

**Weather**  
Occasional rain today and Monday, moderate temperatures; Max. Temp. Saturday 56, Min. 49, river 3.9 feet, rain 1.65 inch, S-SW wind.

**Sunday Features**  
Each Sunday The Statesman presents numerous special features of particular interest to the people of the middle Willamette valley.

EIGHTY-SEVENTH YEAR

# Shotgun Squads Seeking "Goon" Terrorists

## Storm, Flood Damage Heavy Over big Area

Over 1000 Homeless Due to California Flood; Blizzards in East

Torrential Rains Still Fall in West Oregon; Trucker Is Killed

(By the Associated Press)  
Community-paralyzing blizzards in the east and rising storm floods in California, linked with disastrous gales at sea, caused at least 77 deaths Saturday as winter struck most of the northern hemisphere.

More than 1,000 persons were driven from their homes in northern California, and in the fertile Sacramento valley crops, livestock and houses were swept away in the three-to-seven inch deluge that sent river stages to dangerous levels.

The worst storm disaster in Europe, near Castlety, Scotland, where rescue workers dug for the bodies of still more victims in Britain's biggest railway wreck in 22 years. Thirty bodies were taken from the debris of the crack Scottish express which smashed into the rear of another passenger train during a blinding snowstorm.

Update New York felt the full brunt of the American storm, with 10 known dead. The federal government authorized the use of national guard troops to help storm-isolated Erie county communities "dig out."

A new blizzard hampered rescue work amid already huge snowdrifts north of Buffalo.

PORTLAND, Ore., Dec. 11.—(AP)—Torrential rains fell tonight in the wake of gales which battered Oregon, flooding Klamath Falls and Lakeview and disrupting communications. Railroad tracks at south end of town were washed out. Rocks were washed into streams three inches deep which flowed over Lakeview streets. More than two inches of rain fell.

**MORE NEWS**  
**ADD STORM 9 P. 1**  
An all-time precipitation record of 2.38 inches in 48 hours was set at Klamath Falls, where water ran over streets and sidewalks, destroying Christmas decorations. A diversion dam at Malone, 40 miles southeast of Klamath Falls, went out, flooding Langell valley with 10 inches of water. The Greensprings highway to Ashland was blocked by a mud slide 100 feet long and two feet deep.

Fort Klamath was partly inundated. Unconfirmed reports said that Klamath residents were marooned in their homes.

Lowell Welmer was killed when a huge boulder, loosened by rain, crashed from a cliff above the Co. (Turn to Page 14, Col. 1.)

**Oddities**  
... in the News

HOUSTON, Tex., Dec. 11.—(AP)—Mrs. Katharine Steele started to take her driver's license test today and stepped on the starter of her parked automobile.

The motor roared and the machine, which had been left in reverse, backed through a plate glass window into a crowded cafe.

Neither Mrs. Steele, Examiner John Hurwitz nor the diners were injured.

The license test was postponed indefinitely.

OMAHA, Neb., Dec. 11.—(AP)—William Reilly, 19, of Omahaw, was sentenced to one to five years in prison here today for stealing seven cents. He pleaded guilty to a breaking and entering charge.

CHEYENNE, Okla., Dec. 11.—(AP)—A shattering blast of 150 dynamite bombs crumpled with 900 pounds of shot killed an estimated 50,000 crows at their roosts in a blackjack grove near Dempsey.

It was far and away the largest single kill ever made, said K. D. Turner, state game warden, in charge of the shoot.

## Tosses His Hat In Senate Ring



CARL C. DONOUGH

## Donough in Race For Steiwer Job

US Attorney Will Oppose Ashurst for Democrat Nomination in '38

PORTLAND, Dec. 11.—(AP)—Carl Donough, 37-year-old United States attorney for Oregon, announced his candidacy for the seat of United States senator, from which Fred Steiwer, republican, will retire next year.

Donough, a long-time member of the democratic party and Roosevelt's 1932 campaign, will take a leave of absence without pay from his present office upon beginning his campaign, probably after the first of the year.

The announcement was the second to be made for the seat Steiwer will leave because of ill health. Circuit Judge Edward B. Ashurst, Klamath Falls, announced his candidacy last month for the democratic nomination next May.

In a statement, Donough said he acted "in response to the repeated requests of citizens from all parts of the state."

Saying that in due time he would present his attitude on major issues, Donough declared: "I will continue my whole-hearted support of the president of the United States."

Donough, a native of Oregon and unmarried, resides here with (Turn to Page 14, Col. 5.)

## Rescuers Delayed By Pacific Storm

Destroyers Nearing Island Where Pres. Hoover's Passengers Wait

MANILA, Dec. 12.—(Sunday)—(AP)—The progress of ships steaming to the rescue of passengers and crew stranded on two tiny sub-tropical Japanese islands in the far western Pacific after the wrecking of the liner President Hoover, was retarded by bad weather, the Cavite navy radio was informed today.

Three American destroyers en route to the little island of Formosa where the luxury liner went aground early yesterday reported they did not expect to reach their destination before 1 p. m. today (Saturday midnight, Eastern Standard time). They were making only 12 knots because of heavy swells and high winds.

The \$8,000,000 liner was reported "bumping heavily" on the rocks of Hoisshoto island. A skeleton crew presumably remained aboard.

Besides the destroyers, the Cavite navy radio was informed today.

## Dr. Kerr Discusses Farming Problems, Pomona Gathering

LIBERTY, Dec. 11.—Increasing domestic consumption of farm products through the development of new industries which rely upon the products of the soil, is the road to rural prosperity, Dr. W. J. Kerr, chancellor emeritus of the Oregon state system of higher education, declared in an address at the gathering of Marion county Pomona Grange and subordinate granges here today.

Aside from Dr. Kerr's address, the meeting was featured by installation of Pomona officers and officers of a number of local granges.

Basing his remarks largely upon observations made in Europe during recent travels there, Dr. Kerr described the gigantic drainage project which will reclaim 175,000 acres of farming land along the Mediterranean in Italy. In the fascist countries every bit of soil is being safeguarded, everything possible being put back into the land, and the people already on rations, have re-

cently seen their rations cut by 20 per cent.

In the United States, Dr. Kerr said, 20 per cent of the nation's wealth is rural and 18 per cent of persons gainfully employed are farmers, yet during the past ten years the farmers' average share of the national income was below 10 per cent, although 75 per cent of the raw materials entering into the nation's commerce come from the soil.

Ability of the farmer to market his products is quite as important as his ability to produce them, and it is imperative that the avenues of distribution remain open and clear. Another necessity to marketing is organization and care to produce quality crops.

L. S. Lambert presided at the installation ceremony. Pomona grange officers installed included: J. O. Farr of Ankeny, master; J. C. Darby of Union Hill, overseer; Mrs. D. B. Killehege of Che-

## Elderly Woman Liqueuring

Around 150 Gallon Wine Cache Is Discovered in Raid on Home

Selling to Minors Basis of Charge; Silverton Court Hears Case

Mrs. Lena Goldade, 73, faced a charge of selling liquor to minors when she was arraigned in Silverton justice court Saturday night following a raid conducted by Sheriff A. C. Burk and state liquor control commission inspectors at her home at 651 North Capitol street in Salem.

Mrs. Goldade was released on her own recognizance and will have preliminary hearing early this week.

Sheriff Burk said the raid was conducted on authority of a warrant previously issued.

In Mrs. Goldade's home the officers found, the sheriff said, a large number of wooden jugs, earthenware crocks and other receptacles, all filled or partly filled with grape wine.

The residence is in the general vicinity of the Parrish junior high school but information received by the officers indicated that Mrs. Goldade's alleged customers were reported to be principally senior high school students.

## Train Is Delayed When Tree Falls

Southbound Flier Held up Nearly 50 Minutes by Track's Blockade

Number 23, Southern Pacific's fast southbound flier, was held up between Church and Chemeketa streets for nearly 50 minutes last night, waiting for a black walnut tree that had fallen across the 12th street tracks to be cleared away. The flier was due into the station at 7:19, and arrived there at 8:17.

The root of the tree had been loosened, evidently, by the ditch that is being dug by the Salem water commission along 12th street in which to lay water mains for the state capitol building. Saturday's storm was a contributing factor. Watchmen, provided by the commission to patrol the ditches being dug, found the tree and flagged down the train.

A switch engine was run out from the SP yards to pull the tree out of the way after it had been sawed in two, and Cuyler Van Patten, Salem water commission manager, took charge of hauling it away.

According to watchmen patrolling the ditches, and to a Southern Pacific operator, other trees are on the verge of falling, but they are therefore under the jurisdiction of the city, through the park board.

## Freighter in Distress

HAKODATE, Japan, Dec. 12.—(Sunday)—(AP)—The 1472-ton Japanese lumber freighter, Hyogo Maru broadcast a distress call today, reporting she was disabled in a storm off the east coast of Hokkaido.

Nixon said the break appeared almost simultaneously with the Idaho freak, but covered only a few feet. Today it is 100 feet long, 80 feet deep, and extends down the mountain 50 feet in a series of terraced slips.

Thresher said the break was due to moisture saturated clay and substrata shifting on a dry, hard bed beneath.

## Seamen Walk off Freighter; Claim It's Unseaworthy

ASTORIA, Ore., Dec. 11.—(AP)—Fifteen seamen walked off the freighter Phyllis Sato today, declaring the boat unfit for sea, with 36 inches of water in the hold. She put in here to restow cargo shifted by a 70-mile gale but was ready to sail.

Seamen charged the vessel was taken to Shanghai for sale, but returned. At Yokohama and Honolulu, they declared, the ship was drydocked, the last time for 27 days. On the return, two SOS signals were sent.

The first mate denied there was water in the hold.

## Modern Box Factory Planned Replacing West Salem Plant

Friesen Plans To Start Soon On Rebuilding

Cost Is Around \$50,000 With Daily Capacity of 30,000 Feet

Steel Construction may Be Selected; Study Made of Design

Preliminary arrangements for construction of a new, modern box factory in West Salem to replace the plant which burned down November 20 were completed yesterday, John S. Friesen, proprietor of the Sam Box & Manufacturing company announced late in the afternoon.

Based on a rough estimate only, the new plant's cost is set at \$50,000. Friesen said he expected the new mill to be ready for operation by March 1, in time to go into heavy production of berry crates and other materials for packing early fruit crops.

The new mill will have the same capacity as the one destroyed, 30,000 feet a day, but will be more modern in construction and better equipped, Friesen said.

A two-story structure covering at least as much ground as the old one-story mill is contemplated. Will Study Design of Other Plants

Before it is decided whether the building will be of steel or wood frame construction, Friesen will make a tour of other northwest box plants to decide exactly what kind of structure and equipment he will set up.

The Copeland lumber yard, partly destroyed by the same fire, will be rebuilt on a smaller scale, R. A. Meyer, manager, said yesterday, but no definite plans will be available until soon after the first of the year. The Copeland, firm recently purchased the Cobbs-Mitchell retail yard at 349 South 12th street and is now operating both that and the West Salem business.

The Friesen mill in West Salem was started in 1928 and operated without a shutdown until the fire occurred last month. Its crew ranged from 50 to 75 men and will be the same in the new plant. Large quantities of boxes and crates were shipped to California and eastern seaboard plants as well as to packers in the Pacific Northwest.

The Friesen Millwork company plant, which escaped the recent fire, has been running as usual.

## Molalla Achieves Fame; Has Moving Mountain Terrain

MOLALLA, Ore., Dec. 11.—(AP)—Molalla, undaunted by Idaho's sinking ranch and Los Angeles' skidding mountain, produced its own creeping terrain today.

Earl K. Nixon, state department of geology and mineral industries director, said Geologist Ray C. Thresher had examined a break on the side of a mountain near the Molalla river.

Nixon said the break appeared almost simultaneously with the Idaho freak, but covered only a few feet. Today it is 100 feet long, 80 feet deep, and extends down the mountain 50 feet in a series of terraced slips.

Thresher said the break was due to moisture saturated clay and substrata shifting on a dry, hard bed beneath.

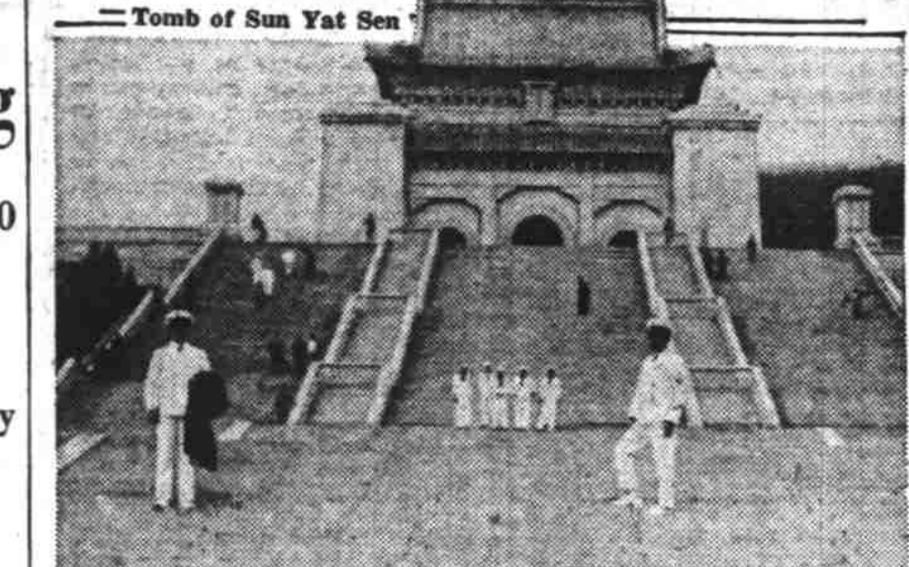
## Paper Mill Here To Start Tuesday

The Oregon Pulp & Paper company will resume operation in all departments with a full crew Tuesday, it was announced Saturday.

This reopening will terminate a two-week shutdown which officials indicated was made necessary by the fact that purchasers withheld specifications on paper already ordered, because of business uncertainty. The cutting off of the oriental trade was also a factor.

This was the second shutdown this autumn. While company officials have made no announcement as to probable steadiness of operation through the winter, employees have predicted that any shutdowns will be brief and that steady production is probable after the first of the year.

## Battle Raging Around Nanking; Capital Is Entirely Surrounded



Japanese broke through into Nanking Saturday after their crushing advance from Shanghai, route of which is shown in the map, but were unable to extend their sphere of control inside the Chinese capital. Above, the \$3,000,000 tomb of Sun Yat Sen, father of the Republic of China, captured by the Japanese.

SHANGHAI, Dec. 12.—(Sunday)—(AP)—Three Japanese columns, heavy siege guns and aerial bombers pounded Nanking today as other Japanese forces threatened complete encirclement of China's abandoned capital.

A Japanese thrust downstream along the Yangtze imperiled the last avenue of escape from Nanking, where 16 Americans remained inside the walls.

Chinese early today said the Japanese onslaught was being intensified, "literally pouring steel" into battered Nanking.

One invading column was reported only 10 miles from Pukow, railroad opposite Nanking. Capture of Pukow would snap shut the Nanking trap.

Wuhu, strategic Yangtze river port 60 miles above Nanking, already was in Japanese hands, as was Taiiping, midway to the capital.

As the Japanese military machine tightened its grip stubborn Chinese resistance apparently prevented the Japanese from extending the foothold gained within the city walls Friday.

British dispatches from Hankow reported Gen. Tang Seng-chi, commander of Nanking's defense, admitted loss of the main southeastern gate, Kuangshamen, but declared the invaders were unable to push further inside the thick walls.

Water was flowing across the Salem-Silverton highway east of the Fairgrounds yesterday morning, County Engineer N. C. Hubbs was advised.

The Hamman Stage line's buses encountered severe surface water conditions on the runs to and from Detroit yesterday but kept on schedule. Aside from water on the road, the route was in good shape for this time of year.

Because of a washout on Southern Pacific tracks in California, all of the company's trains which were scheduled to arrive here Saturday are now due to arrive today many hours late, company officials said.

However the southbound trains will leave on schedule, making (Turn to Page 14, Col. 8.)

## Wilkins Seeks to Rescue Air Santa

BARROW, Alaska, Dec. 11.—(AP)—Sir George Hubert Wilkins, famed Arctic explorer and flier in command of a Russian chartered expedition to seek the lost transpolar plane, planned to take off early tomorrow to rescue Pilot Harold Gillam, northland aerial Santa Claus who crashed in his monoplane tonight at Cape Halkett.

Gillam, en route from Fairbanks, radioed from Cape Halkett, 140 miles east, he was unhurt and his transmitter undamaged.

Gillam said he would mark out a landing field on the frozen tundra for Wilkins. In Gillam's monoplane were gifts and supplies for the soviet rescue expedition.

## Italy Drawing Out of League

II Duce Avers

Claims Nations Seeking War, His Aim Set on Continued Peace

ROME, Dec. 11.—(AP)—Italy withdrew from the League of Nations but announced her determination to continue to collaborate for peace.

The action, decided upon at a seven-minute meeting of the fascist grand council, was proclaimed by Premier Benito Mussolini from the balcony of the Palazzo Venezia.

One of the greatest crowds ever assembled in the vast square in front of the palace, despite a heavy rain, roared its approval.

"Now we are on our own," he shouted, "and depart without regrets from the reeling ship where they do not work for peace but are preparing for war."

Italy thus followed in the footsteps of Germany and Japan, with whom she is joined in an anti-communist pact, among the leading nations to depart from the league.

Membership in the league will not end until two years after formal notice of withdrawal but Italy for more than a year has pursued a "policy of non-cooperation" with Geneva.

This estrangement dated to May, 1936, when the Italian delegation walked out of a meeting of the league council after it had voted to continue a sanctions against Italy because of the Ethiopian war.

Mussolini was in a fighting mood as he appeared upon the balcony of his palace.

Arraigning the league in a vigorous attack, he declared: "It is necessary to choose whether to be in the league or out of it."

"Then he cried the question: 'No!' answered the multitude. 'Out of it!'"

"Yes!" responded the throng. Boos resounded when II Duce spoke derisively of the great democracies.

## Farm Crop Protective Tieup For Entire Coast Considered

A meeting of the Farmers Crop Protective Co-op of Oregon will be held within the next ten days to consider the question of affiliating with a coast-wide organization of similar character, it was announced Saturday by Herman E. Lafky, secretary of the state organization.

Lafky has just returned from the annual convention of the Associated Farmers of California, held at San Jose, at which representatives of Oregon, Washington and Arizona farmers' organizations were present to hear the proposal for formation of an interstate body to be known as the Associated Farmers of the Pacific Coast.

The Oregon Co-op, which Lafky emphasizes is designed to bargain collectively with labor and is not opposed to legitimate labor organizations, has a large membership through affiliation of previously existing farmers' groups and has been able to pre-

## Auto Plant in Portland May Be Shut Down

Beat-upers Are Claimed by Manager; Sawmill to Open on Monday

Pharmacy Picketed With Intent to Unionize Registered Men

PORTLAND, Ore., Dec. 11.—(AP)—Detective Capt. John J. Keegan ordered out shotgun-armed detectives today to combat what he said were union goon squads in labor warfare.

His action followed announcement of the General Motors Sales Corporation that it would close its distributing plant, which sells \$15,000,000 worth of automobiles and parts annually, rather than risk injury to employes. Two men were beaten yesterday.

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Detective Capt. John J. Keegan instructed his men to "pay particular attention to beat-up cars," and ordered them to use the guns in effecting captures to "stop this lawlessness."

A. A. Turner, zone manager for the Chevrolet division of the General Motors company, said 100 men would be thrown out of work if the plant closed. He charged the teamsters union but pickets around the place when he refused to deduct union dues from employes' salaries.

The Doernbecher Manufacturing company closed its furniture plant, laying off 1500 workers "until we get enough orders to reopen."

Frank Nau's big pharmacy was picketed today in what was seen as an opening wedge to unionize druggists. Nau declared there was no dispute with employes, who had resisted unionization because "we are recognized as professional men." The union demanded \$135 monthly for registered pharmacists, with a 54-hour week; \$67.50 to \$112.50 for non-registered clerks, and \$67.50 to \$90 for women.

Meantime, the Inman-Poulsen Lumber company, where CIO employes won a representation vote conducted by Gov. Charles H. Martin, said about 150 members of its previous crew of 600, laid off 122 days ago by jurisdictional war, would be returned to work Monday, regardless of union affiliation and solely on a basis of seniority.

The company said the Greek steamer Andreas would load 750,000 feet of lumber for Japan Tuesday. Officials of the AFL Columbia River Pilots' association refused to say whether they would take the vessel to sea.

The Oregon-Washington council of lumber and sawmill workers, in convention at Eugene, rejected a CIO plea to allow representatives to present a peace plan. It elected Homer Haney, Tacoma, Wash., president, then went into secret session.

LOS ANGELES, Dec. 11.—(AP)—Imagine Dr. Walter Albert's surprise today when he picked up his favorite newspaper to find his name in the official death list. A check showed a funeral parlor had listed the doctor's name instead of that of his recent patient.

**BALLADE of TODAY**  
By R. O.

A few years ago we endured a depression, but business improved and that ghost was present; the dull times in interest we call a "recession," avoiding that other lugubrious word.

**Everybody Buys and uses Christmas Seals.**  
GREETINGS The NEWSBOY  
EXTRA BUY SEALS  
11 Shopping Days Left