests Published

NEW YORK, Mar. 20.—(AP)—Formal announcement of a fusion of interest between the communication systems of the Mackay telephone and the International Telephone and Telegraph company was made here tonight by Clarence H. Mackay and Soesthenes Behm, respectively presidents of the two corporations.

The merger will bring together a communication system reaching to all parts of the Americas and to European and Asiatic countries. A wireless service to supplement existing cable and wire systems also will be operated under the new arrangement.

The plan, which is subject to approval by the respective boards, contemplates the formation of a new Commercial-Postal company under the chairmanship of Mr. Mackay. The new company will acquire the outstanding stock of the Mackay companies, which control the submarine cables and land wires of the Commercial Cables and Postal Telegraph systems. Eventually the formation of a new International Cables company, also under the chairmanship of Mr. Mackay, is contemplated to take charge of the operation of commercial cables.

Terms of the proposed consolidation embrace the exchange of three shares of seven per cent non-cumulative preferred stock of the new Commercial-Postal company, plus one share of \$100 per value of the capital stock of International Telephone and Telegraph company for each four shares of Mackay companies common stock.

The proposed enlarged system will operate telegraph wires extending throughout the United States with connecting agreements for business in Canada and Mexico; cable systems extending across the Atlantic and Pacific and to the important countries of South America; telephone systems in Mexico, the West Indies and South America, and an organization engaged in the manufacture of electrical communications equipment widely distributed throughout the world.

Wireless communication to Honolulu is expected to be operative by the company about the first of June, and later in the summer similar service to Manila will be in force. These services will parallel transoceanic cables already operated by the Mackay companies.

Extension of ship to shore wireless communication, and its transmission inland over wires now operated by the Postal Telegraph system also is planned.

EQUALIZATION FEE APPROVED IN HOUSE

Agriculture Committee Favors Idea By Vote of 13 To 8 Yesterday

WASHINGTON, Mar. 20.—(AP)—For the fourth time in five years the house agriculture committee today approved the equalization fee provision of the McNary-Haugen farm relief bill. The vote was 13 to 8.

Preceding this action the committee adopted an amendment which, Chairman Haugen explained, the federal farm board has proposed, to endeavor to stabilize the agricultural industry by means of loans to cooperatives. In the event that this should fail, it then would be empowered to pace the equalization fee machinery in operation.

The vote on the equalization fee came upon a motion by Representative Clarke, a New York republican, to eliminate the proposal from the bill. Seven republicans and six democrats voted in support of the fee while six republicans joined with two democrats in opposition. After the vote Haugen said that within a few days, possibly tomorrow, the committee would vote to formally report the measure. He predicted that this motion would be supported by probably 19 members.

The committee approved the equalization fee first in 1924; again in 1926, 1927 and today. In 1925 the proposal was not acted upon pending the fate of legislation recommended by the farms conference called by President Coolidge.

The senate agriculture committee only a few weeks ago approved the fee provision and the amendment adopted by the house committee regarding use of the loan provisions is identical to a provision in the senate bill.

This loan provision is one of a number of changes that have been made in the McNary-Haugen farm relief plan since it was rejected a year ago by President Coolidge after passing both house and senate.

At that time one of the chief objections raised by the president was against the equalization fee, and Haugen said that the loan amendment was designed to require the farmer to first try to

stabilize agriculture by the loans, which have been favored by the administration in preference to the fee machinery.

COOLIDGE REQUESTS DEBTS BE SET ASIDE

Recommendation Made To Congress Monday In Case of Austria

WASHINGTON, March 20.—(AP)—President Coolidge in a special message to congress today proposed that the United States temporarily set aside its monetary claims against Austria in order to enable that country to borrow additional capital for economic reconstruction.

Along with the message the president submitted a report from Secretary Mellon explaining the obligations which the United States now holds and the policy toward Austrian finance which it is willing to assume along with other nations who are creditors of Austria.

Mr. Mellon explained that in 1920 the United States furnished Austria with \$24,055,708.92 for the purpose of purchasing food while European governments provided \$95,000,000 additional. All of these food loans were subordinated as liens in 1923 to enable Austria to borrow \$125,000,000 for reconstruction and the country now desires to float a new loan of about \$100,000,000 to complete its enterprise. The proceeds would be applied to the repair, improvement and re-equipment of the Austrian railway, telegraph and telephone systems, Secretary Mellon explained.

WALL STREET MART SEES FRENZIED DAY

Radio Corporation As Well As General Motors Shows Heavy Gains

By STANLEY W. PRENOSIL, Associated Press Financial Editor

NEW YORK, Mar. 20.—(AP)—Cries of a "corner" resounded in brokerage houses today when common stock of the Radio Corporation scored a spectacular gain of 32 1/2 shares on the New York stock exchange, duplicating the record high price of \$150 established last week and starting a fresh turmoil of speculation in other issues. Sharing market leadership with Radio, which lost 5 to its gain on profit taking, was General Motors, which jumped \$6 a share to a new record price at \$174 and closed \$1 a share below the top price.

Combined sales of Radio and General Motors ran close to 500,000 shares or about one seventh of the day's entire volume of business. It was the eighth consecutive full session in which stock sales had crossed the 3,000,000 share mark.

The average of 20 leading industrial shares, compiled by the Associated Press, advanced nearly 1 1/2 points today to a new high record for all time and were approximately 20 points above the year's low.

Stock exchange authorities have been investigating reports of an alleged "corner" in Radio for about a week, demanding daily reports of all transactions from active members but no announcement has yet been made as to the progress or result of their inquiry.

The stock broke from \$160 a share in the first few days after the investigation started, probably inviting a renewal of "short selling" on the part of venture capitalists. But when the stock started up today, it was apparent that there was still not enough to go around as it jumped from \$155 to \$160 between sales. At the close of the market the stock was loaning "flat" to those who borrowed it in order to make delivery against short sales, which means that borrowers who were forced to deposit with lenders the current market price of the stock as security, received no interest on their money.

SEEKS FLIGHT RECORDS

Lono Aviator Wants to Establish New Non-Stop Mark

ST. PAUL, Minn., Mar. 21.—(AP)—Gene Shank, young St. Paul aviator trying for endurance flight records, was forced down early today by a broken gas line feed after he had been in the air 12 hours and 28 minutes.

ST. PAUL, March 20.—(AP)—On a solo flight in quest of several records—especially that for sustained flight—Gene Shank, 23 year old St. Paul aviator, was in the air tonight after taking off at 1:17 p. m. from the ice of White Bear lake.

Circling over the St. Paul airport, he set himself to the task in the hope of bettering the world mark of nearly 53 1/2 hours incidentally breaking Colonel Lindbergh's solo flight record of more than 33 hours, made in his Atlantic hop.

Another mark aimed at by the young pilot was the endurance flight for light planes of the type he is flying, now set at 13 hours, and the refueling record of 37

hours. He will attempt refueling his plane while flying alone. In the other instances of refueling in the air two men have been aboard the refueled plane.

Many Pupils Not In School At Auburn; Illness Cause

AUBURN, March 20.—(Special)—Twenty pupils were absent from school last week, incapacitated due to measles, pink eye and colds.

Mr. and Mrs. Roy Hammer visited at Netarts Sunday.

Miss Nellie Morgan gave a piano recital Saturday. Pupils taking part were Kenneth Morgan, Ethel Johnston, Nadine Earls, Elsie Graham, and James McKenney. A number of guests were present. Refreshments were served by the hostess. The decorations were appropriated to St. Patrick's day.

Mr. and Mrs. Frank Verbie were in this vicinity last week calling on old friends. They have located in North Salem temporarily, but will leave for Idaho as soon as weather and road conditions are favorable.

Mr. and Mrs. Moses Honaker were visiting in this vicinity last week. Mrs. E. T. Peltier accompanied her mother and sister to Portland last week for a short visit.

Hurlie H. Moore Accepts Position At Stiff Store

Hurlie L. Moore, who for seven years has owned and operated "Moore's Music House," has accepted the management of the piano, radio and phonograph departments of the H. L. Stiff Furniture company where he will be glad to meet all old customers and friends.

It is the purpose of the Stiff Furniture company to build up the largest and best musical instrument business in the Willamette valley.

Earl Heider, who has for the past two years handled the radio service department at Moore's Music house, has been added to the service force at Stiff's. This department will be equipped to handle service on any make set.

SPORTS Continued from P 4

COLEMAN SELECTS BEST HOOP STARS

CORVALLIS, Mar. 20.—(AP)—But one player at the state high school basketball tournament at Salem stood out enough among the rest of the prep hoop athletes to merit an undisputed all-star place according to Ralph O. Coleman, who refereed the tournament. Lewis of Washington high school was given the all-star center berth by Coleman without any hesitation.

Picking guards and forwards was not so easy but Coleman finally settled the question by naming three men for each job on his all-star first string.

Duffy of Salem, Dolph of Washington and Melvin of Medford were placed in forward positions. Coleman gave Duffy the credit for keeping Salem in the running up to the last by means of his brilliant shooting. It was about a stand off between Dolph and Melvin with the Medford youth having a bit the edge in aggressiveness. Both were extremely hard to guard and plenty fast on the court.

Another Salem youth in the person of Kelley rated the mythical regulars as a guard. He was in on every play and ready to come through with a basket when one was needed. McDonald of Medford, although playing forward in the tournament, feels more at home in his regular position as guard and in Coleman's opinion rates an all-star defensive job.

Knowlton of Tillamook, a good man under the basket and a clever floor worker, rated the other guard berth.

The second string was somewhat easier to name with five schools each placing a man. Washington, Salem, Medford and Tillamook again took ratings with Astoria supplying the fifth member.

Guards for the second team are McCartney of Washington and Phipps of Medford; forwards are James of Tillamook and Lyons of Salem; center is Wilson of Astoria. Honorable mention were given Chapman of Marshfield, Page of Tillamook, Gibson of The Dalles, Beechler of Salem and Arvola of Astoria.

Bits For Breakfast

Hoover meeting tonight—

And nearly every one in Salem is a Hoover man or woman; almost irrespective of party affiliations.

Marion county mapped out her second market highway improvement program in 1925, for five years—beginning in 1926. It was 110 miles. Finished 25 miles in 1926 and about 48 miles last year, and will complete the program this year. And perhaps more. Quite likely a good deal more.

The Howard Auto company, operating in all three Pacific coast states and said to be the largest distributor of automobiles in the world, will spend a thousand dollars this spring in filming the McKenzie river, the McKenzie highway and the McKenzie pass.

These pictures, with others taken at various points along the coast, will be shown at theaters throughout the state of California. They are assigned to show to tourists and to other prospective travelers what there is to be seen in the great outdoors empire stretching from Canada to Mexico and reached by the greatest of all highways—the Pacific highway—the highway that has been called the "longest street in the world," reaching from Vancouver, B. C., to the Mexican line below San Diego.

Mayor Baker announces that when the Chicago grand opera company comes to Portland he will not greet Mary Garden with a kiss, and Oregon paragaphers, putting two and two together, conclude that the law has been laid down to the doughy mayor at home. But how about Mary? Doesn't it seem that under the circumstances the public is entitled to a snappy comeback from her?—Eugene Register.

"Girls were harder to kiss in your day, weren't they, grandpa?" "Well, mebbe; but it wasn't so blame dangerous. The ol' parlor charge wasn't apt to smash into a tree just about the time ye got all puckered up."

GENEVA HEARS BRITISH SCORE SOVIET'S PLAN

(Continued from page 1.)

Soviet proposal, he added, ought to be carefully considered. At this the Soviet delegation became very attentive—only to discover that the consideration the speaker gave them was more than they expected. He proceeded to dissect with merciless precision the plan paragraph by paragraph, to show that it was contrary in every way to the covenant of the League of Nations.

LOST BANKERS CAR DISCOVERED

(Continued from page 1.)

marshals office were here yesterday and today to question Barker regarding a fire at Central Point, Ore., last August.

The fire destroyed the Freeman and Wiley warehouse in which Barker had stored furniture and fixtures which he had purchased at Medford. Officials said Barker had taken out \$10,000 insurance on the property.

NEW MONASTERY TO BE DEDICATED, MT. ANGEL

(Continued from page 1.)

The former monastery and college buildings stood, and is built in the shape of a capital "E" with the church as the middle wing. The south wing includes the reception room and the archbishop's room as well as the space now to be used for the seminary. The spacious and beautifully decorated dining room is in the north wing. The fathers and brothers' living quarters are on the second and third floors.

At the rear will be planted an unusually beautiful monastery garden, overlooking the valley to the west.

Despite the age-old use to which it is to be dedicated, the building is strictly modern in every respect, and has been greatly admired by visitors.

SMITH REPLIES UPON SINCLAIR FUND CHARGE

(Continued from page 1.)

you have made by your pretense of disclaiming desire to cast reflection on me or stating that your committee has no concern with the matter."

After the governor had written the letter, word was brought to him that Mr. Sinclair had contributed on one occasion to a democratic campaign fund in New York state. The contribution, made in 1918, to the New York county democratic committee, amounted to \$1,000, records in the secretary of state's office disclosed.

G. O. P. Donation Shown The same records disclosed however, that in 1922—the year that Nathan L. Miller opposed and was defeated by Governor Smith—Mr. Sinclair contributed \$5,000 to the republican state committee. The payment was made, the records showed, to Anson C. Goodyear, treasurer of the state committee.

Careful examination by Secretary of State Robert Moses of contributions to the governor's personal campaign funds failed to disclose any mention of Mr. Sinclair's name. The examination covered every available by the data filed in the department of state and other state offices.

Walsh Flays Colleagues

WASHINGTON, Mar. 20.—(AP)—A rift in the senate Teapot Dome committee between the youthful chairman, Gerald P. Nye, of North Dakota, and the silver haired prosecutor, Thomas J. Walsh, of Montana, appeared on the horizon today as the committee prepared to reopen its public hearings tomorrow.

For some time there have been under-surface indications of disagreements between the republican and th democratic senator and today the Montana brought the matter into the open with a formal statement generally viewed as criticizing the course of the chairman in certain matters.

"It is singularly unfortunate," Senator Walsh said, "that publicity should have been given to some of the plans of the committee, or what individual members conceive to be its plans, and equally that there should be allowed to become public information affecting priceless reputations until it is confirmed upon inquiry to such an extent as to warrant the development of the facts through witnesses."

Demand To Be Ignored That sentence appeared at the end of a statement by the Montana senator.

That Baby You've Longed For

Mrs. Burton Advises Women on Motherhood and Companionship

"For several years I was denied the blessing of motherhood," writes Mrs. Margaret Burton of Kansas City. "I was nervous and subject to periods of terrible suffering and melancholia. Now I am the proud mother of a beautiful little daughter and a true companion and inspiration to my husband. I believe hundreds of other women would like to know the secret of my happiness and I will gladly reveal it to any married woman who will write me." Mrs. Burton offers her advice entirely without charge. She has nothing to sell. Letters should be addressed to Mrs. Margaret Burton, 8029 Massachusetts, Kansas City, Mo. Correspondence will be strictly confidential.

an in which he stated that the committee would ignore the demand made in the senate yesterday that Governor Alfred E. Smith be called before the committee "for the plain and simple reason it has no ground to believe that he can shed any light upon the subject of its inquiry."

The precise reasons for Walsh's strictures on the chairman were not specified, but those closely following the investigation accepted them as referring especially to Nye's announcement yesterday that the committee would investigate the records of the Harding estate and the permitting of reports to leak out at Chicago which since have impelled both Associate Justice Frederick L. Edson of the District of Columbia supreme court, and Chief Justice George E. Martin of the District of Columbia court of appeals to issue statements.

Jurisdiction Defined While Walsh's statement was in preparation, the chairman amplified his previous statement about the Harding estate inquiry by saying that the investigation would be comprehensive enough to encompass the questions of whether the late president became the recipient of "any returns whatever from any of the interests involved in the Continental Trading company and these other oil deals."

In his announcement that Governor Smith would not be called in response to the demand of Senator Robinson, republican, Indiana, Senator Walsh called attention that the committee was "directed to investigate generally the leasing of the naval oil reserves and specifically to ascertain what disposition was made of the bonds of the Continental Trading company."

Utterior Motives Deplored "The committee would forfeit whatever measures of respect it

has earned through its labor if it could be prevailed upon to go outside of the field prescribed for it by the resolution under which it acted," he added, "and would deserve universal contempt if it did so to promote or impair the political prospects of any individual or party. I find it difficult to conceive that the suggestion that Governor Smith be called was made in the honest belief that the committee ought to or would do anything of the kind.

"Importunities innumerable have come to me to depart from the strict line of inquiry to which the committee has been limited by the senate. I have even been subjected to criticism and accused of a purpose to shield personal or political friends.

"I am convinced, however, that the duty of the committee is plain to resist all such appeals and that any departure is more than likely to result disastrously to the value of its work."

HINT DYNAMITE CAUSED BLAST; QUIZ LAUNCHED

(Continued from page 1.)

neers to make an analysis of the cause which brought about the col-

lapse of the 185 foot high dam and the release of a roaring torrent of 13,000,000 gallons of death-dealing water.

Among the phases to be taken up by the federal probers will be the possibility that the collapse of the 160,000 cubic yards of concrete was caused by explosives, that land slides brought unanticipated pressure against the structure, and that the failure of the dam may have been due to faulty construction or location.

Old Threats Recalled Sheriff's deputies recalled today that nearly a year ago when Owens valley residents were protesting with dynamite their way upon the city for water reparations, an anonymous warning was telephoned the sheriff intimating that the St. Francis dam would be dynamited. As a result guards were posted on the dam night and day for several days.

In Santa Paula, heart of the flood-devastated area, the Santa Paula claims committee began work today. In a few hours 150 claims had been filed for damages totaling half a million dollars, for the loss of fruit and citrus orchards in Santa Paula.



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