

Member Man
FHA's
ing Head

Investigations Start
Possible Frauds

WASHINGTON (P)—Presi-
Eisenhower Tuesday
Norman P. Mason, 57,
Chelmsford, Mass.,
the Federal Housing
Administration while a vari-
of government agencies
into possible multi-
dollar scandals run-
back into the Truman
Administration.

new acting FHA commis-
a lumber dealer, succeeds
T. O. Hollyday, Baltimore
banker whose resigna-
accepted Monday, was the
of the swiftly devel-
opment.

allegations of irregular-
disclosed shortly afterward
Administrator Albert
centered on fleeing of
owners on loans for mod-
ernization and repair, and over-
of apartment projects
mortgage insurance.

STIAN GENTLEMAN'
described Hollyday as "a
Christian gentleman" but
might be held partially
able for abuses under the
program because "I be-
lieve he has been aware of it
and did not act." Hollyday, ap-
pointed by President Eisenhower,
was in the office a year.

new acting commissioner
treasurer of the Wil-
Proctor Co., lumber deal-
North Chelmsford, since
he is a native of Willsboro,

announcement of Mason's
coincided with an
from Chairman Cape-
(R-Ind) that his Senate
Committee may join in
already wide-spread in-
vestigation series.

housing and home finance
headed by Cole, which is
overall agency of which
a part, already had an
going. And Cole at a
conference said the FBI
called in to study any
of unethical action in
part financing phase
matter. He said inflated
costs already had cost the
agency more than 75 mil-
lion.

MOVE IN
chart said the banking com-
may move in "on the
that maybe the FHA
not investigate them-
selves."

chart told reporters also
the committee may hold up
pending housing bill until it
more information about
the "scandals."

banking committee had
to start next Tuesday on
its version of the House
bill but in view of the
payments in FHA the chair-
man may want to "tighten
the proposed language."

whole committee already
made a critical view of the
of too-high appraisals,
and said, and amendments
were prepared to "stop this
thing."

also said the FBI will
an alleged "illegal or un-
ethical" in the handling of
ent project financing by
officials. Here, he said, in-
vestigators will search for evi-

FHA PROBE
Continued on Page 7A

U. S. and Britain to Seek -Nation Military Alliance

DON (P)—The United States
and Britain agreed Tuesday to
a NATO-type military al-
liance of 10 nations, pivoted on
East Asia, in an effort to
bring peace from Indochina
to Southeast Asia.
The declared Communist ag-
gression in Indochina, and
the spread over all the
area extending to Australia,
Philippines and Thailand.
Decision to press for the
of a new Southeast Asia
system was announced in
a British-American commu-
niqué after a two-day conference
in U. S. Secretary of State

C Nations, Britain Sign Defining Mutual Defense

U. S. Secretary of State John
Foster Dulles on a mission for a
united western front at the forth-
coming Geneva Conference.
Dulles and British Foreign
Secretary Anthony Eden com-
pleted work in London earlier in
the day on a unified "no appease-
ment" agreement that closed the
gap between U. S. and British
aims.
France indicated in advance of
EDC NATIONS
(Continued on Page 7A)

CITY EDITION

Eugene Register-Guard

LANE COUNTY'S HOME NEWSPAPER

88th Year, No. 103

TWO SECTIONS—22 PAGES

EUGENE, OREGON, TUESDAY, APRIL 13, 1954

WEATHER
PARTLY CLOUDY
(Complete Report, Page 1-B)
Phone 5-1551



THE SHATTERED Trawler June drifts with the wind off Siuslaw harbor, only its bow and part of the cabin above the choppy seas. This aerial photo was taken by R. Harlow Schillies, Register-Guard photographer, minutes after the two survivors of the Monday explosion were rescued by the Otter.

Scientist to Fight Security Charges

WASHINGTON (P)—President
Eisenhower has disclosed Tues-
day to have personally ordered
Dr. J. Robert Oppenheimer cut
off from atomic secrets pend-
ing the outcome of a security
hearing now in progress.

WASHINGTON (P)—Dr. J. Robert
Oppenheimer has been sus-
pended as a government adviser
on atomic matters for security
reasons — including accusations
that he sought to block develop-
ment of the hydrogen bomb. He
declared he will fight the accu-
sations.

The noted physicist, sometimes
called the man who built the A-
bomb, disclosed the charges him-
self Tuesday by making public an
exchange of letters with Maj.
Gen. K. D. Nichols, general man-
ager of the Atomic Energy Com-
mission. Stories about the charges
had been published by New
York morning newspapers.

There was no immediate com-
ment from the AEC.

SPECIFIC CHARGES

Nichols' letter said 16 specific
allegations of subversive activi-
ties had been leveled against Op-
penheimer. One was that he bat-
tled against construction of the
H-bomb, even after former Presi-
dent Truman approved it.

The letter, dated last Dec. 23,
advised Oppenheimer:
"It was reported further that
you were instrumental in persuad-
ing other scientists not to work
on the hydrogen bomb project
and that the opposition to the hy-
drogen bomb, of which you are
the most experienced, most pow-
erful and most effective member,
has definitely slowed down its
development."

"The commission has no other
recourse, in the discharge of its
obligations to protect the common

Boat Explodes; Man Missing, Two Injured

A Coast Guard boat, trawlers
and light planes were searching
the seas off Siuslaw harbor Tues-
day for Bob Willis, 55, of Flor-
ence—missing since Monday af-
ternoon when a fishing craft he
was on blew up at the harbor
mouth.

Victor Watkins, owner of the
42-foot craft, and Ernie Tatum,
were rescued by other fishermen.
Both men were badly burned.
Watkins was cut when the blast
threw him through the cabin
wall and out into the water.

Mr. and Mrs. R. R. Raymond
of Florence, walking on the
beach, witnessed the explosion
and went for help.

The Civil Air Patrol at Flor-
ence responded with five planes
which circled the area, marking
the spot for the Otter, a fishing
vessel coming to the rescue.

The swamped June, down by
the stern, was not visible from
the surface in the choppy sea.

Watkins and Tatum clung to
the bow of the burning trawler.
The Navy sent a plane from
Salem to drop them a life raft
but the plane was turned back by
bad weather.

Walt and Ernie Fossick pulled
the two burned men onto the
Otter 75 minutes after the blast.

Tatum, burned about the head,
face and hands, told Mrs. Tom
Mithian, Register-Guard corre-
spondent, that they were having
engine trouble as they went over
the bar and that they were just
tying up to a buoy to make re-
pairs when the blast came.

Willis was blown through the
roof of the cabin and was last
seen a hundred yards from the
boat, floating on his back. Tatum
was busy getting a life preserver

BOAT EXPLODES

(Continued on page 6A)

Eugene's Own TV Station On Air Soon

Eugene's own, and Oregon's
newest, television station, KVAL-
TV, will go on the air Thursday
at 6 p.m., S. W. McCready, sta-
tion manager, said Tuesday.

The "Inaugural Nite Festi-
vities" will include appearances
by Gov. Paul Patterson, city of-
ficials, and the station's board of
directors.

A special group of guests will
view the inaugural program from
the Persian Room of the Eugene
Hotel.

The inaugural program will
last a half-hour, after which the
station will go into regular pro-
gramming.

The occasion is the climax of
months of wrangling over acqui-
sition of the channel 13 grant by
the Federal Communications Com-
mission, headhunted over details
of construction, and problems in
programming.

After Thursday evening's first
showing of Eugene TV, program-
ming will start daily at 4 p.m. at
first. Hours are expected to be
changed later. Daily program-
ming logs will be carried in the
Register-Guard.

As a salute to the area's newest
communication medium, the Reg-
ister-Guard will have a special
television section in Thursday's
edition.

City Council Raps Editorials in Guard

BY TOM JAKUES
Of The Register-Guard

The Eugene city council, in a
unanimous broadside attack, lashed
out against editorial policies of
the Eugene Register-Guard
Monday then adjourned until
April 26.

Only action was payment of
some city bills, award of some
Bancroft bond contracts and con-
tinuation of all public hearings
until the next meeting. Eugene's
champion pistol team was hon-
ored.

First indication of the unusual
turn of events came when Coun-
cil President Calvin Crumbaker
made the motion to continue sev-
eral public hearings scheduled for
Monday night.

The motion was quickly sec-
onded by Councilman Ray Siegen-
thaler, and passed by unanimous
vote.

Then the tirade began against
the newspaper's editorials concern-
ing council action in recent
weeks and months.

HEATED OPINIONS

It took the eight councilmen
only an hour, speaking one at a
time, to express their heated opin-
ions to Editor William Tugman's
statements on various matters—
principally secret meetings and
zoning issues.

It all started when Crumbaker
suddenly moved for adjournment
of the session and asked for a
complete study of council meth-
ods of action, in view of "at-
tacks" through the editorial
pages of the newspaper. The mo-
tion was at the end of a long, pre-
pared statement.

The fairly large audience, ex-
pecting to hear arguments on
zoning and other matters, was
caught by surprise but did not
stir. Every person stayed to hear
the statements that followed the
motion.

MR. MAYOR

Councilman Crumbaker's mo-
tion was in the form of a page-
long prepared mimeographed
statement. It was prepared in
the same manner as a letter from
Councilman Ray Siegenthaler
which was sent to the newspaper
Monday.

Here is the text of Crumba-

ker's motion for adjournment,
without further council action:

"Mr. Mayor:
"I rise to a question of pri-
vilege affecting this Council as a
whole. I refer to the campaign of
falsehood and misstatement car-
ried on in the editorial columns
of the Eugene Register-Guard.
Several months ago Mr. Tugman
made a heated statement to the
council over zoning being con-
sidered for the South Willamette
area, ending with what appeared
to be an ultimatum or threat.
Members of the council inter-
preted his attitude to be 'pass
the ordinances as I demand, or
else.' The character of the cam-
paign carried out to date in the
editorial columns of the Guard
fits into this picture.

"No one can challenge the
right of Mr. Tugman to criticize
the council as sharply as he likes,
if he will stick to the truth, so
that the issue can be between his
judgment and that of the coun-
cil. The council admires the free
hand allowed to the editor in
writing editorials. The use of edi-
torial columns for personal ven-

detta is an abuse of the free
press, and a betrayal of readers
who have a right to believe that
editorials are based on honest
conviction and not on personal
grudges, or personal animosity.

DESIGNED TO DISCREDIT

"It appears that the following
falsehoods or half-truths have
been designed to discredit the
council and destroy public confi-
dence in the council's acts.

"1. He has charged the council
with conducting secret council
meetings, implying that crooked
decisions are made against the
public. He knows this to be false
in toto.

"2. He charges that the council
betrays public confidence by not
rubber stamping all recommenda-
tions of the Planning Commis-
sion. His purpose is to pit the
Planning Commission against the
council. The real conflict is be-
tween the council and Mr. Tug-
man over whose conscience shall
govern council action.

"3. He deliberately spread
falsehoods over the character of
zoning provided for the so-called
millrace area. The great outcry

(referendum move) was the prod-
uct of these false statements.

"4. He dragged the restoration
of the millrace into the mess, in
order to arouse the distrust of
those interested in that develop-
ment. He knew the extent of the
untruths involved in his state-
ment.

"Casual inquiry to date indi-
cates that the signatures of many
persons on the referendum peti-
tions indicate belief that the Tug-
man falsifications and misstate-
ments are in fact true, and that
referendum powers were neces-
sary to rebuke the council and
strike down wrongful acts.

"Under the circumstances it ap-
pears that the council should not
further conduct the city's busi-
ness until it shall have had a
chance to make a complete state-
ment of facts, exposing the hoax
perpetrated by the editorial at-
tack. It is hoped that a group of
disinterested citizens may be per-
suaded to make an examination
and offer their judgment on the
merits of the controversy.

"I move the council adjourn
until April 26, and that a commit-
tee of the council be appointed to
formulate a statement on behalf
of the council."

'PROPAGANDA VICTIMS'

Several other members of the
city council indicated they wished
to comment on the editorials.
Mayor V. Edwin Johnson, presid-
ing, said they could make their
statements, "under the circum-
stances of the motion."

George Owen, Eugene lumber-
man and candidate for the state
legislature, commented that, "I
feel we have become the victims
of misguided propaganda."

Owen and Crumbaker have both
figured in editorial arguments
with Tugman over zoning and
meeting issues during recent
months.

Owen added that since he is the
newest member on the city coun-
cil, he is, personally, "one of the
weakest members." But, he said,
"I love this community... I will
do my best for it."

He argued that in the latest
zoning issue, when citizens re-
ferred a council decision to the
city's voters, most of the council-
men spent many hours deliberat-
ing and "weighing facts" with "no
influence, with no axe to grind
and came up with what we
thought best."

This best, Owen said, would in-
clude consideration of the Univer-
sity of Oregon status. The thing
that has been overlooked, accord-
ing to the councilman, is that
many who signed the referendum
petitions "never looked at the
facts" as the council did.

NOT A FACT

Owen also charged that the
council and planning commission
at one time were in complete ac-
cord with the heavy and light zon-
ing proposals finally approved.

Then, he said, "in some way pres-
sure was put on the majority of
the planning commission" to
make them change their minds.
They had recommended light and
limited industrial zoning of the
controversial land.

"To say we overruled the Plan-
ning Commission is not a matter
of fact," Owen charged. "It's no
opinion against our opinion."

There was little time between
statements. Most of them fol-
lowed in order, one or two of the
councilmen becoming more em-
phatic as they talked on.

Ray Siegenthaler, who became
increasingly bitter during his
statements, said the matter came
to a head during the last week-
end.

He said he finally "reached
the conclusion we cannot toler-
ate this" so wrote his first let-
ter to the editor. It arrived at
the newspaper office Monday,
and has essentially the same
charges as those contained in
Crumbaker's motion.

Siegenthaler said he "defied
Mr. Tugman" to prove state-

COUNCIL LAUNCHES

(Continued on page 6A)

Ray Siegenthaler Criticizes Editor

EDITOR'S NOTE: The Reg-
ister-Guard presents herewith
a letter from Councilman Ray
Siegenthaler alleging false-
hoods and misstatements on
the part of the editor in his
comments on the pending zon-
ing issue. We are always glad
to print such complaints. A
brief comment on Mr. Siegen-
thaler's letter will be found on
today's editorial page.

COURSE, to your statements about
"private" and "secret" meetings
of the Council.

Specifically, I deny that there
was anything "secret" about the
meeting at Mayor Johnson's
home on Feb. 2, to which you
referred in your editorial on
Feb. 8 and several times there-
after. Let's review the record,
taken from minutes of the City
Council, which are open to you
and the public.

The Jan. 25 council minutes
state in part that the ordinance
zoning the Riverview area was
read for the first time and "laid
over and referred to the council
as a committee of the whole."
Your own editorial of Feb. 8
stated that such was the case,
even stating who made and se-
conded the motion. Your reporter
was present and presumably
heard the motion passed. How
then can you term this a "secret"
meeting? We publicly announced
and you knew there was going
to be such a meeting.

Therefore I make this positive
assertion: YOUR STATEMENTS
ARE FALSE, AND YOU KNEW
THEY WERE FALSE. Some of
us think you made these false
statements deliberately, in order
to get enough people excited and
inflamed, so they would carry
out your threat of a referendum,
by means of which you were en-
deavoring to force your will on
the council.

I therefore DEMAND that you
either, 1) PRINT A RETRACTI-
ON AND APOLOGY, or, 2)
PROVE THAT YOUR STATE-
MENTS ARE TRUE.

Neither you nor your reporter
was sent an engraved invitation
to our meeting. But neither did
you ask if you could attend or
be represented. You have no
right to assume you would have
been refused if you had asked.
As a matter of fact, I believe the
council would have welcomed
your presence. We have nothing
to hide, and we knew that you
were going to oppose us. Some of
us would have felt that with you
there we might have avoided the
quarrel which has now developed
into a referendum. At least, you
would have gained some knowl-
edge of our reasoning. We don't
know your motive, but we don't

FINANCIAL ASPECTS

As defined by the council, the
area includes the Weyerhaeuser
Timber Co. plant, borders the lot
on which the new Springfield
sewage plant is located, and em-
braces parts of both the Rainbow
and McKenzie Water Districts.

FIRST PROPOSAL

When annexation petitions were
first presented to the council by
residents of the east-of-Springfield
area, the area designated was al-
most entirely east of the city.

But when the council Monday
adopted tentative boundaries re-
quired to be listed in the public
hearing resolution, several square
miles north and west of the city
were included. The boundaries
also border a 60-acre tract re-
cently annexed by Eugene on the
north side of the river west of
Springfield.

Specifically, the borderline set
by the council runs this way:
Starting on Garden Way at the
city limits, the line runs west

along that street to Liberty, turns
north on Liberty and what would
be an extension of Liberty St. as
far as Harlow Rd., thence east on
Harlow Rd. and Hayden Bridge
Way, and jogs north and south on
the line of Hayden Bridge Rd. as
far as the meander line of the
McKenzie River. Then the pro-
posed border follows the meander
line east to what would be 50th
St., if extended. The 50th St. line
forms the east boundary. The
north edge of the Southern Pacific
right of way forms the south
boundary.

PROCEDURE OUTLINED

The city manager was in-
structed to have a complete de-
scription of annexation finances
prepared.

City Attorney Carmichael told
the council the procedure for an-
nexation goes like this:

First, a public hearing for the
people in the city must be held.
Then the council can decide
whether or not to call an election
in the city. At the same time, the
councilmen can call an election
in the proposed area, but the
elections do not have to be held
at the same time, he said.

Mayor Edward C. Harms sug-
gested during discussion that an
election be called in the "out-
side" area first to find if the
people there "really want" an-
nexation before calling an elec-
tion "inside."

Inside Today

Family has joyful reunion.
Page 2A.

Mapleton street light pro-
gram approved. Page 6B.

Women's News 8, 9A

Editorials 10A

News Briefs 10B

Sports 2, 3B

Comics, TV Log 4B

Radio, Theaters 5B

Business, Farm 6B

Classified 6-9B

Lowell Plans To Form City

LOWELL—This town will at-
tempt to form a city government
in an effort to solve its problems,
53 residents attending a public
meeting decided Monday night.

Ground work has been done. A
petition signed by 115 "good"
names will be presented by at-
torney Donald Husband to the
Lane County Board of Commis-
sioners to call for an election,
but not early enough to kill the
Lowell Sanitary District before
its budget is put on the tax rolls.

July 15. The district will auto-
matically become void once in-
corporation is declared valid. It
will take about five months after
the commissioners get the peti-
tions before a city council can be
elected and activated.

Hutchison Residence Destroyed by Blaze

COTTAGE GROVE — A 2:30
a.m. fire destroyed the Charles
Hutchison residence here Tues-
day morning.

Cause of the fire was attrib-
uted to defective wiring, accord-
ing to Fire Chief Ernest Ship-
ley.

Mr. and Mrs. Hutchison and
their two children were at home
at the time of the blaze but es-
caped harm. The dwelling is lo-
cated at 39 Nellis St.

Shipley estimated the loss
at \$5,000.