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The Oregon Statesman

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WEATHER

Fair today and Sunday, rising temperature, lower humidity; Max. temperature Friday 67; min. 35; north wind, river 2 foot.

EIGHTIETH YEAR

Salem, Oregon, Saturday Morning, June 14, 1930

No. 68

NO CHARGES IN MERRIAM CASE FILED TO DATE

Hearing on Resignation is Not Demanded But Will Be Held Anyway

News Lifted by Bootstraps of Newsmongers Held Only Ripple

Everything is ready for the widely heralded hearing of "charges" against H. S. Merriam with the exception that no formal charges have been filed and save for scattering disaffection, there is no sentiment for the state board of control to accept Merriam's resignation.

The state board of control, willing to play its role, announced yesterday that a hearing would be held this morning provided anyone showed up to take a stand against Merriam. The board members admitted no written charges had been made against Merriam nor had anyone appeared to demand his resignation.

A fortnight ago Merriam appeared before an open meeting of the Marion county court asking that Fruit Inspector Van Trump comply with certain inspections required by law. During the course of his remarks, Merriam made casual reference to a pest discovered in an orchard in Oregon and quickly placed under control.

Remarks magnified On Diligent Press

Enemies of Merriam and warm friends of Van Trump, saw to it that Merriam's remarks were magnified out of proportion and played through both press associations, throughout the state.

Following quickly on this attack, the same news sources wrote extensive articles about widespread dissatisfaction with Merriam's services among fruit growers of Oregon.

Friday night, on the eve of a showdown, "charges" against Merriam appeared concocted from thin air and a fiasco was imminent at today's hearing.

Medford "Attacker" On Other Mission

L. A. Banks, Medford orchardist, buyer of pears and newspaper publisher, was in Salem Friday conferring with state officials but the burden of his plea was against discriminatory regulation by the federal government against independent growers and shippers and in favor of the cooperatives.

Banks admitted that he knew little or nothing of the merits of (Turn to page 2, col. 3)

5 Million Dollars Weekly Profits Of Chicago Racketing

This Declared "War Chest" Which Corrupts Police, Politicians and Dry Force; 3 1/2 Million From Liquor

CHICAGO, June 13.—(AP)—The Chicago Daily News today published the result of an investigation into racket profits here and said the total was \$5,785,000 a week. "This is the war chest," said the News, "whence comes the money that corrupts politicians, police and prohibition agents."

Thirty nine racket murders thus far this year and finally the slaying of Alfred Lingle, Tribune reporter, promoted the newspaper's investigation.

The weekly profit figures announced by the paper were: Beer, liquor, alcohol, \$3,510,000; gambling houses and hand books \$1,250,000; questionable resorts \$1,000,000; labor rackets, bombings, arson and kidnappings \$25,000; total \$5,785,000.

The paper claims the figures to be conservative. "There are 6,000 speakeasies operating normally in Chicago," says the News. "At election time when votes and campaign contributions are needed the number goes skyrocketing up beyond the 10,000 mark, as high, according to some prohibition officials, as 12,000 but in the normal week of the average month some 6,000 speakeasies, where draft beer, whiskey and gin may be had, are operating. These speakeasies average, men in the racket say, six barrels of beer and two cases of whiskey a week.

"Whiskey costs the saloon keeper where the major mobs are in control, \$90 a case. These same spots also peddle gin and many of them peddle a concoction known as Yockey-Dock or Polish pop, a synthetic whiskey with alcohol as its base.

"Including the 6,000 speakeasies there are some 15,000 places in the city which are outlets for alcohol, drug stores which peddle gin, cigar stores which peddle gin and the Yockey-Dock."

The paper estimates the alcohol consumption at 75,000 gallons a week, and the weekly booze bill, exclusive of other rackets at \$5,510,000.

The secretary of state Friday refused to approve the form of initiative petition prepared by George Bylander of Portland, looking to the abolishment of the public service commission. The refusal was based on an opinion of the attorney general, who held that the petitions might be declared invalid by the courts in case they are attacked.

Bylander declared here Friday he would circulate the petitions regardless of the attorney general's opinion, and would file the same prior to July 3, which is the last date on which completed petitions for the general election (Turn to page 2, col. 1)

Public Service Commission Abolishment Program to Proceed Anyway

Bylander Petition Form Disapproved

Wound Mystery Cleared No Jinx For Guardsmen Suicide Finally Success Same Old Law Attacked

trict court is expected to give his decision soon.

At a hearing recently voted a \$35,000 water bond issue which has been sold but the approving attorneys will not pass the issue until the supreme court has decided the constitutionality of the law.

BANK STOCK RAISED PORTLAND, Ore., June 13.—(AP)—Articles of incorporation are expected to be filed in Salem tomorrow for the American National Corporation, organized here by L. L. Hester, W. L. Thompson, and G. S. Hinesdale for the purpose of increasing the capital stock of the American National bank and to facilitate expansion of the Pacific Bancorporation which controls the American National and a group of other banks throughout the state.

Announcements of the formation of the corporation was made here tonight.

Capitalization will consist of 80,000 shares of \$10 par value class A common stock and 20,000 shares of no par value class B common stock.

WORKER KILLED—ASTORIA, Ore., June 13.—(AP)—Lee Carr, 27, of Beaverton, Ore., was injured fatally today when he fell from the foot-board of a logging locomotive and was crushed under the wheels of the locomotive, at the Crossett-Western logging camp near Knappton. He died while he was being taken to the hospital here.

PRODUCTION SLACK PORTLAND, Ore., June 13.—(AP)—Approximately 172,500,000 feet of lumber was produced during the week ending June 7 by 338 mills reporting to the West Coast Lumbermen's association. Production during the past two weeks has remained at more than 20,000,000 feet below that of the week ending May 24.

COUNTY IS SUE PORTLAND, Ore., June 13.—(AP)—Umatilla county, Oregon, was named defendant in a \$3034 damage suit filed in United States district court here today by the Northern Pacific Railway company. Damages in that sum are alleged to have resulted from the county's building the Helix-Vancouver market road along railway property.

The bill alleges that the construction of the road destroyed 540 feet of fence and disturbed the drainage of the railroad to such an extent that drainage ditches and culverts had to be installed.

BOND ISSUE AT STAKE COTTAGE GROVE, Ore., June 13.—(AP)—A suit to test the constitutionality of the law enacted by the last legislature which limits the right to vote on bond issues by cities to the taxpayers of the city has been started by the city of Cottage Grove. Judge Shipworth of the Lane county dis-

trict court is expected to give his decision soon.

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TARIFF COMES UP TODAY FOR HOUSE ACTION

Passes Senate by Two Votes Margin as Predicted; Debate Lengthy

Hawley to Call It up For Representatives' Vote Early in Calendar

By D. HAROLD-OLIVER WASHINGTON, June 13.—(AP)—The 18-months old tariff bill passed the House today after the branches had voted its approval to the final draft of the Hawley-Smoot measure.

The Republican dominated House will take up tomorrow the conference agreement adjusting differences between the branches and adoption is predicted after two or three hours debate.

President Hoover, who initiated the legislation, will receive the measure next week. Although he will seek counsel of experts and send the bill to the various departments interested in its administration before acting, his signature is regarded as certain by leaders in congress.

That the bill will be made an important issue in the coming elections was forecast as leaders of all three senate factions assailed and defended it before a full floor attendance and capacity audience.

Eleven Republicans Vote Against Bill

The final roll call taken after three hours' debate, showed 39 republicans and 5 democrats for the bill. Thirty democrats, 11 republicans and Shipstead, Minnesota, farmer-labor, were against it.

The two vote margin represented the position of the entire membership as every senator not voting was paired.

The dramatic end of the long senate fight through the special and regular sessions saw Senator Robinson, Arkansas, the democratic leader, denounce the measure as a "disappointment" even to its supporters; Senator Borah, Idaho, republican, independent leader, asserted it failed to meet party pledges and would be useless to agriculture without the de-benture, and Senator Watson, Indiana, majority chieftain, championed it in a vigorous hour-and-a-half speech.

Rising into the bill's opponents, the republican leader waved his arms and pounded desks all around him as he termed the opposition attached the "same old argument" used against every tariff bill.

He assailed Henry Ford and Alfred P. Sloan, president of General Motors, for opposing the measure, asserting the "motives of these international financiers and (Turn to page 2, col. 1)

Death Penalty Mandatory as No Recommendation of Clemency is Made

EUREKA, Cal., June 13.—(AP)—Clarence L. King, ex-convict, was found guilty of first degree murder by a superior court jury tonight in connection with the slaying of Mrs. M. M. McCoy, his former sweetheart, on the Redwood highway north of here last February.

The verdict carried no recommendation for clemency and the death sentence is mandatory.

The jury deliberated five and one half hours.

King offered the defense that Mrs. McCoy was accidentally shot during a struggle for possession of a revolver with which the girl had threatened him. The prosecution contended King killed her to prevent her giving information that he was a San Quentin prison parole violator and to obtain her money and marry Eunice Pardee.

After the killing he married Miss Pardee at Corvallis, Ore., and was arrested a few days later in a Portland postoffice while attempting to obtain money Mrs. McCoy had on deposit in middle western banks.

Mrs. McCoy was shot February 20 on the Redwood highway in northern Humboldt county while the two were enroute south from Oregon. Several weeks later the body was found behind a log near the highway by two road workers.

Local cherry men are confident that after the sale of The Dalles' pool the local price will not be less than eight cents.

ALUMNI BANQUET AT W. U. TONIGHT

The members of the graduating class of 25 and 50 years ago will be honored at the annual alumni banquet to be held at the Willamette university commencement ceremonies at the gymnasium this afternoon at 5:30.

Preparations to handle a crowd of 300 are being made by Leslie J. Sparks, secretary of the alumni association, in charge of the affair.

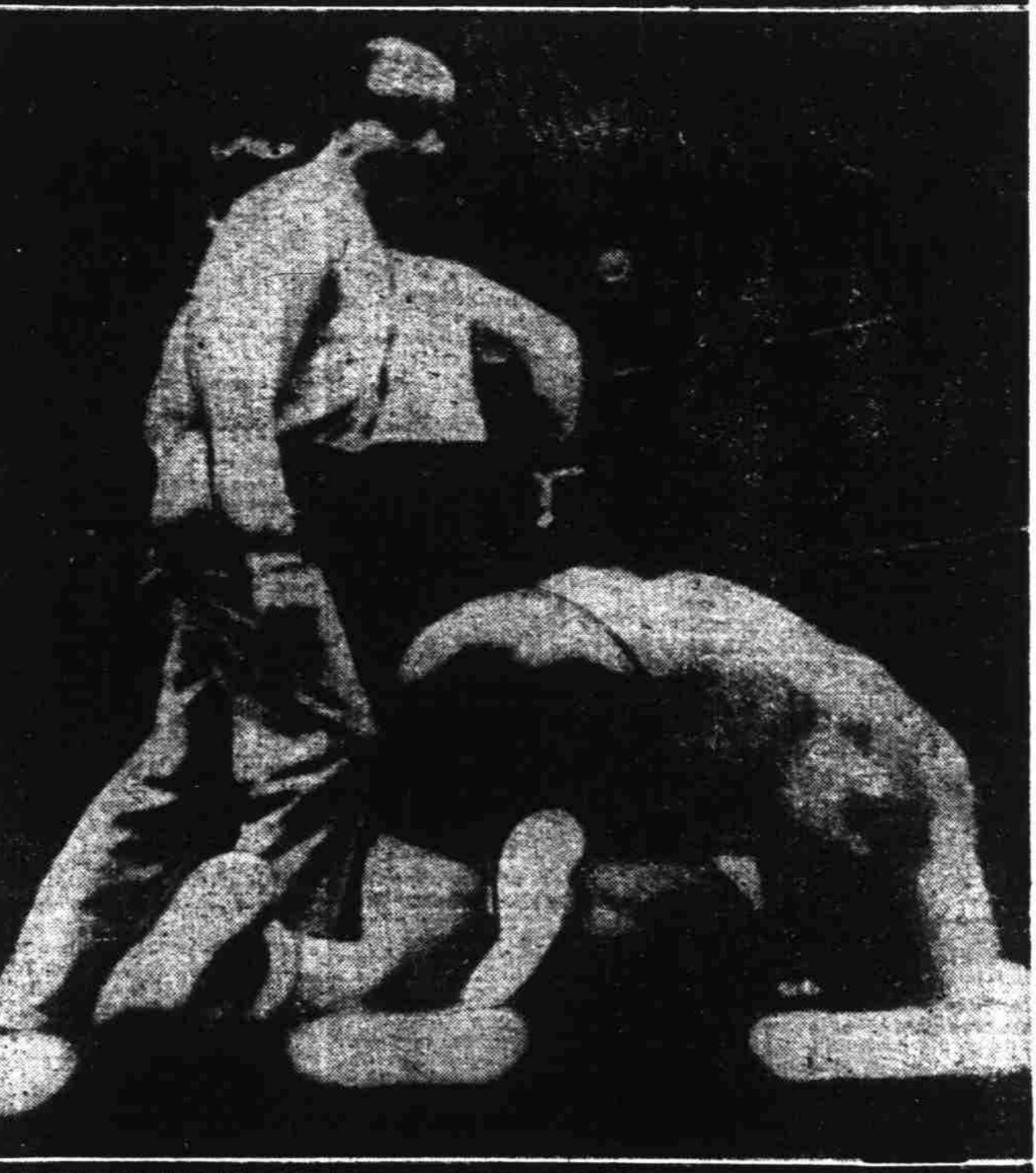
Ed. S. Averill, president of the body, will act as toastmaster, and short talks will be made by President Carl Gregg Doney, R. J. Hendricks, and Roy S. Spence. A business meeting to precede the banquet is scheduled for 4 o'clock in Waller hall.

Reservations for the dinner are to be made with Sparks at the Willamette gym, phone 647.

Witte Decides He's Not Witty

PORTLAND, Ore., June 13.—(AP)—Several days ago Harry C. Witte had a world of fun knocking down with his automobile every rural mailbox between Woodburn and Mount Angel, but after a session Federal Judge McNary in United States district court today changed his mind. He was fined \$250.

While Wild Confusion Reigned



Candid close-up view of Max Schmeling, German heavyweight contender, doubled up with pain after being fouled in the fourth round of the championship fight at the Yankee Stadium in New York City Thursday night. Schmeling was turned away and Jimmy Crowley, referee who didn't see the blow, is standing over Schmeling, wondering what to do as the wildest confusion prevails throughout the stadium. Photo transmitted by telephone to San Francisco for International Illustrated News and hurried to The Statesman by air mail, arriving 22 hours after the fight.

BACCALAUREATE AT W. U. TO BE SUNDAY

Eighty Sixth Graduating Class Approaching Final Exercises

Sunday and Monday mornings 77 graduates of Willamette university will don caps and gowns for the final ceremonies of their college days. The class is the 86th to receive degrees from the university.

After the traditional academic procession Sunday, in which members of the faculty and senior class take part, the baccalaureate sermon will be preached at the First Methodist church by President Carl Gregg Doney. Besides the sermon a suitable program of music has been arranged.

Monday at 10 o'clock commencement exercises will be held at the Methodist church. Bishop Titus Lowe, of Portland, will deliver the address to the graduates and President Doney is to present degrees, department honors, and prizes. Senior scholarships for the year 1930-31 will be announced at the time. The complete program as announced Friday is:

Organ Prelude—"Commemoration March," Scotson Clark, Professor T. S. Roberts.

Invocation, Rev. M. A. Macy. Scripture Lesson, Rev. T. H. Temple.

Piano solo, "Capriccio F. Minor," Dohnanyi, Helen Price.

Address, Bishop Titus E. Lowe. Solo, "Even Brauet Hearts," Gounod, John Crnkovich.

Conferring of Degrees, President Carl G. Doney.

Announcement of seniors elected to Alpha Kappa Nu, of department honors, prizes and of senior scholarships for 1930-31.

Solo, "Farewell Willamette," Irvine, Lillian V. Scott. Benediction.

Organ Prelude, "A Joyous March" Lawrence, Professor T. S. Roberts.

GIDEON STOLZ NOW STATE G. A. R. HEAD

Salem members of the Grand Army of the Republic will go to Eugene for the G. A. R. state encampment which will be held there June 24, 25, and 26, represented by the state department commander, Gideon Stolz. Mr. Stolz will be installed in Portland today as department commander. This action coming as the result of the death of Department Commander Charles True, 86-year-old veteran of Newburg, who died in the Portland veterans' hospital, June 12. Mr. Stolz takes this office by virtue of having been senior vice commander.

Mr. True is the second department commander to die in the last year. Lester C. Washburn of McMinnville passed away recently and through this Mr. True was made commander.

A large delegation of G. A. R. and Woman's Relief Corps members are planning on attending the Eugene convention. At this time officers will be elected for the coming year.

Salem's First Film Frolic Set Tonight

Selection of Legion Picture Cast and Novel Program of Movie Features Arranged at Horse Show Pavilion

Salem's first motion picture Frolic, patterned after the gala screen events Hollywood folk stage for their own enjoyment, will get under way at 8:30 o'clock tonight at the horse show pavilion at the state fairgrounds. Irl McSherry, secretary of the governor, will be master of ceremonies for the Frolic, which has been arranged under joint auspices of the Salem American Legion post and Dagmar Pictures of Hollywood.

The Frolic is signal for actual production of the Willamette valley's first motion picture, which will be filmed by Dagmar Pictures and which the legion is backing here.

Cast of Legion's Film to Be Picked

A complete program for the night has been arranged, the highlight of the entertainment to be showing of screen tests which have been made of local persons trying out for parts in the valley movie and first announcement of the members of the cast.

Immediately preceding showing of the tests and announcement of the cast, a short comedy, "Meet the Wife and Don't Laugh," shot right on the stage, just as it is done in Hollywood, will be shown.

An orchestra will furnish the entertainment from 8:30 to 9 o'clock, while the crowd is assembling, and following this, the Capital Post drum corps will parade.

A tap dancer, Frances Baier of the Barbara Barnes school of dance, will add variety to the program, as will also two Spanish dancers from Eugene, Crystal Carter and Kathleen Bladon. Little David Smith, Jr., of Salem will have a place on the program and will sing. He is said to be like a professional for one of the children's parts in the movie.

Film to be "Shot" and Shown on Spot

Most of the entertainment will be confined to the moving picture field, with an interesting phase of those to be an expose of a number of trick movie shots. Following this, a movie will be shot on (Turn to page 2, col. 4)

Swope Attorney Sues For \$900 in Disability Claim

Damages of \$900 and costs are asked against the United States Casualty company in a suit filed Friday by Roy Nelson, guardian of the estate of Cecil A. Swope, incompetent.

The plaintiff claims Swope was protected to the extent of \$300 a month for a period of 24 months under an insurance policy issued to Swope by the insurance company. Swope, now in the state hospital here, is alleged to have met the conditions of the policy which provides that the insured must have a "sickness, continuous, and totally disabling him from performing the regular duties of his vocation."

Lawyers handling the case against the insurance company first obtained permit from the county judge to prosecute the case.

Two Slain Many Hurt In Storms

Tornado Hits South Wisconsin With Heavy Damage

Farms Destroyed by Twisters; News Is Delayed

MENOMONIE, Wis., June 13.—(AP)—Charles Wolfert was killed and his wife fatally injured when a tornado demolished their farm home near here tonight. Their neighbors, Mr. and Mrs. Charles Oberle were injured seriously when their house was destroyed.

ST. PAUL, Minn., June 13.—(AP)—One man is reported to have been killed, several injured and considerable property damage done in a series of tornadoes in southern Minnesota last night. W. Drape, a section foreman for the Chicago Great Western railroad, was reported killed at Randolph, Minn., about 35 miles south of here, and numerous buildings there were damaged. Three were reported injured. A call for doctors and nurses was received at Hastings.

A roof was torn from a house and several barns, smaller buildings and wind mills were destroyed in the Munson hill district, about 12 miles southeast of Randolph.

Orchards levelled by Heavy Tornado

A number of orchards in that vicinity were leveled and many of the telephone lines blown down. No persons were reported injured in that vicinity.

The farm of Ed. Edwards, four miles northeast of Brownsdale is said to have been destroyed as well as several others near Onio in southern Minnesota.

Half a dozen homes were destroyed in St. Paul, a suburb, and two persons injured there. "Grand" (Turn to page 2, col. 4)

SPAUDLING COMPANY TO INVAD KLAMATH

Sash and Door Plant Will Be Erected There, Say Officials

Confirmation of announcement from Klamath Falls that the Spaulding Logging company of Salem is to begin construction of a sash and door factory in that city soon was made Friday by Roy H. Mills, one of three officials of the company who have been in the southern Oregon city, upon his return here.

Clifford Spaulding and O. A. Macy were the others who made the trip. Mr. Macy, formerly in charge of the Spaulding mill yard at Independence, will be in charge of the new plant.

The factory will be housed in a two story building 100 by 137 feet, construction of which will be started immediately. The latest improved machinery for planing, sash and door, interior finish and trim manufacturing will be installed.

The company, according to Mr. Mills, does not plan to enter the sawmilling field at Klamath Falls, nor to enter the retail lumber field. The plant is designed to take care of the retail trade in the lines to be manufactured. The company was attracted to Klamath Falls by that city's heavy building program, largest in the state outside of Portland, and indications that the activity would continue.

The Spaulding company will operate two sawmills, three sash and door factories, five retail yards and one wholesale establishment, when this expansion is completed.

ALL-Y PICNIC HERE SUCCESSFUL EVENT

Between 250 and 300 persons attended the first annual all-Y picnic, held last night at Hager's grove. The event was so successful that there is little doubt but that it will be repeated each year.

The crowd representing members of the Y. M. and Y. W. C. A. and families and friends of the members, spent a delightful evening. Music by the Salem Klite band; a comedy grand march from the athletic grounds to the "Kitchen," where Chef Burton Cray reigned and led by Drum Major Bob Boardman waving a big sapling baton; and races, swimming and a tumbling exhibition, all contributed to the enjoyment.

The finale of the event was a big campfire, with William McGilchrist, Sr. in charge. Music by the camp quartet, group singing and short talks by R. J. Hendricks and R. E. Kittredge, members of the Y. M. Board, and Mrs. Elizabeth Galaher, general secretary of the Y. W. were heard about the campfire. Walter T. Jenks sang "Drink to Me Only With Thine Eyes," to the accompaniment of the concertina played by Mr. McGilchrist.

Truce Plea Is Denied; Nationalists Fight On

SHANGHAI, June 13.—(AP)—Reputating suggestions that it was seeking a truce with rebel armies, the nationalist government military headquarters today declared unrelenting warfare against northern and southern forces challenging its existence.

President Chiang Kai-Shek, far from yielding to rebel demands for his resignation, has taken command of nationalist forces at Hankow.

The government military authorities said he would smash the Kwangsi province rebels from southern China within ten days. That done, they said, Chiang would resume vigorously the campaign against the northern coalition rebel armies in Honan and Shantung provinces. Hostilities in the latter region were virtually at a standstill after a month of fighting. Unable to penetrate farther southward, the northerners rested with the Yellow river at their backs.

From Hankow came dispatches stating the nationalists' concentration of troops in that area was complete and a drive against the Kwangsi rebels was expected to begin momentarily.

Earlier reports which told of the armistice suggestions brought statements that Yen Hsi-Shan, governor Shansi and Feng Yu Hsiang, prominent militarist associated with Yen in the present northern rebellion, are demanding the resignation of Chiang Kai-Shek as a prerequisite to an armistice. Chiang's later reported determination to carry on the war appeared to be his response to that suggestion.

In connection with the demand for Chiang's resignation it was said Governor Yen and General Feng had dropped their insistence on a separate government with its capital at Peiping.

The outstanding fact that lent credence to a proposal of an armistice was the general deadlock in the positions of the contending forces north of the Yangtze river.