

\$1 Insurance

Accidents occur every few seconds in the United States. The Statesman's dollar protection policy assures compensation when misfortune comes.

The Weather

Unsettled today and Friday with local showers in western area. Max. temp. Wednesday 53, min. 39. Rain 10 inches. River 2.4 feet. SSW wind.

EIGHTY-NINTH YEAR

History Making Declarations Due Today

Nation's Navy Review Slated For April 27

Biggest Display in Past Five Years to Be Seen by Chiefs

Plans Made Months ago; Not Just Parade to Impress Europe

WASHINGTON, April 12.—(AP)—The nation will parade much of its sea power on April 27, when the first formal fleet review to be held in the Atlantic in five years will be staged off the Virginia capes.

Navy officials emphasized that the review had nothing to do with Europe's crisis; that was decided upon months ago and that it would be devoid of the grim significance behind the movements of European warships in the Mediterranean.

However, it was apparent that the administration was not loath to display the navy's strength as a factor to be reckoned with in an unsettled world. Foreign naval attaches, it was announced, will be invited to witness the spectacular procession of 70 war-craft, which will be heading for the world's fair at New York after a two-day stay in the Yorktown-Hampton Roads area of Virginia.

Secretary of the Navy Swanson, other cabinet members, and congressmen will be among those reviewing the ships.

Figures Show US Sales to Democracies

While preparations for the review went forward, the state department released figures showing that American manufacturers are helping substantially in the rearmament drive of Great Britain and France. Licenses for the export of about \$25,000,000 worth of war supplies to these nations were issued during the first three months of this year.

Aluminum made up the bulk of the total. However, only \$10,000,000 of the supplies actually were exported during the period.

No licenses for export of raw materials to Japan were on this month's list. Since last June, the state department has been putting pressure on American manufacturers not to ship raw materials to Japan, on the ground that that country was bombing civilian populations in China.

Rearmament of the Netherlands Indies continues according to the department's figures, showing that \$2,043,300 worth of war supplies had been exported to the Netherlands East Indies possessions in the first three months of this year, in addition to \$59,925 to the Netherlands themselves.

On Capitol Hill today, neutrality legislation continued to be a topic of live discussion, and there were indications that opposing senate forces might reach a compromise calling for temporary re-actment of the expiring "cash and carry" and "inequitable" proposals that the United States range its mighty economic power against aggressor nations and close the Panama canal to the ships of countries which violate their treaties was laid before the house foreign affairs committee today by Dr. C. G. Fenwick, Bryan professor of international law.

One of a number of witnesses in the committee's study of changes in the neutrality act, Dr. Fenwick denounced that statute as "inequitable" and "inequitable." It was based, he said, on the "false assumption that war is something inevitable and that we can't do anything about it."

Instead, he said, America can do something about it. If potential aggressors were informed that they must reckon with America's economic might, he said, they would be effectively deterred from their "criminal acts."

Bust Measurement Collection Is Bust

KLAMATH FALLS, April 12.—(AP)—The ladies must have been reading.

When Mrs. L. V. Windnagle of Portland assessed the hat for offerings "amounting to individual bust measurements" to establish a fund for a bust of Dr. John McLaughlin, famous Oregon pioneer, only \$50 was collected. The bust will cost about \$650.

Hoover Will Try McKenzie Angling

EUGENE, Ore., April 12.—(AP)—Unconscious of their exalted position, the famous fighting rainbow trout of the McKenzie river will entertain the only living ex-president, Herbert Hoover, Saturday and Sunday, the opening weekend of the angling season in Oregon.

Blizzard and Cold hit East and Middle West; April Records Smashed

Snow Falls in 15 States With Freeze Severest in Border Area; Coal Supply Sufficient for Present Needs Despite Labor Trouble

CLEVELAND, April 12.—(AP)—A big shipment of winter, imported from Canada, made the weather market polar bearish today from Maine to the Rockies and southward into Kentucky.

Some places had the coldest April 12 in history. A blizzard struck Cleveland. Snow shovels scraped sidewalks in some communities in 15 states. Light snows and flurries were common.

Chicago's 21 was seven degrees colder than 1900's April 12, the previous champion. Louisville's 27 showed five degrees off the record for the day. Cleveland's 21 and Detroit's 22 equaled records.

Communities in Wisconsin, Minnesota and South Dakota had temperatures down to 8. The weather was freezing in parts of New England, Pennsylvania and New York, but New York city's low was 35.

Four inches of snow fell in central Vermont, bringing the total depth in mountain areas to four feet. Two additional inches in northern New Hampshire made the average depth 30 inches. From (Turn to Page 2, Col. 2)

Biggest US Gold Coin Plot Traced

Secret Service Uncovers Record Conspiracy; 13 Will Be Indicted

SAN FRANCISCO, April 12.—(AP)—The US secret service announced tonight it had uncovered the "biggest gold coin conspiracy" on record in the United States, with ramifications from San Francisco to New York, and said indictments against 13 men now in custody would be sought from a federal grand jury here tomorrow.

Detained in New York as a man listed here as Morris Anolik, to whom Captain Thomas Foster of the secret service said was shipped around \$100,000 in gold coins for disposal.

Nine others were held in San Francisco, two in San Jose, Calif., and one in Oakland, Calif. Captain Foster said the alleged ring was unearched as a result of a tip provided six months ago by members of the San Francisco police department who had been investigating "fences."

The captain said Nathan Perner, San Francisco, was questioned previously, and that Perner later was utilized as an undercover man to gain evidence that jewelers and jewel brokers were collecting \$2.50, \$5, \$10, \$20, 20-franc and half-crown gold pieces from hoarders who had disregarded the gold rule. (Turn to Page 2, Col. 3)

Queen Geraldine Throws off Fever

LARISSA, Greece, April 12.—(AP)—Queen Geraldine of Albania today threw off high fever which caused serious concern for her life following a dramatic flight with her new-born son from invading Italian troops.

She was reliably reported to be out of danger. The week-old Prince Skander was described as thriving.

Dethroned King Zog, who is staying in a humble inn here, visited the queen for several hours in a little hospital room banked with flowers he had ordered from Athens. It was said that Geraldine needed only a long rest to insure complete recovery.

Hundreds of telegrams arrived at the hospital from well-wishers in all parts of the world.

Salem Girl Hurt In Bridge Crash

Minor injuries were sustained by Barbara Earle, daughter of State Insurance Commissioner Hugh H. Earle, and by Leon W. Sloan of Portland early last night in an automobile crash at the intersection of Front and Center streets.

Miss Earle sustained a cut scalp and was suffering from shock, while Sloan was cut about the face and chest.

Sloan was riding south on Front street in a car driven by John H. Bain of Portland, while Miss Earle was driving down off the Peik-Marion county bridge, going east on Center. Both injured parties were taken to the Salem General hospital for treatment.

Death Stills Pen of Noted Mystery Novelist, Van Dine

By JOHN FERRIS

NEW YORK, April 12.—(AP)—S. S. Van Dine, the man who set the eminently clever Philo Vance sleuthing through the pages of 11 first-rate murder mysteries, is dead.

He was Willard Huntington Wright, 51, and by that name he was known as scholar, critic, editor and aesthete until a nervous breakdown turned his thoughts away from Nietzsche, modern painting and anthropology to the less ponderous but more engaging subject of who killed whom and why.

For a long time the identity of "S. S. Van Dine" was a mystery almost as unfathomable as the cases Philo Vance was called upon to solve. The literary world knew

Federal Judge Edwin Thomas Resigns Bench

Impeachment Question Ended by Action; Probe Goes on

Judge Follows Manton Who Quit During McKesson Case

WASHINGTON, April 12.—(AP)—The resignation of Federal Judge Edwin S. Thomas of Connecticut, whose financial affairs and activities have been under grand jury investigation at New York, was announced today at the White House.

Attorney General Murphy, discussing the case at a press conference later, said "the resignation has made it unnecessary to give further consideration to the question of impeachment." The grand jury will continue its investigation, he said.

Somewhat later, Judge Thomas was recalled from a vacation cruise to South America for questioning in the investigation of the Martin T. Manton and McKesson & Robbins cases.

Manton, former senior United States circuit court judge, resigned last year, Judge Thomas was indicted on charges of accepting loans from companies which had litigation pending before his court.

Held Receivership For Drug Company

Last year, Judge Thomas set up an equity receivership at Hartford, Conn., for the McKesson & Robbins drug firm. The receivership was dissolved later when the concern filed a bankruptcy petition in New York after its president, F. Donald Costermans, was unmasked as an ex-convict.

A statement by Attorney General Murphy said today: "It is well known that for a number of weeks the financial affairs of Judge Thomas, and his action in certain cases, have been under investigation by John T. Cahill, U. S. attorney for the southern district." (Turn to Page 2, Col. 2)

Retroactive Taxes Prevented, Belief Bill Just Sent President Covers Income Levies, Public Employees

Enactment of the bill in congress providing for the taxation of state employees by the federal government, and of federal employees by the states in which they live, apparently saves both groups of public servants from any possibility of having to pay taxes for several years back, it was reported at the state tax commission offices Wednesday, although members of the commission were awaiting receipt of a copy of the bill before taking any definite action.

The bill, tax commission attorneys said, would prohibit retroactive taxation before January 1, unless it was amended at the last minute. It would prevent the state from retroactive taxation of federal salaries, and make the same rule apply to government taxation of state salaries.

Answering arguments that the commission should tax federal salaries for several years back, the commission said it could not be done under the new bill, which is on President Roosevelt's desk.

However, the commission agreed to study whether the government had a right to tax state employees. (Turn to Page 2, Col. 3)

Kansas City Drug Ring Is Smashed

13 Arrested Includes one Policeman; \$1,000,000 Narcotics Taken

KANSAS CITY, April 12.—(AP)—Federal agents smashed a major midwestern narcotics ring today and opened a new front in the far-reaching war on Kansas vice.

H. J. Anselger, US commissioner of narcotics who came from Washington to supervise the roundup, announced the arrest of 13 persons from New York to Oklahoma and called Kansas City "the capital of narcotics distribution in the midwest."

One of the 13 was a member of the Kansas City police force. Only last night another federal official told a legislative committee at Jefferson City the department here made no effort to resist the narcotics traffic.

Six others were arrested here, one at Warsaw, Mo., two in New York city and three in Oklahoma. Treasury agents have been working on this case 18 months, and Anselger said their undercover men confiscated or bought about 500,000 grains of narcotics valued in illicit trade at more than \$1,000,000.

Eugene 'Strikers' Refusing to Pay Sewage Plant Tax

EUGENE, April 12.—(AP)—A group of Eugene citizens, at least \$1221.60 worth, have gone on a silent strike here against the majority of voters who last fall authorized a graduated assessment on water bills to provide funds for a sewage disposal plant.

In the first quarter, the water board issued bills, totaling \$456,825, but only \$326,465 has been paid and city officials said that in a number of cases water users were flatly refusing to remit.

Mayor Elisha Large recommended immediate action, which might take one of three forms: shutting off water and light, suit in court or criminal citation on grounds of violation of sanitary regulations.

UP Brakeman Is Dead After Box Cars Crush

THE DALLAS, April 12.—(AP)—A broken back and fractured pelvis received yesterday when he was trapped between two Union Pacific Railroad company box cars resulted in the death of Daniel E. Fagan, 44, brakeman, today.

Report Nazis Demand Polish Territory Denied in Germany

Hope to Bluff Nation Toward Neutral Stand

Danzig, Corridor Road Asked; Same Demand Refused Before

German Press Asserts Poles Mistreating Teuton Residents

WARSAW, April 12.—(AP)—Reports circulated in diplomatic quarters tonight that Germany had renewed demands upon Poland for Danzig and a strip of the Polish corridor.

This indicated, these quarters said, that Germany hoped to bluff Poland into a stand of neutrality in the present world situation or that the Nazis were prepared to bargain—if Poland would loosen her defense ties with Britain and France.

The demands for Danzig, for a motor road across the Polish corridor under German sovereignty and for cession of Bogumim, important rail junction, previously were made and were refused.

The foreign office denied tonight they had been repeated. Diplomatic sources and other quarters persisted in discussing the reported demand, however, which were said to have been brought from Berlin today by the Polish ambassador, Joseph Lipski.

Informed political commentators, discussing German demands, argued that from the German point of view expansion in southwest Europe can continue only if Poland occupies an inactive position.

FREE CITY OF DANZIG, April 12.—(AP)—The official German news agency, DNB, today reported that 100 Germans had fled Poland into Danzig because of anti-German "excesses" along the Polish corridor to the Baltic.

The German agency said "the fugitives report there have been repeated outrages in the border regions recently and that the Polish west federation which always has been prominent in anti-German politics."

BERLIN, April 12.—(AP)—Germany waited today for Poland to make the next move toward settlement of Polish-German issues, but officials suggested that Warsaw make public the German demands which led to the British-Polish mutual assistance accord.

Publication of the demands, (Turn to Page 2, Col. 1)

France Arms Self As Chief Writes

Deladier Declaration Will Coincide With British; Military Is Alert

PARIS, April 12.—(AP)—Premier Daladier drafted a formal statement of the French position in the international crisis tonight amid continuing reinforcement of the French military and naval defense forces.

The premier and defense minister made known that the declaration, to be made tomorrow, would be brief and to the point, serving notice on authoritarian governments what they could expect if they persisted in new annexations or aggression.

Sources close to the government emphasized the "exceptional importance" of the French statement, which significantly was planned to coincide with a declaration Prime Minister Chamberlain of Great Britain is expected to make in the house of commons regarding guarantees of independence to Greece and Turkey.

Behind the scenes and closely veiled by military censorship, French national defense officials carried on the task of strengthening land, air and sea forces as "precautionary measures" against any possible sudden move by Germany or Italy.

Renewed Bombing Felt in London

LONDON, April 12.—(AP)—Bomb explosions, blamed by police on the outlawed Irish republican army, shook 11 public lavatories in London, Birmingham and Coventry today. No casualties were reported.

Police believe the terrorists used a new chemical containing carbide in the bombs. Several members of the IRA, which operates all over Britain, Ireland and France, have been imprisoned for bomb outrages this year.

Late Sports

SACRAMENTO, April 12.—(AP)—Sacramento made it two in a row over Hollywood here tonight by winning 9 to 7.

The Stars drove Adriano from the hill in the second inning with a six-run spurge and finished up on Osborne.

Manager Benny Borgmann again scintillated on second base and twice came up with plays that robbed Hollywood batters of hits and runs.

Martynek and Kelleher divided the pitching for Sacramento, Maggett homered for the Stars in the second. Hollywood 7 9 1 Sacramento 9 14 0

British Pronouncement Today Is Expected to Mark Firmer Stand

Strong Words Expected From Chamberlain on Axis Drive

Hitler to Be Target; Hope to Get Duce to Keep Peace

LONDON, April 12.—(AP)—A declaration designed to forestall further German-Italian expansion toward the Dardanelles and still leave the way open for appeasement of Italy was under preparation tonight by Prime Minister Chamberlain for delivery tomorrow to an extraordinary parliamentary session.

Informed sources said Chamberlain had decided to make that declaration stronger in the face of a swing in public opinion against his appeasement policy.

They said it was feared that national unity, which applauded his pledge to Poland, might crack if he failed to take a firm stand against aggression in his anxiously awaited statement.

Edouard Daladier, the French premier, was ready to back up the British stand with blunt words of his own in a parallel declaration tomorrow.

England Teems With Preparations Activity

The air, land and sea forces of Britain matched those of her ever-ready French ally in rising to the new slogan "we've got to be prepared" which flamed from every other London billboard.

Warplanes sped over the east coast of Britain in all-night patrol, an extraordinary precaution against any "lightning thrust."

Anti-aircraft units were swollen well past full peace-time strength. One hundred and twenty British warships churned the Mediterranean, most of them at or near the island of Malta. Forty French naval vessels were said to be on active duty in the Mediterranean.

Chamberlain in parliament tomorrow is expected to give a provisional guarantee of Greek-Turkish independence.

He was reported authoritatively to have decided to say that Britain would consider any action threatening the independence of these two countries as an "unfriendly act" against Britain.

First Military Officer to Greece Forecast

Chamberlain is expected to condemn the Italian invasion of Albania (whose national assembly today offered the crown of Zog to the Italian king, Vittorio Emanuele), but to give Mussolini another chance to prove peaceful intentions in the Balkans and the Mediterranean.

This policy was condemned in some quarters as a retreat to the Munich appeasement policy and was said to have been determined upon despite opposition of some members of the cabinet who wanted the prime minister to make a clean break with Mussolini.

Despite apparent agreement with Greece and Turkey, British officials were more concerned about getting Rumania and Soviet Russia into the defensive alliance.

Both Poland, which concluded a tentative defensive agreement with Britain and Rumania fear that any alliance with Russia would be accepted by Germany as provocative action of British officials argue that this chance must be taken because Russian cooperation is vital to the success of any anti-aggression coalition.

An influential group in which David Lloyd George, Winston Churchill and Anthony Eden, all former cabinet ministers, are outstanding has been pressing Chamberlain to get Russia into the alliance before doing anything else.

Churchill went to Downing street to see the prime minister this evening. Coming out of the Chamberlain's office residence, he was cheered loudly by the "crisis peepers."

Lloyd George, anticipating Chamberlain's return to appeasement, told a Welsh audience today that neither Germany nor Italy would take another step if Britain concluded an agreement with Russia; but he added that "Russia will not join a skeddaddling alliance."

Chick Has Double Body

ROSEBURG, April 12.—(AP)—Mother Nature muffed one at the farm home of Mrs. E. M. Sealey, Melrose, today. A chick was hatched with one head and two bodies. Mrs. Sealey said she would watch it to see if it performed double duty in egg production.

Spreckels 'Heir' Unmasked; Portland Bride Prostrated

SAN FRANCISCO, April 12.—(AP)—Love or not love, Nathan Desmond apparently faced the stiffest sentence the law allowed today because he posed as heir to a \$20,000,000 Spreckels sugar fortune to woo and win 26-year-old Margarette Davis, now in a hospital.

Municipal Judge Thomas Prendergast found him guilty of vagrancy, denounced his romance as a "contemptible, malicious fraud," and said he would like "to give a greater sentence than the law provides (six months)."

The sentencing was set for tomorrow.

After the judicial denunciation, Desmond was led from the courtroom protesting feebly: "But I loved her."

Desmond's bride, to whom he was married in Portland, Ore., recently after a rapid courtship, was under treatment for a nervous breakdown today.

Police inspectors said the erstwhile Miss Davis, who was orphaned six years ago gave her husband her jewels and possessions to pawn "to tide them over," and avowed to her predicament when he suggested they sell a trunk.