

### Hitlerites to Face new Foe

#### Revive Heimwehr in Move to Block Nazi Move; Goering Warns

(Continued from page 1) which has about 6,500,000 did not hear him, it was not his fault.

His defiant address commemorating the third anniversary of the air force, which he as air minister created, was broadcast.

And if British Prime Minister Neville Chamberlain and French Premier Camille Chautemps do not see the complete text with all his strong words, it also will not be Goering's fault since the speech later was officially released verbatim.

Raising his voice to a high pitch and pronouncing every word with studied emphasis, the air minister thundered to an audience composed largely of aviators.

"And so, my comrades, we have all helped lay the foundations of that force which no longer permits Germany to be exposed to impotence and violation of her national rights.

"And if the Fuehrer (Chancellor Adolf Hitler) in his reichstag speech (of February 20) presented the proud record of achievement and used those proud words that we no longer can tolerate the maltreatment with impunity of ten millions of Germans on our borders, then you members of the air force know that if need be you must go to the limit to make good these words of the Fuehrer."

That was plain language: 1. Warning Hodza to treat the Sudeten Germans in Czechoslovakia as Hitler thinks they should be treated.

2. Warning Schuschnigg to give Austrian Nazis the liberty of action Hitler demands for them.

3. Warning Chautemps not to encourage Czechoslovakia too much by, as one semi-official commentator put it, "clinging to the doctrines of Geneva and adhering to military pacts with other powers."

4. Warning Chamberlain that only a "German peace" would be acceptable to the Nazis.

### Spy Suspects



Above, Johanna Hoffman of Dresden, Germany; below, Gunther Rummich, allegedly a US army deserter, arrested in New York in connection with suspicion they participated in a plot to sell US military secrets to a foreign power.—IIN photo.

### Minority Hits Taxation Bill

#### Profit and Capital Levy Retention and Penalty Tax Are Assailed

(Continued from page 1) modification of the undistributed profits and capital tax levies.

Irwin said he thought monopolistic price-fixing should bear a large share of the blame for the business slump.

Baruch, agreeing that there were bad, monopolistic practices, nevertheless warned the legislators against "throwing away the benefits of our economy" by a broad attack on business "for the sole purpose of breaking it up into smaller pieces."

"Let us not burn our house down to kill a few bats in the attic," he said.

### Reject Lease on Portland Garage

#### State Control Board Is Unfavorable to \$850 Offer for Rental

The state board of control yesterday opposed leasing a garage building at the northeast corner, West Burnside and 20th streets, Portland, for the Oregon state reemployment service, at a rental of \$850 a month.

Officials of the reemployment service on Monday urged the board of control to enter into a lease with the owner of the building on this rental basis.

State Treasurer Rufus C. Holman objected strenuously to such a lease and requested an investigation.

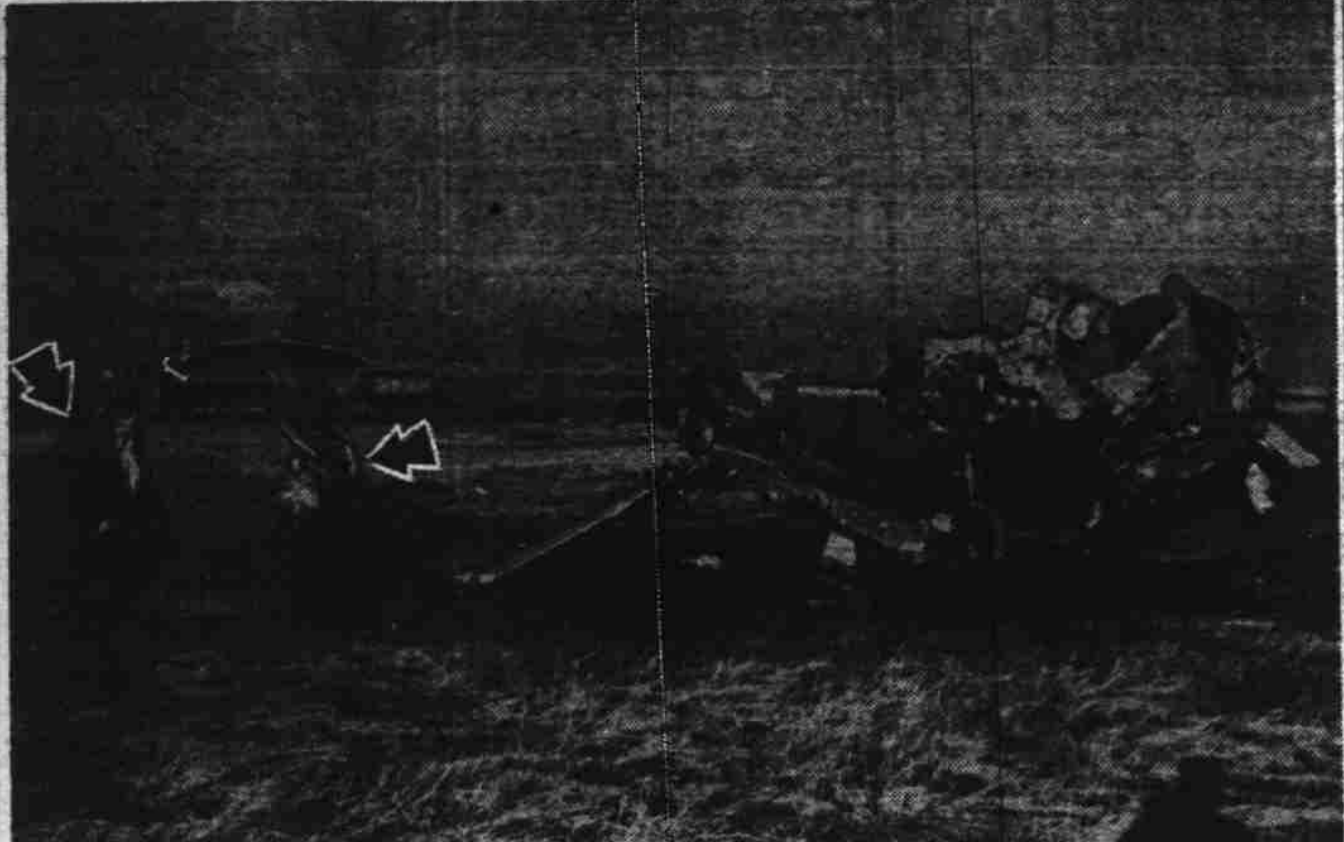
\$700 Rental Limit The board sent a letter to officials of the reemployment service recommending that the maximum rental be kept within \$700 a month, with a lease limited to three years.

The letter said this rental was \$200 per month above the normal rental for other similar property in the vicinity of the garage building.

It also was recommended that the lease of the reemployment service include a clause whereby it would have an option of renting the property for an additional three years at \$500 a month.

Holman said it was his opinion that other property owners in Portland would submit proposals more favorable than the one received from the owner of the garage building.

### Wreckage of Spreckels Plane at Reno



Completely demolished, this once luxurious twin-engine private transport, owned by Adolph B. Spreckels, sugar heir, is shown shortly after it crashed at Reno, Nev., airport, while taking off for San Francisco. When the huge plane hit the ground both engines were torn from the body of the plane (arrow indicates one of the engines). Spreckels and three other passengers were injured while the pilot was killed instantly. Among the injured was Mrs. Lois Clarke de Ruyter Spreckels Clinton, former wife of the California sugar heir. She suffered a broken pelvis and fractured vertebrae, doctors report. The crash was attributed to an attempt to take off before engines were warmed up.—IIN photo.

### Japanese Advance On Lunghai Front

SHANGHAI, March 2.—(Wednesday)—(AP)—Japanese driving forward almost without opposition at the western end of the Lunghai battle front indicated today they would strike next at Shensi Province, communist stronghold.

With a Chinese army of 100,000 fleeing before them in southern Shansi Province, leaving them in control of virtually all of the vast area to the north and east of the Yellow river, the Japanese turned their attention to the province to the westward. Japanese planes were reported reconnoitering over Tungkwang, gateway to Shensi, and other cities near the border. One column was said to have crossed the Yellow river and occupied Wupao, first town to be taken by the Japanese in Shensi province.

A Japanese army spokesman said Japanese planes had bombed the headquarters of Gen. Chuteh, commander-in-chief of the communist eighth army, who had directed the most effective opposition in Shensi. The bombing was done by the severe air-plane and artillery pounding the Japanese administered to the fleeing Chinese.

### Hills in Charge At County Farm

Mr. and Mrs. Lloyd Hill, residents along river road south of Salem were elected by the county court yesterday to succeed Mr. and Mrs. Harry Oldenberg as custodians of the county poor farm. The Oldenbergs have resigned in order to give their full time to management of ranching interests near Jefferson.

The county pays the custodians of its farm on a per capita basis for the inmates housed there. At present, there are 15 men on the farm.

### Citizenship Cases To Be Heard Soon

Thomas S. Griffing, assistant naturalization examiner, sent word from Portland yesterday to County Clerk Boyer that he would be here next Tuesday and part of Wednesday for hearings on final petitions of at least 20 applicants for citizenship. He said he had that many cases lined up.

### Eugene Man Held, Murder Suspicion

LOS ANGELES, March 1.—(AP)—Robert Prior, of Eugene, Ore., was booked at the county jail today on suspicion of murder after being returned here from San Francisco, where he was registered on relief rolls.

Sheriff's officers questioned him in connection with the slaying last December 15 of Edward Levine, taxicab driver. Levine was held up and killed by a passenger, who took charge of the cab and threw Levine's body out.

Prior denied any connection with the Levine case and said he was attending a suburban theater the night of the slaying.

### Former Rosedale Resident Called

Mrs. Kathryn Arnold, formerly a resident of the Rosedale district for over 25 years, died at her home in Portland yesterday, according to word reaching friends here. Mrs. Arnold moved to Portland about 10 years ago. Funeral services are set for 10 a. m. Thursday from the Mt. Scott Funeral home, Portland, with committal at Mt. Crest Abbey mausoleum here sometime Thursday afternoon.

### Bond Salesman Convicted, Larceny by Bailee Count

PORTLAND, March 1.—(AP)—Ernest Van Markle, bond salesman, was convicted of a charge of larceny by bailee today after a circuit court jury deliberated ten minutes. He was indicted on a charge of failing to account for \$691 given him by Katherine Larson, Warren, Ore., for purchase of a bond. He will be sentenced tomorrow.

NEW STATE SALEM'S STAR THEATRE Warner TODAY Joan Baxter Bennett "VOGUES OF 1938" IN TECHNICOLOR

### "Spotty" Rescued After Long Fight

#### Fox Terrier Underground 11 Days; Crews Keep Digging Steadily

(Continued from page 1) taken first. The entrance of the emaciated little dog in the arms of a reporter caused the greatest excitement in the history of the little Catholic school.

Hilda was speechless with happiness as her pet was brought to her. Her little classmates crowded joyfully about. They had just been discussing the little dog's plight with the teacher. Hilda had said she had given up hope, the teacher said.

Hilda hugged Spotty and said nothing. Finally she sobbed: "I'm so glad he's safe." She wouldn't say any more.

Spotty was taken to the Simon home and laid on the blanket by the kitchen stove where Hilda had said she had "tucked him to sleep" most every night.

The dog is expected to recover with little difficulty, Simon said tonight. He lost four pounds during his long vigil underground, entering the hole weighing 10 pounds and coming out weighing but six. He is five years old.

Simon paid tribute to the dog's courage and called his survival in such cramped quarters without food a "modern miracle."

"If the little fellow hadn't kept barking we'd never have found him," he said.

Rescuers blasted and dug their way through solid limestone to reach the trapped animal. Huge bonfires guided their labors at night and neighbors plied them with sandwiches and hot coffee during the day.

Spotty's faint barking, which continued from day to day, spurred them on with the realization that he still lived. At no time was hope abandoned.

### Efforts to Slay Mate Are Fatal, Seaside Octopus

SEASIDE, March 1.—(AP)—Napoleon is dead because Josephine dreamed of mothering 50,000 octopuses.

The 125-pound octopus, separated from his spouse when he tried to dispatch her last week, squeezed himself to death trying to reach her through a small opening in an aquarium screen.

Josephine deposited the eggs on the walls of the glass case and Nap, unbalanced by the prospects of wholesale paternity, wrapped his murderous tentacles around her body. Workmen with timbers pried her free.

### Italian Poet-Hero Called at Age 74

GARDONE RIVIERA, Italy, March 1.—(AP)—Gabriele D'Annun-

### Italy Hero Dies



Gabriele D'Annunzio, soldier-poet of Italy whose greatest exploit was the capture of Fiume after the World war in connection with Italy's territorial claims, died Tuesday.

zio, Italy's great warrior-poet, symbol of Italian nationalism and president of the Academy of Italy, died unexpectedly today in his villa Vittoriale.

A cerebral hemorrhage caused his death. He would have been 75 years old March 12.

The body of the great warrior-poet, who defied his own government to capture and hold Fiume after the World war and who later became a symbol of the nationalist dreams of fascism, lay tonight in the death chamber he built for himself in his villa on the shores of Lake Garda.

THE PICTURE YOU WANTED TO SEE AGAIN! Will Rogers THE COUNTY CHAIRMAN by George Ade KENT TAYLOR • EVELYN VENABLE MICKY ROONEY • LOUISE DRESSER BERTON CHURCHILL STEPHEN FEICHT GRAND

### Drake Case Taken Under Advisement

(Continued from page 1)

ter was a state hospital inmate several years ago. One point of contention between Joseph B. Felton, deputy district attorney, and John H. Carson and George A. Rhoten, defense counsel, has been as to whether or not Coffman ever ratified or revoked the order.

Drake was arrested last January 19, a day after Clark Anderson had been arrested on the same kind of charge. Anderson's preliminary hearing has been held in abeyance pending completion of the Drake case.

### Erwin and Paine In Governor Race

(Continued from page 1)

benefit the democratic party as a whole.

Colonel Robert A. Miller, former state legislator, land office head and Willamette Valley Chautauque president, said he was a candidate for the two-month term of United States Senator from Oregon.

Colonel Miller, born in Lane county, was educated at Willamette university.

E. W. Robinson, newspaper printer, said he would seek the nomination for state representative from the fifth district.

### The Call Board

- HOLLYWOOD Today—"London by Night" with George Murphy and Rita Johnson and "Life Begins With Love," Jean Parker and Douglas Montgomery. Friday—Double bill, "Range Defenders" with the Three Mesquites and "Hold 'Em Navy" with Lew Ayers, Mary Carlisle and John Howard.

### GRAND

Today—Special return engagement Will Rogers in "County Chairman."

Saturday—Dolores Del Rio in "International Settlement."

ELGINORE Today—Double bill, Alice Faye in "You're a Sweetheart" with George Murphy and "Double Danger" with Preston Foster.

CAPITOL Today—Double bill, "Daughter of Shanghai" with Anna May Wong and Errol Flynn in "The Perfect Specimen."

Thursday—Double bill, the Mauch twins in "Penrod" and His Twin Brother" and Bill Boyd in "Cassidy of Bar 20."

STATE Today—Walter Wangler's "Vogues of 1938" featuring Warner Baxter and Joan Bennett.

Friday—Four acts eastern circuit vaudeville and Warner Oland in "Charlie Chan in 'Charlie Chan on Broadway."

Saturday—midnight—William Powell and Myrna Loy in "Double Wedding."

### Five More Guilty Pleas Are Heard

(Continued from page 1)

October 13 on George Blackwell, jr., Motor company employe. They will be sentenced Friday.

Frank Minto, indicted on three charges of window breaking, pleaded innocent.

Ray Morgan, indicted with five others on a charge of alleged attempted bombing, filed a demurrer.

Mesantime, Matt Klein, business agent of a local AFL Shoemakers' union, and Roy Hardin, union member, went on trial in circuit court. They were charged with assault with a dangerous weapon on an employe of a shoe repair shop involved in a labor controversy.

DALLAS, March 1.—Circuit Judge Arlie G. Walker today was asked by Dist. Atty. Bruce Spaulding to set the arraignment of Al E. Rosser and Clarence Adams on arson charges at an early, definite date. The court also was requested to set a date soon for the entry of a plea by Leslie L. "Silva" Henry of Salem to a charge of attempting to compel a man to join a labor union.

Henry was released on \$1000 bail shortly after his indictment on the present charge, but Rosser is being held here under \$100,000 bail and Adams in Portland under \$50,000 bail.

### Levine Kidnaping Note Is Received

(Continued from page 1)

NEW ROCHELLE, N. Y., Mar. 1.—(AP)—A second kidnap note—written on a cheap "dial" typewriter commonly sold as toys for children—was disclosed today as the parents of 13-year-old Peter Levine, missing since last Thursday, frantically waited to contact the boy's abductors.

The note directed Peter's father, Murray Levine, New York lawyer with offices on Fifth avenue, to carry out a fantastic method of signifying his willingness to negotiate for the boy's return.

It instructed the father or an emissary to go to a Third avenue elevated track in New York City and mark a pillar at a designated spot with green chalk.

Today—Double bill, Alice Faye in "You're a Sweetheart" with George Murphy and "Double Danger" with Preston Foster.

Today—Double bill, "Life Begins With Love," Jean Parker and Douglas Montgomery. And 2nd Feature

LONDON BY NIGHT Virginia Murray, Ella Johnson, Virginia Field, Leo G. Carroll, George Stone, Margaret Love

Also Musical and News

### Labor to Support Innocent Member

(Continued from page 3)

no individual defense moves had been talked about in labor leader circles here.

Whether or not local unions might aid in the defense of members of outside locals now facing criminal charges outside of Marion county is a matter for the local units to decide, Barker said. He said no action along this line had been taken here as far as he knew.

The only local union member aside from Henry facing possible trial on criminal charges growing out of the general investigation is Leonard Schaffer, whom the grand jury indicted Saturday on a charge of assault and battery upon a brewery picket.

A. N. "Al" Banks, former Salem Teamster agent, already has entered a plea of guilty at Dallas to a charge of arson.

### Dissatisfied Demo Support Is Asked

(Continued from page 1)

those who think alike about a political and economic basis upon which to proceed will have to act alike as well as think alike.

The national program committee established nine regional sub-committees to obtain a cross section of opinion from the rank and file of the party. The regional chairmen will report to a central agency with headquarters here.

One group was: Montana, Idaho, Washington, Oregon; David Eccles III, Portland, chairman.

Last Times Today "Daughter of Shanghai" Errol Flynn of "Perfect Specimen"

CAPITOL Thursday, Friday, Saturday TWO SMASH HITS Fun for All! All for Fun!

PENROD and HIS TWIN BROTHER Mauch Twins Billy & Bobby FRANK CRIVEN SPRING BRINGTON

And Second Hit BILL BOYD in

"Cassidy of Bar 20"

ELGINORE Today - Thursday and Friday A Swingsational Surprise! A Million Dollars Worth of Songs, Fun and Frolic. YOU'RE A SWEETHEART with GEORGE MURPHY ALICE FAYE KEN MURRAY and OSWALD Andy DEVINE Chas. Winner Frank Jenks Daily Matinee 2:15 AND SECOND SMASH HIT Preston Foster Whitney Bourne "Double Danger"

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Beginning Today on Page 8 in THE OREGON STATESMAN