# TO REACH JUR

"Clean out Racketeers" is Final Plea of State's Special Attorney

(Continued from page 1) cash was not paid," Goldstein as-

The prosecutor scored the fact that each Empire officer had been credited with \$3000 on the individual subscriptions of \$20,000 when the contracts for stock sales provided that no commissions should be paid until 25 per cent of the total subscription was paid in cash, "and at no time did any one of the officers pay such an amount," Goldstein shouted.

Present Officers Said Real Investors "The defense says the company is still operating; and points to the new officers now in control. Why did these men take control? Because they are the men who put in the real money and are now trying to save something from the wreck."

Goldstein traced the sale of securities as fast as they were traded to the Empire officers for stock, showing the securities were hurried onto the market. He answered the defense's statement that valuable securities were still held by the Empire by showing that these were pledged to secure moneys due for office furniture and fixtures.

He condemned Keller for flagrant abuse of rights in the pay-ment of his salesmen, showing that in many instances salesmen had been paid more cash in commissions than the total down payment they received in cash. "It was a Roman holiday-this Empire deal-for these old-time triends of Keller's who came from Salt Lake, Los Angeles and Chi-cago," said Goldstein.

In his concluding arguments Goldstein pointed to evidence on the sles of stock in The Westerner, Empire adjunct, and claimed that Keller had conspired to have purchasers buy through a dummy third party in order to guise the fact he himself had possession of the stock, Claims Organizing Expense Legitimate

Oscar Hayter, Dallas attorney, defense over from Saturday, spoke in a quiet manner to the jury as he opened his argument defended the organization excounted as a deferred asset.

He justified the expenditure of \$36,000 on the Westerner magazine as an item of advertising needed in establishing so large a company as the Empire. The amount of returns from the advertising Hayter claimed were matters of judgment and opinion and not matters on which a man could be punished.

Hayter disclaimed that Keller exhibited any evidence of devising a fraudulent scheme. "Don't you think these men would have drawn out more than they did if they were going to defraud?" he queried. "Their motives are shown by their expenditures; they tried to conserve the assets of their company; not one of the notes did they sell when they might have sold these for cash and the buyers would have been bound under the negotiable instruments law."

Hayter said there might be justification for a charge of misrepresentation on the part of Empire salesmen but he denied that the evidence showed any intent to defraud. Lengthy Argument

Given by Lonergan Frank Lonergan, Portland athouse of representatives, contin- mother of Mrs. Meier. ued with the presentation of the defense. Starting at 10:45 a. m. was reported as slightly imhe talked until noon and following the noon recess he talked steadily for almost three hours.

Mixing the testimony of the 15-day trial with frequent fervid and oratorical sentences, Lonergan traced, step by step, the conception, organization and development of the Empire- Holding corporation. He denounced all claims of the prosecution that there was a scheme to defraud; se upheld the motives of Keller and his associates and he mainlained throughout that the Empire plan did have, and does have, possibility, even probability of success.

"This is not a case against Keller." Lonergan shouted. "It is a case against Coshow; that is the man they are after; there is politics in this action. The man they want is this son of pioneer parents, this native of Oregon, this man of high repute."

Lonergan placed all blame for the application for a stock-selling permit wherein it was stated that each Empire officer paid \$20,000 cash for his stock, on the shoulders of McCallister, then corporation commissioner, saying, how-ever, that the notes tendered were good, would have been paid and constituted sufficient payment at the time for stock. He declared the former corporation commissioner knew clearly that cash was not to be paid and had not been deceived. Says McCallister

Knew About Notes ."The ordinary individual would agree that 'actual money paid for stock' does not mean notes but the corporation commissioner understood what was being paid, "Lonergan urged. "He was only interested to know whether now or eventually they were going to pay money and not other stock, real estate contracts or similar stuff in exchange for stock. We can quibble over that application ney, had not been allowed to hanfor quibbles; not a case for bandying of words. A man should not lose his liberty on the miscon-struction of words." On the shoulders of Dr. R. W.

### WHAT WELL - DRESSED BATHER WILL WEAR



Here are a few of the styles that will decorate the seaches this Summer displayed by some of Holly-reed's shining light. On the left, Mary Carlyle is wearing a two-piece swim suit of the new ribbed material. It is of solid color with brassiere model top and is set off with contrasting white belt. Next, Leila Hyams shows her choice of aquatic testume. It is the new B. V. D. model of light ribbed wool. in black and white. The bow belt adds a touch of piquancy. Second from right, Leila displays a charming jacket for wear over a bathing suit. It is of the same design as the puit and makes an attractive ensemble. At the extreme right, Anita Page presents her favorite suit. It is a one-piece model with narrow shoulder straps and low-cut back. It has a skirt and 4 belt to contrast with the suit.

## STATE POLICE EYE TROUBLE AT BANKS

Filipines Still There and White Farmers Desire It. Latest Word

BANKS, Ore., April 25-(AP) -Filipino laborers who had been ordered out of this district were still on the ground after 8 o'clock tonight and, having been assured police protection, apparently had no intention of leaving. White lacontinuing the argument for the borers had warned the Filipinos to be gone by 8 o'clock.

At a meeting this afternoon, called by a Banks business man Monday morning. Hayter first and attended by Filipinos, Japanese and whites, it developed pense item in the Empire audit, that it is not the white farmers saying it was a legitimate ex-penditure needed for the organization of the company and one ed to be one of the largest landbe properly ac- holders in the district, said the farmers were opposed movement,

> Action which may be taken by the state in connection with the controversy involving Filipine laborers in the Banks strawberry district, will not be determined until the state police have completed an investigation. This was announced by Charles

> P. Pray, superintendent of state pelice, after a group of Filipinos had appeared at the executive department Monday and asked for protection for themselves and their Japanese employers.

> Immediately following the conference in the executive department George Alexander, deputy superintendent of state police, left hurriedly for Banks. He was to be met there by other operatives of the state police department,

### Meier Returns From Portland

Governor Meier returned to his desk in the executive department Monday after spending virtually all of last week in Portland. He was called there by the serious torney and speaker of the 1931 illness of Mrs. S. Julius Mayer, The governor said Mrs. Mayer

### Brooder House and 600 Chicks Destroyed

KEIZER, April 25-Fire Sunday morning destroyed the brooder house on the J. H. Sanford farm near Spong's landing. Six hundred baby chicks were also destroyed. The fire is thought to have originated from an overheated brooder stove.

IN ORATORY CONTEST WEST STAYTON, April 25-Pupils who represented West Stayton school at Silverton Friday were Antoinette Irish from the eighth grade, and Dorothy Harmes from the fourth grade.

MACLEAY, April 25 - Mrs. Oscar Baker of this community has been the instructor here this year, and has been reelected for next year.

Clancy, now president of Empire, Lonergan placed much of the blame for the present trouble of the company. He said Clancy sought control of the company and in the summer of 1931 began a deliberate course of seeking the presidency. "A house divided against itself cannot stand" said Lonergan who told the jury that if Clancy had not fought for the eadership of the company, the present defendants would still be

in control He held that the strongest evidence there was no fraud lay in the fact the Empire Holding corporation was still in existence and that its stock selling permit had only been suspended and not re-

Lonergan protested against the use of a special prosecutor in the case and asked why John H. Carson, Marion county district attordle the arguments.

Too Late to Classify

## The Call Board . .

By OLIVE M. DOAK

WARNER BROS. ELSINORE Today-Maurice Chevalier in "One Hour With You."

WARNER BROS, CAPITOL Today-Richard Dix in "The Lost Squadron." GRAND

\* Today - James Dunn, Sally Eilers in "Dance Team." Monday - Salem MacDowell elub chorus and Alicia Mc-Elroy ensemble.

Tuesday - James Dunn and Eilers in "Dance Sally Team. Wednesday-Seth Parker in "Way Back Home."

\* Friday-Una Merkel in "The Secret Witness." HOLLYWOOD

Wednesday-Paul Lukas in "Working Girls." Friday - Ken Maynard in "The Pocatello Kid."

Don Novis, rising young tenor ment, you will find that titles may be . The final number. "The Bridal tertaining settings. It is the present feature at Warner Bros. El-

Don't miss the "Lost Squadron". It is one of those few pictures during the course of a year that are truly valuable in memory. Richard Dix, Eric Von Stroheim, Joel McCrea, Robert Armstrong, Mary Astor, Dorothy Jordan-it has a cast to insure success even though the theme were not an exciting one. But the theme is as interesting as the cast is well chosen, and the result is one to be highly recommended.

As the name indicates the picflyers are breath taking to say the least.

### GAMES DIVIDED

WEST STAYTON, April 25-The grade school played two games of baseball Friday afternoon with the Liberty teams. The indoor score for the girls' game was 14 to 13 in favor of West Stayton. The score for the boys' game was 6 to 4 in favor of Liberty.

## IN LOCAL HOSPITAL

STAYTON, April 25-Harry, son of Mrs. Nellie Jones, suffered an acute attack of appendicitis on Thursday night and was rushed to a Salem hospital. His condition is reported as satisfac-

### SWEGLE SPELLERS VIE

SWEGLE, April 25-The Swegle representatives at the Marion spelling contest held in the Salem senior high school building Saturday were Ruby West, Carol Schaffer, Raymond Bond, Edith Oglesby, Clara Mae Dalke.



Biggest Audience in Many Seasons Enthusiastic Over Presentation

By OLIVE M. DOAK Were there any doubts in the

club chorus in several seasons.

Enthusiasm ran high and for good cause. The chorus Monday journment was taken a physician Parrish. \* Today — Marie Dressler in \* which Salem may be justly proud. Balance, flexibility, precision, volume control, tonal quality, all are ing group of 41 members.

"One Hour With You" may be mendable and indicates a future sentimental sounding title for which, barring "upsets", will justa play but when you have com- ly place Salem MacDowell chorus pleted before you the theme of among the excellent ones of the this play and combine that with coast. Miss Tartar, as director, the work of the happy French- and her chorus members are to be man, Chevalier, and Jeanette congratulated on the strides MacDonald, and the singing of which they have made in develop-

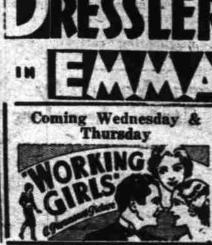
presentation.

semble group of Portland. It is an jous charge will be faced by the interesting ensemble group of violins, viola, cello, oboe and two flutes. The combination is delicate and beautifully musical. They play with precision and sympathetic unity as well as with splendid musicianship.

ture is an air epic and the con- friends to add to the large numtortions achieved by dare devil ber of old friends in the audience.

### BIRTH REPORTED

Home of 25c Talkies Last Times Today



minds of Salem devotees of music as to the quality of the Salem MacDowell chorus it must have been dispelled Monday night at the Grand theatre when Miss Lena Belle Tartar presented in chorus, quartet, octette and select chorus, numbers that brought ringing applause and much coaxing for encores from a large audience. The audience in fact was one of the largest to support a MacDowell

beautifully builded into this sing-The development over the mid- Calbreath Will

year program is sincerely com-

very misleading—an entertaining of Weetamoo", was a brilliant Wednesday morning in justice play, entertaining music, and en- clase to the program. The reading by Mae Waters of the poetic theme greatly enhanced the poetic and musical beauty of the

Their numbers were received with warm appreciation by the audience Monday night, indicating that they had made many new

This was the final chorus presentation of the season. It concluded with a reception at the home of Prof. and Mrs. T. S. Roberts where the cherus, visiting ensemble group, MacDowell club officers and invited friends were entertained with a colorful and intimately friendly reception. The last meeting of the year

for the MacDowell club will come in May and at that time officers will be elected for the coming year. Miss Frances Virginie Melton, president for the past three years is resigning after a successful period of time. Election of her successor will be of vital interest to the welfare of the club.

### TURNER, April 25 - Born to

Mr. and Mrs. C. Catterron, Wednesday, April 20, a daughter, Jar-

Matinee Today 2 P. M.

## Fire Hazard Inspections Latest Plan

Bendele Arrested by State Men: Woman Seriously Injured, Burned

(Continued from page 1) turned over on the far bank of the ditch, pinning Mr. and Mrs. Hibarger under the front seat. As soon as O. G. Hughson and Captain Mc-Cleese, chief of the state police game division, who happened along, got one door open, Mr. Hiberger was able to crawl out. Mrs. Hibarger lay head downward with the seat and tools in her face, the

battery acid pouring out.

While his father was assisting at the wreck, R. S. Hughson pursued the speeding truck and obtained its license number. He rushed to the capitol building here and reported it to the state officers, who immediately took up the pursuit. Bendele drove out of Salem over the 12th street cutoff.

Was Speeding When
Arrested, Charge

When apprehended, Bendele
was going 45 miles an hour, 19

miles over the limit for trucks, the police said. With him was Harvey Cooper, also of Drain. He was questioned concerning the acci-dent, then released. The license plates on the truck are registered to a different make of machine Bendele denied to the officers that he knew anything about the accident. The police said the truck bore scratches along the side

the accident. Officers said that Bendele had previously been involved in traffic troubles. On March 2, they said. truck driven by him collided with another machine near Drain, resulting in the death of & child. Bendele was exonerated by a coroner's jury.

which they termed as "some isdi-

cations" of its being involved in

## Gosser's Damage Action is Being

slightly more than 10,000 for per- Friday with a carload of housesonal injuries sustained in an au- hold goods, machinery and livetomobile accident on the Silver- stock; and Mr. Kotthoff and Mrs. tinue in circuit court here at 9 auto for their new home. Mrs. o'clock this morning. Judge Zim- Kotthoff and daughter. Mildred merman is on the bench.

Plaintiff had not finished its school. who attended Gosser was on the stand. The case attracted a fair audi-

ence yesterday. Have Hearing on

Driving Charge Preliminary hearing for Eldon albreath, Stayton youth charged with reckless driving as result of an accident a few weeks ago in wrich Zelda Palmer, school girl, was killed, is slated for 10 o'clock

court here. The accident occurred as Calbreath, the driver, and other young people were taking the Palmer girl home from school after Visiting artists on the program she had failed to catch the school fine. were Alicia McElroy and her en- bus. Whether or not a more seryouth will probably depend upon the court will be served this facts brought out at the hearing morning. tomorrow.

> SANTIAM WINS NORTH SANTIAM, April 25limity Tuesday.

(Continued from page 1) bureau an experienced fireman to give one months' instruction to local firemen in fighting fires by ventilation. This new idea in fire fighting has been used to some extent here but the local men are not well versed in it.

The committee also will suggest that 37 men, including the chief, be retained at the central and east fire stations. Forty-five are now on the force. When bal-ancing the fire department budget was first considered, it was thought the force would have to be reduced to 32.

be sent to the east station, where cording to his figures, which he the present old engine will be retained, and the south pumper of boys in the four organizations will be stored in a garage near is around 100. The girls' secret central station, where it will be societies are chiefly social organcommittee believes it will not be necessary to take one machine out of service, as first contem-

# **JEFFERSO**

JEFFERSON, April 25-The following teachers have renewed their contracts to teach in the stop, he said, Jefferson schools, for the next school year: in the grade school, Miss Bertha Dillon, Miss Frances Pierce and Mrs. Flo Young. Miss Margaret St. Clair of Gresham has been elected to teach the third and fourth grades. Miss Geraldine Regester, who taught for the past two years, will teach in Lebanon. For the high school, Miss Frances Chambers, Miss Maude Durfee and Lyman W. Patton, principal, have renewed their To Raise Potatoes

W. A. Kotthoff and his son-in-Heard in Court L. W. Drager of Donald have gone to Klamath county, where they Damage action of Gosser vs. expect to raise potatoes on a large Gooch, in which plaintiff seeks scale this season. Mr. Drager left ton-Marquam highway, will con- Drager left Saturday morning by will remain here until the close of case yesterday, with only three Mrs. M. E. Doty of Kelso and

witnesses presenting testimony Mrs. William Skelton were dinner during the day. When the ad- guests, Saturday of Mrs. Jesse Paul's Academy won the silver The M E Doty family. former residents of this communty, moved to Washington several years age, are here visiting relatives and friends before moving Simon, who are attending college to Klamath Falls. Mr. Doty will have employment there. were home over the weekend.

## Three Speeders Admit Guilt in Poulsen's Court

On complaints signed by Chief of Police Frank Minton, three motorists yesterday were haled into municipal court to face charges of speeding. All pleaded guilty. Persons arrested and sentences

were: Roger Williams, \$5 fine; Albert Schlag, license suspended for 10 days; Dr. C. A. Downs, \$5 A number of warrants for persons who have failed to appear in

BURK WINS MEDAL PIONEER, April 25-Donald Burk won the silver medal with The ball game Friday afternoon his "the Battle is On" at the Oakbetween Marion and North San- dale community club dinner held tiam was won by North Santiam, Sunday at the home of C. Sellers. score 16-10. The girls' team Mrs. P. T. Carnes, local president, from North Santiam will play presented the medal in behalf of the Sublimity girls' team at Sub- the sponsoring body, the W. C.

## WARNER BROS. CAPITOL LAST TIMES TODAY!



WAR RICHARD

cil obtain from the Portland fire Only 100 Boys Affected is Declaration; Some are Induced to Quit

> (Continued from page 1) ing the organizations into the school, with faculty advisors, did not change the situation material-

"It didn't change the members' spirit," he said. Only About 100

Actual membership in secret so cieties is small in comparison with the enrollment of the insti-The North station pumper will tution, Principal Wolf said, Acbelieves correct, the total number accessible day and night. The izations, exerting no bad influence, he believes.

Both Superintendent George W. Hug and Wolf yesterday urged the faculty members to cooperate with the administration in combating the banned societies. The teachers were asked to help educate the students away from the organizations, as at least one instructor has been doing with material results.

Superintendent Hug later remarked that he was surprised to learn how much pledging is going on in the junior high schools by the secret societies. This must

ST. PAUL, April 25-Simon Connor, 80, of Portland, a former resident of St. Paul, passed away at his home, April 21, at Rose City Park. Funeral services were held at St. Rose's Catholic church Saturday. The burial took place at Mount Calvary cemetery. Mr. Connor is survived by his wife, Mrs. Agnes Connor and daughter, Martha of Portland, sons Ambrose and Gerald of St. Paul, Victor of Los Angeles, California, and sisters Mrs. Rose Hughes, his twin and Mrs. Edward Kennedy.

St. Paul high school's baseball team defeated Tualatin 5 to 7 Friday on the Tualatin field. The girl's indoor team did not play as pre-scheduled.

medal awarded to the sevent grade at the spelling contest held in Salem, Saturday. The Misses Helen and Arlene at Mount Angel normal school,

FALLS CITY, April 25 - Falls City grade school baseball nine won its second game of the season Friday afternoon when the Dallas graders met them on the local diamond. The score was 16 to 6. Miss Jane Hammel was hostess Friday night to the Epworth eague group of the M. E. church with a party at her home. Thirty-

five young people were present and the evening was spent in games and singing after which re-

Mrs. Mildred Humphrey and Children Douglas and Iris of Portland spent last week visiting Mrs. Humphrey's parents, Mr. and

Mrs. J. A. Bowman. Mrs. T. B. Jones and Mrs. Sadie Morris entertained the Women's class of the Christian church in the church parlor Thursday afternoon. The class was well represented and the afternoon was spent in needlework, after the usual business session.

CLOVERDALE, April 25.—Mr. and Mrs. Gage of Portland have purchased the farm belonging to G. Grabenhorst of Salem, and which is situated on the Market road. The house has been repaired and work is being started in the prune erchard. A hundred cords of wood to be cut on shares has been let to Sam Drager.

Mrs. Gage and son are living on the place while Mr. Gage has em-ployment in Portland. Mr. and Mrs. Louis Hennies (Gertrade Anderson) returned Friday from California where they

have been since their marriage March 1. Mr. and Mrs. A. A. Dumbeck entertined with a social time Friday night. In the group were Mr. and Mrs. Jay Cook, Miss Helen Dumbeck, Miss Melba Berg, Gertrude Cook, Aaron Dumbeck and

### Grade School Play Cast is Announced; Event is April 29

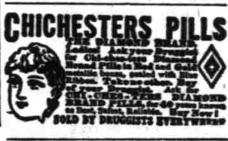
HUBBARD, April 23 - The Hubbard grade school will give the season's most popular play. "Lies and Alibis," at the city auditorium Friday, April 29. The cast includes: Bennie Da-

vis, Junior Higgenbotham; Mr. Davis, William Hecker; Mrs. Davis, Iris Moomaw; Ab. Dinkler, Billy Wengenroth; Harold Beem, Glenn Ainsworth; Jeanette Blue, Gladys Ingails; Molly Mallerton, Frieda Voget; Cleopatra Oleomargarine Johnson, Barbara Cornell; Benjamin Davis, Esp., Charles Knight. The producing staff: Stage managers, Gordon Rich and Bob Miller; costume managers, Marjorie Rich, and Gerard Cox; and coach, Kenneth Dart,

### Miss Patricia Davidson of St. Three Occupants Unhurt as Large Sedan is Damaged

SWEGLE, April 25-A sedan turned over in front of Swegle school when the driver, Orlen Lewis, attempted to make the turn without slowing down. The car was badly damaged but the occupants, Leon Mickenham and Blanche Rutherford and Lewis, were not hurt.

Edith Oglesby and Ruby West won 100 per cent certificates in the spelling contest Saturday.

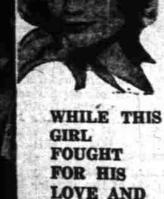




Maunce CHEVALIER ONE HOUR TOURS YOU with JEANETTE MADONALD ENDS

HERE IS ROMANCE





FOUND HAP-

PINESS TOO!

TODAY

MIRIAM HOPKINS PHILLIPS HOLMES WYNNE GISSON, STUART BEWIN IRVING PICHES

Tom'w