

**CIRCULATION**  
 Distribution **7115**  
 Average  
 Aug. '32  
 Net paid, daily, Sunday 7115  
 MEMBER A. B. C.

# The Oregon Statesman

FOUNDED 1851

**WEATHER**  
 Fair with little change in temperature today and Thursday; Max. Temp. Tuesday 85, Min. 52. Wind -S feet, clear, variable winds.

EIGHTY-SECOND YEAR Salem, Oregon, Wednesday Morning, September 7, 1932 No. 140

## GOODS DISPLAY UPON STREETS COUNCIL ISSUE

### Discrimination is Charged In Enforcement; Change Amendment put up

### Salary Slash Plan Delayed For Budgeteer Action; In Ordinance Asked

The city council was in a fidgety mood last night and seemed back and forth on its order business until most of the aldermen didn't know exactly what was going on. Before the meeting was adjourned in confusion at 9:30 o'clock, however, the following important matters were untangled far enough to come to a vote:

The nine ordinances to cut salaries of city employees from 5 to 10 per cent tabled by unanimous vote pending outcome of the budget committee's plans for next year.

Alderman Olson's bill for repealing the charter amendment giving civil service to firemen read second time and referred to the ordinance committee.

Street Overhead Charge Submitted

Ordinance passed putting city's cost charge on sidewalk and street improvements from 20 down to 5 per cent, this measure to be voted on at the November election.

Question of business houses displaying their wares on sidewalks heated arguments between aldermen.

When a petition from Earl C. Simpson, requesting that he be allowed to display farm products in front of his North Commercial street store, was read by Recorder Mark Poulsen, Alderman Vandevort jumped up and moved that the petition be granted.

Watson Townsend quickly arose, read the ordinance prohibiting sidewalk displays and moved that the police department be instructed to enforce it.

Farmer Slighted Vandevort Avers

Retorting, Vandevort boomed out: "Firm after firm uses the best streets. Autos and magazines are displayed everywhere. Simpson has a little business, allows the farmers to set their produce on the walks and sell for commissions. When some poor devil tries to take out an existence, hop on him, hop on the farmer!"

Vandevort then charged that Townsend had spoken insultingly to Simpson about the sidewalk displays, the latter shook his finger excitedly at Vandevort and branded the statement a libel. Vandevort finally withdrew his motion and Alderman Hughes moved that the city attorney and a committee draw up an ordinance permitting displays between the sidewalk line and the curbing. None of the aldermen excepting Hughes voted for the ordinance.

The council referred to the city attorney Mrs. Ida Budlong's claim for \$125 for loss of wages resulting from injuries she suffered when she fell through a hole in the Bellevue street sidewalk.

The street committee's recommendation that no foot bridge be built on Howard street between Berry and 12th, as petitioned, was approved.

The council also ordered the city engineer to proceed with laying a sewer on 17th street between Oak and Turner road; changed the name of Frickey street to East avenue, as petitioned; referred petition of E. B. Millard and others for opening North 18th street between D and C streets to the street committee.

## Egan, Tinnin Held Guilty; To Get Life

SAN FRANCISCO, Sept. 6.—(AP)—The murder of elderly Mrs. Jessie Scott Hughes for the alleged purpose of securing her property, brought convictions today by a jury for ex-public Defender Frank J. Egan and ex-convict Albert Tinnin, with recommendation that they be imprisoned for life.

Sentence will be passed Thursday.

Defense attorneys announced plans for new trial motions and appeals.

The trial lasted four weeks. The jury deliberated three days.

The state proved to the satisfaction of the jury that Egan, in financial difficulties, ordered Tinnin and Verne Moran, young paroled burglar, to kill Mrs. Hughes and dispose of her body in such a manner that it would appear she had been the victim of a hit-run motorist. He threatened to send them back to prison for parole violation, the evidence showed, unless they agreed.

Doran confessed and testified for the state. He is charged with first-degree murder, but was granted a separate trial.

## VIOLENT BLAST TAKES LIFE OF SILVERTON MAN

### New Willard Hotel Rocked By Explosion; two in Room are Killed

### Forest Edward Wright is One Victim; no Bomb, Is Police Belief

PORTLAND, Sept. 6.—(AP)—One man was killed and another fatally injured in a mysterious explosion in a room on the fifth floor of the New Willard hotel here late today.

The man killed outright was so badly mutilated positive identification was impossible. An Oregon driver's license, found in a vest pocket, however, bore the name Forrest Edward Wright and a Portland address. Friends of Wright, who formerly lived at Silvertown, and formerly was a student at the University of Oregon, viewed the body and said it resembled Wright.

The other man, who died soon after he had been removed to a hospital, was identified by papers found in his clothes as M. G. Barton. No address was found. C. B. McClellan, manager of the hotel, said the room in which the explosion occurred, was rented to M. G. Barton, August 30.

Believe Men Were Making Explosives

Police and firemen, after an examination of the room, said they doubted a bomb had been planted or thrown into the room. They expressed the theory the men might have been manufacturing explosives. The blast completely wrecked that section of the fifth floor in which it occurred.

The explosion was the fifth to occur in Portland since March. Two took place in alleged gambling halls, one in the residence of a minister, and another in a rooming house.

## Actress Can Not Explain Bern Suicide

HOLLYWOOD, Calif., Sept. 6.—(AP)—Jean Harlow of the films assured police detectives tonight that she knew no reason why her husband, Paul Bern, brilliant motion picture executive, should have killed himself.

"I simply can't understand it," the officers quoted the distraught star as saying. "Nor could she understand the farewell message found near the body, addressed to 'Dearest Dear' and declaring that suicide was 'the only way to make good the frightful wrong I have done you and to wipe out my abject humiliation.'"

Chief of Detectives Joseph Taylor and his aides were shaking their heads when they emerged from the home of Miss Harlow's mother, Mrs. Marino Bellio, where the coroner took place. They said they had but one explanation left for the newest of the motion picture colony's death mysteries—that Bern simply killed himself in one of the spells of melancholia to which his associates said he was subject.

## CITY'S COURSE IN WATER SUIT IS MAPPED OUT

### Trindle Will Proceed With Cases in Both Federal And State Courts

### Engineers get Interested In Possible Contract Under U. S. Loan

Immediate action in the City of Salem's effort to test the legality of the December 15, 1931, charter amendment providing a \$2,500,000 bond issue for buying and adding to a water plant here, is contemplated, City Attorney William H. Trindle announced last night. The matter was not mentioned at the council session.

Trindle's course of action will be two-fold:

1. He will file an amended complaint in the city's test suit in circuit court here, which was lost on August 23 when Judge L. G. Lovell sustained the Oregon-Washington Water Service company's demurrer. The amended complaint, Trindle hopes, will clear up the objections to the initial suit. It will be filed this week if his stenographers can complete the necessary documents in time.
2. Trindle also will file an answer to the test suit, brought in January in federal court before Judge James Alger Gee by the water company with the City of Salem as defendant. The city's motion to dismiss this complaint was lost when the city's own suit was thrown out of circuit court. This answer will be filed at once, Trindle said.

Company Attitude May Be Important

An attitude of cooperation on the part of the Oregon-Washington Water Service company would make it possible to settle the validity of the water bonds in a short time, according to the city attorney. If no action is taken by way of delay, he said, the case in circuit court here could soon be ruled on, with Judge Lovell already familiar with the suit, then speedily carried to the state supreme court for final determination.

Slow-moving litigation would lessen the city's opportunity to borrow from the Reconstruction Finance corporation to acquire the present water system and construct a mountain water supply line. The city already has applied for \$1,800,000 of these funds for this purpose.

Engineering firms are beginning to look toward Salem with an eye to the business of obtaining the federal money. City Recorder Poulsen yesterday received from the city a letter from Gannett and Sorell and Fleming Harrisburg, Pa., engineers, who want the job of preparing the city's application for these funds.

# Dr. Kerr Appointed Chancellor Of Higher Education in Oregon; Accepts and Starts New Tasks

## Oregon Man First Chancellor of State's Higher Education System



DR. W. J. KERR

## NO PRESIDENTS FOR THIS YEAR IS HIS ADVICE

Suggests That he Live on Eugene Campus; Salary Is set at \$12,000

## Long Controversy at end; Board Vote Unreported After Secret Meet

PORTLAND, Sept. 6.—(AP)—Dr. William Jasper Kerr, president of Oregon State college, was named chancellor of higher education in Oregon at a meeting of the state board of education here today.

Dr. Kerr was notified of his appointment and accepted the position. His salary will be \$12,000 a year.

Selection of the state college president for the important post came only after the board had spent months in interviewing nationally known educators.

The board, announcing Dr. Kerr's acceptance, said his term as chancellor began with his acceptance. His tenure of office is indefinite.

Following an executive session which had lasted all afternoon, Dr. Kerr was called before the board.

Seeks Cooperation Or All Concerned

"The board has asked me," said C. L. Starr, board president, "to tell you that you have been elected chancellor of the state's educational structure, at indefinite tenure and at a salary of \$12,000 a year."

Preliminary to announcing his acceptance Dr. Kerr said:

"I have been in college work in Oregon long enough to realize the responsibilities of such a position. I labor under no delusions as to the task confronting the man who may occupy that position. But there are a number of things of which there should be an understanding before this board adjourns."

He then called attention to the fact the fall terms of the higher educational institutions will open shortly and that a great amount of work would confront the chancellor.

(Turn to page 2, col. 1)

## FOREST GROVE MAN DIES AFTER CRASH

PORTLAND, Ore., Sept. 6.—(AP)—One man was killed, another severely cut and bruised and a third badly without fatal charges of involuntary manslaughter and driving while drunk as the result of a wild automobile ride here tonight.

The dead man was identified by police as Gus Winslow, of Forest Grove, was cut and bruised, and Monte Vaughn, who refused to give his address, was arrested as the driver of the car which killed Winslow when it crashed into a telephone pole.

Police said witnesses told them Vaughn was driving at a speed of 50 to 60 miles an hour when he lost control of the car.

## L. SHORT RESIDENCE DESTROYED BY FIRE

### Children Toted From Beds; Owner Scorched While Saving Furniture

Three small children were hurriedly grabbed out of their beds and taken to safety in the adjoining field, when the L. Short three-room house, across South 12th street from the Texaco Oil company's supply depot, caught fire shortly after 11 o'clock last night. The house was totally destroyed.

Mr. and Mrs. Short and J. B. Cummins, a neighbor, were listening to the radio when they noticed sparks falling from around the chimney. The whole upstairs was in flames, they found.

The children, Dorothy, 8, Robert, 5, and Earl, 13 months, who were sleeping downstairs, were quickly carried outside, the baby still in his crib. Then the Shorts and Cummins threw out about a fourth of the furnishings of the house. The remainder was burned.

While carrying furniture from near the blazing building, Mr. Short was burned about the arms. Loss was estimated at \$1500 on the furnishings and \$2000 on the (Turn to page 2, col. 1)

## NEWS OF HELTZEL IS STILL LACKING

### Anxious speculation of Salem friends over the possible fate of James G. Heltzel, local attorney who was reported missing from the liner Admiral Farragut last Saturday, found no new clues to work upon Tuesday, although there was hope that information remaining that misfortune of some sort had overtaken Mr. Heltzel or he would have made known his whereabouts by that time.

John Heltzel, his oldest son who had departed for San Francisco to attempt to trace down the mystery, had not, up to Tuesday night, communicated with San Francisco police, an Associated Press message revealed.

The liner had not yet reached San Diego, it was further reported.

A report was received in Salem Tuesday that Heltzel's topcoat, hat and traveling bag were found in his stateroom after the boat cleared San Francisco bay for San Diego.

Friends of Heltzel said he had suffered from insomnia for several years and might have fallen from the boat while walking on the deck during the night. Members of the crew of the Farragut reported having seen Heltzel walking on the deck shortly after three a. m. Saturday. At that time he wore no coat nor hat.

## PRUNE GROWERS TO GATHER HERE AGAIN

### Report on Interviews With Cannerymen due; Price in South is Eyed

Outcome of a grower committee's interviews with cannerymen and report of the California prune price and bearing it will have on the local situation, will be among major matters to be discussed at the meeting of prune growers at the chamber of commerce tonight at 8 o'clock.

The meeting follows the big mass gathering held a week ago, when growers banded and agreed to hold for \$10 a ton on fresh prunes. At that time W. C. Winslow was named chairman, and he will preside tonight.

California pool prices, which it was thought would be announced Tuesday, will not be known until today, according to Associated Press word received late last night from San Francisco by The Statesman.

Leaders urge that as many prune growers as possible come out for the meeting tonight, as matters of importance will be presented.

## SORELL WILL FACE GRAND JURY PROBE

Melvin Sorell, 21, was bound over to the Marion county grand jury yesterday morning when he appeared in justice court on a charge of first degree murder filed that morning. He waived preliminary hearing, and was lodged in the county jail. Because of the first degree charge, he could not be admitted to bail. Sorell is accused of fatally shooting his father, Leon D. Sorell, 48, in the front yard of their home, 1137 Union street, last Friday night.

In justice court, young Sorell presented a sober face and listened impassively when Judge Miller B. Hayden read the information filed by the state. The only time he spoke was to answer the query of Lyle J. Paige, assistant district attorney, as to his middle name, which is Ralph. Sorell was represented by Walter Keyes and R. J. Hendricks.

It is probable his case will come before the grand jury, which convenes today.

## MAYOR OF GOTHAM CUTS OWN SALARY

NEW YORK, Sept. 6.—(AP)—Joseph V. McKee, who succeeded James J. Walker, announced tonight he was cutting his own salary immediately from \$40,000 to \$25,000 a year.

He slashed the salaries of all city commissioners who received \$15,000 a year and held their jobs by appointment, to \$12,000.

He also said, after a conference with the city budget director, he was insisting on a "deep cut" into the \$425,000,000 budget items for salaries.

The cut of his own salary, he explained, was his first step in slashing the budget.

McKee indicated he would advocate that no salary cuts shall affect city employees earning less than \$2000 a year.

## THREE ARRESTED IN MURDER CASE

PORTLAND, Ore., Sept. 6.—(AP)—Police tonight announced the arrest of three men on charges of first degree murder in connection with the fatal shooting early today of Merle G. Barr, 31, alleged beer garden operator.

The three men under arrest gave their names as George Harwood, William Pasch and Tony Camillo. Police said Harwood had been identified as the man who shot Barr when he refused to tell two holdup men where his money was kept.

Pasch confessed, police said, that he was the second man participating in the holdup and he named Harwood as the slayer. Three men and a woman who witnessed the shooting also identified Harwood in a police lineup.

Camillo, police said, admitted he drove the automobile which carried the other two men to and from the scene of the murder.

## Boise Also Has Secret Society School Trouble

BOISE, Idaho, Sept. 6.—(AP)—Boise high school students signed up today apparently with little disturbance in agreement with the edict of the city board of education that they must not belong to clubs during the coming school year.

The order against the clubs was made public by the board of education on the eve of opening of school and immediately started murmurings of discord among groups of students at the school.

The board charged the clubs were "harmful" influence at the institution and responsible for scandalous parties.

## Cherry Avenue Will be Paved

After disagreeing over the type and width of pavement to be laid, the city council last night accepted the petition of Cherry avenue residents for paving of the street from Highland to Locust avenues.

The petitioner's request for a 24-foot street, with two-inch surfacing of asphalt was accepted, after the council first had decided on a 30-foot street.

## Albin Question Not Talked at Council's Meet

As C. E. Albin, alderman-elect from the fifth ward, has not submitted his resignation, the city council last night took no action toward filling the vacancy which will occur in January unless Albin should return to the city. The ex-mayor has moved to Portland.

Aldermen last night said, after the meeting, that unless Albin submits his resignation before the November election, the council will undoubtedly name the man to take his place.

## TRIAL OF SCHWAB AND GIESY STARTS

### Jury Selected, Taking of Testimony Will Start Today Before Wilson

With selection of the jury completed yesterday afternoon, opening statements in the trial of B. F. Giesy and Zeno Schwab charged with misuse of the state's banking laws in connection with operation of the defunct Aurora State bank, will be made this morning and testimony started before Circuit Judge Fred W. Wilson of The Dalles, starting in place of Judge L. H. McMahan. The case will be resumed at 9 o'clock.

The jury which will decide the case numbers 13 persons, including the alternate, of which four are women. Both prosecution and defense exhausted every challenge in selecting the jury, business of which got under way about 1:30 o'clock and continued until about 5:30 o'clock.

The jury selected to try the ex-bankers includes four housewives, a clerk, two retired men, a fruitman, a fur breeder, a contractor, a real estate man and two farmers. They are:

Laura Dittmars, Fairfield, Florence E. Cole, Rosefield, Pearl M. Kinser, Salem, and Ruth M. Cray, Salem, all housewives; Harry V. Bookers, Brettenbusch, clerk; Everett S. Hammond, retired minister, Salem; Basil H. Zell, Salem fruitman, J. M. Coburn, Pringle, farmer; Clarence W. Stacey, Liberty for breeder; Mark D. Ellis, Salem, retired; Thomas E. Cole, Salem contractor; and Fred G. Delano, real estate, Salem.

Roma C. Hunter, Salem meat man, is alternate. Both sides agreed that one alternate should be sufficient.

The prospective jurors excused from duty through challenge were: John Catton, A. E. Kelsey, Merle P. Ramp, Helen E. Arpin. (Turn to page 2, col. 1)

## DECREASE IN MILK PRICES EXPLAINED

### Attempts to Steal Market From Organized Group Related by Henry

Explanation of the August 16 drop in the association milk quotation and resume of the work done during the first year of the Dairy Cooperative association was given by Will W. Henry of Portland, general manager of the association, at a meeting of Salem shed members at the chamber of commerce last night.

The price was lowered from \$1.80 to \$1.50 August 16 to stop attempts to steal the market from the organized producer, Henry said, showing that even the organized producer cannot sit still and let the unorganized groups take the market.

This situation is in turn a part of the present economic condition, Henry explained, although he declared that producers are carrying on in a losing market on the present quotations. Pointing to the recent Los Angeles milk war, Henry said that if producers and distributors not affiliated cannot be educated to bearing their share of the load on the milk surplus, the result may be a war between organized and unorganized milk men. He added, however, that there was high hope that this condition would not be reached here.

The drop in association prices has been reflected to advantage of the consumer, however, for in Salem the cash-in-advance price was lowered to seven cents September 1 by all big distributors. Earlier in the summer eight cents had prevailed on cash and nine cents a quart on credit business.

Henry quoted figures to show what the association and organization has done for dairymen in its year of existence. He said a \$60,000 reserve had been built from the deduction not to exceed 5 per cent on all milk, this (Turn to page 2, col. 3)

## STEEL FIRM SAYS PRODUCTION GAINS

PITTSBURGH, Sept. 6.—(AP)—The basic Steel company reported today it was operating at 16 per cent of capacity, compared with 11 per cent at the first of last week and 15 per cent at the end of the week.

## Queen for State Fair's Rodeo Will be Selected

Who will be queen of the state fair rodeo? Director Max Gehlar wants some young woman of Salem or vicinity to be queen of the Strawberry Rodeo which is the entertainment feature of the state fair. And the Salem Ad club is sponsoring a popularity contest by which a queen will be selected. The contest will start immediately and the winner will be announced the night of Fall Opening, September 22.

Nominating ballots are to be printed in the daily papers and then balloting for candidates will start. Tickets good for 100 votes each may be obtained from Salem stores and will be deposited in a ballot box down town. Day-by-day count of the ballots will be announced in the papers.

The tickets will be distributed by Ad club members to the stores in the next few days, and the names of candidates printed, so people will know whom they want to vote for. The event is planned to stimulate interest in Salem's Fall Opening and to create interest in the rodeo at the state fair. Director Gehlar suggests one desirable qualification for the queen, in addition to grace and beauty, and that is ability to ride, because the queen will be expected to take part in the formal mounted parades of Rodeo week.

Here is a nomination coupon, good for 10,000 votes. Pick out someone you think would make an attractive queen of the Rodeo. Write her name on this ballot and forward it to Queen Contest Manager, Salem Ad club, Salem, Ore. Do so at once, so balloting may start.

## GOOD FOR 10,000 VOTES

I desire to nominate \_\_\_\_\_

Name \_\_\_\_\_

Her Address \_\_\_\_\_

For Queen of Strawberry Rodeo of Oregon State Fair September 26-October 1.

Fill out coupon, clip and mail to Queen Contest Manager, Salem Ad Club, Salem, Ore.

Nomination Coupon Good for 10,000 Votes

## PRAGUAYANS ATTACK

LA PAZ, Bolivia, Sept. 6.—(AP)—An official communique today said strong Paraguayan patrols had attacked a defense post protecting a small fort in the southern zone and were repulsed and pursued by Bolivian troops.

## PRINEVILLE HAS BLAZE

### Postoffice is Robbed Transient Badly Hurt Settling Fires Charge

FALLS FROM TRAIN ROSEBURG, Ore., Sept. 6.—(AP)—Livingston Shanley, 79, a transient, was injured critically last night when he fell from a freight car in the Southern Pacific yards here. He suffered a broken arm and hip.

ROBBERY BY OFFICERS TRACED TO HERE ROSEBURG, Ore., Sept. 6.—(AP)—Owen Tiller, 17, of Camas Valley, was brought to the county jail here yesterday, charged with starting three fires in timber along the Wildcat creek. Forest patrol officers who made the arrest said they found Tiller's tracks in the vicinity of the fires and that they followed him to his home.

## MAUPIN IS SCENE

THE DALLES, Ore., Sept. 6.—(AP)—Mid-Columbia authorities today sought two or more men as those who robbed the Maupin postoffice of \$75 in cash last night.

The rear door of the postoffice had been forced open and the money taken from the cash box.

## Oregon Briefs

## FALLS FROM TRAIN

ROSEBURG, Ore., Sept. 6.—(AP)—Livingston Shanley, 79, a transient, was injured critically last night when he fell from a freight car in the Southern Pacific yards here. He suffered a broken arm and hip.

## GIRL STRUCK BY DR. BEECHLER AT TILLAMOOK DIES

TILLAMOOK, Ore., Sept. 6.—(AP)—Jane Kinnamon, 6, daughter of Mr. and Mrs. Clyde Kinnamon, who was struck Monday by a driven by Dr. Dale Beechler, of Salem, died at a hospital here today.

The girl was struck when she got out of a car parked in front of her home four miles north of Tillamook.

District Attorney C. W. Barwick said he was leaving the case open and will decide later what action to take.