JUDGE COSHOW TO BE WITNESS

Testimony as to his Record And Reputation Mark Opening of Case

(Continued from page 1)

the books of the Empire Holding corporation made by this firm. The audit covered a period extending from November 14, 1930, to December 7, 1931.

Carstensen stated that the firm had sold 10,297 shares of Empire stock amounting to $1,029,700 but had only received $319,000 in actual cash. Cash on hand at the time of audit was $114.45; accounts receivable, $264.35; mortgages on hand, $50,000; stocks and bonds, $24,225; office furnishings, $18,000; and salaries due, $8500. The corporation had paid $154,455 in commissions; $41,951.57 in salaries; $11,674.73 for clerical help and $35,982.82 for advances to the Westerner magazine.

Judge Coshow's note given on his subscription for 200 shares of the stock was admitted as evidence. The note was for $20,000 with notations on the back totaling $9845.50, leaving an unpaid balance of $10,154.50.

Coshow had paid a total of $2000 in cash and had received salary credits and a credit of $3000 for commissions. Coshow was credited salary allowances of $6600 of which $1848 was drawn in cash and other charges. He drew $850 in cash for his salary, taking $250 on March 23, 1931; $350 on May 2, 1931, and $250 on June 25, 1931. He was being paid a salary of 625 per month from December 10, 1930, until November 30, 1931. Later an adjustment totaling $521 was made to cover the period from December 10, 1930, to January 5, 1931, when he was still justice of the supreme court and not entitled to any salary.

Officers Had Paid $7500 Altogether

On December 7, 1931, when the audit was made, there was an unpaid balance of $685,110.06 on the subscription notes. Out of the notes given for $20,000 subscriptions, totaling $560,000, $448,053.92 was unpaid. Payment of 658,850 in cash or securities had been paid on these notes including $7500 from the officers. 20,000 from Dave Shambrook, and a mortgage for $16,000 from another subscriber.

Carstensen told in detail how the various bonds and stocks taken in by the company had been sold. He stated that there was no record to show that any of these securities were ever submitted to the state.

Under cross-examination by Oscar Hayter, Carstensen said that he made the audit of the corporation's books at the request of Dr. R. W. Clancy. He was asked to examine the financial standing of the concern as of December 7, 1931. He also stated that $107,000 had been paid to salesmen for commissions. The witness stated that there were approximately 800 notes held by the Empire Holding corporation which were to pay 7 per cent interest. He also said that when making the audit, they did not compute the interest on these notes nor the dividends which the securities would pay.

On re-direct examination, Carstensen said that the deficit of the concern had been placed at $270,653.24. Later, when questioned by Mr. Hayter, he stated that most of the items which they listed as deficit could be classed as organizing expenses.

During the examination of Carstensen, an argument arose between the attorneys which resulted in Oscar Hayter moving for a mistrial. This motion was overruled by Judge Walker although he did sustain Hayter's objection to Goldstein's questions.

Declares Coshow Said He Paid Cash

J. H. Hellikes, a farmer near McMinnville, told of purchasing Empire stock and giving eight mortgages totaling $20,170 for this stock. He first investigated the stock and called on Judge Coshow to get his opinion. Coshow told him that he considered it a good investment and that he had taken $20,000 in stock and, as the witness understood, had paid cash. Hellikes stated that he relied upon the statements made to him by Judge Coshow.

Under cross-examination, Hellikes told of attempting to get his stock cancelled and get the mortgages back but that he was unsuccessful. He admitted that Jay Stockman had recommended that the mortgages be returned to him but the new officers and directors had not done so. He said the mortgages were never accepted in payment for his stock and that he had received a check from Stockman covering the interest which the mortgages drew.

Mrs. Maude Hellikes was called and substantiated her husband's testimony. She said that the salesman had told them what a great thing the company was and that the Empire Holding corporation would be "a great monument to Oregon."

S. C. Miller of Dillard was called to identify a letter from Judge Coshow. He said that he had been asked to become a director but had not subscribed for any stock.

Mrs. Rosemary Schenck of Toledo told of talking with a salesman who introduced himself by a letter from Judge Coshow.

THE CIRCUS IS HERE!

Traveling aboard three special trains the Al G. Barnes circus reached Salem early this morning. The tents are pitched at the Olinger athletic field where performances will be given this afternoon and tonight.

SYMPHONY GROUP ENDS ITS SEASON

(Continued from page 1)

Brown gave the report for the music committee.

The report of the nominating committee, William McGilchrist, Sr., was made and the following duly elected members of the board for the ensuing year: C. P. Bishop, T. A. Livesley, Dr. R. E. L. Steiner, Ivan Martin, Leslie Springer, Edward Tillson, Rev. Geo. Swift, Raymond Carl, Lee Barrick, W. T. Jenks, Hugh B. Fouke, Jr., Mrs. Percy Kelly, Mrs. Elsa Ebsen, Mrs. Wm. Bush, Mrs. Tom Williams, Mrs. Stephen Stone, Mrs. Roy Klein, Rev. F. A. Weil, Mrs. J. A. Jelderks, Mrs. Walter Denton, Henry Compton, Mrs. C. Jepsen, Mrs. W. J. Minkiewitz, Mrs. Geo. Allen, Miss Alice Crary Brown, C. A. Sprague, F. G. Deckebach, Wm. McGilchrist, Sr., Dr. C. A. Downs, C. A. Kells, Mrs. W. E. Anderson, Mrs. A. A. Schramm, Miss Mary Schultz, Douglas McKay, U. G. Shipley, Mrs. F. M. Erickson.

The board will meet Monday evening next at 7:30 at the Y. M. C. A. to elect officers.

M'MAHAN REQUEST SENT TO GOVERNOR

(Continued from page 1)

of heated statements between McMahan and John Carson last week after McMahan had released findings of the former grand jury in which the district attorney, county court and sheriff were criticized in conduct of their offices.

McMahan indicated he would place these findings before the grand jury now in session, whose action on them would not be impaired by a decision of Judge Skipworth of Lane county. This decision handed down some months ago declared void work done by the former grand jury on ground that the jury was illegal since McMahan had failed to enter an order continuing the jury.

To McMahan's declaration that this matter would go before the present grand jury, the county court countered by demanding that the acts of McMahan as circuit judge be investigated by the grand jury.

With the "feud" between McMahan and the district attorney in the open, it is naturally supposed McMahan would dislike seeing the district attorney—who ordinarily works with the grand jury on such investigation—probe his office.

MANY AT HIGHLAND WIN HEALTH HONOR

(Continued from page 1)

Keith Holt, Naomi Lee, Charlene McRae, Inez McCormick, Francis Shisler, William Turner, Evelyn Beckett, Vernon Flake, Deloris Follon, May Etta Gesner, Betty Lou Gardner, Ruby Hill, Andrew Humphreys, Helen Kist, Wade McCormick, Wanda McZerran, Harlan Moorman, Paul Newton, Lloyd Roach, Craig Randall, Jack Thompson, Donald Wegner, Bertha Welsh, and Carolyn Ward.

Fifth grade—Bessie Broyles, Veva Crowe, Elsa Florence Virginia Gamble, James Gunston, Juanita Klinger, Muriel Lindstrom, Vera Lindenau, Allen McRae, Molly Jean Maison, Gerald Naderman, Jean Read, Rebekah Putnam, Virgil Sebern, Irvin Smith, Constance Wodell, Merle Crowe, Irma Illert, Mack Maison, Eileen McLeod, George Pro, David Putman, Darrell Ray, Virginia Steed and Arthur Vincent.

Sixth grade—Dorothy Barham, Francis Berger, Beryl Hansen, Joyce Lively, William McCarroll, Harold Prince, Glen Pearson, Evelyn Peterson, Ralph Conlee, Gladys Fisher, Hiram Amick, Bethel McMillan, Ilota Miller, Inez Miller, David McRae, Leland Ryer, Billy Roach, Margaret Sorhan, Elsie Sebern, Barbara Shissler and Edith Young.

Late names—Patsy Ryan, Ellis Klien, Lenore Pepper, Sallie McClaren, Beverly Coe, Mary Gardner, Jean Driggs and Betty Lively.

Flower Show's Plans Started

An enthusiastic meeting was held by the third annual Willamette Valley flower show which will be held June 4 and 5 in Willson park.

Plans were furthered at the committee meeting and will be ready for announcement in the immediate future. Many novel features for the show are being planned, tent room has been arranged for and it is reported that interest is running high.

TO REMOVE TROOPS

TOKYO, May 11—(AP)—The government today decided to withdraw all Japanese troops from Shanghai within a month.

SCHOOL BOARD FAILS TO ACT

Status of Seven Expelled Boys Unchanged; Pleas Heard, Both Sides

(Continued from page 1)

tions to obtain this end if the board took no action. Earlier in the meeting he had asked how long the expulsion would be in effect, and received no answer. When he learned after the meeting that the boys were not barred from reentering school next fall, he changed his opinion on the matter.

John Hunt, speaking as a citizen but not as a resident of the school district, urged the directors not to rescind the expulsion order. He claimed the boys knew they were violating the law and therefore should take the consequences. He declared the secret societies were not yet thoroughly broken and inferred that reinstatement of the seven boys would frustrate this objective of the board.

Claims Taxpayers Oppose Leniency

"A large number of taxpayers interested in the welfare of the school will be highly indignant if any leniency is shown," declared E. C. Holladay, 180 North 21st street.

Director Frank Neer interjected in the discussion with the statement that the attorneys in the justice court case had agreed with Justice Miller B. Hayden that three of the boys were guilty of assault but not of battery and that the expulsion would be sufficient punishment for them.

The meeting was adjourned without action on the matter.

Reporting on the secret society situation, Superintendent George W. Hug announced that 140 high school students had been suspended and that all had been reinstated on giving affidavit that they were no longer members of the organizations. Four junior high school students pledged to the societies also were reinstated on this basis. Of the 144 students, 90 were boys and 54 girls.

Membership in the societies, as brought out by the affidavits, was as follows: boys—K. O.'s 17, Sigmas 19, Delta Chi's 13, J. C.'s 12 and Friars 28; girls—Floy's 10, Gamma's 21, Zeta's seven and Phi's 13.

IT'S CIRCUS DAY; 2 SHOWS OFFERED

(Continued from page 1)

spain, serves as a prelude to the circus proper. This spectacular extravaganza far excels in magnificence, brilliancy, gorgeousness in beauty, the glories of any spectacle yet staged by this circus. Almost a trainload of scenery, paraphernalia, bewitching costumes, marvelous lighting effects and astounding accessories are carried. There will be upwards of 1000 men, women, horses, elephants and camels, including 100 beautiful dancing girls, great choirs of trained singers, vast orchestras and golden toned organs.

Performances will be given at 2 and 8 p.m. Doors to the big show wil be opened an hour earlier to permit inspection of the world's largest traveling zoo, or to enjoy a concert of popular and operatic music by Prof. Redrick and his military band. Reserved and admission tickets are on sale at the Central Pharmacy, 410 State street. The circus will depart at midnight over the Southern Pacific for Portland where it will exhibit three days starting Thursday.

Grads Lining up For Kerr, Hall For Chancellor

Salem graduates of the Oregon State college Monday received letters from the alumni association, urging them to use their influence in behalf of W. J. Kerr, president of the college, for the office of chancellor of the consolidated higher educational system.

Reports indicated that the alumni association of the University of Oregon would launch a similar boom for Dr. Arnold Bennett Hall, president of the latter institution.

Appointment of a chancellor will be made by the state board of higher education prior to July 1.

Martin Denies Liquor Charge

Z. F. Martin, 1355 North 18th street, whom city police arrested early yesterday morning on a charge of possession of intoxicating liquor, pleaded not guilty when arraigned in municipal court. He was unable to raise bail, set at $100, and was held in the city jail.

Candidates:

Brief Statements on Their Training and Their Platforms

Published without charge by The Statesman with the view of affording voters more information before the primary, Friday, May 20

Lloyd T. Rigdon

Candidate for Republican Nomination as County Coroner

Lloyd T. Rigdon, candidate for republican nomination as county coroner, was born in Salem August 19, 1891. He attended the common schools of Salem. Willamette academy and the Capitol Business college. Professionally he attended the Cincinnati School of Embalming. He spent one year in the army during the World war. Rigdon has been actively engaged in the funeral business for 12 years serving. He is serving his 12th year as county coroner. He is vice-president and general manager of the W. T. Rigdon and Son undertaking establishment and the Mt. Crest Mausoleum company.

He has served one term as city councilman and three terms as county coroner.

Rigdon's platform is:

Continuance of present and past policy of economy through the elimination of expensive inquests and investigations where not warranted. Same conscientitious service with the increased efficiency that comes from knowledge gained through experience."

H. E. King

Candidate for Rep. Nomination for Co. Commissioner

H. E. King, candidate for the republican nomination for county commissioner, was born in Marion county in 1873. He comes from pioneer parents who crossed the plains in 1852 and who settled in the Waldo Hills area. King now resides on a farm at Victor Point, 14 miles east of Salem. He owns farming land of 400 acres most of whic hhe operates.

After country school education, King attended and graduated from the Capitol Business college. He has served three years as school district clerk and has served 18 years on the school board. He was road supervisor for two years in his district. For several years he did road construction work and has a fair knowledge of road building and road machinery.

King favors the reductions of county expenses as much as possible without reducing the efficiency of good government by such reductions. He stands on his record as a farmer and business man in seeking the office of commissioner.

Otto K. Paulus

Candidate for Republican Nomination for Legislature

Otto K. Paulus was born in Salem, 38 years ago and resided there all his life with the exception of one year spent at Harvard university.

After graduating from high school in 1915, he entered Willamette university and was graduated in 1918. The following year was spent at Capital Business college, after which he entered the employ of the Phez company. After several months with the Phez company, he entered the employ of the Marion Automobile company as bookkeeper in the fall of 1919, and rose to the position of treasurer, assistant manager, and sales manager of this concern. He severed his connection with the Marion Automobile company in 1927 and went east to study law at Harvard university. He returned in the fall of 1928 and opened an office in the First National Bank building in Salem, and has ever since been engaged in the active practice of law.

While with the Marion Automobile company, Mr. Paulus studied law at Willamette university, and was admitted to the bar the same year. While in the automobile business, he was prominently connected with various trade organizations, having been president of the Marion county, and vice president of the state organizations, as well as vice president of the Pacific Coast Gas Dealers organization, and on the board of directors of the Pacific coast organization.

He was a member of the Oregon Automotive conference, having to do with all phases of automobile legislation, and was chairman of the automobile license revision committee. While engaged in the automobile business, he presented many matters to various committees of the Oregon state legislature.

His platform:

If nominated and elected, Mr. Paulus pledges himself to strictest economy, and will make an effort to further lift taxes from real property which is bearing its unjust share of the tax burden. He is vitally interested in the automobile license fees, and feels that the state is losing approximately $1,000,000.00 per year in gas and license fees through the failure of automobile owners to license their automobiles owing to high license fees. He advocates an additional cent on the gasoline, which with the enforced economy which the present depression makes imperative, would enable at least a 50% reduction in automobile license fees.

He favors legislation to relieve the unemployed if same can be done without too great an expense to taxpayers, and opposes needless commissions and boards, foolish and freak laws, and unnecessary expenditures of all kinds.

Ronald E. Jones

Candidate for Republican Nomination as State Rep.

Ronald E. Jones was born in Marion county of pioneer parents, M. L. Jones and Emma Hovenden Jones. He was educated in the Brooks school, Salem high school and Oregon State college, and aside from the time in college and during the war, has always lived on the farm in the Labish country north of Salem. He has been actively engaged in farming. For the past eight years has marketed most of the celery from this district. He is also vice-president of the Marion County Farmers union and active in other farm cooperative work including the Brooks Fruit Growers pool, and has been a school director in the Brooks school for the past five years. For 12 years Jones has been a heavy taxpayer in the county.

His platform: Work for tax reduction and equalization; seek to eliminate waste and extravagance, and strive for government for the benefit of all the people. Will give Marion county active and conscientious representation and endeavor to get "Full Value for the tax dollar".

State Supplies Bids Requested

Bids for semiannual state requirements, will be received at the offices of the state board of control May 23, June 21, July 15 and August 15, it was announced Tuesday.

The proposals will cover groceries, drygoods, shoes, flour, feed and many other articles used by the state institutions.

ABSENCE OF CURTIS CAUSES CONJECTURE

NORFOLK, Va., May 10 — (AP)—Silence served tonight to make a mystery within a mystery in the continued absence of John Hughes Curtis, negotiator in the Lindbergh kidnaping case, on a mission believed made to reestablish contact with the kidnapers.

There has been no rift in the cloak of secrecy covering his work to indicate the significance or purpose of the sudden shift by the Norfolk boat builder from sea trips to another of his numerous flights by plane. The change in maneuvers came two days before the day reported set as a "deadline" in efforts to recover the famous child through negotiations.

Mr. Curtis and Lieut. George L. Richard, naval officer assisting him, ended two weeks of cruises last Friday to slip away by air to some secret destination.

Persistent rumors here name Colonel Charles A. Lindbergh as a companion of Mr. Curtis and Lieutenant Richard on the flight.

Ruling of Lower Court Reversed In Slander Case

The State Supreme court Friday handed down an opinion in which it reversed the decree of Judge C. H. McCulloch of the Multnomah county circuit court in a slander suit filed by M. Glickman against Sam Weston. The lower court returned Glickman a judgment of approximately $20,000.

Glickman alleged in his complaint that he had been a merchant in Portland for more than 25 years, during which time he had enjoyed a good reputation and profitable business; that Weston circulated reports that he was broke, would not pay his just bills, and that he was dishonest in his business dealings.

Plaintiff asked damages of $30,000.

Penmanship Awards Received for Zena

ZENA, May 10—Palmer Method writing awards have been received by school children here as follows:

Chester Merrick, Raymond Stephens, Sylvia Wiedeman and Dale Worthington of the second grade. Gold star buttons: Joe Shepard of the third grade, a Palmer method button; Myrtle Kennedy of fourth grade, merit button; Jessie and Paul Worthington, Helen Hunt, fifth grade; progress pins; Rea Doan, sixth grade; improvement certificate; Helen Kane, seventh grade, improvement certificate; Fred Nichols, eighth grade; improvement certificate; Lillian Kennedy and June Worthington of the tighth grade, final student certificates.

The Call Board . .

By OLIVE M. DOAK

WARNER BROS. CAPITOL
Today—Dorothy Mackaill in "Love Affair."
Friday—Helen Twelvetrees in "Panama Flo".

WARNER BROS. ELSINORE
Today—Maureen O'Sullivan in "Tarzan the Ape Man".
Thusday—Sylvia Sidney, Chester Morris in "The Miracle Man".

THE GRAND
Today — Bert Wheeler "Peach O'Reno".
Friday—George O'Brien in "Fair Warning".

THE HOLLYWOOD
Today — Lew Ayres in "Heaven on Earth".
Friday—William Farnum in "The Drifter".

Fun with a romantic "kick" to it is promised for patrons at the Elsinore theatre when "This is the Night," gay talkie of marital complications, comes there as the main feature today.

The main fun-purveyors are Lily Damita, Charlie Ruggles and Roland Young, three former Broadway notables who have captivated the millions in screen productions within the past year or so.

"Love Affair," sensational College Humor story by Ursula Parrott, has been transferred to screen by Columbia Pictures, and is coming to the Capitol theatre today. Jo Swerling did the screen adaptation and Dorothy Mackaill and Humphrey Bogart play the leads.

MURDER CASES TO MARK JULY COURT

(Continued from page 1)

asked for help in trying the cases, was willing to start Ripley's trial May 23 but Chris J. Kowitz, Ripley's attorney, demurred. Kowitz said that trial within such short notice would make it necessary for him to set aside all his other work and would not then allow him sufficient time to proceed.

Judge Wilson inquired of Carson if so many cases to be tried in one term with his office required to prosecute would not impose a hardship upon him. The district attorney told the judge that Barnett H. Goldstein had been named special prosecutor by the attorney-general in the Giesy and Schwab cases and thereby he would gain a respite in the heavy work ahead for July.