Over 400 Dead In Kobe Flood

Foreigners Listed as Dead; Americans in.Grave Danger

(Continued from page 1) American casualties. Most Americans live on the lower slopes of the hilis, some of which rise sharply to more than a half-mile

in height. Rain continued throughout the night and frightened residents sought safety on higher ground.

"The best information shows between 400 and 480 dead, but so many buildings have been smashed that nobody can be certain," Frederick Taylor, native of Sacramento, Calif., told the Associated Press by telephone. A businessman, Taylor has lived in

heading for higher ground before morning," he said. "I will try to get out by launch tomorrow.'

Three days of rain brought continuous landslides, he explained. Hills behind Kobe were described

"The slides seemed to advance like moving mountains, right up to the residential districts," he continued. "They came within a few feet of my place. You can

It smashed houses like match nually.

Housing Program

WASHINGTON, July 6 -(AP)-Fresident Roosevelt received some cheering business news to day on the eve of his departure for an ambitious transcontinental speaking tour,

The federal housing adminis-trator, Stewart McDonald, re-ported to the chief executive that new government-insured home construction would total about \$1,000,000,000 this year, or more than double last year's figure.

The president, holding a round of last-minute conferences, had a final word of advice for officials administering the spending-lending program, discussed the monopoly investigation with Chairman William O. Douglas of the securities commission and made ready to appoint an administrator for the new wage-hour program tomorrow.

Wilson Stamp to Be Dollar Affair

WASHINGTON, July 6 .- (AP)-Four new stamps bearing like nesses of Presidents Jackson, Van Buren, William Henry Harrison and Wilson will be released here August 4, 11, 18 and 29, respect-Ively. The first three will cost seven, eight and nine cents each, but the Wilson stamp will cost \$1.

A three-cent stamp commemorating the 100th anniversary of Iowa's first adoption of territorial government will go on sale at Des Moines August 24.

Council Will Meet Next Monday, Leaders Decide

SILVERTON-Law and order won out at Silverton and the July council meeting will be held Monday night in spite of state tournament. It had been suggested that as the regular meeting night fell on July Fourth the meeting be held Tuesday night instead of the following Monday as the charter suggests.

The Call Board

Today-Double bill, "Man Hunters of the Caribbean" and Smith Ballew in "Hawalian Buckaroo."

ELSINORE - Double bill, "Lord Jeff" with Mickey Rooney and Freddie Barth-olomew and "Danger On The Air" with Donald

CAPITOL Today - Double bill, "Wives Under Suspician"

with Warren William and George O'Brien in "Border

oday - Double bill, liam Powell and Annabella in "Baroness and the Butler" and Dolores DelRio and George Saunders in "International Settlement." Friday-Warner Oland in

"Charlie Chan at Monte Carlo" and on the stage, four acts eastern circuit

Saturday midnight preview— Sonja Henie in "Happy Landing."

HOLLYWOOD oday - Double bill, "Fifty Seriad Street" with Ian Hunter and Leo Car-

Akim Tamiroff and Anna Mae Wong. Friday—Double bill, William 20" and the American Le- e gion "Squadron of Honor" e with Don Terry and Mary .

Young Stars in "Lord Jeff"



Kobe for 15 years.
"It's still raining and I am Pictured above are Freddle Bartholomew, Mickey Rooney and Charles Coburn in "Lord Jeff" now featured at the Elsinore theatre on double bill program, "Danger On The Air" with Donald Wood.

WASHINGTON, July 6 .- (AP)hear low rumbling and then trees Eastern railroads won permission from the interstate commerce Taylor told of how a solid wall commission today to raise passenof water, five or six feet high, ger coach fares 25 percent—an came down from the hills so fast increase estimated to yield \$30,that few in its path could escape. 000,000 of additional revenue an-

The raise, from 2 to 2.5 cents "Where houses and buildings per mile is permissive rather stood a day ago there is now a than mandatory and will be efcorridor about as wide as the fective only for an 18 months' test to report for work, and a search Sacramento river," Taylor said, period. Railways may put it into "and there is a river going effect on 10 days' notice.

Railroad experts interpreted the increase as another government attempt to strengthen the financial condition of some of the carriers. The ICC itself, which turned down the original application for Is Working Well the increase in April on grounds it was not justified, said today there "can be no doubt" the cart riers "are in serious need of additional revenue."

Gilmore Defeated

PORTLAND, July 6-(AP)- Ed Amark, San Francisco, seeded No. 1 in the Oregon state tennis tournament and favorite since the elimination of Sam Lee, defending champion, moved into the quarter-finals today with a slash-

Brown, jr., Portland. Emory Neale, Oregon interschol- power. astic champion, and Spencer Ehr-

by defeating Bud Gilmore, Willamette university.

Hughes to Start Flight Saturday

NEW YORK, July 6-(A)-Associates of Howard Hughes, millionaire flier and one-time Hollywood mmovie producer, said tonight he and a crew of four would take off from Floyd Bennett airport "probably on Sat-urday" for a flight to Paris. The trip may be the start of a

round-the-world flight, long planned by the inheritor of a fortune established in the oil well cool business in Texas.

Passenger Rates Jefferson Citizen Increase Granted Dies by Own Hand he was arrested. Ross said that Banks did not implicate Rosser.

ALBANY, July 6 - Arthur hospital shortly after noon today as the result of a self-inflicted bullet wound. State Police Officer and Moore. Benninghoff investigated the

Northcutt, who was an employe of a Jefferson meat market, failed was made for him. The investigation by the officer showed that he had apparently backed his car from his garage at his home on the Green's Bridge road, about a .22 calibre rifle against his forehead and pulled the trigger. It is believed despondency was the cause of Northcutt's act. He had been employed at the Jefferson market the past three years as a

Funeral arrangements will be in charge of the Lowe Funeral Home at Jefferson. It is understood that several sons survive.

In Quarter-Finals City Power Voted At Cascade Locks

CASCADE LOCKS, Ore., July 6 .- (AP)-At a special election today ing 6-0, 6-2 defeat of Tom this municipality approved, 173 to 17, a charter amendment em-Others who emerged into high- powering the common council to er brackets included Harold Wag- acquire and use an electrical enner, San Francisco; Howard ergy distributing system, paving Morehouse, California junior ace; the way for use of Bonneville dam

The voters approved a \$12,000 man. Yale university freshman. bond issue to handle the distribu-Brown entered the semi-final tion. Lines have been installed round of the junior men's singles and lights will go on Saturday. A second bill, providing for a \$3,000 bond issue to cover former indebtedness, was approved 152

Prince Given Degree

NEW YORK, July 6 .- (AP)-Crown Prince Gustaf Adolf of Sweden and J. Sigfrid Edstrom, chairman of the royal Swedish new Sweden commission, today received honorary degrees of doctor of laws from Lafayette college of Pennsylvania.

Ioo Late to Classify

I WILL NOT be responsible for debts contracted by anyone but my-self.—Bert D. Bailey.



Defense Opens In Arson Case

Original Confession Is Hanuded Over but May not Be Read Jury

(Continued from page 1) said last February Rosser was implicated, were successful willingly turned it over to Vanderveer. For three days Judge Walker has denied defense motions to force the state to produce the confession. However, after the defense obtained the confession today, Judge Walker sustained a state objection against it being introduced as evidence by the defense,

The state rested its case at 10:10 a.m. after Paul Mumpower, Portland detective, and Clarence Potts, Multnomah county deputy district attorney, testified that officers did not force Moore to confess. Moore had testified that Mumpower hit him in the face 12 times.

The first defense witness was Custer E. Ross, Salem attorney who saw Banks in jail here when he was arrested. Ross said that After the state rested its case, Vanderveer asked that Banks be recalled by the state, but his request was denied. His request Northcutt, 59, a resident of Jef- that the state be forced to reopen ferson, died at the Albany general its case also was overruled, as were several motions to strike out parts of testimony of Banks

Factory Adds More Men

CAMDEN, N. J., July 6 .- (AP)-George K. Throckmorton, president of the RCA manufacturing company, announced today more than 1,200 new employes were added to the normal employment of 8,500 last month. He said the mile from Jefferson, had placed a increase was due to the great gain in orders over recent years.

Chaplin Will Act In Talking Movie **But Keep Silence**

HOLLYWOOD, Calif., July 6-(AP)-Charlie Chaplin will appear in a talking picture.

But, very likely, the talking will be done by the other charac-

Tim Durant, a scenarist who has been working with Chaplin late today when the prosecution at Pebble Beach, Calif., for the last six months, said today the "silent" comedian's future plans include a four-reel talkie.

"The story is written around the character he plans," said Durant, "and he believes now that it will be best for him not to 'break the silence' he has maintained in his previous sound films.

Retail Sales Drop In Month of May

WASHINGTON, July 6-(AP)-A decline of 26 per cent in dollar volume occurred in the retail sales of 473 independent stores in Oregon in May, compared to a year ago, the commerce department said today. May sales also were off eight per cent from April. The smallest decrease occurred in Eugene, where the loss was 18 per cent, while the decline was sharpest at Klamath Falls with a 41 per cent loss.

AIR CONDITIONED—COOL TODAY - FRI. - SAT. 2 ACE FEATURES "Wives Geo. Under O'Brien Suspicion? Warren "Border William G-Man' Gail Patrick

Analgesics Harm

CHICAGO, July 6.-(AP)-The use of drugs to moderate pain in childbirth was listed today by Dr. Herman N. Bundesen, president of the Chicago board of health, and four associates, as a contributing cause in the deaths of newborn infants.

Their conclusions were based on a study of the cases of 2,260 infants who died within two weeks after birth.

Writing in the July 9 issue of the journal of the American Medical association, the investigators reported the use of analgesics 'may be important in the deaths

due to asphyxia." They added: "Physicians should bear in mind the threat to the life of the infant produced by the injudicious use of analgesics and not permit the mother's demands for 'painless childbirth' to overweigh their good judgment to the degree that they employ drugs to alleviate week in New York City. pain at risk to the infant's life.

Mainliners May Land At Medford Airfield

MEDFORD, July 6 .- (AP)-Official sanction for the landing of United Air Lines Mainliner planes here was given today by the bureau of air commerce with com-

POWELL BIG ANNABELLA HITS! Baroness and the Butler" Delores Del Rio June Lang Geo. Saunders "International Settlement"

pletion of widening of the main runway at the airport. Previously only the smaller 10-passenger Infants, Claimed ships landed here. The Mainliners carry 21 passengers.

Orey Reports on

The Louis-Schmeling heavy weight title fight was worth traveling across the continent to see despite its brevity, George Orey declared here yesterday. He returned Sunday with Mrs. Orey and Rupert Magee from a 29-day automobile roundtrip to New

York City. "The audience wasn't disappointed because the man who won was the one the crowd wanted to win." Orey said. "And Louis surely hit hard."

The Oreys and Magee visited Yellowstone park, Chicago, Detroit, Niagara Falls and Washington, D. C., as well as spending a



Beer Joints Miss Tax; Council Calls Curfew

ASTORIA, July 6 .- (AP)-Because of the failure of most retail and wholesale beer dispensers to pay an occupational tax, the city council ordered the city attorney today to draw up an ordinance Big Title Scrap today to draw up an ordinance closing the establishments at 10 p. m., instead of 1 a. m.

Paralysis Fund Swelled

NEW YORK, July 6 .- (AP)-The 1938 national campaign for funds to fight infantile paralysis netted \$1,160,366, Keith Morgan, chair man of the committee for the elebration of the president's birthday, announced today,

HOLLY WOOD

"52nd Gail Patrick Street" with Ina Hunter Zasu Pitts Leo Carrillo

Tamiroff Anna May "Dangerous to Know" Kenny Baker





The Story of OD and AD

OD and AD wanted to go into business for themselves. They decided to open retail stores. But they had different ideas as to how they should get customers. This is the story of what happened.

and the 2 STORES

How OD and AD Opened their Stores



OD believed that the way to get customers was to sell at low prices, and that the way to sell at low prices was to keep his expenses down. So he spent as little

as possible in fixing up his store. He said he was not going to "waste" money on-"trick lighting" and a "fancy front." Hebought large quantities of a few lines of merchandise, because that way he got them cheaper.

Then he put an assortment of his goods into the windows, but because he had done so little to make his store attractive, few people noticed that it was a new store, and few came in to buy.



AD decided that the first thing he must do was to make his store attractive to customers: So he had it painted throughout in cheerful colors. He completely changed the windows and front, and he put in fixtures that flooded the whole store with light.

He chose merchandise well-known by name to the public, and bought smaller quantities of many lines, thus giving customers a greater selection. He arranged his stock in the store to make shopping convenient. He put in window displays of his most interesting merchandise-and changed them frequently.

Because his windows and his store were so attractive, many people stopped to look, and enough people came in to buy so that AD's goods sold quickly and he was soon ordering more of many items.

How OD and AD went after Customers



OD soon found that he could not get the customers he needed from those who passed by his store. So he had circulars

printed and hired boys to distribute them from house to house. Sometimes they put them under the door or into the mail box but often they threw them on the porch or into the yard, and many were blown away. Also, OD found it was a slow and costly way to tell his story, as in a whole day a boy could cover only a few hundred homes.

OD was disappointed to find that after all this work and expense, only a few more people came to his store.



AD decided that the more people he could tell about his merchandise, the more people would come to his store. So he put advertise-

ments into newspapers read by many thousands of people every day. He knew that people were eager to get their newspapers to read the news. Therefore, his advertising was more likely to be seen in a paper people wanted to read. Also, the newspapers were delivered all

over the city as soon as they were printed. AD found that the more he advertised, the more people came to his store and the more goods he sold and the less it cost him to handle each sale. So he passed on the greater part of these savings in lower prices and better values to all his customers.

How OD Failed and AD Succeeded



his store that his goods moved very

alowly. He could buy very little new

stock because his money was tied up.

So he decided to have a clearance sale. He had big signs painted for the front of his store. He had circulars printed and sent boys out to put them into parked cars and distribute them at homes. But the people who came saw so little they wanted that his sale was a failure. At last, he disposed of all his remaining stock to an out-of-town bargain store at less than half what he had paid for it. OD had had a very unhappy experi-ence, but because he had never adver-



AD found that with more and more people now coming to his store, his stocks moved very quickly. As a result, he was constantly able to have fresh, new merchandise for his customers.

He concluded that since people bought news-papers to read the news, he should tell them the news about his merchandise and his store. As a result, AD's advertisements were read as eagerly as any other part of the newspaper. Soon every one in town knew that AD had the newest things.

AD did not make exaggerated statements in his advertising. He just made the truth interest-ing. Repeatedly AD had to enlarge his store, and employ more people to take care of his increasing business. And, although his expenses were now very much greater, he sold so much merchandise and turned his stocks so rapidly that his store was very successful and was known far and wide for the values it gave its

AD Tells OD How Advertising Serves the Store and Its Customers

tised in the newspapers, few people in all the city ever knew that his store had

opened or that it had closed.

ONE DAY OD came to AD and applied for a position. He asked AD how he had built such a fine business and obtained so many customers. AD said, "First, by making the store an

attractive and convenient place to shop. "Second, by having the kind of merchandise our customers want.

"But these are not sufficient without Advertising to tell the people about them. So we continuously publish interesting, informative, truthful news about our service and our merchandise. And we tell it in the way that reaches the largest possible number of people quickly-through newspaper advertising."



The Oregon Statesman