

Germany, Italy May Blockade

Fighting Ships Steaming Off Spanish Coast as War Scare Rises

(Continued From Page 1)

turn attention from the movements of warships.

Some Assurance Given Of No Individual Moves

Authoritative sources asserted the British government held assurances that Germany and Italy, who have withdrawn from the international "hands off Spain" patrol, would take no individual action against the Spanish government.

Eden told the house of commons reports of German naval maneuvers "should be received with great reserve."

In Berlin, the German government adopted an attitude of watchful waiting in the Spanish crisis.

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It added the soviet vessel carried "twenty airplanes, 44 tanks, 8000 rifles, 1100 machine guns, 2,000,000 rounds of ammunition and 4500 tons of other war material." The ship was to have been taken to the insurgent-held port of Malaga, Spain.

The insurgent cruiser Baleares sank the Spanish government freighter Trinidad seven miles off Port Venada, France, and captured her crew.

Madrid was heavily shelled. Government troops started clean-up operations against insurgents in the Carabanchel sector of the city.

Basque troops rallied 10 miles west of fallen Bilbao to resist the insurgent advance toward Santander.

McGrail Defends Oil Royalty Sale

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McGrail's cross examination gets under way shortly after 9:30 o'clock this morning.

Chief among the witnesses yesterday morning was Roy H. C. Storer, local Congressional minister, who testified that he and his wife had invested \$15,000 in the oil royalties through the McGrail company and that he is well satisfied with the investment, on which checks come in regularly each month.

Storer declared he was satisfied also with honesty of the company and recounted that he had bought his royalties in producing wells over a period of 14 months. He said on one \$1100 investment in the royalties had brought him from \$38 to \$42 monthly and that checks come from pipe line companies operating in the oil producing fields.

Sales methods were described by company salesman, E. P. Ackroyd and William Metzner, the latter admitting on cross examination by Stewart Weiss, attorney for the corporation commission, that he had a permit to sell Empire Holding stock. Metzner said, however, he had not tried to sell the Empire stock.

John W. Kaste is attorney for the appellant company, which through both Kaste in his opening statement and McGrail claims 95 per cent of the investors are satisfied.

Meitke Place Sold

SILVERTON, June 24.—The Home Seekers Agency has sold the Meitke 42 acre farm on the Abiqua to Mr. and Mrs. S. W. Selam of Philomath. The Selams will take possession at once and Mr. and Mrs. Meitke will manage another farm they have in the same community.

The Call Board

ELSINORE
Today—Double bill, Barbara Stanwyck in "Internes Can't Take Money" and "Border Cafe" with John Beal.
Saturday—Kipling's "Captains Courageous" with Bartholomew, Tracy and Barrymore.

HOLLYWOOD
Today—Double bill, Bob Allen in "Law of the Ranger" and "Breeding Home" with William Gargan and Blaine Barnes.

GRAND
Today—"Tundra" a epic of Alaska.

Saturday—Jane Withers in "Angels Holiday."

CAPITOL
Today—Double bill, "Case of the Stuttering Bishop" with Donald Wood and Paul Muni in "Scarface."

STATE
Today—Eastern circuit vaudeville plus Richard Arlen in "Secret Valley."

Getting Cutaway



Franklin D. Roosevelt, Jr.

Here is Franklin D. Roosevelt, Jr., son of the president, as he appeared during a fitting for the Spanish civil war and also retain Italian and German cooperation.

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Governor Davey's Work Ban Lifted

(Continued From Page 1)

calmness, impartiality and firmness."

WASHINGTON, June 24.—(AP)—Tom Girdler, steel maker, thumped his fist on a senate committee table today and asserted he would sign no contract with the C. I. O. until the law, with the supreme court's approval, compels him to do so.

Always aggressive, sometimes even belligerent, the chunky, well-groomed chairman of the Republican Steel Corporation called the C. I. O. an "irresponsible, racketeering, violent communistic body."

"I considered the C. I. O. irresponsible for the time I first heard of it," he said.

At one point, Senator Holt (D-WVA), critic of John L. Lewis and the Lewis committee for industrial organization, inquired whether the present steel strike was not simply an attempt "to allow Mr. Lewis to claim a victory in your plants and go before the country with that to get more members."

Girdler replied that "responsible officials of the United States government had suggested to him that 'maybe there is something we could do to save Mr. Lewis' face."

Tax Prober Names Raskob, Duponts

(Continued From Page 1)

exhibits, slowly read them while spectators leaned forward to catch his soft-spoken words. They heard such names as these:

Thomas W. Lamont, Jacob Ruppert, Alfred P. Sloan, Jr., Roy W. Howard, W. S. Paley, Robert P. Scripps and E. W. Scripps, deceased.

Referring connected the name Scripps with newspapers published in a number of cities, but other names in the group were not identified.

Outlining tax-reduction possibilities of personal holding companies, Helvering said individuals could take assets "out of their personal boxes and transfer them to an 'incorporated pocketbook'."

Under the law, he explained, these companies are permitted deductions of personal holding companies, Helvering said individuals could take assets "out of their personal boxes and transfer them to an 'incorporated pocketbook'."

An analysis of 17 holding companies, the official said, showed they had a total tax liability of only \$43,973 in 1934 on net income of \$4,862,324. The net income figure was computed with out deductions or tax adjustments allowed under the revenue laws.

Chehalis Slayer Killed at Denver
(Continued from page 1)
fired only after Seelert shot at them as they entered the door. The bullet was deflected by a bedpost.

After expressing belief earlier that the pair could have had no connection with the slaying last of Boone county, Neb., Children said he had resumed investigation of "a possibility" that they were involved in that case.

Terrorism Is Blamed, Blast

National Guard Official Asserts Missile Was Thrown at Auto

(Continued From Page 1)

marital law was lifted in Johnstown, Pa., where the Cambria Works of Bethlehem Steel Corp., has been strikebound for a week, and the bitter battle between strikers and non-strikers gave every indication of being resumed tomorrow.

Under the mediators' proposal the Committee for Industrial Organization steel union and the four independent steel companies would sign an agreement "to become effective only if the union wins an election."

Finer the work out other terms would be called off. The 100,000 idle men in seven states would return to work.

Then a secret ballot would be held in the plants of Republic, Bethlehem, Inland and Youngstown Sheet & Tube Co. will "the agreement to go into effect if the union wins and to be torn up if the union loses."

The board urged the antagonists "either to accept the terms of settlement which we have proposed or to work out other terms of mutual agreement in joint conference."

King County Man Arrested, Carver

(Continued From Page 1)

PORTLAND, June 24.—(AP)—Melvin N. Riggs, alias Melvin N. London, former road superintendent of King county, Wash., will be extradited and will be returned tomorrow to Seattle where he has been under indictment since last March on bribery charges, Captain of Detectives John J. Keegan said tonight.

Keegan said Riggs "told the boys" he had adopted the name of London several years ago as a result of his admiration for Jack London, the author.

Riggs, or London, was arrested late today on his farm near Carver in Clatsop county by Portland officers led by Detective Paul Mumpower, whose grandfather once operated a farm in the vicinity, and accompanied by Pat Hughes, special investigator for King county prosecutor's office.

The witness, Mrs. Agnes Gardner, Hunt and other defendants are accused of bringing the girl to Beverly Hills for immoral purposes. Miss Jewett has testified Hunt betrayed her after telling her enroute from Denver she was the new "Irish Mary" and was to become the mother of a "new redeemer" by immaculate conception.

Mrs. Gardner said she heard no conversation enroute to California about Miss Jewett "having a child," nor any mention of immaculate conception.

Miss Jewett, she said, never told her of having been betrayed last Christmas eve at the wealthy Hunt's Beverly Hills home.

Auto Salesmen in Seattle Walk out

(Continued From Page 1)

SEATTLE, June 24.—(AP)—Prospective customers at two Seattle automobile companies had to find the good points of the latest models all by themselves tonight—the salesmen were on strike.

Salesmen for the Tyson Automobile Co. and Central Pontiac Co. walked out this afternoon, protesting commissions they received were lower than provided by an agreement with dealers.

The salesmen are organized in an affiliate of the strong teamsters' union.

Pickets outside two Tyson plants and the Central Pontiac building said they understood the strike would spread to other dealers tomorrow.

Steele to Fight Yarosz or Conn

(Continued From Page 1)

PITTSBURGH, June 24.—(AP)—Freddie Steele will defend his world middleweight championship here in August against the winner of next Wednesday's bout between Teddy Yarosz and Billy Conn. Promoter Elwood Rigby announced today.

Rigby said he guaranteed the Tacoma boxer \$30,000 plus \$1500 training expenses today. Steele and his manager, Dave Miller, then left for Washington, D. C., where the champion is booked for an overweight bout in July.

Henry Daun, 62-year-old local merchant, died suddenly yesterday in a local hospital as the result of a heart attack.

Mr. and Mrs. Daun recently returned from an automobile trip to St. Paul, Minn.

He is survived by his widow, Mrs. Leona Daun, a daughter, Lois, of Long Beach, Calif., and a son, Melvin Wilson, of Grande Ronde.

Funeral announcements will be made later by Rigdon's mortuary.

WITHERS HOLIDAY
Sally Blane - Robert Kent

GRAND

Albany Wants Air Field Taken Over

(Continued From Page 1)

ALBANY, June 24.—(AP)—Seeking to have the federal government take over the Albany airport as an emergency landing field, Mayor C. R. Ashton and Councilman William Bain will go to Portland tomorrow to interview department officials.

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Fishing Outlook Is Dull This Week

(Continued From Page 1)

SANTIAM, Nestucca to Be Fair if Weather Is Clear for Long

PORTLAND, June 24.—(AP)—Fishermen who will test their skill with the rod over this weekend will have the poorest prospects in weeks, the weekly bulletin of the state game commission stated.

Storms have caused most of the streams to become high and roly. The report states that if the weather stays clear the rest of the week fair fishing may be expected on the Santiam rivers, Calappa river, Crabtree and Thomas creeks.

In this region, T. R. Rodman, state police officer, said, catches have been made with flies. Lake fishing has been good, limit catches being made with spinners and flies. The road leading to the Clear Lake region over the South Santiam pass, Seven Mile mountain is practically impassable, but the road via Belknap Springs is in fair condition.

Chinooks in Nestucca

Likewise good weather the next few days will make the big Nestucca a fair haven, fishermen using spinners having fair luck. Several Chinook salmon have been taken from Nestucca bay the past week.

The Deschutes river has been high and muddy and fishing has been poor in that section, the report states.

Mining Class to Take Field Trips
A WPA mining class, meeting Mondays and Thursdays at the old high school building at 7:30 p.m., is open to persons interested in minerals either as a hobby or in serious study for the profession, Earl Litwiller, county director of adult education announced.

Under D. E. Decker, instructor, the class will make field trips this summer to the Coast range, Little North Fork of Santiam river and the South Santiam.

Specimens obtained in the field are analyzed for contents at the class laboratory. A display of minerals is being shown at 211 North Commercial street.

One of the class members is E. W. Thomas, Salem realtor, who is an ex-member of the University of Colorado faculty and an authority in mineralogy.

\$176,274 Profit Reported, Liquor

(Continued From Page 1)

Profits of the state liquor commission for the month of May aggregated \$176,274.69, according to a report filed in the state department here yesterday.

The gross liquor sales for the month totaled \$629,846.40 and \$2,123.69 for the first five months of this year.

Profits of the stores division for May were \$121,703.31 and \$662,884.12 for the first five months ending May 31.

Liquor division profits aggregated \$268,544.44 for May with an accumulation of \$223,772.63 for the first five months of the year.

The privilege taxes for May were \$51,855.94 or \$228,807.71 for the first five months of the year.

Net profits in the stores division for May were \$19.85 per cent.

Governor Rivers III

(Continued From Page 1)

HOLLYWOOD, Calif., June 24.—(AP)—Gov. E. D. Rivers, of Georgia, was admitted to Cedars of Lebanon hospital tonight for observation after suffering an attack of what he said was indigestion.

"Misplaced sympathy of the type displayed by the governor," he said, "is the spark which sets off lynching parties."

"Such statements hearten others of Van Vlack's ilk and take the heart out of conscientious law enforcement officers who daily risk their lives to protect lives and property of citizens."

Governor Clark yesterday, in an interview at Lewiston, declared "nothing will be gained by hanging Douglas Van Vlack."

Attorney General J. W. Taylor, at Boise, today expressed his opposition to the governor's stand.

School Board Meeting Deferred; no Date Set
The city school board meeting scheduled for last night failed to materialize after having been postponed from Tuesday. A meeting will be set for the near future, at which it is expected reorganization of the board to include Dr. L. E. Barck, elected Monday, will take place. Contracts with new teachers will also be drawn.

HOME OWNED HOLLYWOOD 15
TODAY & SATURDAY 21 FEATURES

Bob Allen in "Law of the Ranger" Added — Popeye Cartoon, News and Episode 2 "Ace Drummond"

HOME OWNED HOLLYWOOD 15
STARTS SUNDAY

HARLOW
Robert Taylor PERCENT PROPER

MacMillan Leaves On Arctic Voyage

(Continued From Page 1)

GLOUCESTER, Mass., June 24.—(AP)—Cmdr. Donald B. MacMillan's 16th Arctic expedition sailed today for a 6000-mile voyage of scientific and geographical exploration work in North Labrador and Baffin Bay.

Commander MacMillan plans to carry the expedition as far as 70 degrees north latitude. He expects to return about August 25.

Another objective of the expedition will be a further search for evidence and relics of the Martin Frobisher expedition of 1574.

Chicago Officers Say 'Mob' Guilty
WASHINGTON, June 24.—(AP)—Chicago police attributed the Memorial day strike riot today to shots fired and missiles thrown by a "mob" of pickets.

They gave their account to the senate postoffice committee.

"We had to do what we did and we did it," said Capt. James L. Mooney, in charge of the police at the scene of the riot.

"I don't care if there were people killed. If we hadn't done what we did there'd have been more."

Ten were killed in the riot. Eight died of bullet wounds and two of fractured skulls, the testimony showed.

With Captain Thomas Kilroy, his second in command, Mooney testified the pickets advanced on the police detail of 200 men shouting their determination to get through and "throw them finks out" of a Republic Steel Corp. mill.

The officers ordered them to disperse and then the fighting started, they said.

D.A.R. to Greet Newest Citizens
Under the sponsorship of the Daughters of the American Revolution, a reception for all new citizens in Salem and the surrounding vicinity will be held next Wednesday at 8 p.m. at the chamber of commerce.

Mrs. C. C. Geor, D. A. R. vice-regent, is in general charge of the affair.

All new citizens who received final recognition of naturalization following either of the last two examinations December 11, 1936, or June 13, 1937, have been invited to attend.

Government officials connected with naturalization will have part in the program, including Judge George Rosenman of the state supreme court.

U. G. Boyer, county clerk, will award official recognition of citizenship to 53 persons who passed the last examination given here June 18. The remainder of the program will be given over to short speeches and music.

38,000 Inquiries About State Come

(Continued From Page 1)

Thirty-eight thousand inquiries for information regarding Oregon's recreational resources were received by the state highway commission tourist bureau during the first five months of this year, Harold B. Say, director, reported yesterday.

Approximately 75 per cent of these inquiries came from the eastern and middle western states. A large percentage of the writers asked about Crater Lake, the Josephine county caves and beach resorts.

More than 2000 Californians inquired regarding Oregon streams, most of these letters were from fishermen.

Say predicted that this year's tourist travel in Oregon would be the heaviest in history.

STATE THEATRE
Salem's Only Vaudeville

VAUDEVILLE
The Fun Show of This Season!

OLE OLSEN, Jr.
With Original Crazy Girl—
RUTH FABER
DIRECT FROM THE OLSEN AND JOHNSON 1937 REVUE
Presenting
"FUN MARCHES ON"
A wild, mirthful, laugh-filled extravaganza that really entertains.
Watch Close — Because Anything Might Happen!

—Also—
CASSELL AND BARRETT Presenting "The Magic Cane"
—LaBEAU AND LOUISE in "Fun We Hope"

BETTY GORDON
Personality Girl
"WHAT NEXT"

ON THE SCREEN
RICHARD ARLEN
in **Secret Valley**
HAROLD BELL W