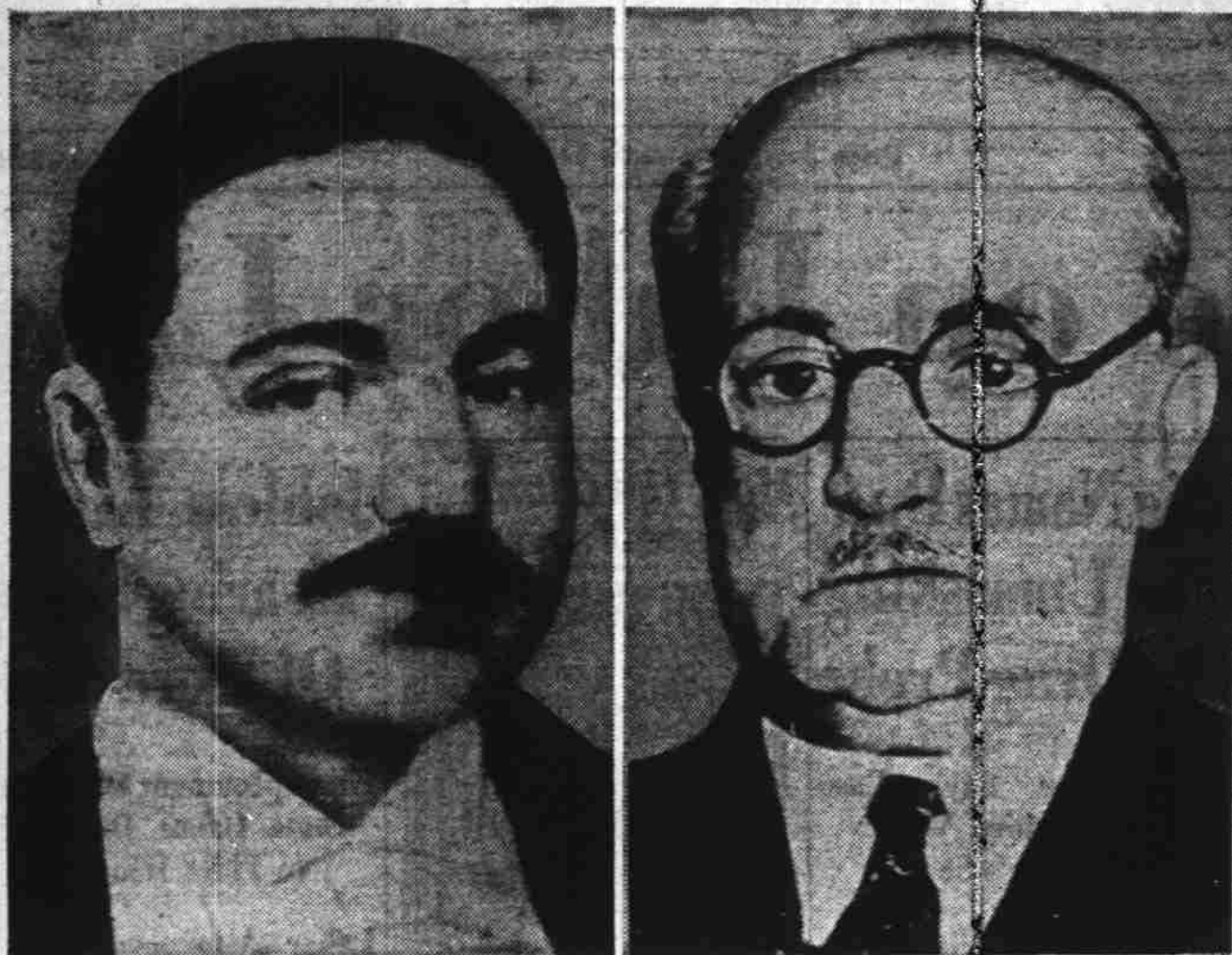


# Musicas - Master Crooks



Exposed as Philip Musica, eldest brother and "brains" of the swindling Musica family which perpetrated a million dollar "human-hair" larceny in 1912, F. Donald Costa, president of McKesson & Robbins, Inc., killed himself. At left, as he appeared in 1913 as Philip Musica. Right, latest photo taken shortly before his suicide. (Acme Telephotos).

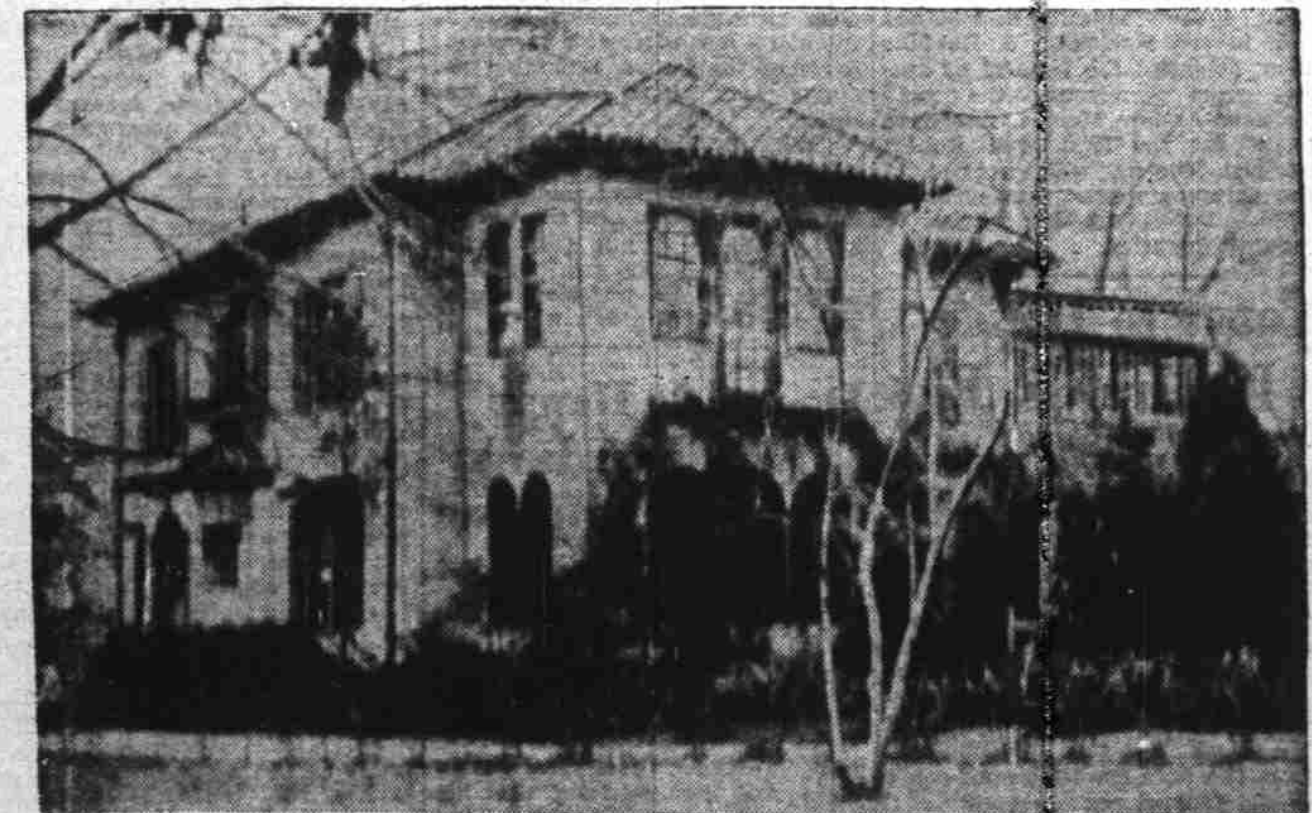


Out of the exposure of Donald Costa came the additional revelation that his two associates, high in the McKesson & Robbins concern were really his two brothers, Arthur and George Musica. Photo shows Arthur Musica, alias George Vernard, left, and George Musica, alias George Dietrich, right, with the elder Musica in the center. (H.N.).



Charles F. Michaels, San Francisco business man and executive vice-president of the McKesson-Robbins company, who will head reorganization of the firm after revelations of the still growing maze of Coster-Musica illicit activities. (H.N.).

Not in trouble for the first time when their wide-scale swindling operations of this year were discovered, the Musica family had been in and out of the toils of the law since the first of the century. Photo shows an old file print of the entire Musica family when they were arrested in New Orleans for swindle in 1913. (H.N.).



Above—Here is the palatial New Haven, Conn., home where F. Donald Coster, revealed as Philip Musica, ended his amazing swindling career just as federal agents were knocking at the door to arrest him. (Acme Telephoto).



Left—John M. Kantor, held by police on a swindle charge, is shown in New York police headquarters. Kantor is said to have told Securities & Exchange commission probers that he was approached by McKesson & Robbins officials on purchase of 250,000 rifles. (Acme Telephoto).

Right—Julian F. Thompson, treasurer for the McKesson & Robbins firm, pictured as he testified during a recent investigation. (H.N.).

## Report Made On Education

### Marks Points out State Has not Used Taxes in Building

ALBANY, Dec. 19.—(AP)—Oregon in the last four years has obtained buildings for the state institutions of higher education without using any educational tax funds though the building value is \$2,583,047. Governor Charles H. Martin was told by Willard L. Marks, president of the state board of higher education.

The letter, to accompany the biennial report of the board to the governor, reviews briefly the progress of the state system during the last two years, explains the financial requests being made for the coming biennium, mentions major administrative changes and reports on the success of the several institutions in educating the youth of the state.

Facilities Needed  
Regarding the construction program President Marks points out that the facilities have been badly needed for several years but that the board's limited budget had to be used almost entirely for operation, leaving no funds for new buildings.

It will be noted that this building program was financed almost entirely by federal grants and loans, and private gifts. President Marks wrote: "The loans are secured by the student building fees at the various institutions and are not obligations of the state of Oregon at all."

Federal Aid Used  
The amount of state funds used is only approximately five per cent of the total cost. More than \$1,000,000 or almost 40 per cent was received as outright cash grants from the federal government, and \$376,910 was supplied through the generosity of private donors.

A tabulated list appended shows one or more new buildings for every unit of the system. Listed are a training school, gymnasium and girls' dormitory for Eastern Oregon normal at La Grande; a physical education building for Southern Oregon normal at Ashland; physical education and administration buildings for Oregon normal school at Monmouth; a combined library and auditorium wing, and a tuberculosis hospital at the University of Oregon medical school in Portland; library, physical education, health service buildings and grandstand at the University of Oregon at Eugene; and chemistry, health service and agricultural engineering buildings and remodeling of old science hall at Oregon State college at Corvallis.

Reinhold E. and Clara Grams are listed in the city directory as operators of the Minot Tavern, 1999 North Capitol.

Enough foodstuffs and provisions to make a sizeable truck load were brought by members of Capital Post No. 9, American Legion, and the auxiliary, to the Christmas party held on their regular meeting night, Monday at the Fraternal temple. The provisions will be given to needy families.

The program, arranged by the auxiliary, included numbers by the auxiliary quartet, song and dance numbers by Lorene Palmer and Patricia Zedel and readings by Beth DeLapp. There was a luncheon followed by dancing.

At the regular post meeting a eulogy to Glenn Porter, last past commander of the post who died recently, was delivered by O. E. "Moose" McMaster, past department commander.

It was announced that beginning with the first January meeting, admission to post meetings would be by 1939 membership card only.

Mormons Prepare To Aid Brethren  
PORTLAND, Dec. 19.—(AP)—A campaign to remove all Mormons from government relief rolls within 60 days was launched today by a stake welfare committee from the church of Jesus Christ, Latter Day Saints.

M. L. Bean, stake president, said the time limit might be extended, however, because the committee had not completed a survey of the number in need of assistance.

The northwest's first Mormon warehouse will be opened here about February 1. About 3000 cases of essential merchandise, large quantities of fuel and clothing, already are available.

Republicans Given Deferential Nods, Says Rep. Barton  
NEW YORK, Dec. 19.—(AP)—Rep. Bruce Barton (R-NY) gleefully reported tonight "Everyone in Washington is being courteous and deferential to republicans these days."

"The word has gone around among the janitors and policemen and everybody that they had better begin to be sweet to us," he told the New York county republican committee. "Because in two years we are going to be the ones to say what's what."

## Coster-Musica was Host for Three Oregon Druggists in 1929, Recalls Secretary of State Pharmacy Body

But little over nine years ago, F. Donald Coster, nee Philip Musica, the swindling head of the McKesson-Robbins drug firm who committed suicide in New York, was a "quiet, retiring, very hospitable, unassuming gentleman," according to Linn Jones, secretary of the state board of pharmacy, who yesterday while in Salem on business for the board told of his close association with Coster during the summer of 1929.

Coster invited Fred Chapman of Roseburg, E. A. Robinson of Portland and myself, along with pioneer druggists from other states, to a convention in Bridgeport, Conn., and New York," related Jones to a Statesman reporter, "for the purpose of acquiring ideas concerning the wholesale and retail drug business."

At that time Coster knew practically nothing of the drug business, and admitted it, according to Jones.

"His personal appearance reminded me most of an aristocratic southern gentleman," Jones recalled. "He drank but little, smoked cheap Virginia cheroots, was extremely hospitable, very modest and not at all presuming."

Portland delegation urged the state road board to develop Front avenue in Portland to handle north and south traffic.

Portland, Dec. 19.—(AP)—E. B. Aldrich, Pendleton publisher and member of the state highway commission, was "pleased" today with the commission's setup.

Aldrich admitted his pleasure arose primarily from the annual convention of the National Association of Highway Officials at Dallas, Tex., where he learned Oregon's commission was almost unique in not being influenced by politics.

"Some state highway commissions are under political influence," he said. "Oregon, lightly populated but with lengthy highways, has no money for politics. The non-political setup here is one of the best."

Aldrich indicated one of the most important resolutions growing out of the Texas meeting was that seeking important resolutions growing out of the Texas meeting was that seeking support of all states for roadside improvements. He said the resolution would keep highways clean and ban unsightly billboards. Legitimate business signs would not be bothered.

Portland, Dec. 19.—(AP)—Negotiations for the Union Pacific stages and 125 union employees apparently had forestalled a strike today after reaching a contract renewal agreement Sunday.

The company drivers, members of the Amalgamated Association of Street and Electric Railway and Motor Coach Employees of America, all employed on the Salt Lake City-Portland division, will vote on the proposal.

Officials who refused to divulge terms of the agreement, said it contained no mention of reemployment of two drivers discharged by the company. The national labor relations board ordered the men reinstated, but the circuit court of appeals reversed the decision. The union later broke off contract negotiations and threatened to strike.

Truck's Purchase Okehed by Council  
Purchase of a pickup truck from the Valley Motor company, lower bidder, for \$335, was ordered by the city council last night. The truck will replace the fire department's present chimney fire "rig." All bids for a coupe to place the fire chief's present car were rejected.

Other council actions included: Granting of street light petitions for Frederick and Thompson, 15th and Jefferson, and 17th and Pearl street intersections, and at alley and 12th street, block 37.

Referral to committee of petition for removal of wood trucks now parking in vicinity of Union and Commercial streets.

Three Named for Clean River Body  
Gov. Charles H. Martin yesterday appointed Dr. Richard B. Dilchun, dean of the University of Oregon medical school, Blaine Hollock of Baker and Albert Burch of Medford to the state sanitary authority to administer the stream pollution law, passed at the general election.

The other members of the authority, are Dr. Frederick D. Stricker, secretary of the state board of health; Charles Strickland, state engineer, and John C. Veach, chairman of the state fish commission.

Musica Had Great Store of Alcohol  
NEW YORK, Dec. 19.—(AP)—F. Donald Coster-Musica, the dead swindler, was described by a federal official today also as a master bootlegger "who apparently withdrew enough alcohol or diverted enough to keep the state of Connecticut drunk for 10 years."

"That indicates," added Asst. Atty. Gen. Brian McMahon, "that it must have been shipped elsewhere."

Dishwasher Held Insane After Hiding in Plane  
LOS ANGELES, Dec. 19.—(AP)—George Miller, 25, dishwasher found hiding in an army bombing plane at the Vultee plant in Downey Saturday, was charged with insanity in a complaint, signed today by Deputy Sheriff James Reese. He will be placed under observation pending a hearing Friday before Superior Judge Ben B. Lindsey.

High Speed Plane out  
DOWNEY, Calif., Dec. 19.—(AP)—Production of a highly streamlined six-ton, single-seated attack bombing plane with a top speed of 343 miles an hour was announced today by the Vultee aircraft division of Aviation Manufacturing corporation.

## Forest Roads Six Are Dead From Crashes

### Winry Roads, Christmas Crowds Cause Traffic Tragedies

PORTLAND, Dec. 19.—(AP)—Six Oregon residents died on highway and logging accidents over the weekend. Wintry roads and Christmas throngs caused the traffic fatalities.

Caroline P. Wood, 21, Roseburg, strangled to death three miles south of Halsey when her head and neck were caught between an overturned automobile and a door thrown open when the car skidded. Her companions were unable to free her.

Tragic Shopping Trip  
Death ended a Christmas shopping trip to Klamath Falls for Oswald Mills, 21, Algoma, who was killed when an automobile driven by his wife overturned.

John B. Matson, 55, was Portland's 55th traffic fatality of the year. He was fatally injured by an automobile as he stepped into a street intersection.

James Peter Murie, 54, Bandon, was killed when a tree he was falling at the Pat Corneli logging camp near Denmark twisted and struck him.

Infant Is Victim  
Ramona E. Thomson, 5, daughter of Mr. and Mrs. Roamie Thomson, Klamath Falls, died at Eugene of injuries suffered when an automobile in which she was riding with her parents and W. O. Whiting, also of Klamath Falls, overturned south of here.

Miss Celina Branin, 22, of Aloha, died Sunday when a car in which she was riding with C. L. Henry, Yakima, Wash., her fiancé, skidded on icy pavement and crashed into a power pole near Goldendale, Wash. She was enroute to her mother's home at Hood River to be married.

## Chinese Picketing On Docks Spreads

SAN FRANCISCO, Dec. 19.—(AP)—Chinese picketing to prevent the shipment of materials to Japan from San Francisco spread tonight to a second ship and was scheduled to extend tomorrow to the offices of Almon Roth, president of the San Francisco Waterfront Employers association, in protest against what spokesmen for pickets asserted was his threat to tie up the port.

Lim P. Lee, publicity director for the United States Chinese societies, and L. B. Tolpin, public relations director for the United Committee for the Boycott of Japanese goods announced tonight pickets had been assigned to stop longshoremen from loading the English freighter Beckenham which arrived today to load cargo for Japan.

The said a committee representing the two organizations called on Roth late today and that Roth threatened to close the port of San Francisco if picket lines were not removed and longshoremen did not return to work immediately. To protest Roth's position, the publicity men said, both organizations would place pickets around the Federal Reserve bank building where Roth's offices are located.

Europe's Mercury Strikes low Spot  
LONDON, Dec. 19.—(AP)—Snow and sleet laden winds swept over Europe today causing at least 20 deaths and crippling communications in virtually all parts of the continent.

Temperatures tumbled to record lows from northern Scotland to southern Greece. Meteorologists predicted freezing weather would continue probably over Christmas.

Britain, where the mercury fell to an unusual low of 26 degrees, Fahrenheit, counted 10 dead. Many mines were closed in Cornwall and Wales when thousands of workmen left their jobs because of the cold.

London anticipated its first "white Christmas" in 10 years. Germany experienced its coldest December day in 83 years and the prospects were for a further sinking of the thermometer. At 7 a. m. Berlin had a reading of 10 degrees.

## Three Pedestrians Receive Injuries

Three women pedestrians were slightly injured shortly before 6 o'clock last night when a car driven by Roy Cole, 1930 Center street, collided with the intersection of High and Center streets.

The three, who were taken to the Salem General for treatment, were: Mrs. W. A. Sampson and two daughters, Mildred and Joyce, all of 1095 North 15th street. Mildred sustained a cut head not severe; Mrs. Sampson sustained numerous bruises and suffered from shock; and Joyce was unhurt except for a general shaking up and shock.

## 30 Die as Ferry Crashes Dredger

LISBON, Portugal, Dec. 19.—(AP)—Thirty passengers were reported dead and many missing today when a ferryboat sank after a collision with a dredger on the river Tagus.

The ferry sank within three minutes at a point 500 yards from the shore when rammed by the dredger.

Corrie Promoted  
SEATTLE, Dec. 19.—(AP)—Frank G. Corrie, an Associated Press man for more than 20 years, today was promoted to chief of the Seattle bureau in charge of news operation in Washington, Alaska, northern Idaho and western Canada.

## Bids Are Opened For big Switches

PORTLAND, Ore., Dec. 19.—(AP)—The Bonnerville dam administration opened bids from four companies today on circuit-breaker installations required to interrupt the flow of electricity on the dam's power transmission network.

Although most homes can be lighted by the flip of a 50-cent switch, the breakers will cost from \$18,000 to \$150,000 each. They will be located in sub-stations in Portland, Vancouver, Kelso, Salem, Eugene, Hood River and Raymond. The entire order for the seven sub-stations will exceed \$300,000.

The low over-all bid was submitted by the Westinghouse Electric & Manufacturing company.

## Coast Bund Leader Hit

LOS ANGELES, Dec. 19.—(AP)—The US district attorney's office asked a federal court today to cancel the American citizenship of Herman Schwinn, west coast director of the German-American Bund, asserting that the papers were "illegally procured."

## Duplex Houses Are Plan For Capitol and Marion

Construction of two duplex houses costing approximately \$25,000 is planned at the northwest corner of Capitol and Marion streets, the city council was informed last night in a letter from Dr. Floyd B. Dayton of Portland. The letter requested a change of fire zone to permit him to use frame construction.

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## OKEMAH, Okla., Dec. 19.—(AP)—Jasper Steel put on his socks, although they still were a little damp, and extended one foot toward an open gas stove to warm it.

The fire that followed put Steel in an Okemah hospital with a badly burned foot. The socks had been washed in gasoline.