

Pictures? Yes

Stateman readers see the news of the world as well as read about it. They see it in pictures taken in Salem and in news mats supplied by two world wide services.

Weather
Locally unsettled today and Thursday; somewhat higher humidity and lower temperature; drizzle on the coast. Max. temp. Tuesday 81, min. 49. River 3.9 ft. West wind.

NINETEETH YEAR

Rolling Device Traced, Trial Of Richardson

State Auditors First to Testify; Altering of Vouchers Charged

New Evidence Available, Keech Says, Showing Deputy Innocent

The problem of "rolled vouchers"—Marion county vouchers on which date of payment was allegedly altered, to conceal shortages in the county cash balances—made its first appearance yesterday in the larceny trial of W. Y. Richardson, former deputy of ex-County Treasurer David G. Drager.

Testimony with respect to the allegedly altered vouchers was first offered by Bernard C. Davis, state auditor who assisted in the 1935 audit of Marion county books, and was later taken up by Floyd Bowers, auditor who handled the bulk of the investigation, and who followed Davis to the stand.

The evidence presented by prosecution witnesses closely followed testimony given in Richardson's first trial on the charge held last year, and in the trial of Drager last February.

Through the witnesses, Special Prosecutor Francis E. Marsh of McMinnville sought to establish that shortages in the treasurer's office were covered up by marking warrants actually paid in January of a given year as though they were paid in the December of the year preceding.

Marsh described the method of rolling the vouchers, the prosecution sought to show, a balance could be struck between the county treasurer's bank account and book items marked paid at the time of the annual audit of the treasurer's accounts.

As in the previous trials, Davis declared that had the vouchers not been changed, or had a comparison between the treasurer's actual bank balance and his cash account been made at any time of the year except the first of the year, the shortages could not have been concealed.

In addition to answering detailed questions asked by Marsh with respect to specific items on the treasurer's books and as to specific rolled vouchers, Davis reported statements of the defendant in November, 1938, when he was informed of the results of the state audit in the presence of the county court, the county treasurer, District Attorney Lyle J. Page and state auditors.

Dental of Shortage Made, Testified

"Richardson denied that there was a shortage," the witness asserted. "When the rolled vouchers were brought to his attention he said that he had noted a shortage in November, 1936, the date of vouchers shown to him, but denied that he had known earlier of such a discrepancy in the office.

"When he was shown earlier vouchers which also had been manipulated, he finally admitted that he knew that a shortage existed as far back as 1917.

"First he said he thought it was a bookkeeping shortage, but later he said he decided it was a genuine shortage."

Cross examination by Defense Counsel Edwin Keech stressed the fact that the state audit extended no further back than 1932, since records previous to that time were not available, and that in consequence the auditor could not state definitely whether the shortage prior to that date was actual or merely the result of book errors.

Examination of Bowers, which followed that of Davis, referred to checks signed by Drager or Richardson on county funds but which were alleged to have settled personal obligations.

Interrogation had barely started when Circuit Judge L. H. McMahan ordered recess until 9 a. m. today.

Keech Promises to Offer New Evidence

During the morning session of the trial counsel for both sides presented opening statements to the jury. That of the defense, given by Keech, promised new evidence.

Arms Shipments From SF Denied

SAN FRANCISCO, July 9.—(AP)—A published story that army fire arms and munitions were being furnished Great Britain from this area drew a denial tonight from one army officer, and no comment from war department spokesmen.

The copyright story was published here today by the Call-Bulletin which said it had "positive information" that several shipments of war materials from the bay area and Nevada "have been made and are still being shipped to the British under circumstances of utmost secrecy."

Supplies shipped via Canada, the newspaper said, included light fire arms and ammunition from the Benicia, Calif., arsenal, and "high explosives, including big shells," from the navy ammunition dumps near Hawthorne, Nev. Lt. Col. Oscar Krupp, commander of the Benicia arsenal, said no such shipments had been made from there which "would fall into that category."

Stimson Given Senate's Oke By Big Margin

Vote 56-28 and Similar Approval for Knox Forecast Today

Interventionist Policies Generally Criticized Prior to Decision

WASHINGTON, July 9.—(AP)—President Roosevelt's nomination of Henry L. Stimson, republican, to be secretary of war was confirmed by the senate today, 56 to 28, after Majority Leader Barkley, of Kentucky, had urged such approval in the "interests of American unity."

Senators who had bitterly criticized the appointment as a "step toward war" conceded that similar confirmation would be voted tomorrow for Frank Knox, republican selected for the key national defense post of secretary of the navy.

Party lines split wide open on the Stimson vote with 45 democrats, 10 republicans and one independent approving and 14 democrats, 12 republicans, one progressive and one farmer laborite opposing.

Those voting confirmation included Schwab (D-Wash) and McNary (R-Ore). Those voting against Stimson included Bone (D-Wash); Clark (D-Idaho) and Thomas (R-Idaho). No vote was listed for Holman of Oregon.

Senator Barkley, confident he had the necessary votes, used only a few minutes to reply to two days of caustic criticism of the nomination. He said the chief objections to Stimson were that he had advocated repeal of the neutrality act, use of his country's naval bases for the British fleet, and naval convoy of munitions for England.

"I would, myself, disagree with that view," Barkley said and then added that neither Stimson nor Knox could do these things as cabinet members unless they were authorized by congress.

Recalling that Stimson served as secretary of war under President Taft and secretary of state under President Hoover, Barkley said no one had questioned Stimson's

Non-Intervention Woodring Policy

TOPEKA, July 9.—(AP)—Harry H. Woodring, who quit as secretary of war June 29 to make way for Henry L. Stimson, declared tonight "I have always been, I am now, and expect to remain a non-interventionist."

"If the reaction from my leaving the war department as a known non-interventionist has caused modification of some policies which I considered some of the most provocative and meddling advisers of the administration who would strip our own defenses, then I regret that I had only one set of legs to sacrifice on the altar of public service," he said in his prepared address, broadcast over a national network.

The former secretary made no mention of his letter of resignation to President Roosevelt, a communication the White House declined to release. But Woodring made plain that his views on America's war position differed radically from those of some administration members.

Injuries Prove Fatal

OREGON CITY, July 9.—(AP)—Injured in a fight by an automobile which struck Mrs. William Burd, 65, here Thursday were fatal to her last night.

School Board Votes to Buy Three Lots At Senior High

Purchase of three lots east of the athletic field at the new high school grounds for \$4250 was decided upon by the city school board last night.

The lots, part of a larger piece of property which the board has long contemplated buying, include one at the corner of 14th and B streets upon which a small store is located and two adjoining lots on the south. The property is owned by Mr. and Mrs. Nathan Seilig.

Elizabeth Crab's application for library and English teacher at senior high school was accepted, Miss Crab has been teaching at Cottage Grove high school.

Mrs. Florence Emerson, Mrs. Mary Hartman, Mrs. Annie Wolcott and Mrs. Mary Foster were retained as substitute teachers. Miss Crab has been teaching at Cottage Grove high school.

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FIRST INNING HOMER WINS FOR NATIONALS



Enough runs, as it turned out, to clinch victory for the National league stars in the annual charity game between big leaguers, were scored when Max West (No. 4) of Boston hit a home run with two mates aboard in the first inning Tuesday in St. Louis. West is shown crossing the plate as Johnny Mize (No. 10) congratulates him.—AP Telemat.

Martin Is Chosen As GOP Chairman

Vote Unanimous; Wilkie Announces Plans for Large Committee

WASHINGTON, July 9.—(AP)—Wendell L. Wilkie today entrusted the direction of his republican presidential campaign to a 55-year-old New England bachelor—Rep. Joseph W. Martin, Jr., of Massachusetts—and then went winging away by special plane for a "long sleep" in the Colorado mountains.

Martin, house minority leader and North Attleboro, Mass., publisher, was chosen as the new chairman of the republican national committee subcommittee on Wilkie's personal recommendation.

John D. M. Hamilton, present chairman, who managed the 1936 presidential drive for Alf M. Landon, a fellow Kansan, was named executive director of the national committee. He will assist Martin and retain his \$25,000 salary and travel expense allowance.

(Turn to page 2, col. 6)

Keys Retained in Adjudication Case

Walter E. Keyes was appointed by the city water commission last night to act as City Attorney Lawton A. Brown in the matter of water rights in the mill race, now being adjudicated in the courts.

Keyes is also retained by the Oregon Pulp & Paper company, which has equal water rights in the stream with the water commission and the Kay Woolen mill.

Manager Carl Guenther reported that work on the high level reservoir is progressing and that pouring of concrete will begin this week.

Water consumers used 165,525.375 gallons in June, an increase of 36,000 gallons over the previous June of 129,525.375 gallons, a report showed. Billed revenue for June, 1940, was \$20,373.23 as compared with \$18,004.15 for June, 1939.

City Recorder A. Warren Jones made a mistake last night by at

War Bulletins

LONDON, July 10.—(Wednesday)—(AP)—German planes bombed a town in southwest England after daylight this morning and were reported to have inflicted "considerable damage" on a residential district. Five bombs were dropped and it was believed there were casualties.

ALEXANDRIA, July 10.—(Wednesday)—(AP)—An air raid warning was sounded in Alexandria early today but no bombs were dropped and the alarm passed without any reported incidents.

NEW YORK, July 9.—(AP)—The Italian government radio reported tonight that the 42-100-ton British battleship Hood had gone into dry dock at Gibraltar for "urgent repairs" after being damaged seriously in the battle of Ocean July 2.

The Rome broadcast, heard by CBS, quoted a dispatch from Madrid.

In One Ear . . .

—Paul Hauser's Column

The sunburn season is well under way and the picnic committee is abroad in the land.

It is in the time of year, when, watered tenderly through the long months, of fall, winter and spring, the picnic committee begins to bloom in every organization which numbers eight or more adult individuals. The first ones have already bloomed in all Paul H. Hauser, Jr., their frenzied loveliness, a sure sign of summer, and soon the landscape will be dotted by those robust fruits of hot weather, the picnic chairman.

You can recognize the picnic committee by the long and scribbled lists they trail after them and on which every fifth item is sweet pickles. Picnic committees are notably long on sweet pickles, a fact established by the botanist Zilkstrat of Gottingen in the year 1740 at the annual summer clambrake of the Gottingen Goober and Goyduck group.

You can't get away from the picnic committees. They come at you full tilt, waving their penciled lists like horns in front of you with a somewhat dulled pencil. "You're down for candied do some jammering of your own they are off after the next victim."

So you submit meekly and go off to candy some jams by your own special process, reserved for picnics, which makes jams so sticky that they're almost as sticky as the frosting everybody puts on picnic cakes.

So goes life in the summer-time when the livin' is easy and picnic committees run around sprinkling free coffee and ice cream in their wakes. (And don't forget to bring your own silverware).

OLYMPIA, July 9.—(AP)—In a surprise announcement tonight, Governor Clarence D. Martin offered his services to the state for another four years.

A statement handed to the press said: "I offer my services to the state for another four years.

"I choose to offer myself for the governorship because my native state and its people have been good to me, and I feel that in return I can afford to give my best for another four years of stability and progress during these critical and trying times of our state and nation."

Forest Packer Missing

BEND, July 9.—(AP)—Airplane and foot searchers spared the Fish Lake region of the Deschutes National Forest today for Bruno Hoepfner, elderly forest service packer missing more than 48 hours.

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Sugar Loaf Area Has Serious Fire

Washington Forests Also Blaze; Oregon's Two Fires Controlled

LAKEVIEW, July 9.—(AP)—A serious forest fire raged today on Sugar Loaf mountain, just inside California on the Lakeview-Altoona highway, ravaging an area burned in 1929.

Reforestation work and fire trails constructed by the forest service, valued at thousands of dollars, were swept away within a few hours.

PORTLAND, Ore., July 9.—(AP)—Washington fires broke out anew today as Oregon and British Columbia fire-fighters brought their major blazes under control.

Forestry Supervisor T. S. Goodyear said a 200-acre fire flared on both sides of Bingham creek, 14 miles west of Shelton, Wash. It obviously was "set in line today as Goodyear reported, principally in unburned slashings of the Simpson Logging company.

Twenty six other new fires were reported in Washington's Grays Harbor, King, Cowlitz, Lewis and Clark counties, although the situation.

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Destiny Calls For Huge Nazi Realm, Stated

Control of Scandinavia Inevitable, Asserts Nazi Spokesman

French Parliament Puts Oke on Dictatorship Headed by Petain

BERLIN, July 9.—(AP)—Germany's manifest destiny calls for creation of a great Germanic realm including "the entire area from which Germanic peoples once emigrated," Reich leader Alfred Rosenberg told the foreign press tonight, stressing the Scandinavian position in the Nazi orbit.

Rosenberg, often chosen to enunciate and elucidate Adolf Hitler's policies, advised the Scandinavian countries to adjust their mentalities to the new era of protection under a great German Reich.

Destiny, he pointed out, has thrown them together, economically and politically, into the German living space. Realistic acceptance of this fact is not a sign of weakness but plain "recognition of vital law."

"No matter in what form protection over this former great Germanic realm is effectuated it is evident that the German Reich never again can renounce the right to protect itself against repetition of an attack such as England attempted against Norway in April, 1940."

Czechs and Slovaks, he added, already have been absorbed into the greater German living space "just as they lived in centuries past."

Rosenberg conceded it was "understandable" that a small nation should refuse to let itself be governed by another of equal size, but "we are convinced that a small nation does not sacrifice its honor if it places itself under the protection of a really great nation and reich."

VICHY, France, July 9.—(AP)—Stricken France's parliament signed the death warrant of the democratic third republic today (Turn to Page 2, Col. 3)

Bishop Selection Topic at Session

SAN FRANCISCO, July 9.—(AP)—Election of a new Methodist bishop for the Portland, Ore., territory occupied out-of-session today at the western jurisdictional conference of the church opened here in Glendale Memorial church.

The three names most prominently mentioned for the post, authorized following amalgamation of the three branches of the Methodist church, are Dr. Grover C. Emmons of Nashville, Tenn.; Dr. Bruce Baxter, president of Willamette university, Salem, Ore., and Dr. Walter C. Brunker, district superintendent in Los Angeles.

The new bishop, to be elected Friday, will be the seventh in the Pacific coast states.

Delegates were welcomed today by Mayor Angelo J. Rossi and the Rev. J. C. McPheeters, host pastor. Dr. Emmons responded. The conference will continue through next Monday.

Forest Packer Missing

BEND, July 9.—(AP)—Airplane and foot searchers spared the Fish Lake region of the Deschutes National Forest today for Bruno Hoepfner, elderly forest service packer missing more than 48 hours.

Each Claims Other Battered, Pursued; Italy Role Stated

British Say One Hit Registered Upon Battleship as Heavy Squadron Is Attacked; Still Chasing Foe

Unofficial Rome Report Avers Enemy Ship Sunk by Planes; Germany to Invade England Alone, Hinted

(By the Associated Press)
The Mediterranean battle-royal for which the world has been watching was in progress today between British and Italian naval forces.

Each side contended its fleet was chasing the other. The British said their Mediterranean fleet was chasing a heavy fascist squadron which withdrew behind a smoke screen yesterday afternoon after one Italian battleship had suffered a hit at long range.

A correspondent for Stefani, official Italian news agency, reported that the fascist forces were pursuing the British, who fled southward in the central Mediterranean after a battle that lasted from 2:30 p. m. to 9 p. m. Tuesday.

The Stefani report, as received in London, added that on Monday Italian planes had sunk a British cruiser and damaged a British battleship and aircraft carrier in a battle farther east, near the island of Crete.

No word was received direct from the Italian government on either engagement, and the Stefani report did not mention damage to the British navy. It said the Italian air force was bombing the British, however.

The British admiralty, which made the first announcement of the Tuesday encounter, did not mention Italian resistance and did not tell of any fighting on Monday.

It said that the British forces, having disposed of French seapower by forcing surrender of the vessel at Alexandria, Egypt, came upon two Italian battleships, a number of heavy cruisers and a flotilla of destroyers east of Malta.

The Italian information placed the scene of the clash, though, at the extreme toe of the Italian "boot."

The admiralty announced that the British naval air arm was attacking the foe, and that sea forces based at Gibraltar swept into the central Mediterranean in search of Italian warcraft. The Gibraltar squadron found no surface craft, shot down four enemy planes and damaged seven others, said the admiralty.

The Italians said their ships were returning from convoy duty to Africa, when they met the British.

The French fleet, recently the most powerful in the world, was swept from the sea as an effective fighting unit yesterday in a bloodless British triumph over the last squadron remotely able to challenge Britain's mastery of the seas.

Capitalizing to British steel and conditions designed to meet the German and Italian hands, the tri-color squadron at Alexandria, Egypt, ended several days of suspense by allowing itself to be interned.

Only a few scattered French warships are believed still at large. The few vessels which escaped the first British thrust at the French navy off Algiers last Wednesday are reported in French naval bases, some of them disabled.

Royal air force bombers, landing at Germany's naval forces set on fire two coastal bases. The French navy off Algiers last Wednesday are reported in French naval bases, some of them disabled.

Germany capped a day and a night of air raids on the city of London. The German navy off Algiers last Wednesday are reported in French naval bases, some of them disabled.

Eliminating War Profit Advocated

CORVALLIS, Ore., July 9.—(AP)—The Oregon campaign of the Veterans of Foreign Wars advocated removal of all profits from war in a resolution adopted today.

The convention favored "steeply graduated personal and corporate income taxes."

Alexander Hamilton, field supervisor of the state unemployment compensation commission, told the delegates that unemployed veterans throughout Oregon would be registered through the service for work in the national defense program. They would be placed, he said, in industries for which they had been or could be trained.

Workers Injured At Keizer School

BROOKS, July 9.—Ray De Rosche, Brooks, and Lisle I. Lindsey, Salem, route seven, were injured about 3:30 this afternoon when they fell about 20 feet from a broken scaffolding. They were painting on the new Keizer school-house.

De Rosche suffered a broken heel and numerous bruises. Lindsey suffered a compound leg fracture and bruises. The attending physician said tonight that the injuries of the men were not dangerous.

They were taken to Salem DeCoors hospital by the first aid car.

Warren Nunn, 29, route four, was treated by first aid men for a dislocated left shoulder received at the Leslie playground.

Minor scratches were all the injuries Harris Kerby, 15, 1142 Edgewater street, West Salem, received in a collision between his bicycle and an automobile at Liberty and State streets.

Bob Mickey, address unknown, was treated at the first aid station for a fractured right thumb received when his motorcycle collided with an automobile at Hood and Fifth streets.

MT. ANGEL AND SALEM TRADE INVITATIONS

Mt. Angel and Salem joined hands and exchanged invitations to their respective 1940 celebrations at the capital yesterday with Governor Charles A. Gregg serving as booster for both. Issuing an invitation for Mt. Angel to attend Salem's Centennial July 31, August 1, 2, 3 and 4 were, from left, Glenn Lewis, Mrs. Lewis, Ivan Manning and Chief Long Beard (George Stackman), representing the Mt. Angel. Bids to Mt. Angel's Flag Festival August 9 to 11 were presented by Father Alcuin and A. W. Holmes, far right.—Statesman staff photo.