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THE WEATHER
Fair and cooler today, fair Saturday, fog on coast; Max. Temp. Thursday 81, Min. 44, river 2 feet, clear, westerly winds.

CROWD LISTENS AS HEART BALM SUIT IS OPENED

Plaintiff is Queried Closely on Testimony He Gave in Divorce Case

Says Quarrel No Sign He Didn't Love Wife; Four Letters are Read

A vigorous cross-examination of John J. Rice marked the culmination of the first day's trial of his \$100,000 heart balm case against George H. Graves, well-known Salem salesman, in circuit court here yesterday before Judge L. H. McMahan. When testimony for the day ceased, Walter Winslow, counsel for the defendant, was bawling away at Rice's story, asserting through a series of questions that Rice and his wife had quarreled long before she met Graves and in a divorce suit brought against him by his wife, that she had gone with other men while he was away in 1931 in Yakima.

Rice's answers were hesitant as the opposing counsel fired questions at him and several times he admitted he was in doubt and uncertain about his testimony in a divorce trial in 1932 before Judge L. G. Lewelling. The latter denied Mrs. Rice at that time a divorce from her husband.

"Isn't it a fact that your wife in 1932 picked up a butcher knife and threatened to kill you?" Rice was asked, and he answered in the affirmative. He agreed that on one instance Mrs. Rice had taken money he had given her to pay a bill and cashed the money, telling her husband that she intended to use this money to run away from him. Rice denied, on cross-examination, that this action by his wife had provoked a quarrel.

Rice testified that he had quarreled with his wife during their married life but said arguments had gone on between them before their wedding and that in no sense was the jury to interpret these quarrels as indicating that he did not love his wife.

Counsel for Rice introduced in evidence four letters written by Mrs. Rice to her husband in August and September, 1933, in each of which she expressed her affection for him. The letters, written to Rice who was away from Salem working, were concerned primarily with the difficulties of Mrs. Rice in making sufficient time to take care of her children and to care for her children who were then living with her mother.

The alienation of affections case, the first to be tried in circuit court here in years, attracted a crowded courtroom audience which listened attentively as the case dragged on through the hot afternoon. Graves, a Salem resident for 34 years, listened attentively and calmly as the testimony of the plaintiff was given.

Rice said he and his wife were married in 1929 and lived together until August, 1932, when they were separated. He asserted, however, that she sued him for divorce in 1932 but was unsuccessful. Counsel for Graves frequently referred to the testimony given by the plaintiff in his divorce case, attempting to show that this testimony revealed an unhappy situation existing between Rice and his wife.

Counsel for the plaintiff first introduced as his witness the chief auditor of the Heathman Hotel who brought with him registration cards, one signed by Graves and one by Mrs. Rice. An attempt to have the auditor identify a chart of the hotel showing the locations of the rooms failed for a time when Judge McMahan sustained an objection.

Oscar Olson, local florist, testified that Graves on one occasion last September bought a bouquet and ordered it sent at once to Mrs. Rice at the New Salem hotel. He said he recalled only one time when Graves purchased flowers for Mrs. Rice there.

Rex Gibson, auditor of the Ladd Bank here, identified the signature of Mrs. Rice on several documents but the court withheld for possible rebuttal testimony, introduction of a certified copy of Mrs. Rice's bank account from September 5 to October 25, 1932. The court sustained an objection that the bank account did not necessarily show that money had been received by Mrs. Rice from Graves.

W. H. Dancy was put on the stand by the plaintiff as a witness concerned with revealing to the jury some idea of Graves' worth. Dancy said Graves had kept a room in his home for 17 years up to November, 1933. He said he did not know Graves' worth but had heard him speak on several occasions about making up an income tax and about buying and selling United States steel stock.

Depositions made by Graves in the trial were read in the testimony, the jury listened to a reading of the entire deposition taken from (Turn to page 2, col. 1)

Efforts of Motor Industry Labor Peace Board Appear to be in Vain



The triumvirate of the automobile labor mediation board, pictured during conference at Detroit. The men, left to right, Dr. Leo Wolman, neutral arbitrator, Nicholas Kelley, representing auto magnates, and Richard Byrd, auto workers' representative, were appointed by President Roosevelt.

PISTOL CLUE EYED IN MYSTERY CASE

Officers Balked; Prisoner Won't Tell What Lake It's Thrown Into

SEATTLE, April 12.—(AP)—Possibility that a lake near here be dragged for a pistol which may have been used in the six murders at Erland's point near Bremerton two weeks ago appeared remote today as one of eight persons jailed in connection with robberies and for questioning about the slayings refused to tell officers the name of the lake.

County detectives said one of the group, arrested in a roundup here and in Tacoma and Renton, told them he saw another member throw the pistol in the lake, remarking "it would be curtains for me if they found it."

Seven of the eight had two robbery complaints filed against them in justice court. These were Roy Duclaux; John Murphy; his wife, Geraldine; Porter Pettiford; Edgar Mortensen; Mrs. Beatrice O'Malley and George Shepherd.

No charge was placed against Mrs. Babe Reid, the eighth person taken into custody.

During the day, County Detectives R. A. J. Allingham and William H. Sears questioned at length all the eight persons under arrest here. They all denied any connection with the slayings, but were unable to explain "satisfactorily" their whereabouts the night the killings occurred.

(Turn to page 2, col. 2)

Douglas County Dairymen Back Control Effort

ROSEBURG, Ore., April 12.—(AP)—Confidence in the Oregon milk control board was expressed today by Douglas county dairymen who deplored as "fish and shortsighted" attacks on the board by Portland interests.

A resolution expressed "confidence in the board and the wisdom under which it is acting." It also urged the board to "resist to the utmost attempts to destroy its usefulness and to overthrow the law."

The meeting was conducted by E. G. Harlan, chairman of the state milk control board.

Man Drowns Under Car Grubstake Plan Fails Berries Ripen Earlier Dalles Has School Row

WOMAN MAKES MOON PORTLAND, April 12.—(AP)—Moonshining to grubstake gold on the adventure brought Mrs. Angie McElwee athwart the law, but that hasn't cooled her ardor for tiny gold nuggets.

She now is trying to contrive a legitimate means of financing her ambition.

TWO MINERS HURT IN LABOR FLAREUP

Few Men Work in Alabama Field; Firms Say They Cannot Pay Scale

JASPER, Ala., April 12.—(AP)—Guns blazed from ambush at the Coal Valley mine of the Debardeleben Coal corporation today, slightly wounding two of the few miners in Alabama who returned to the shaft to work this week.

A few hours later Sheriff A. N. Barrentine had taken into custody a man who he said was Joe Wood, for investigation, and announced arrests were to follow. Officials of the United Mine Workers of America in Birmingham announced they also would investigate the ambush.

Officials of the coal corporation said that from 50 to 60 shots were fired, but from such a distance the only effect other than to wound the two men, was to scatter miners preparing to go down to work.

Coal Valley is one of the few commercial mines in the state in (Turn to page 2, col. 1)

FORMER PRESIDENT OF BANK CONVICTED

LOS ANGELES, April 12.—(AP)—Richard L. Hargreaves, former president of the defunct First National Bank of Beverly Hills, was convicted by a federal jury tonight on ten counts of a 16-count indictment charging misapplication of funds and making false reports of the bank's condition to the federal comptroller of the currency.

He was convicted on one count and the jury disagreed on the other five.

H. F. Schilling, the bank's receiver, testified his records showed Hargreaves owed the institution \$66,872.40 on six promissory notes when the doors were closed.

Testimony was introduced in an effort to show at least a part of the money had been used in stock speculation. He had been formally charged with misapplying \$40,000 of the bank's funds.

Man Drowns Under Car Grubstake Plan Fails Berries Ripen Earlier Dalles Has School Row

pinioned victim was not discovered until several hours later when the machine was pulled free by a wrecker.

Louisa, who had been fishing near Fort Klamath, was returning to town when his car failed to negotiate a turn on the dirt road and turned over in a ditch filled with water.

"STRAWS" ON MARKET ROSEBURG, April 12.—(AP)—Harbinger of an anticipated record crop, a full crate of Empusa valley strawberries grown by A. H. Hoefler of Myrtle Creek was placed on sale here today, three weeks ahead of the normal season.

BOETTCHER INVOLVED THE DALLES, April 13.—(AP)—An impasse existed tonight between City School Superintendent C. W. Boettcher and the school board whose demand that he resign was flatly refused.

Open controversy flared when the board re-hired nine of 10 teachers Boettcher fired, asserting without the board's sanction.

Boettcher's contract has one more year to go. Several years ago he came here from Albany under a contract calling for \$3000 a year.

AUTO INDUSTRY PEACE DOVE IS ABOUT TO FLIT

Labor Leaders Dissatisfied With Action; Meeting Set for Sunday

Progress Reported in Tool and Die Workers' Case; Trouble Spreads

(By the Associated Press) Tool and die workers in Detroit voted last night to strike while Nash Motor company employees at Kenosha, Wis., decided to end their walkout begun six weeks ago.

The Detroit strike, called for today by the Mechanics Educational society of America, was to be effective in all but 17 of the 62 job plants and involved not to exceed 3,800 workers. Separate agreements whereby workers in 17 plants got a 20 per cent wage increase and a 36-hour week averted a general walkout.

The Nash employees at the Kenosha plant voted to accept wage increases of 5 to 17 1/2 per cent. Final settlement of the strike in Kenosha and Racine plants of the Nash company and at the Seaman Body corporation plant at Milwaukee, however, depended on action of Seaman employees. The unions have an agreement that no settlement terms become effective until all three groups approve.

Two thousand workmen at the Electric Autolite plant at Toledo decided tonight to strike to enforce a demand for five per cent increase in wages.

(By the Associated Press) The dove of industrial peace, placed over the automobile manufacturing centers by the White House, was poised for flight Thursday as labor leaders expressed dissatisfaction with the national automobile labor board set up last month to ward off strikes.

Plans for a meeting in Pontiac, Mich., Sunday of representatives of union auto workers from Michigan and Ohio were announced at Detroit. Wages and working hours will be considered.

A change in the attitude of employers in the tool and die making industry, where strikes have been made, also was reported at Detroit. Matthew J. Smith, secretary of the workers' organization, said the employers' association had decided to permit members to enter into individual agreements with the workers.

A proposal for a general strike of 1200 workers in sympathy with employees of the Barr Rubber Company Products company (Turn to page 2, col. 4)

PAIR FOUND SLAIN; TWO OTHERS HELD

LAWTON, Okla., April 12.—(AP)—A man and a woman were found slain to death on the outskirts of Lawton late tonight and two other men, one critically wounded, were held for investigation.

The dead were Mrs. Fay Hennessie, about 35, and Howard Reynolds, about 30, a police character, who was free on bond on burglary charges.

Reynolds' brother, Hughie, about 25, was wounded in the forehead.

Jim Hennessie, about 45, the slain woman's husband, was under arrest.

Sailor Awarded Damages Due to Accident at Sea PORTLAND, Ore., April 12.—(AP)—A circuit court jury today awarded \$50,000 damages to Henry Nash, seaman, who brought action to collect \$75,000 from the States Steamship company for personal injuries.

Nash alleged the injuries were received in a fall from a defective ladder on the company's steamer Michigan en route from Portland to the Orient in January, 1932.

ORIOLES BEAT A'S BALTIMORE, April 12.—(AP)—Woody Abernathy's home run, hit with the score tied and two out in the ninth, gave the Baltimore Orioles of the International league a 6 to 5 victory over the Philadelphia Athletics in an exhibition game here today.

MINISTER INVITED PORTLAND, April 12.—(AP)—By unanimous vote of the congregation the Pastor of the Hinson Memorial Baptist church of Portland today was offered Dr. Albert G. Johnson, pastor of Temple Baptist church, Detroit, Mich.

Elks' Chief to Be Feted Here



Walter F. Meier, grand exalted ruler of the Elks, will be a luncheon guest of the local organization Saturday noon at the Elks' temple.

NEW HIGH FOR TAX FIGURES IS VOTED

480 Millions to Be Raised is Senate's Estimate; Rorah Plan Wins

WASHINGTON, April 12.—(AP)—Moving toward a final vote on the big revenue bill, the senate today hoisted taxes to a new peace-time high on inheritances, gifts, and corporations, and raised the estimated revenue to be produced by the bill to approximately \$480,000,000.

With little debate, it voted 65 to 14 for higher inheritance taxes proposed by Senator La Follette (R-Wis.) and adopted 40 to 37 an amendment by Senator Borah (R-Ida.) repealing the consolidated return provisions in existing law whereby corporations are permitted to make single returns for themselves and affiliates.

It rejected by 29 to 33 another Borah proposal to have holding corporations deduct from gross income dividends on stock received from other corporations.

As a companion piece to the higher inheritance or estate (Turn to page 2, col. 4)

BODIES OF MISSING WOMEN ARE FOUND

KLAMATH FALLS, Ore., April 12.—(AP)—Fear that foul play had befallen Andrea Martelle, 32, and Doris Sparks, 28, Hollywood cosmetics, was allayed today when thawing snows disclosed their bodies in Sand Creek canyon at the east entrance to Crater Lake park.

The story of how their automobile skidded in loose dirt, missed a guard rail and tumbled into the canyon was legibly written in loose dirt, but buried by stocked snows during the winter months when searchers skied almost above the victims.

Widespread search was instituted when the women left Spokane but failed to arrive at their destination of Klamath Falls.

The death trail revealed by the tracks showed the women tried to turn their car after driving past a road closed sign. The accident occurred as the machine was headed back to the main road.

One body was covered by snow when a ranger patrol came upon the scene of the tragedy. The patrol was headed by Chief Ranger Canfield.

Miss Sparks' fiancé, Edward Mascone of San Francisco, and relatives of Miss Martelle came here during November to meet them.

YANKS STING HORNETS CHARLOTTE, N. C., April 12.—(AP)—With Johnny Allen hurling shutout ball during the five innings he was on the mound, the New York Yankees went on a scoring spree today to defeat the Charlotte Hornets of the Field-mountain league 14-3 in an exhibition game.

Late Sports

PORTLAND, Ore., April 12.—(AP)—Sig Ecklund, 170, Los Angeles, knocked out Main Street, 171, Atlanta, Ga., in the second of a scheduled six-round fight here tonight.

Just before the fourth and final round ended Indian Jack Crin of Klamath Falls, 160, knocked out Harry Marshall, 162, Seattle.

CHEYENNE, Wyo., April 12.—(AP)—Sammy Mandell, former lightweight champion, floored Chico Vasquez of El Paso twice tonight and then knocked him out in the second of a scheduled 10-round bout.

PORTLAND, Ore., April 12.—(AP)—A four-way track meet was won by Washington high with 61.5 points here today. Vancouver scored 50 points, Benson 27.5 and Hill Military 5.

WAREHOUSE TO BE BUILT SOON LARMER AVERS

\$20,000 Construction Here Planned, Reflection of Hop Industry Gains

Other Activity Forecast by Builders; Best Month of Year Assured

Announcement of the impending construction of a \$20,000 warehouse building here was made last night by D. A. Larmer, proprietor of the Larmer Transfer & Storage company. Construction operations, he said, probably will be started within a month.

The structure will be located about 150 feet north of his present large warehouse at 889 North Liberty street, Larmer stated. He is now completing a deal for a part of the property on which the building will stand.

The revival in the hop growing industry was given by Larmer as the reason for erection of the new warehouse.

"The increase in the amount of acreage set out to hops and the much larger crops have resulted in need of increased storage facilities," he said. "It is altogether on the account of this demand for greater hop storage space that I am going ahead at this time with the new building."

While plans and specifications have not been completed, Larmer stated they would call for a reinforced concrete and steel structure, two stories high and 100 feet square. His present warehouse is 144 by 144 feet. The new structure will be as fireproof as it is possible to obtain and will have a sprinkler system.

Larmer declared that he would require that as much Salem labor as possible should be employed on the job.

Men interested in the building industry here continue to predict further improvement. Several more structures, some of considerable size, are reported to be nearing the announcement stage and others contemplated.

An increasing number of building permits is being issued for more expensive alteration and repair work than was being done a few months ago. Already this month the 19 permits for alterations and repairs amount to work estimated to cost \$4135, or \$819 more than all permits in January, 1932 more than all in February and but \$604 less than all repair and alteration permits issued last month.

Impetus will be given the building supply business here within the next few weeks, it is expected, when work is resumed on the Englewood and Highland school additions and started on the Leslie Junior high school wing. Approval of all three projects under the SERA program is anticipated by school officials.

Indiana Cops Report Raid By Dillinger

WARSAW, Ind., April 12.—(AP)—Two men carrying machine guns, one of them said to resemble John Dillinger, notorious Indiana desperado, raided the Warsaw city police station early today and obtained two revolvers and four bullet proof vests.

The men fled in a black sedan, and officers in all surrounding towns were notified to watch for the car.

Jud Pittenger, night policeman on duty, who was slugged over the head by one of the gunmen, said he was "quite positive" one was Dillinger, but was unable to recognize the other.

Neither the license number nor make of the automobile used was obtained.

Wirt Makes Detailed Denial Of Request for PWA Funds

WASHINGTON, April 13.—(AP)—Secretary Ickes said today Dr. William A. Wirt had asked for public works funds with which to develop a Lake Michigan beach section, but the Gary, Ind., educator denied that he or anyone connected with his corporation had made such a request.

The secretary said the project was a \$2,000,000 one, to be built on land owned by Dune Acres, Inc., of which Wirt was president, and was to have been equipped with "merry-go-rounds, yachts and harbors and towers."

Soon after Ickes had told reporters this, Wirt who told a house committee Tuesday there were revolutionary plots within the administration, issued a statement which said:

"No one connected with Dune Acres, Inc., is directly or indirectly connected with the company which asked for public works money. I never mentioned the

BEER RETAILERS PLAN ATTACK ON CITY LICENSING

Attempt to Avoid Municipal Tax May Be Made Through Court Action, Revealed, Although Officer Handling Matter Will Not Talk; Conflict With State Liquor Law Will Be Alleged, is Intimation

Ordinance Here Intended to Conform and Said Adopted by Other Cities as Mode; Dealers to Meet Monday Night; Argument of Financial Benefit to City When Legalizing Beer Was at Issue, is Recalled

THAT an attack on the city's beer taxing ordinance has been under consideration by some beer dealers here became known yesterday. It was reliably reported that a group of dealers had recently considered seeking a court injunction against operation of the tax and were still mulling over the matter.

If court action should be resorted to, it was understood, the claim would be made that the city act conflicts with a state tax law. Salem's beer act is designed after and aimed to coincide with the Knox liquor control act. Other cities, among them Portland, have inquired as to the local measure's wording with the intent of patterning ordinances after it.

When asked by The Statesman last night whether or not the Salem Beer Dealers' association was planning to attempt to have the city law ruled invalid, George C. Hull, vice-president, said any action that might be contemplated was still secret.

The beer dealers are scheduled to meet next Monday night. At that time among other things they are expected to discuss the possibility of getting all dealers to agree on a uniform size beer glass and possibility of setting ten cents as the minimum price per glass.

Proponents of legalizing the sale of beer in Salem, when the matter came to a head last spring and summer, gave as one of their main selling points the statement that beer's sale would prove a valuable source of revenue to the city. Under the 3.2 per cent beer ordinance, enacted last summer, and the 5.5 per cent measure, voted last January, the city has collected \$3487.39 through the sale of beer tax stamps, records at the city recorder's office showed yesterday. Revenue since the first of the year has amounted to \$2176.86.

The perils of the castaways were described by M. Ushakoff, who flew to the camp April 7 to supervise relief operations, he said:

"When I arrived at the camp, surrounded by floating ice blocks, the Cheluskinks were living in heated and light log barracks. But despite their reasonably comfortable quarters they existed as if on the slope of a volcano."

"The camp was faced with constant dangers. On April 9 drifting icebergs bore down on the camp with a tremendous noise, crashing ice and destroying the barracks and a motor boat."

"They wrecked a landing field (Turn to page 2, col. 3)

Ask Continuation Of Grain Export

PENDLETON, April 12.—(AP)—The Pendleton chamber of commerce manager today urged that the North Pacific Emergency Export corporation's work in exporting surplus wheat of the Pacific northwest be continued. The resolution will be forwarded to Henry A. Wallace, secretary of agriculture.

Peter Bavalac and Ray Burchill, clerks caught in the melee, were taken along with the struggling commissioners. Bavalac was beaten and Burchill's glasses were broken.

City police had restored some semblance of order before they were reinforced by state police.

Data Lacking on Plan For Relief

The local SERA organization is proceeding with its routine work—investigation of cases, direct relief and keeping records—as yet uninformed as to exactly what is coming next, officials said yesterday. No explicit instructions have yet been received from state headquarters regarding the work relief program reported to be undertaken soon.

BAN RUSSIAN PAPER BERLIN, April 12.—(AP)—The important soviet newspaper Pravda today was barred from Germany until further notice as the climax of a campaign against the German side that the Russian press has been increasingly hostile toward Nazi Germany.