

KAVANAUGH'S MAN IN KAVANAUGH OUT

Report of Receiver Named By Court in Guardian Case is Accepted

PORTLAND, Ore., June 24.—(AP)—Circuit Judge Hall S. Lusk today filed with the Multnomah county clerk an order approving the report of John P. Kavanaugh as receiver for the Guardian Savings and Loan association, the Western Savings and Loan association, and the Dime and Dollar Building and Loan association and relieving Kavanaugh as receiver.

The order also released the bonds of the receiver and allowed a \$50 fee to John T. Pasquill, public accountant, for services in connection with the receivership.

Kavanaugh was appointed receiver by Judge Lusk June 2 and later vacated the order, leaving the affairs of the companies in the hands of James W. Mott, state corporation commissioner.

Receivership Case

Myra M. Reynolds today filed suit against E. E. Fitzwater, president of the Guardian Savings and Loan association and the Mortgage Investment company, charging him with embezzlement of her money in the amount of \$8529.43.

Miss Reynolds said in her complaint she became acquainted with Fitzwater in the fall of 1925 and delivered to him about \$12,000 to be invested in first mortgage securities on real property. Later she said, she consented to the investment of part of the funds in stock and gold notes of the Empire Oil and Food company, charging him with embezzlement of her money in the amount of \$8529.43 with Fitzwater to invest in first mortgage securities with instructions that when the mortgages were paid or expired the money was to be returned to her in like manner.

The complaint alleges that the defendant, by reason of expirations and collections, obtained this sum of money but "for the purpose of cheating and defrauding the plaintiff" represented to her that he had re-invested the sum but instead had converted the money to his own use.

FRENCH REPLY IS PART ACCEPTANCE

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they would be made available to Germany and to other needy nations in the form of loans.

This agreement would keep intact the Young plan, which the French regard as a citadel of protection.

Text of Reply Not Made Public

The reply to President Hoover's suggestion was handed to United States Ambassador Walter E. Edge by Premier Laval today, and at the same time a copy was sent the French government in Washington for presentation to the American government.

In government circles it was said the French counter-plan would mean that, although Germany would continue her formal payments of the unconditional portion of reparations, in point of fact she would be paying out nothing, since the money would be returned to her.

Mentions Difficulty in Changing Policy

The reply emphasizes the difficulty any French government would have in approving an alteration of the Young plan without the authority of the French parliament.

In well informed quarters it was said tonight the French answer, which was drawn up after some difficulty, was the only kind of reply the government could give. The contention is advanced that no world problem of such gigantic nature could be expected to be dealt with until there has been discussion of the details involved.

The French considers their counter-proposal an enlargement of the Hoover plan by suggesting co-operation not only to have Germany but to assist in the reconstruction of other countries, including Austria. It is argued that other countries must be affected if the Hoover plan is to be successful.

SOLDIERS DESERT; SEARCH PARTY OUT

PORT TOWNSEND, Wash., June 24.—(AP)—Ordered by superior officers to shoot to kill if necessary, 200 Fort Worden soldiers tonight were searching for deserters in this region for two army deserters, Privates A. W. Fagel and S. E. Hopper.

Two sisters, Ruth and Vivian Howe of Irondale, were arrested by officers who said they were suspected of supplying the men with civilian clothes.

Fagel, who had two months to serve, and Hopper, who was serving 18 months for desertion and other offenses, overpowered a guard where they were driving one of the fort wagons to a garbage dump today. The guard, Private Floyd Jordan, was bound and gagged and pepper was dashed in his eyes.

He freed himself about an hour later and spread the alarm.

Turkey Growers May Try Planes

Douglas county turkey growers have requested Les Eyerly, local aviator, to submit prices for transportation of dressed birds from Roseburg to Denver and way points by airplane. Eyerly recently returned from Denver where he delivered 600 pounds of selected cherries. The flight was made in 12 hours.

JAP ENVOY HOST TO LINDY



Japanese Ambassador Debuchi (insert) and his attractive wife are shown playing host to Colonel and Mrs. Charles A. Lindbergh at the Japanese Embassy in Washington at the time the "Flying Colonel" asked official permission to fly over Japan on his contemplated trans-Pacific hop with Mrs. Lindbergh. Note the Oriental costume of the hostess. The picture of Lindy and his wife is one of the best the couple has had taken recently.

CONTROL OF FLAX OUTPUT PROBLEM

(Continued from page 1)

residue from the industry would then be distributed to the growers as their interest appeared.

Farmers to Advise

5. Growers would be organized to keep in touch with all operations in the flax industry. Through their advisory committee they would correct the board on any mistakes affecting the growing of flax, the pulling of flax, the processing of flax and the selling of products. The producers would thus be quasi-partners in the business and the more efficiently the flax industry was operated, the higher would be their returns.

Advantages pointed out in such a system would be that the producers of flax would be organized. They would have far more a hand in operating the industry than in the past when charges of carism have been frequent against the industry's management. Certain information on flax growing could be exchanged among growers and more efficient use of pulling machinery than now obtained could be effected.

Arguments against such a plan include the difficulty in organizing flax growers, and the possibility of dispute within the group.

Farmers Well Paid

It must not be forgotten in considering the relation of the farmer to the flax industry that to date he has profited in a very satisfactory manner from flax. It is true that the crop requires good land, careful ground preparation, expensive seed, rather costly pulling operation and considerable attention during the time the crop is developing. But it is likewise true that the average price netted by flax growers in recent years has been far above that of any other field crop such as wheat, oats, hay, or barley.

Statistics bear out this assertion. The following figures are taken from a report of the Washington based on prices paid for the 1930 crop:

Of the total acreage from which flax was sold to the state penitentiary in 1930, 56 per cent paid the grower a net of \$80 an acre. This was a return after seedling costs of \$8.50 an acre and pulling costs of \$15 an acre were provided for. In this acreage, 159 growers were included.

Twenty-eight per cent of the acreage brought the grower an average of \$12 an acre net after seedling and pulling costs while six per cent of the acreage returned the grower a net of \$25.50 a ton for flax after deducting seedling and pulling costs. Of the total flax growing flax, 81 per cent got from \$25.50 net an acre to \$480 net an acre for their flax. Ninety per cent of the acreage planted came in this classification.

SEVEN CHANGES IN TARIFF ANNOUNCED

WASHINGTON, June 24.—(AP)—Increased duties on three commodities and decreases on four others were proclaimed today by President Hoover on recommendation of the tariff commission.

The increases were in the duty on dried eggs from 18 cents to 27 cents per pound, hemp cordage from 2 1/2 cents to 4 1/2 cents per pound, and bells for bicycles from 50 per cent to 70 per cent ad valorem.

The tariff on Bentwood furniture was lowered from 47 1/2 per cent to 42 1/2 per cent ad valorem, that on package olive oil from 9 1/2 to 8 cents per pound, pipe organs and parts from 60 to 35 per cent ad valorem, and pipe organs and parts for specific non-commercial installations from 40 to 35 per cent ad valorem.

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HOP FOR MOSCOW STARTED BY PAIR

(Continued from page 1)

storing up enough energy to carry them to Moscow in the morning.

They dropped out of the moonlight on to Tempelhof air field at 8:30 p.m. (2:30 p.m., EST.) at

GRAND ONCE A SINNER

Last times today
DOROTHY MACKAILL
It's a family
Night
Tomorrow
"PART
TIME
WIFE"
with
EDMUND LOWE

GIRL SCOUT CAMP PLANS COMPLETED

Will be First Group This Season to Occupy Camp Santaly on Santiam

Final plans for the first Girl Scout summer camp to be held here in several years were completed last night by scout leaders and members of the joint committee of the Legion auxiliary and Business and Professional Women's groups which are sponsoring the movement in the county.

Scouts will spend but one week in Lebanon, will be the first group this summer to occupy Camp Santaly, the Girl Reserve camp on the North Santiam above Mehama. The week opens Sunday, July 5.

It looks then that the camp will be filled to capacity, with 24 girls having already signified intention of attending.

Miss Pauline Lockhart, Willamette university student who is spending the summer at her home in Lebanon, will direct recreational activities at the camp. She will be assisted by two scout captains, Mrs. E. A. Collier of Salem and Miss Ruth Rullison of Keizer.

Program for Each Day Worked Out

A program for each day's activities has been carefully worked out and will include flag ceremonies early in the morning, camp inspection, morning recreation, lunch, rest hour, woodcraft and other scout studies, directed play, evening flag ceremony, dinner, and camp bonfire or other activity following the dinner hour. Girls will retire at 9 o'clock each night.

Captains were instructed to pass to each girl a list of articles which may be brought to camp. One roll and one suitcase will be allowed each girl.

Transportation to camp must be arranged for by the individual girls, with assistance and approval of troop captain. Each girl who attends must have a physical examination before going to camp.

The girls will arrive in camp Sunday afternoon, July 5, evening 7 o'clock, and will be housed in tents.

It is requested that additional girls who wish to attend get in touch with their troop captains at once. The cost is \$5.

INTANGIBLES TAX ATTACK LOOMS UP

(Continued from page 1)

law is declared unconstitutional. Smith said, those who have made payments under it will be protected by a general statute enacted at the recent session of the legislature which requires the state to return tax money collected under any law found unconstitutional.

While rumor was constant yesterday that a test case on the new intangibles and income taxes was pending, none appeared in circuit court here and collection went on steadily at the office of the state tax commission. The time for filing of the taxes is to expire at midnight today.

Tax receipts from the two sources aggregated more than \$650,000 at the close of business last night and much tabulation of checks remained undone when the office closed. Incoming mails for the day were the heaviest this year.

It has been estimated by the state tax commission that \$1,500,000 will be collected this year from the new intangibles and state income taxes.

WARNER BROS. Elsinore

LAST TIMES TODAY
Claudette Colbert - Fredric March - in
"Honor Among Lovers"
TOMORROW—
Home of 25c Talks
A HOME OWNED THEATRE
LAST TIMES TODAY
Greta Garbo
Inspiration
COMING
FRIDAY AND SATURDAY
WILLIAM HAINES
A TAILOR MADE MAN

THE CALL BOARD

By OLIVE M. DOAK

WARNER'S ELGINORE
Today—Claudette Colbert, Fredric March in "Honor Among Lovers."
Friday—Richard Arlen in "Gun Smoke."
HOLLYWOOD
Today—"Inspiration."
Friday—William Haines in "A Tailor Made Man."
GRAND
Today—Dorothy Mackaill in "Once a Sinner."
Friday—Edmund Lowe and Lelia Hyams in "Part Time Wife."
"Honor Among Lovers" which opened last night at the Elsinore theatre, is one of the most refreshing ultra modern dramas screened for many months. The feminine role played by Claudette Colbert is done with a natural quality and finish that only she can do. Her attractiveness and charm ranks the picture among the best. Fredric March plays the male lead and with his suave manners and good looks combined makes a splendid opposite for Claudette Colbert.
No picture is well balanced without comedy, so Charles Rugles supplies a series of really clever wisecracks which keeps the action moving right along. Ginger Rogers, playing the part of the "dumb flapper" is good too and makes a good mate for Charles Rugles.
From the artistic standpoint, it is a lesson in modernistic art—and nothing is left undone for convenience and efficiency. All in all, it's an A1 show and you're missing a lot if you miss it.

MRS. BERGMAN IS DAUGHTERS' CHIEF

PORTLAND, Ore., June 24.—(AP)—Three of the five Grand Army auxiliaries elected officers today. The Women's Relief corps named Mrs. Josephine Endicott, The Dallas, department president, and Mrs. Ethel McCaschem, Portland, senior vice-president. Other officers will be elected tomorrow.

The Ladies of the G. A. R. elected Mrs. Rose Garrison, Portland, department president, and Mrs. Irene Baker, Portland, senior vice-president. Election will be completed Thursday.

Daughters of the Union Veterans of the Civil War elected Mrs. Bertha Bergman, Salem, president; Mrs. Angie Dayton, Astoria, senior vice-president; Mrs. Ethel Burns, Newberg, junior vice-president; Mrs. May E. Esberg, Portland, treasurer; Mrs. May C. Furbur of Eugene, Mrs. Flora M. Porter of Corvallis and Mrs. Anna Steinbaugh, Grants Pass, council members; Mrs. Madeline R. Nash, Salem, inspector.

Britain Grants Moratorium to Its Dominions

LONDON, June 24.—(AP)—Great Britain today granted a one-year moratorium to the dominions for their war debts to the United Kingdom, thereby complying with what Chancellor of the Exchequer Snowden told the house of commons was "the spirit as well as the letter" of President Hoover's debt proposal.

This action of the British government will cost the already heavily taxed British budget about \$11,000,000 (about \$55,000,000).

BARGAINS OFFERED LOWEST IN YEARS

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year ago would have been bargains, have been cut as much as one-half in some cases, to afford pre-war offerings to the shopper.

Up to 50 per cent of the merchandise in Salem are participating in the event and each merchant is designating his store by a special card which has been furnished him for his window. Other cards for bargains day will be used in the store itself.

These Merchants Assure Bargains

Participating merchants are: Miller Mercantile Co., U. G. Shipley Co., J. C. Penney Co., Price Shop, Store, Bishop's, Worth's Dept. Store, Smart Shop, C. J. Breier Co., Commercial Book Store, The Man's Shop, Imperial Furniture Co., Atlas Book Store, Elliott Dry Goods Co., Williams Self-Service Store, Buster Brown Shoe Store, Kafateria Shoe Store, Oregon Shoe Co., Foothealth Shoe Co., Salem Leading Army Goods Store, Kay's Coat and Dress Shop, Gahisport's, Inc. Eoff Electric, Inc., Geo. C. Will Music House, Woolpert & Hunt Drug Store, Greenbaum's Dept. Store, Mack's Ready-to-Wear, MacMarr Stores, Inc., Director's Dept. Store, Bloomsbury Hat Shop, H. L. Stitt Furniture Co., F. W. Woolworth Co., Hamilton Shoe Co.

PEOPLE... ...who are news

(Continued from page 1)

humane men among the leaders of the world today, but when he is a field marshal again the trooper who is not spick and span is the target for his displeasure. He makes no perfunctory job of taking a salute, but makes the most careful inspections.

NOT long ago he took part in the dedication of Prussia's memorial to her war dead. For 15 minutes he marched up and down in front of the honor guard and when the ceremony was over an adjutant suggested that he climb into his automobile and drive home.

"Just a minute," said the president. Then, turning to the chief of staff asked: "Who was responsible for today's parade march?" They gave him the name of the musical conductor. "Tell him for me," said Von Hindenburg. "That the band was in fine shape today."

Anyone who thinks this field marshal and statesman is a feeble old man is badly mistaken. He still has a will of his own and those who work with him respect him.

The son of a Prussian army officer, Von Hindenburg belongs to a family whose sons have adopted military careers for more than 300 years. He is a veteran of three wars and has had wide military experience before taking over supreme command of the German army during the World War.

STANDING more than six feet in height his large body radiates strength and his blue eyes pierce those of the person with whom he talks.

Highway Economy Resolutions Due

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Burns being talked of as a successor to M. A. Lynch of Redmond, a Norblad appointee and a respected member of the commission by Meier. Hanley has been in Salem several times recently, is known to be friendly to Meier and has told friends in Salem that he is becoming more interested in the western part of the state.

One report received here yesterday from Portland indicated that H. B. VanDuser, chairman of the commission, would decline to attend today's meeting unless Lynch is removed. Officials said that Lynch had been antagonistic to VanDuser for several months.

The question of where subsequent meetings of the commission will be held probably will cause considerable discussion. Mr. VanDuser has insisted that the monthly meetings of the commission be held in Portland, while Mr. Spaulding is determined that they shall be held in Salem.

Spaulding said he would submit figures showing that the meetings could be held in Salem at far less expense than in Portland.

FRIDAY and SATURDAY are Bargain Days in Salem

The prices at Penney's have hit an all-time low level. We welcome you to come in and see the values offered.

Cool—Linen
White Caps
and they're "Waverlys," too.
98c

New Color Ideas in
Shirt and Short Ensembles
98c set

Plain and run-resisting rayon sets, with yoke front or elastic top shorts. Smart colored piping trims them... or you choose solid pastels. Also, shorts of fine broadcloth... all new in trim treatment. The best in years for the price!

Summer SUITS
Worsted Gabardines Twist Effects
\$19.75

It's time to get on the inside of a new suit. We have them in choice variety. All the newest fabrics in cool, likeable tans, greys and stripes—finely tailored—reasonably priced.

Lightweight
Fancy Socks
5 prs. 75c

Men's Oxfords
Smartly and skillfully fashioned of black calf... most unusual at this low price!
\$2.98

Combination Last
Good-looking black calf oxfords outstanding for comfort, style and service!
\$4.98

This New
"Solar" Straw
Sparkles with Style!
\$1.98

A different snapbrim style... this "Sparkle" straw with an engaging sheen smart men will like! Actually, it's Italian Leghorn in a pleasing two-tone braid. Cool, easy-wearing... and a value at this extremely low price!

Summer Shirts
at savings!
98c

Nothing skimpy, either... in cut, workmanship or fabric. Smart val-printed fancies, solid shades and whites are included... each a shirt that a man can wear with the same assurance that a larger price provides!

J. C. Penney Co. Inc.
DEPARTMENT STORE
160 N. Liberty St., Salem