Art Appreciation Hundreds of Statesman

readers have taken advantake of this newspaper's offer of 48 reproductions of famous paintings.



Weather Occasional rain today and Friday, temperature unchanged; Max. Temp. Wednesday 49, Min.º 33, river 5.6 feet, rain .29 inch, S-SW



which had divided labor and was now trying to divide business. ark by Short that Pr

ident Roosevelt is the "smoothest, slickest politician" ever to live in the White House brought forth cheers and prolonged applause from democratic members.

was "singing a hymn of hate"

WASHINGTON, Feb. 2-(AP)-A thousand "little businessmen," each with a speech to make, met today to tell the Roosevelt administration how to end the recession, and all tried to talk at once.

Quickly they demonstrated they had come to Washington to be heard and not to listen. The result was tumult-scores seeking recognition. The scene rivaled the more frenzied moments of a national political convention.

It was, manifestly, impossible to proceed, so Secretary of Com-merce Roper seized the gavel, stilled the clamor somewhat, and dispersed the meeting into 10 study groups, where the effort to make many speeches at the same moment merrily continued.

But individually, as interviews disclosed, the little businessmen were in deadly earnest. Each had

his own ideas of what should be done, some had laboriously surveyed the opinion of their neighbors. Most were mystified as to "why I was invited to come here, why they picked me out," and many were equally at a loss to know why they found solicitous messages from their senators and congressmen waiting for them in their hotel rooms.

and the retreat of Chinese forces So many and so varied were was near a rout. the ideas they brought, that the

The Chinese neigher admitted day produced no noticeable nor denied the Japanese victory crystallization of sentiment on any one point, unless it was that little business needs more capital was in progress south of Pengpu, and that, vaguely, some method the strategic Anhwei province

war.

(Turn to page 2, col. 5)



GAINESVILLE, Ga., Feb. 2-(P)-Pete Sherlock, jr., of At-lant, recently turned in his 1986 model automobile on a new car. Before driving away he had mechanics pull the tank from the old one.

They inverted it over a buck and out poured \$503.75 in sildollars, halves and quar-

"I gas tank makes a great ank," Sherlock said. "It's easy to put the money in but plenty ard to get it out."

GAINESVILLE, Fla., Feb. 2-A9-Mrs. T. D. Duncan of Gainesville said today she found six small pearls in the oysters served her at a president's birthday banquet at Cedar Key Monday night. Since the birthday banquet was held to raise funds for the national infantile paralysis foundation, Mrs. Duncan gave five of the pearls to the foundation. She kept one as a "memento."

Chairman Grinnell Hughes of the banquet committee said the time statements. five pearls were appraised as high as \$500.

(Thursday) -(A)- Two San Diego-based flying boats operatas he stood before the court with ing with the fleet in maneuvers been implicated by confessions. Hewitt. been lost through Moorman's op-LANCASTER, Pa., Feb. 2only District Attorney Lyle J. Page, Court Clerk Harland Judd Of 34 men held for question-70 miles southwest of Point Robison acted under an oberations. DALLADE (P)-The county treasurer's of-Loma crashed about 8:87 ing, nine were released, includ-Moorman had bee employed yer and democrat, was named by scure statute and demanded wice had a puzzler today from and Deputy Sheriff Kenneth Ran- by the highway department for the Multnomah county commis-Judge Hewitt allow him to call ing AT Spina and Frankie Gal-D of TODAY o'clock last night, and four of a dog owner who described his dall present. He showed no emo-tion until the judge commented was arrested on the forgery Senator Thomas P. Graham, jr., the 14 men ab oard the two witnesses to prove the men were lucci, professional fighters. Spina in front and a By R. C. planes were rescued, it was andeclared he was raid from \$4 to cocker spaniel in the rear. there appeared no background charge December 15, indicted on who resigned to become a nationnounced by the commander of Detective Capt. James J. Kee- \$10 a day to act as a picket and Deputy Treasurer Harry Mc-Muellen said he would write for Moorman's act in his upbring- the two counts by the grand jury al labor relations board attorney. The groundhog saw his shadgan said James A. "Tiny" Dawes, member of the teamsters' union, aircraft scouting forces. ing. A tear coursed down the December 31, pleaded not guilty John Beckman, chairman of the 23. 296-pound teamster, had con- although he paid no dues. ow yesterday-a fact for fu-Those rescued were picked ture weather inauspicious; for that in under the descriptionprisoner's cheek but he otherwise January 19, and changed his plea county democratic central comfessed smashing windows in two Judge Hewitt refuse to reduce up by the USS Tennessee. All available vessels were ordered to join in the search for the miss-ing members of the two crews. continued his unflinching mien. Judge McMahan directed that the sentences, two years each on out an attorney. spring, it means a full six of-breed section of the dog liweeks delay-that is, if you -? cense for which the owner apare slightly superstitious.



Feared the prey of a mountain lion or cougar, tiny Ted Thompson, years old, was central figure of a widespread search out of Ukiah, Calif., from where the child strayed while at play. Fresh mountain lion tracks were found in the vicinity where the child is believed to have wandered, but searchers continued, despite heavy rains and biting cold. The missing boy is the son of Charles Thompson, SERA forest worker. Photo shows Ted, now 4, at right with an older brother, Joe. -- IIN photo.



Need by Schmalz, now of War Exists; Meet at Capital Parley at Geneva Ends

WASHINGTON, Feb. 2-(AP)-A SHANGHAI, Feb. 3- (Thursday)-(AP)-Japanese said today 50-year-old millinery merchant of Portland, Ore., attending the they captured Pengpu in a terconference of smaller business rific battle along the Tientsin-Pukow railway 90 miles south of men, said today labor troubles were a major cause of the curtheir central China objectiverent "recession" in the Pacific the vital rail junction at Suchow.

northwest. Dispatches from the Japanese "Give us peace in the ranks of expeditionary force asserted the the laboring man," said Frederick stubborn Chinese defense south H. Schmalz, "and we will be well of the Hwai river had collapsed on our road back to normalcy." He added, however, that the

(Turn to page 2, col. 4) nor denied the Japanese victory reports but said severe fighting Governor Pardons Man in Jail Here trading city on the Tientsin-Pu-

kow railroad near the Hwai river. (Japanese Foreign Minister Kaiki Hirota told the diet in To-

made his remark informally while answering a question in the Governor Charles H. Martin Japanese diet. issued a conditional pardon Wed-"It seems to me," said Senator nesday to Al Phillips, recently Nye (R-ND), "that there is no post left to hide behind for not fined \$250 and sentenced to a term of six months in the Marion invoking the (neutrality) law." county jail for practicing veter-

Jaunt to Belgium inary medicine without a license. The pardon was recommended

(Turn to page 2, col 7)

Hoover Leaves on

PALO ALTO, Calif., Feb. 2-(AP) by the state agricultural depart-Former President Herbert Hoov- ment and Sheriff Burk. er left today for New York City, Phillips will not be released en route to Belgium as the guest from the county jail until he obof that country's universities. tains transportation for both him-

self and wife to California. She Mr. Hoover will tour the area over which he presided as food is in ill health. administrator after the World Phillips will remain on proba-

tion for five years.

Moorman Starts Prison Term Of 2Years, Forgery Charges

Wilbur L. Moorman, former two forgery charges, the ministate highway department time- mum under the law, should run keeper, was a state penitentiary concurrently. Both involved time inmate last night, facing two con- statements made out last fall to current two-year sentences im- fictitious persons and then cashposed earlier in the day by Cired by Moorman.

cuit Judge L. H. McMahan on J. M. Devers, state highway charges of forgery of department commission attorney, said at least \$5000 would be recovered, from

Moorman maintained the mili- bonding companies, of the \$8000 tary bearing to which he was which Highway Engineer R. H. trained as a World war soldier Baldock had reported as having

McNary said he would offer an amendment to the agricultural appropriation bill for \$25,000, provided an agreement to pay flax growers benefits in 1938 was kept.

costs to cooperative plants were

too high and an engineer with

manufacturing experience was

needed to organize production.

Salem Given Okeh L. L. Laws, member of the state flax board and manager of the state flax industry, said Wed-\$23,410 for new Pavilion nesday night that Farrell's proposal apparently was aimed at institution of an experimental program which would overcome the difficulties which the AAA official recently mentioned in opposing continuation of the subsidy WASHINGTON, Feb. 2-(AP)to flax growers. Projects calling for the expendi-

An expenditure in the amount suggested would not construct a flax plant on a commercial basis to handle Oregon's output, Laws pointed out. The experimental plant would probably be built at Corvallis. Artificial methods of (Turn to page 2, col. 1)

Neutrality Law's

of the neutrality act.

ments to belugerents.

war there was little likelihood

President Roosevelt would apply

this act forbidding arms ship-

It was pointed out Koki Hiro-

ta, the Japanese minister, had

Others who previously had de-

manded application of the act ex-

North Santiam Is

pressed a similar view.

represents an additional grant to-**Invocation Asked** ward construction of the total of eight new units being added to the new cattle pavilion at the state fairgrounds this year, Leo

indexing.

Split Up Acreage

wheat or oth

The secretary of agriculture

r crons neede

will estimate the production of

at State Fair; Library

Indexing Approved

WASHINGTON, Feb. 2-(AP)-Spitzbart, assistant fair director, The Japanese foreign minister's said last night. When the new assertion a "state of war" exists units are completed the pavilion between Japan and China brought will have a capacity of 1000 head renewed demands today from of cattle and 200 hogs. some congressmen for invocation Each of the units, of which

(Turn to page 2, col. 5) Administration leaders indicated, however, that in the ab-**Public Power Aid** sence of a formal declaration of

Begins Next Week

WASHINGTON, Feb. 2-(AP) The government will start pouring out millions of dollars next week on its long-delayed munici- Manager Becomes

pal power program. PWA Administrator Ickes announced today the first \$1,000,-

Thereafter, in rapid succession,

lic power projects in 21 states

treasurer.

Portlander Elected PORTLAND, Feb. 2. -(AP)- The Pacific Coast Metal Trades council

SAN DIEGO, Calif., Feb. 3-

countered only four inches of snow in the last few days while operating the county snowplows annual convention today.

Bulletin

Schneider Named

had a bailiff vigorously chafe and (Turn to page 3, col. 1) rub his pale hands. A special recess was called and Wright was assisted by the arm from the **Two Projects for** stand. Returning 15 minutes later, he

circumstances.

wept and sobbed at several points, so that by the regular afternoon recess, he was again near collapse, and was led from the court room. At the end of today's session, however, he seemed to have regained his composure. But he

home, embracing under unusual

Wright collapsed once this aft-

ernoon and, unable to continue,

Roll asked questions in terms of split-second distance by feet.

them again. Defense Atty. Jerry Giesler, (Turn to page 2, col. 1)

was pale and taut. Then he would rephase and ask

ture of more than \$25,000 at Salem have been approved by the WPA in awarding \$122,146 to

Oregon, Senator McNary (R-Ore) were \$23,410 for an additional Goering May Get beef and cattle pavilion at the fair **Military Office** grounds and \$2,844 for library

The \$23,410 state fair project In Which Case Cleanup Is mentioned by Senator McNary Feared; Blomberg out **Due to Marriage**

to fix bail at \$500,000. BERLIN, Feb. 2-(AP)-Col. Gen. Hermann Wilhelm Goering, number two nazi leader, stood out to-night as the expected successor Capitol May Be night as the expected successor to Marshal Werner von Blomberg

as minister of war. The cabinet held a three-hour session in the early evening but no announcement was made im-

mediately. Von Blomberg was said by a reliable informant to have resigned Friday before 'eaving for a honeymoon with his 28-year-old bride, the former Erika Gruhn. ernor Charles H. Martin.

(The Von Blombergs have been (Turn to page 2, col. 2)

is occupied a number of state **Empire President** departments, now located down-

PORTLAND, Feb. 2-(AP)-R. B Ambrose, Portland Woolen Mills sales manager, succeeded C. B. Van Houten, paint company ex-

COQUILLE, Feb. 2-(AP)-Mapes ecutive, as president of the Colum-Davidson, National Labor Relabia Empire Industries, Inc., today. Robert R. McKean was reelected tions board examiner, ordered first vice president; Dr. Lief Un- night sessions today in an effort derdahl, second vice president; to complete hearing on CIO

and Charles E. Cassel, secretary- charges against the Smith Wood Products company by Monday.

Third Degree Charge Sought Against Police, Labor Cases

PORTLAND, Feb. 2 -(AP)- he divided with a companion, Charles W. Robison, labor law- Charles LeRoy Henderson, held yer, sought assault and battery on seven charges under \$40.000 warrants today against police al- bond.

leged to have used third degree Previous alleged confessions inmethods in securing confessions cluded beataps, attempted bombfrom men held in a drive on ings and window smashings. labor terrorists,

The motion, vigorously opposed by District Attorney James Bain, was taken under adviseficial, who were alleged to have alternative. ment by Circuit Judge Louis P.

"Dixie" Davis, Weinberg the mill. Arrested, Said Heirs to NLRB director, said at Seattle the mill and the AFL had been charg-Schultz Racket

PHILADELPHIA, Feb. 2-(AP)and they have a right to change Detectives, following the trail of their minds any day or twice a a red haired showgirl, captured day," Carson declared. in a smashing raid today two men described as heirs to the \$100,000,000 lottery racket of New York's Dutch Schultz.

Led by Charles P. Grimes, assistant to District Attorney Thomwho presented a reaffiliation, as E. Dewey, a squad broke down charter to the Jones group, asthe door in an apartment occusailed the CIO move to bring the pied by Hope Dare and arrested J. Richard "Dixie" Davis and NLRB back into the Portland lumber scene. George Weinberg. Davis was attorney for Arthur "Dutch throw the men out of work if he Schultz" Flegenheimer who was shot down in a Newark restau-

rant two years ago.

death."

pleted July 1.

As soon as the new structure

those moving into the capitol.

Hearing Speeded up

wants to, but he can't put this company back on the AFL fair list if he does so," Chapman said. The men were held in \$300,-"That can be done only by the 000 bail each after Grimes demen themselves, as the Jones scribed them as "the two highworkers did last night." est remaining members of the

Morris Jones, head of the com-Dutch Schultz mob who carried on Schultz' activities after his pany, said lumber orders increased 25 per cent and deliveries 50 per cent in the first 24 hours after # "Davis has already testified," the boycott, applied August 14, Grimes said, "they have been do-

National Labor Relations board's

authority to file charges against

Charles W. Hope, regional

ed with coercion and intimidation.

"The Jones men had no contract

"They will get protection. When

a majority indicates what it wants

-and that's the law-I'll protect

Frank Chapman, AFL official

"Hope can come down here and

ing \$100,000,000 a year." He 1937, to all major sawmills when asked Magistrate Nathan Biefel they foined the CIO, was lifted from his plant. In a press statement, the CIO

Lumber Workers union said it was 'not troubled by this latest play of the AFL and employer group." It declared "it will take more by **Occupied June 1** far than a company union movement . . . to faze our solidarity." Reaffiliation of the Jones men with the AFL was termed an "un-

The new state capitol building important incident." will be completed and ready for Despite AFL predictions that occupancy not later than June 1, other sawmill groups would follow Dr. Ernest C. Dalton, member of the lead of the Jones men, no pethe capitol reconstruction com- tion was taken today. mission, yesterday advised Gov-

It previously was announced that the building would be com- Green "Indicted" **By Mine Workers**

town, will be transferred to the state office building, replacing The United Mine Workers' convention, acting as a grand jury, indicted William Green today on

charges of "treason." The convention then directed the union's executive board to give the AFL president a hearing, and to expel him from the

UMW if he were found guilty. Union officials had talked of asking the convention to expel Green without further to-do, but they decided in favor of today's action after Green challenged the right of the convention to act as an original trial court.

(Green was charged with treason after he signed an AFL charter for the Progressive Miners of America, rival of the UMW in Illinois.

Shoe Repair Strike Ends

PORTLAND, Feb. 2-(AP)-Fiftyfive striking Boot and Shoe Workers' union members reached Captain Keegan said two men a settlement with seven shoe rewere taken into gustody today and pair shops tonight. It provided police were searching for three an increase of \$1.50 daily beginmore, including a high union of- ning June 1, or arbitration as an



Cleared of Snow County Engineer N.-C. Hubbs yesterday expressed surprise at of labor for each dollar spent. reports the North Santiam highway had been blanketed under five feet of snow because, he said,

the highway is open throughout. Road Foreman J. M. Bewley of Detroit advised Hubbs he had enelected E. A. Densmore, president

of the Portland Metal Trades council, its president at the first

over the road from Detroit to the new Santiam river bridge. The highway department is keeping the road clear beyond that point.

To State Senate

PORTLAND, Feb. 2-(AP)-Clif-ford G. Schneider, Portland law-

000 of PWA grants would go forward in a single voucher to Memphis, Tenn., on Wednesday as an initial federal contribution to the city's mammoth electrical distribution system.

he said, public works administration loans and grants on 61 pub-

would put a total of \$146,917,808 to work producing one man-hour