

SERVICE

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The Oregon Statesman

FOUNDED 1851

Salem, Oregon, Saturday Morning, August 23, 1930

WEATHER

Cloudy today and Sunday, possibly showers; lower temperature. Max. temp. Friday 81; min. 50; south wind, River —S.

EIGHTIETH YEAR

No. 128

MCKINNEY PLEA FOR ACQUITTAL WILL BE FILED

Conspiracy Case Outlawed By Limitations Law, Lawyers Aver

Olmsted Cross Examination Continues; Gift for W. C. T. U. Told

SEATTLE, Aug. 22.—(AP)—A directed verdict of acquittal on the ground that his alleged connection with the conspiracy ceased in 1925 and the charges are outlawed by the statute of limitations, will be asked for C. T. McKinney, former assistant United States attorney, one of five defendants in the Lyle-Whitney trial in federal court here.

Decision to ask the court to discharge McKinney was reached today by defense counsel after Roy Olmsted, former liquor "king" of the Pacific northwest, testified his dealings with McKinney ended in 1926, or four years ago.

Alfred H. Hubbard, Olmsted's partner who said he became a dry agent to "get" prohibition officials, previously had testified that he had made huge protection money payments to the other four defendants but said he had not bribed McKinney.

Conspiracy cases became outlawed by the statute of limitations after three years Sullivan said.

Motion Delayed By Adjournment Early adjournment of court to permit the jurors to hold sort of a reception for their families prevented John J. Sullivan, McKinney's attorney, from making his motion for a directed verdict.

Roy C. Lyle, former prohibition administrator, William M. Whitney, his assistant, and Earl Crowin and R. L. Fryant, dry agents, are the other four defendants, who are accused of having accepted about \$100,000 in protection money from bootleggers, some of whom they sent to the penitentiary.

Olmsted, who has eight months of a four year prison sentence yet to serve for conviction of liquor conspiracy, succeeded Hubbard on the witness stand for the government late yesterday. His direct examination was completed this afternoon, but defense attorneys expected to continue his cross examination when court reconvenes Monday.

Well Outlined Plan Olmsted told with apparent relish of his well organized boot-

Body of First Polar Aviator Found After Silence of 33 Years

Fate of Andree, Lost in 1897 on Balloon Trip Into North Regions, Discovered by Norwegian Expedition

OSLO, Norway, Aug. 22.—(AP)—Out of the Arctic silence today came the grim last chapter of aviation's first North Pole argey, solving after 33 years the mystery of how Salomon August Andree, Swedish balloonist-explorer who set out in an airship, in 1897, for the top of the world, perished with his two companions.

ENDURANCE TEST FIRST IN COUNTY

Silverton Lads Will Pedal Bicycle Until School Calls, Proposed

SILVERTON, Aug. 22.—A bicycle endurance test was started at Silverton at 1:30 Friday with Norris Ames, president of the Silverton chamber of commerce, giving the four boys who will take part the send off. Billie Kleeb rode the first two hours and then was replaced by Jean Hobart. The other two boys who will ride are Billie Gates, and Louis Patterson.

SPOKANE, Wash., Aug. 22.—(AP)—A 17-year-old tree sitter, aloft nearly 700 hours, laid plans today to "attend school" in his state of Washington.

Fritz Barrett and Owen Resa, 17, will attain 700 hours at 6 p. m. (E. S. T.) today. They yearn to beat Elmo "Pinecat" Wilcox, 13, the redoubtable Couer d'Alene, Idaho, lad who will attain 778 hours at 8:30 p. m.

Also Still Aloft "Resa is old enough to attend high school," said Barrett today, "and we think we can get permission for him to stay up after school starts, if he studies in the tree, although I will have to go to school."

Wilcox, the piano-hater of Idaho, said nothing, but installed a radio in his pine tree and adopted a "no-surrender" attitude. He fled to the tree to avoid piano lessons and since learning that it was the "honorable" Des Moines, Iowa, is ahead of him, he not only has refused to come down, but has improved his tree with a mattress, springs, a dining room, rubber hose plumbing for the daily shower and a hammock.

It's not the "honorable" of Idaho with him apparently, it's just that he doesn't care for the piano.

OPPOSITION TO EARLY SESSION SPREADS HERE

Methods to Prevent Misuse Of Power Rights Held Already at Hand

Legislative Call Proposal Branded by Some as Political Move

Salem members of the legislature discount the need of any special session at this time. They assert that the present law gives the state officials plenty of latitude in controlling filings for power rights on state streams.

Some claimed that the special session was wanted just to mix political medicine, the public ownership advocates loud speaking for public attention.

Governor Norblad has not declared what his intention is respecting an extra session, but with the rolling tide of opinion setting in against calling the session with all its expense it may be said that there is scant prospect of a special call going out for convening the legislators.

The governor did say yesterday that he would investigate the authority of the reclamation commission in protection of the rights of the people to their power.

Neither he nor his father, the chairman of the clan army which half a century ago after eight years of warfare, forced back into the Kentucky mountains their foes, the McCoys, died with their boots on "Cap" as he was known, will be buried.

Possessed of a remarkable memory, "Cap" told many stories of the feud during his early life, but of late years declined to discuss the strife during which he "guessed" he had been shot at some 300 times.

Several score persons met violent death. Many of the feud figures and their descendants lived to become peace officers. "Cap" once served as a deputy sheriff under two brothers, one of whom, John D. Hatfield, is the present Logan county sheriff.

His appointment was announced today by President Hoover who said he considered Fletcher well qualified for the post through experience with tariff matters while serving the government abroad.

It was Mr. Hoover's first appointment to the commission since congress ordered the reorganization in the Smoot-Hawley tariff bill more than two months ago. The president has until September 16 to name the other five members, three of whom must be democrats.

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Outlook Dark Says Filipino



Manuel Quezon, leader in the movement for independence of the Philippines, arrived in North America Friday in quest of health. He says the islanders are "very sanguine" in hoping for ultimate independence.

LAST OF FEUDISTS DIES IN HOSPITAL

William Hatfield, Aged 67, Passes Away Without Boots on, Noted

BALTIMORE, Aug. 22.—(AP)—The last of the active figures in America's most noted mountain feud, William Anderson Hatfield, died at the age of 67 at a hospital here today following an operation, and tonight his widow, a son and a daughter started back to Logan, W. Va., with his body.

There, in the town where stands a monument to his father "Devil Anse" Hatfield, "Cap" as he was known, will be buried.

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'MA' FERGUSON AND PUBLISHER FACING VOTERS

Final Democratic Choice is Slated Today; Issues Appear Unusual

"Pa" Says Wife if Elected Will Pardon Convicts in Liquor Cases

DALLAS, Tex., Aug. 22.—(AP)—Democratic voters of Texas will choose tomorrow between Miriam A. Ferguson, former governor, and Ross S. Sterling, Houston publisher and capitalist, for the party nomination for governor.

One of the state's strangest and most vitriolic primary campaigns ended tonight with intense feeling aroused over the gubernatorial race in which Texas' first and only woman governor is attempting a political comeback sponsored by her husband, former governor James E. Ferguson.

Sterling, who is chairman of the state highway commission, and Mrs. Ferguson survived for tomorrow's runoff primary from a field of eleven which contested at the first primary a month ago.

A highlight of the campaign was a promise made by Ferguson that his wife, if elected, would pardon all convicts serving time for violation of the state prohibition law. He said she would liberate 2,000 convicts from state institutions.

Leaves Campaign To Her Husband Making few public appearances Mrs. Ferguson left the campaign to her husband, who was ruled ineligible to be a candidate himself as the result of his impeachment and removal from office during his second term as governor in 1917.

Ferguson offered the voters "two governors for the price of one," announcing that he would be his wife's chief advisor in the event that she returned to the chief executive's office.

Sterling, making his first campaign for elective office, declared that "honesty in government" was the paramount issue, citing Ferguson's impeachment and attacking the pardon and parole record of Mrs. Ferguson while she was governor.

PETERSON PITCHES SOLONS TO VICTORY

PORTLAND, Ore., Aug. 22.—(AP)—The Salem Senators tonight defeated Peninsula, Portland city champions, 3 to 1, in a night baseball game here.

Andy Peterson, sensational Senator pitcher who has one perfect no-hit, no run game to his credit and a lengthy string of strikeouts, won the contest. He struck four bingles, struck out 10 and walked two. Peterson has won nine of his last ten starts. Phil Helm pitched for Peninsula and let but five bingles get away.

Salem scored in the first, fourth and eighth innings. Peninsula counted in the third. In the ninth Peninsula had the bases loaded but Peterson bore down and struck out the side.

R H E Salem 3 5 1 Peninsula 1 4 2 Batteries: Peterson and Messenger; Phil Helm and Geenty.

Salem will meet Coquille there August 31 and September 1 in the elimination series to decide the state independent championship.

PAPER BOARD MILL STARTS NEXT WEEK

Finishing touches are being put on the machinery and equipment of the Western Paper Board Products company, locally financed company, which will begin operations next week in its new plant north of the brick yard in north Salem.

A good flow of water was struck in the company well and a tank is being erected for water storage. The big new digester has been received and installed in place, as well as the machinery which Manager Patten shipped up from San Francisco.

The product will be blenders board of a superior quality being manufactured from wood fibre and flax fibre. The raw material consists of waste products from the local paper mill and the state flax plant. The pulp screenings will be trucked to the mill in damp state. Flax shives will be blown into box car at the penitentiary plant, hauled by rail to the board mill where they will be stored in the storage bins on the second floor.

Three shifts per day will be run when the plant is in full operation. The mill is fully financed, chiefly by local capital.

She's Dry But May Vote Wet



Ruth Hanna McCormick, Illinois republican candidate for the senate, says she will abide by state referendum on prohibition question, though she is personally an ardent dry.

CANDIDATE AGREES TO MAJORITY RULE

Ruth Hanna McCormick Says She Will Vote Wet If Referendum Carries

SPRINGFIELD, Ill., Aug. 22.—(AP)—Ruth Hanna McCormick, republican candidate for the United States senate, today announced that if the voters of Illinois at their referendum in November ask for repeal of the prohibition amendment, she will be guided by their decision.

Before she had spoken, the republican state convention adopted a platform with exactly the same attitude on the question as expressed by Mrs. McCormick.

"If a majority in Illinois are recorded as favorable to repeal of the 18th amendment," she said, "I stand ready, when elected senator, to obey the mandate of the people and to submit the question of its repeal to the various states."

"If the expressed will of the people is for modification of the Volstead act, my course as a member of the senate would be in sympathy with the principles so approved, but the definite course to be pursued would be dependent, of course, upon the nature of the modification demanded."

While reaffirming that she was dry, personally, she told convention delegates that "the return to Page 2, Col. 2

BANDITS KILL 500 IN CHINA

Eight Hundred Kidnaped for Ransom as Helpless City Is Sacked by Reds, Word From Honan States

Direct Attack on Capital is Made Friday; Score of Leaders are Arrested in Nanking

SHANGHAI, Aug. 22.—(AP)—Two thousand bandits descending upon the helpless city of Hangchengchen, western Honan province, killed 500 natives and kidnaped 800 others for ransom, said Chinese press dispatches today.

The atrocity, latest reported in the series since rebellion, communist depredations and widespread banditry, gripped China, took place during a fortnight occupation of the city. Methodically and thoroughly the brigades stripped the townspeople of all their possessions, slew the poor and carried off the prosperous, their lives dependent upon ransom payment.

Firing the city and leaving it in ruins, the bandits marched off with their prisoners to the mountains of eastern Shensi province. Safe there from pursuit by military engaged in civil war, they may prepare for another attack upon defenseless towns or countryside.

Communists whose armies have roamed over several provinces, despoiling the country, looting and burning cities, struck directly at the capital of the nationalist government today when a score of their leaders were arrested in Nanking. Their plan to overthrow the government by dynamiting several of its buildings was frustrated and huge quantities of explosives and communist literature were seized.

Rebels were active, too, in South China. Fierce fighting took place as insurgents attacked.

Turn to Page 2, Col. 1

PROFITTEERING IN PRODUCE WATCHED

TOPEKA, Aug. 22.—(AP)—Sen. Arthur Capper today received assurance from Secretary of Agriculture Hyde that "everything in our power will be done to prevent any manipulation of the market by those who would take advantage of the drought situation."

The secretary of agriculture, in a letter to Senator Capper, said the department had sent out inquiries to their market news agents in various markets on retail prices of fruits and vegetables.

"Our conclusion," he said, "is that reports of profiteering are greatly exaggerated. Some increase is to be expected, especially of the commodities of which there will be a reduced supply by reason of the drought."

State Employment Plan Urged by Federal Chief

The state of Oregon should institute a well-planned employment service and when it does, the federal government will cooperate with its funds declared Francis I. Jones, director general of the United States employment service, before a group of community leaders Friday night at the Y. M. C. A.

Jones, on his annual western tour, declared that the "machine age" and the day of mass production and divided ownership, necessitated more than ever that the governments of the states and nation tackle the problem of labor placement.

He explained that the Salem labor placement bureau would be continued as an adjunct of the farm labor division work and he said he hoped additional moneys could in time be secured for the work here.

The visitor interjected glowing compliments for local and state leaders in labor placement work into his address and at the same time characterized President Hoover as the "deepest student of economics in America."

Jones also characterized Senator McNary and Congressman Sawyer in laudatory fashion, saying both men were highly respected at Washington, D. C.

Oregon Briefs

WOMAN DEFIANT SWEET HOME, Ore., Aug. 22.—Sweet Home, placid little Oregon town, had more than its usual share of excitement today.

When the Linn county road crew attempted to begin road construction across Mrs. Henry Thompson's property, Mrs. Thompson met the men with a rifle in her hands and threatened to shoot them if they proceeded with the work. The men retreated.

County Sheriff Shelton and Deputy McClain were called and through them the district attorney convinced Mrs. Thompson the county was within its rights even though the condemnation suit against her property was still pending.

INCREASE NOTED WALLA WALLA, Wash., Aug. 22.—(AP)—Prune shipments from the Walla Walla-Milton-Freewater district so far this year have totalled 293 cars as compared to 218 cars shipped out at this time last year.

The quality so far has been good and prices have ranged from 35 to 40 cents for lugs and suitcases.

FLIER SAVES MAIL BAKER, Ore., Aug. 22.—(AP)—Abe Warner, veteran air mail pilot, set down his Boeing airplane near the municipal airport today, leaped from the plane and rescued the mail bags just before the plane's gasoline tanks exploded.

Warner first noticed gasoline spraying into the cockpit from a broken line while he was 30 miles east of here. Twice he was nearly overcome by the fumes. Then fire broke out in the cockpit and one wing hit Warner as he sped on toward the field here. When he landed one wing was burned nearly off.

Warner suffered only a slight cut over his right eye when he landed his machine. A short time later he took off with J. P. Livermore, another pilot, for Pasco.

Rifle Halts Road Crew Blazing Plane Landed Prune Shipments Heavy Fish Committee Meets

SEASON STUDIED ASTORIA, Ore., Aug. 22.—(AP)—The state legislative interim fish committee is scheduled to hold a meeting here at 10 o'clock tomorrow morning.

The committee is expected to discuss trolling, definition of various types of fishing gear and matters relative to a change of fishing season on the Nehalem and Tillamook rivers.

Today members of the committee inspected sealing operations at Sand Island and Peacock spit at the mouth of the Columbia river.

EGG TAKE STARTS EUGENE, Ore., Aug. 22.—(AP)—The state fish commission employes started taking Salmon eggs at the Salmon racks in the McKenzie river 14 miles above Eugene today. Hugh Mitchell, superintendent of state hatcheries, was here yesterday to arrange the work.

A large number of Chinook salmon have been permitted to escape the traps and go upriver.

STOCKYARDS BURN PORTLAND, Ore., Aug. 22.—(AP)—Fire today destroyed 75 covered pens at the Portland union stockyards. George Pearson, president, estimated damages at \$25,000.

The fire was believed to have started from hot tar used in re-roofing some of the pens. Five thousand head of livestock were driven to safety and 125 employes' automobiles were shored out of danger. A few pens belonging to Swift and Co. also were burned and for a time the fire threatened the packing plant. Water was played on the roof of the building throughout the fire, however, and it was un- damaged.

BANK ENTRY TRIED EUGENE, Ore., Aug. 22.—(AP)—An attempt to jimmy open the rear door of the First National bank was made here early today. A patrolman saw four men in the alley back of the bank. As he approached they entered a car and drove away. The patrolman investigated and found jimmy marks on the door.

SILVERTON STORE HEAD DIES FRIDAY

SILVERTON, Aug. 22.—Nils Digerness, well-known Marion county business man, died at the Silverton hospital at 2:15 Friday morning from heart trouble. Funeral services have not yet been announced.

Mr. Digerness was born in Odessa, Hardanger, Norway, in 1867. At the age of 16 he came to America and settled at Thor, Iowa. He was married to Bell Larson and seven children were born to them. Six of these survive. Omar Digerness died about eight years ago. Mr. Digerness was widowed 10 years ago. The children surviving are Mrs. Nelson Adams of Mill City, Mrs. Aleda Daniels of Sioux Falls, So. Dakota, Mrs. Eva Benham of Salem, Knute and Mable of Silverton and Helmer Digerness.

Mr. Digerness has owned and managed a general merchandise store at Silverton since 1911.

RACKETEERING IN EGGS NOW DENIED

NEW YORK, Aug. 22.—(AP)—Judge Gustav Hartman, counsel for egg dealers concerned in the state investigation into food profiteering, tonight denied there is racketeering or profiteering in the egg industry.

"We deplore the wide-spread publicity that has been given to the false and malicious testimony," the statement said.

Judge Hartman said the New York Mercantile exchange, through its executive body, had unanimously gone on record denying the accusations. He said Utah eggs, which figured extensively in testimony as having been kept out of the New York market, were only a minor factor in the trade.

AUTOS INCREASE BERLIN (AP)—Despite business depression, Berlin's automobile registrations rose in the three months ending July 1 from 100,000 to 107,000. The number of women drivers also increased.

DERBIES PROCEED BUT ONE HELD UP

Start of Principal Race to Chicago is Indefinite, Maybe Wednesday

(By The Associated Press) Participants in all but one of the six aerial derbies converging on Chicago and the national air races moved forward yesterday.

A sixth—the Miami-to-Chicago derby was held up at Augusta, Ga., because of storms, but the three entrants expected to hop off for Sky Harbor, Tenn., today.

Mrs. Phoebe Omlie led the six east coast women derby fliers into Raleigh, N. C., from Washington and Richmond, Va.

Verne Roberts kept in the lead by a margin of about 4 1/2 minutes elapsed time in the Hartford, Conn., to Chicago east coast men's derby in which there are five entrants. These fliers landed at Cleveland.

At Wichita, Kansas, Gladys O'Donnell of Long Beach, Cal., continued to lead the west coast women's derby when she landed from Enid, Okla., ahead of the other five contestants.

Nick Mamer, Spokane, Washington flier, arrived at Billings, Mont., in the lead of the contestants in the Seattle to Chicago race, which is scheduled to finish at Chicago Monday.

Wednesday, or some day between then and September 1, a group of the nation's crack fliers will roar away from the Pacific coast for a non-stop race to Chicago, the seventh and flashiest of the national air races cross-country events.

REVOLT OF TROOPS IN PERU REPORTED

LIMA, Peru., Aug. 22.—(AP)—The Peruvian government announced officially tonight that the garrison at Arequipa, second city in the republic, had revolted.

Vague reports, never fully substantiated, have emanated from Peru from time to time during the last year or so of movements against the government of President Augusto B. Leguia, who seized the presidency by a coup d'etat on July 4, 1919. He was re-installed in 1929 to serve until 1935.

Arequipa is the third city in the republic and has a population of about 65,000 people. It is located in the southern part of the republic, in the Andes mountains, on a railroad line stretching from Lake Titicaca to the coast.

HENRY P. FLETCHER TARIFF BODY HEAD

WASHINGTON, Aug. 22.—(AP)—Henry P. Fletcher, of Greencastle, Pa., a veteran of the American diplomatic service and long associated with problems of world economics, is to be the chairman of the reorganized tariff commission.

His appointment was announced today by President Hoover who said he considered Fletcher well qualified for the post through experience with tariff matters while serving the government abroad.

It was Mr. Hoover's first appointment to the commission since congress ordered the reorganization in the Smoot-Hawley tariff bill more than two months ago. The president has until September 16 to name the other five members, three of whom must be democrats.

Phil Metschan Calls on Salem

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