

# SECRET CLUB MEMBERS OUSTED

## KELLER GUILTY JURORS DECIDE IN FRAUD CASE

Sentence to be Given After Other Empire Cases are Tried, Says Judge

Coshow Case Next; Special Jury Venire Called to Report on Monday

DALLAS, April 26—Frank Keller, Jr., former sales manager of the Empire Holding corporation, was found guilty of a scheme to defraud by a Polk county jury which reported to Circuit Judge Arlie G. Walker at 2:40 p. m. here today after being out of the courtroom four hours.

Under the blue-sky law, Keller may be sentenced for as long as five years in the state penitentiary, may be fined any amount up to \$5000, or may be sentenced to a maximum of one year in jail or he may be both fined and imprisoned.

Judge Walker immediately announced that he would not sentence Keller until the four pending cases against the other original officers of the Empire corporation are disposed of. Keller is now free on the original \$1000 bail furnished when he was indicted by the Marion county grand jury.

Question of Appeal Not Yet Certain

Frank Longman, principal attorney for Keller, could not be reached tonight for a statement and Oscar Hayter, associate defense attorney, said that the matter of an appeal or the motion for a new trial would rest with Longman.

Judge Walker finished his charge to the jury at 10:30 this morning. He read the entire indictment against Keller and cited the law on devising a scheme to defraud. When the verdict had been announced, the judge conducted a poll of each of the O. P. Coshow which will begin Monday, May 2. Several jurors were not used for the Keller trial but the special venire will be drawn so there will be no danger of a shortage of prospective jurors for the Coshow trial.

Jurors Say Case Was Not Discussed

In an effort to clear up the question of whether or not the jurors had discussed the case among themselves or with others as had been reported yesterday, Judge Walker investigated the matter after the jury had given its verdict. After sending John Keller and E. A. Dunckel, jurors who were reported as having talked with Hugh Black, Polk county clerk, about the case, from the courtroom, Judge Walker questioned the other ten jurors about the reports. The ten jurors stated that they had not discussed the case with anyone and had overheard no discussion between Black and the two jurors. Following this the jury was excused and the judge, attorneys, county clerk, court reporter, and the two jurors went to the judge's room for a conference.

At this meeting, the two jurors, John Keller and E. A. Dunckel, and Hugh Black were placed under oath and again questioned regarding the statements made yesterday that they had not talked with Black about the case and that Keller had not made certain statements to Black in Dunckel's presence. Black refused to repeat the statement that he had made yesterday. It is probable that the record of this meeting will be included in the court record for the Frank Keller case.

The trial of Keller consumed 13 days in court. Nearly 50 witnesses were called by the prosecution and the defense. The estimated cost of the trial was \$5000, which will be paid by Marion county since the case is being tried in Polk county under a change of venue granted by Judge Gale S. Hill of the Marion county circuit court.

Whether fleeing before the storm, or merely creating a new student organization, five Salem high school boys yesterday asked Municipal Recorder Mark Poulsen if he could register a proposed society so that it would come within the state law against secret societies. They said they represented 25 other boys.

Poulsen directed them to the county recorder's office. He did not learn their names, he said.

**Would Register School Society**

## Lindy Makes New Contact Says Report

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HOPEWELL, N. J., April 26—(AP)—A personal contact with the kidnapers of his son is understood to have been made by Col. Charles A. Lindbergh in Virginia last week, a high New Jersey official said tonight.

The meeting was reported to have taken place while the famous flier was away from his estate last Monday and Tuesday.

Those with whom he conferred were understood to be the same group which received the \$50,000 ransom that Dr. John F. Condon, 72-year-old educator, paid to a man in the shadow of a New York cemetery, April 2.

The New Jersey official also disclosed the colonel is planning to meet John H. Curtis, Norfolk (Va.), intermediary, on a boat off the Virginia coast, where they hope to complete the new negotiations and obtain the return of the child.

It was stated on the same high authority that \$1,500 of the original ransom bills have been recovered, most of them in or around New York, but that investigators have been unsuccessful in tracing them.

## JAPANESE FORCES LAUNCH BIG DRIVE

Three Brigades Moved out Against Rebels Said Numbering 20,000

HARBIN, Manchuria, Apr. 27—(Wednesday) (AP)—The Japanese army began today its largest offensive since the capture of Chinchow last December when three brigades under Lieut. General Hirose moved out against a force of Chinese rebels estimated to number 20,000.

The Japanese armies moved out into northern and eastern Manchuria by rail and by river boats, executing a huge "pincer" movement in the hope of crushing the rebels.

The whole of the northern and eastern portions of the province were alarmed with revolt and it was especially violent along the Chinese eastern railway lines and in the Sungari area.

At the same time lesser Japanese forces were attempting to crush other rebel groups in the Tungshu district, 125 miles east of Mukden.

Additional fighting was going on in the Tungshu area, northwest of Mukden, on the Mongolian border.

## Blaze Destroys Large Quantity Of Waste Paper

PORTLAND, April 26—(AP)—Half a million pounds of waste paper were destroyed today when fire swept through the Pacific Paper Materials company plant here.

The fire was thought to have started from a match in a quantity of paper being unloaded at the plant.

Fire bureau investigators said they were unable to estimate the loss because of the nature of the materials stored in the plant. Fred Schulze, manager of the plant, said the fire would not prevent the company's continuing business as usual.

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## SCHOOL TUITION CASE TO AWAIT FORMAL TRIAL

Carson Refuses to Accept Pro-Forma Verdict on Tax Law Matter

Will Delay Consideration in Supreme Court Says Circuit Judge Here

Inability of John H. Carson, defense attorney, and Circuit Judge I. H. McMahon to agree upon a pro-forma decision in the high school tuition case of Weisacht vs. Oscar D. Bower made impossible determination of the suit in the lower court here yesterday.

After considering the judge's proposal for an immediate decision in the matter to permit appeal at once to the state supreme court, Carson decided at 3:30 p. m. Tuesday that he would not accept such treatment of the facts in the case. The judge therefore asked Carson for a defense and James G. Helzel, attorney for the plaintiff, to prepare briefs on the tuition law and to be prepared to argue the matter at a later date in court here.

Will Cause Delay McMahon says

"I think the case will be held up from four to six weeks by this decision," Judge McMahon said after Carson had elected to demand a full trial of the case. "I was willing to hand down an immediate decision and hurry this important matter to the state supreme court but now the matter must await its turn in my docket." The judge said he would be in Albany all next week on the May term of court here and later looked in a deferential presentation here. He said he thought all the issues in the 1915 high school tuition law should be fully considered.

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## LICENSE REDUCTION STUDY IS OUTLINED

PORTLAND, April 26—(AP)—The Oregon motor vehicle license fee revision committee appointed four sub-committees here today to study the license fee question.

Dr. E. B. McDaniel, president of the Oregon State Motor association, chairman of the revision committee, said the findings and recommendations of the committee would be available to the state highway commission and to the governor in time to submit them to the next legislature.

Sub-committees appointed were: Passenger automobiles: Ralph Hamilton, Portland, and Life Compton, Coquille. Buses and trucks: Ben Osborne, Portland, and B. E. Harder, Medford. County appointments: J. E. Smith, Salem, and A. B. Robertson, Condon. State highway and budget: Judge R. W. Sawyer, Bend, and M. C. Glover, Eagle Creek.

TRIAL NEARS CLOSE

BAKER, Ore., April 26—(AP)—Prosecution testimony in the second degree murder trial of War Holden, accused of killing Milton Hopkins last March 6, was completed in circuit court here today.

## Prohi Stand of County Candidates is Queried

Four questions aimed to determine the stand of all candidates for Salem and Marion county offices on the question of law-enforcement and prohibition have been sent out this week by the Jason Lee Methodist church Brotherhood with a request that answers be given within the next five days.

"This questionnaire is not sent you to embarrass your candidacy," states the letter accompanying the questionnaire. "We do feel that these questions are vital to every citizen and that your stand on these questions must be made known if voters are to cast their ballots for candidates who meet the requirements they think necessary."

Dr. L. C. Hockett, secretary of the Brotherhood, said yesterday that a number of candidates had answered within the first 24 hour period from the time the questionnaires were mailed. The letters went to all candidates for the city council, for city officers, for county officers and for representatives in the 1933 legislature.

The questions asked were: "As an individual and a candidate, do you advocate retention or do you advocate repeal of the Oregon dry-law when it comes up at the November ballot?" "Do you favor or do you oppose re-submission of the 13th amendment to the legislature or conventions of 48 states?" "Are you personally a believer in the 13th amendment to the federal constitution or do you favor its abolition?" "Will you seek earnestly and whole-heartedly the enforcement of all laws, irrespective of public criticism against them and your own personal belief about them?"

## Filipinos to Leave Banks; Fear Attack

BANKS, Ore., Apr. 26—(AP)—Spokesmen for Filipino strawberry workers said tonight half of the islanders will be out of the Banks district by tomorrow. Shouted threats against the Filipinos and refusal of Japanese farmers to give them work were given as the principal reasons for their decision to leave.

This morning T. Inagaki, strawberry grower, came to a Filipino camp here and hired four men who had been frightened from his farm last week. As they approached the Inagaki farm white workers shouted threats at the Filipinos, who immediately fled.

No further trouble is expected in the Banks strawberry district, resulting from the employment of Filipino laborers by Japanese farmers, George Alexander, deputy superintendent of state police, reported upon his return Tuesday from Washington county.

Alexander said it was likely that most of the Japanese strawberry growers would dispense with the services of the Filipino laborers as soon as arrangements can be made to pay off some of the financial obligations contracted by the workers.

Reports that the trouble originated with white farmers in the Banks district were branded as false by Alexander.

## LEGALITY OF FINES IS MOOT QUESTION

Dollar and \$2.50 Levies in Municipal Court Aren't Recognized in Code

Why fines of \$1 for overtime parking and of \$2.50 for falling to stop at a through-traffic street are being levied in municipal court, Municipal Judge Mark Poulsen yesterday could not explain in terms of city ordinances. Check of the city traffic code, Ordinance 2188, and of amendments, yesterday revealed the penalty for these and other traffic offenses, excepting drunk driving, as \$5 minimum and \$100 maximum, or jail sentence of from

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## BLOW FROM INDOOR BASEBALL IS FATAL

PORTLAND, Ore., Apr. 25—(AP)—An indoor baseball, hurled from the outfield to the catcher, caused the death here today of Joyce Seaton, 7. The ball struck her over the heart.

The little girl had been watching a group of boys playing ball on a vacant lot. The ball was batted to the outfield where Bill Greisen, about 16, recovered it and threw it toward the catcher near whom the girl was standing. Firemen worked over the girl for 30 minutes but were unable to revive her. The coroner's office reported the girl had been both-ered with leakage of the heart and that death probably was caused by shock.

## Board Decides To Build Walk At Englewood

With the school board's bluff called by the city council, the directors last night carried out the terms of a bargain offered the aldermen several months ago in regard to laying a sidewalk in front of Englewood school.

When the council requested the board to put in this walk, the directors replied that they would do so if the city would extend the walk along Englewood park. This the city is now doing. Consequently, the board last night authorized laying of its share.

The vocational shops in the senior and junior high schools are running behind in expense, according to a report submitted to the board. Expenditures for educational supplies since September, 1931, are given as \$734.34, with income from supplies remitted to the district clerk as \$211.65.

## Arkansas Votes Given to Hoover

LITTLE ROCK, Apr. 26—(AP)—Arkansas republicans instructed their 15 delegates to the national convention for President Hoover at the state convention today, and went on record against prohibition repeal or modification despite a declaration by the keynote speaker in favor of a national referendum.

## PENNSYLVANIA PRIMARY VOTE PROVES CLOSE

Smith has Massachusetts Lead, was Ahead Early in Philadelphia

Roosevelt has Slight Edge Upstate; Davis Beats Butler Decisively

PHILADELPHIA, Apr. 27—(Wednesday) (AP)—Returns from 1,497 of Pennsylvania's 8,181 districts early today in the democratic presidential preferential primary gave: Roosevelt 27,969. Smith 26,195.

PHILADELPHIA, Apr. 26—(AP)—Senator James J. Davis, "moist" republican candidate for renomination, had a virtual three to one advantage over Major General Smedley D. Butler, retired, a dry, on the basis of returns from 894 of Pennsylvania's 8,181 voting districts tonight.

Davis, former cabinet member, had the support of the Vars organization, while Butler, outspoken marine veteran, campaigned with the aid of Governor Pinchot and kept up an incessant attack on the Vars organization.

The 894 districts gave: Davis 111,322. Butler 45,531. These totals included more than \$100 of Philadelphia's 1,666 precincts, where the Vars group is in control.

In the democratic presidential preference Alfred E. Smith had a slight edge over Franklin D. Roosevelt on the basis of returns from 524 of the 8,181 districts.

BOSTON, Apr. 26—(AP)—Candidates pledged to Alfred E. Smith, seeking election in the Massachusetts presidential primary as delegates at large to the democratic national convention, forged far ahead of a slate pledged to Governor Franklin D. Roosevelt of New York in early returns tonight.

With one in ten of the state's election precincts reported, all outside the city of Boston, the Smith candidates ran more than three to one ahead of their Roosevelt rivals.

Returns from 769 precincts out of 1685 in the state gave Senator David I. Walsh, leader of the Smith pledged at large delegation, 55,516 votes against 22,111 for Mayor James M. Curley, of Boston, leader of the Roosevelt candidates.

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## Damages of \$175 Awarded, Result Of Auto Smashup

Damages of \$175 were awarded Miss Lila Gosser at 11 p. m. Tuesday by a circuit court jury which had been out since 6 o'clock. The jury held Leta Woodford, co-defendant with Ben Gosser, liable for that amount but returned a directed verdict freeing Ben Gosser of responsibility for the accident. The plaintiff sued for \$10,000 in damages. The case was begun here Monday before Judge L. H. McMahon.

The accident occurred in March, 1931, mid-way between Silverton and Scotts Mills on the paved market road. Miss Gosser is said to have sustained a skull fracture, severe body lacerations and internal injuries. She was in court during the trial. Testimony was taken and the arguments made before a large audience.

## Probe of Starr Fire Started by Arson Division

Operatives in the arson division of the state police yesterday were investigating a fire which started late Monday in the plant of the Starr Fruit Products company, Mill and South Church streets.

Fire Chief Harry R. Hutton reported the scene of the blaze at the rear of the plant; yesterday morning. He remained of the opinion the fire was set purposely.

# School Board Votes Suspension Of All Affiliated With Illegal Fraternities; Orders Disbanding

## Dissolution of Clubs is Demanded in Resolution Passed by School Board

WHEREAS, secret societies of all kinds, in public school are unlawful and contrary to the laws of the State of Oregon; and it is obligatory on the part of all school boards to eliminate the same;

Whereas, this board from time to time has tried to check, control and supervise their activities and has met with little success as present events show;

Therefore, be it resolved that from this date and upon adoption of this resolution, any and all students of this school district No. 24 who are members, active, proposed or pledged, of any secret society or societies, male or female, as are prohibited by the laws of the State of Oregon, be suspended and credits withheld until such time as sufficient evidence is produced that such student has severed all connections and relations whatsoever with said society or societies.

Such evidence to be submitted under this resolution means surrender of constitution and by-laws, minutes, proceedings, roster, and any other data requested, and a statement from officers of said society of the dissolution of the society carrying with it the release of members from said society.

Individuals not complying with this resolution as provided for in the above, acting as a group, are required to furnish a certificate and affidavit that they have severed all relations whatsoever with such secret society or societies as are prohibited by the laws of Oregon and this resolution.

And be it further resolved that hereafter, any student or students violating in any way the salient parts of this resolution be expelled and credits withheld.

## MORATORIUM UPON AUTO FEES TALKED LINDSAY'S EFFORT TO ESCAPE FAILS

Hal E. Hoss, secretary of state, yesterday telegraphed Dr. E. B. McDaniel, a member of the legislative interim committee appointed to investigate lower motor vehicle license fees, that he would favor a reduction of at least 50 per cent in the present motor vehicle license schedule.

The secretary of state also advised McDaniel that he has neither official nor personal objection to granting a moratorium of one or even two months for the payment of the license fees due June 31, of this year.

Hoss made it plain, however, that the law still requires that new license plates shall be used after June 31.

"Enforcement of the traffic laws is in other hands this year," Hoss declared in his telegram, "and my responsibilities are strictly administrative in the issuance of license plates. The demand for an extension of time this year will be greater than last due to the economic situation."

## Recall Aimed at Columbia County Officers Talked

PORTLAND, Ore., Apr. 26—(AP)—City Auditor George R. Funk announced today he would accept petitions seeking the recall of Mayor George L. Baker and City Commissioners John M. Mann and Early Riley up until 5 o'clock Thursday night.

The Portland city attorney last week handed down an opinion that the dead line for filing petitions was last Saturday night.

Funk issued a statement today charging that the city attorney had wavered in his decision and passed the burden of the decision in the matter to Funk.

So speedily was the secret society business transacted that the spectators were taken by surprise. The meeting proceeded calmly with the motions being made and passed swiftly, minor reports made, and early adjournment voted at 8:30 o'clock.

As the adjournment motion was concluded, the audience broke silence for the first time during the session. Knots of talkers formed. Few congratulations and a number of congratulations were made to the board members for the action taken.

To facilitate early reinstatement of suspended students, the board voted that E. W. Tavesner, assistant principal, be relieved from interfering duties in order to attend to receiving affidavits of the students. The former health room at the southeast corner of the first floor of the building was designated as the receiving room for these students and their parents.

Bellevue 200 or More Affected

Superintendent Hug last night estimated the number of high school boys and girls belonging to secret societies at around 300. Principal Wolf now has a list of approximately half of these, he said. There are five of the boys' organizations. The girls' are

## TO REINSTATE WHEN SOCIETY IS BROKEN UP

Groups may Regain School Standing if Charters Are Surrendered

Way Also Established for Individuals to Make Proper Showings

At least 150 Salem high school students, secret society members, will find themselves barred from attending classes when they go to school this morning, as the result of summary action taken by the school board at last night's meeting. An additional 150, as estimated by school officials, likewise will be put out as soon as the administration ascertains their identity.

The directors unanimously passed a blanket resolution suspending all girls and boys who belong to secret societies, and withholding their credits, until such time as they produce sufficient evidence that they have severed all connections with these illegal organizations. The resolution was drawn up at the secret meeting of the board last Saturday night.

Evidence through which the students may be reinstated means, according to the resolution, surrender of constitution and by-laws, minutes, proceedings, roster and any other data requested, and a statement from officers of said society of the dissolution of the society, carrying with it the release of members from said society.

Individuals May Also Be Reinstated

In case the society members as groups fail to take this action, individual students will be reinstated if they furnish adequate and affidavit that they have severed off all relations with the secret societies which are prohibited by state law. This affidavit must be signed by the student and his parents.

First action of the board was to adopt Principal Fred D. Wolf's recommendation that the seven boys be suspended for "abducting and mistreating Victor DeJardin" be expelled for the remainder of the present semester.

Recall of these boys on charges of assault and battery in connection with the affair is scheduled for 2 o'clock tomorrow afternoon in justice court. They are Frank Cross, Glenn Moody, Kenneth Frink, Lawrence Blaisdell, James Nicholson, Jr., and James and Charles Thea.

Neither Wolf's recommendation nor the resolution provoked any discussion from the directors or from the audience of 42 persons who attended the meeting. Because of the crowd, the session was moved from the superintendent's office to the library room. Speedy Action is Taken by Board

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