

DRUG CO. AFFAIRS IN WEIRD TANGLE, DIRECTOR REVEALS

McKesson and Robbins, Inc., Under Investigation by Attorney General After Federal Receivership

NEW YORK, Dec. 9.—(AP)—Att. Gen. John J. Bennett, Jr., today started an investigation of McKesson and Robbins, Inc., \$87,000,000 drug concern whose financial affairs were described by a director as "so darned fantastic we still can't believe them."

Bennett sent Max Furman and Joseph P. Ruggieri, assistant attorney general, to confer with stock exchange officials and to make inquiries among stock exchange firms to determine what action his office will take.

The drug concern went into federal receivership yesterday. Federal Judge Alfred C. Cox, acting on the company's own petition, appointed the trustees, with the securities and exchange commission as a party, to direct reorganization of the company under the new federal Chandler act.

Directors Testify
At the same time, the New York stock exchange committee on stock list released a transcript of testimony by two of the firm's directors, W. L. Cummings and J. I. Thompson, concerning the tangled affairs of the company.

In detail, they told of the operations of the company's crude drug department in which falsification of books, mismanagement and waste were charged in an equity receivership action brought in district court at Hartford, Conn., last Tuesday and superseded by the federal court appointment yesterday.

Describing operations of the crude drug department, Cummings told the exchange committee, "it may be the whole thing is just a hollow balloon, just a shell. There may be nothing there. That is the worst of the picture. However, we have Mr. Dietrich's statement (George E. Dietrich, assistant treasurer) that the loss is in excess of \$10,000,000."

Facts Fantastic
"The facts . . . are so darned fantastic that we still can't believe them."

He said there was "no involvement of any other part of the business."

Cummings said the crude drug department was "under the exclusive control" of the president of the company, F. Donald Coster. Assets of the department were carried in the balance sheet at \$17,000,000.

An investigation of the department began, Cummings testified, when Thompson discovered reported inventories of the department were not covered by insurance.

The inquiry revealed, Cummings and Thompson said, that:

"Warehouses" which handled business of the department, and reported monthly on incoming and outgoing inventories, "were just plain mailing addresses."

Annual reports on an associate trading firm, W. W. Smith and company, an English partnership with offices in Montreal, "were forgeries."

On the "warehouse," Thompson testified, "there was nothing there and been forwarded somewhere else. They are all on the sheet elaborate engraved letterheads, all these individual companies which are reported to have the merchandise; one of them is the office of a mimeograph operator, and things like that."

In Missouri. Her husband, Frank R. Roberts, died here in 1925. Mrs. Roberts always took a sympathetic interest in young people and liked to have them visit her at her home. She was a member of the Presbyterian church and of Medford chapter AA of P.E.O.

She is survived by a daughter, Mrs. William S. Morgan of Portland and two brothers, C. K. and Hugh Leach, both of Galesburg, Ill.

Funeral services will be held in the Perl chapel at 11 a. m. Saturday. Dr. Sherman L. Divine, pastor of the Presbyterian church, will officiate. Entombment will take place in the Medford Memorial mausoleum.

AMERICAN NATIONS EYE PROBLEMS IN LIMA CONFERENCE

(continued from page one)

mined "peace shall be maintained on the American continents," that any menace against peace was a "matter of concern to all" and the conference would seek to increase the effectiveness of "measures adopted already to that end."

New Doctrine Seen
This brought from members of the United States delegation a prediction no such projects such as a new definition of the Monroe Doctrine would be advanced.

They felt also President Roosevelt's continental defense plan would not go beyond a resolution declaring the need for such defense and the intention of the 21 republics to defend themselves from outside aggression.

Argentina sources said Dr. Isidoro Ruiz Moreno, chairman of the delegation, in a conference with Secretary Hull last night agreed to some sort of compromise on the United States-inspired defense plan. The Argentine group was to study the proposal further today.

Dr. Ruiz Moreno presented to Hull a proposal for rotating periodic meetings of foreign ministers of American nations as a means of avoiding a Colombian - Dominican plan for a league of the American nations. An Argentine informant said Hull showed great interest in the rotation idea.

United States officials emphasized no negotiations were contemplated for conclusion of bi-lateral defense treaties with Central American countries.

SALVATION ARMY KETTLES APPEAR

Salvation Army Christmas kettles will make their second appearance of the year on Medford streets tomorrow. Beginning tomorrow they will be out every day until Christmas. They made their initial appearance last Saturday.

Capt. Reginald H. Vincent, in charge of the Salvation Army here, asked the public to be generous in dropping cash contributions into the kettles. The extent of the Army's Christmas charities depends largely upon the kettle donations, he emphasized.

Weather
Northern California: Cloudy and cool with light rain tonight and Saturday; local fog; moderate changeable wind off coast.

Oregon: Cloudy tonight and Saturday with rain in northwest portion Saturday; slightly colder in interior of southwest and northeast portions tonight; moderate northerly wind off coast.

Crash Kills Three
NANCY, France, Dec. 9.—(AP)—A French army bombing plane crashed in flames near the Nancy air base today, killing its five occupants. The cause was not determined.

Wars on Diseases
TOLEDO, O. (UP)—A civic health committee is to be formed here to work with city health officials in an attempt to reduce mortality rates from tuberculosis, diphtheria and childbirth.

Town Revives Curfew
CAMERON, Mo. (UP)—City officials have revived the curfew law here again. A bell at 9 p. m. each night warns children under 16 to get off the streets unless they are accompanied by their parents.

REVEALING LETTER IS READ TO JURY IN BASSETT CASE

Intercepted Missive From Mrs. Smith Tells of Fear That Mayer Might Be Trapped by Lie Detector

SEATTLE, Dec. 9.—(AP)—An intercepted letter, in which Mrs. Mary Eleanor Smith wrote she "went through hell" in fear disclosures would be made by Decastro Earl Mayer when he was being subjected to a "lie detector" test here in 1928, was read to the jury today in their first degree murder trial for the slaying of James Eugene Bassett.

The letter, read by Prosecutor B. Gray Warner, was one of several state prison officials said they intercepted at the prison last spring before her release after serving a grand larceny sentence for having Bassett's belongings in her possession. Mayer was given a life sentence as an habitual criminal.

It began with a statement Mrs. Smith was "discouraged" after seeing two men who were to be hanged and went on:

Feared Confession
"They looked just like Earl did when they put the lie detector on him," Warner read. "I went through hell thinking he'd confess or they'd find the body."

John M. Schermer, chief criminal deputy prosecutor, testified Mrs. Smith wept as she re-read the letter for investigators here after her confession.

"She wouldn't tell us at first, and she began to cry," he said, explaining he posed as Bassett for the interview.

He said Mrs. Smith, when interviewed by himself and others in the prison, was warned her confessions might lead to conviction and hanging for herself and Mayer. But she insisted, he testified, she was confessing "to make her peace with her maker."

Schermer said Mayer, confronted by his mother and her statements, did not specifically deny the confession but said, "I've got nothing to say about this. Why should I talk about it?"

Bassett, of Annapolis, Md., on his way to Manila and visiting relatives at Bremerton, disappeared here in 1928 after meeting Mayer in an effort to sell his car. The state contends the two killed him and dismembered his body near here. The body was never found.

Case Drops
Prosecutor Warner's hopes of concluding the state's case by night-fall were dimmed when much time was taken up with deleting certain portions of Mrs. Smith's letter referring to other crimes.

As another development today, Defense Counsel Milton Helman brought out from P. E. Mahoney, clerk for Warden J. M. McCauley at the penitentiary in cross-examination, that Mayer later repudiated his signed statement there last spring he would plead guilty to the Bassett murder.

ELECT OFFICERS FOR MOVIE CLUB

W. Bernard Roberts was elected president, Mark Taylor vice-president and W. E. Thomas secretary-treasurer of the Southern Oregon Movie Club at its annual dinner-meeting in the Hotel Holland last night.

Arthur Laing was appointed chairman of the program committee. The new officers will serve for the calendar year 1939.

The program presented last night included a preview of the Jackson county scenic motion picture to be made part of the county's exhibit at the San Francisco International exposition. The film, done in color, was made by H. D. Kem.

It was announced that the program committee would prepare a series of interesting programs for future meetings.

Closing time for Too Late to Classify Ads is 1:30 p. m.

FIRST METHODIST YULE CONCERT IS PLANNED DEC. 18

The chorus choir of the First Methodist Episcopal church, under direction of Mrs. Elsie Carlton Strang is preparing to give its Christmas concert in the auditorium of the church on the evening of December 18. The full chorus, assisted by a number of guest singers, totaling between 30 and 40 voices, invite the general public to attend the concert. No admission is charged.

Various departments of the Sunday school, as well as many of the classes, are giving Christmas tree parties previous to Christmas. An interesting Christmas tree program will be presented by the Sunday school evening of the 23rd. Several novel features will be included as in years past a "White Christmas" will be observed. Gifts for needy families will be received and a committee will distribute them on the 24th. Every one is invited to attend.

New Technique
CHESTER, Pa., Dec. 9.—(AP)—A weekly newspaper editor grew weary with talk about unemployment, so he decided to try a new technique. He headlined "17,576 Men At Work" in

COUGHS, TICKLE Huskiness Due to Colds

MEDICATED BATH GIVES QUICK RELIEF

Tormented with throat huskiness, dryness, coughs due to colds? Let a Vicks VapoRub drop dissolve naturally in your mouth. It bathes tender throat tissues with soothing medication for 12 to 15 minutes, and comforting relief comes fast. Because Vicks are really medicated, medicated with the throat-soothing ingredients of Vicks VapoRub . . . famous for relieving discomforts due to colds.

MEDICATED VICKS COUGH DROPS

RIVERSIDE MARKET

HOME OF BATTLE CREEK HEALTH FOODS

Open Evenings and Sundays
313-315 N. Riverside Phone 358

Assorted Christmas CANDIES

Here at the Riverside, Where You Always Pay Less and Park Easier, you will find a complete assortment of Holiday Goodies at Low Prices. We have just received a large shipment of Loose-Wiles Fancy Christmas Candies. We also have a fresh stock of Nuts and Dates as well as Fancy Apples and Oranges.

Milk, Oregon 4 for 25c, 17 for \$1

Cereal Flakes 10 lb. bag 33c

Sperry's Combination Wheat and Oat Flakes

Chocolate

Baker's Farmington That good eating kind Full pound 15c cake

Flour

Harvest King, Castle or Golden Heart 49 lb. bag \$1

Shortening Pearl 4 lb. pkg. 37c

Pearls of Wheat 1 lb. pkg. 19c

Peas

Lindy brand 3 cans 23c Case \$1.75

Kraut

Oregon packed Large No. 2 1/2 can 10c

Corn Del Monte 3 cans 29c

Fancy Cream Style. No. 3 can

Tuna Fish 7 oz. can 15c

White Star

CATSUP, lg. 14 ounce bottle 3 for 25c
IVORY SOAP medium bar 5c
Get your PET MILK COOK BOOK Here Saturday. See the advertisement in Mail Tribune today.

Don't Miss These Saturday Specials!!

Cod Liver Oil Capsules

Rich in Vitamins A and D. Box of 100 Capsules. **57c**

10c Bags Assorted Candy

Here are 50 dozen more of the kinds you liked last week. **5c**

STUFFED TOYS

85c to \$1.19 Values in a large assortment. Close out. **59c**

DISCOUNT ON ALL LAMPS

To make room for our large new stocks of Christmas merchandise. Every customer purchasing any of our Table or Radio Lamps, will receive a Cash Discount of 50c from our Regular Price.

MINERAL OIL

Extra Heavy Russian Oil. Pint 23c. Quart **43c**

ELECTRIC HOT PADS

A Wonderful Value at \$1.98. You Shouldn't Miss This at **\$1.77**

ZINC OXIDE OINTMENT

Stock Up Now in Advance of the Spray Season. Pound **47c**

Men's HANDKERCHIEFS

White Cambric, 10c Values in Individual Boxes **3 FOR 10c**

A-B-D-G CAPSULES

Keep Fit and Avoid Colds. Box of 25 Capsules **49c**



Complete lines of New Christmas Items in Our New Location. Come in often during the next two weeks, as we have shipments arriving daily. ALWAYS SOMETHING NEW AT WESTERN THRIFT.

ATOMIZERS

Perfume Bottles. These little novelty items will add to any gift package. Assorted colors. **10c**

BOXED STATIONERY

These attractive boxes of quality paper make a useful gift. **49c**

POPEYE OR WIMPY

These famous characters made of rubber will please any kiddie. **25c**

As Always Our Store Is Pound Tobacco Headquarters

Geo. Washington **49c**
Big Ben **63c**
Model **73c**
Velvet **73c**
Prince Albert **73c**
Half and Half **73c**
Sir Walter Raleigh **73c**
Union Leader **63c**
Dills Best **83c**
Edgeworth **97c**
Bond Street, 1/2 pound ... **59c**
Briggs, 1/2 pound **59c**

ALSO—A complete line of popular cigars and cigarettes in gay Christmas wrappings. Medford's largest stock of Yello-Bole and Medico Pipes. See us for Smokers' Accessories.

ELECTRIC TREE LIGHTS

Approved cords complete with eight bulbs. **29c**
Extra Bulbs, 4 for 5c

CHIP RACKS PIPE RACKS

Either of these make an ideal man's gift. Your choice of oak or walnut finish— **98c**

CHRISTMAS CARDS

An assortment of 21 different cards with envelopes. **25c**
10 CARDS 10c

PHONE 274 **30 NORTH CENTRAL** PHONE 274

WESTERN THRIFT

"Why put up with the smoke and smell of inferior kerosenes?"

Insist on Pearl Oil **KING OF THE KEROSENES** WHEREVER YOU TRADE

PEARL OIL KEROSENE SOLVENT REFINED

STANDARD OIL COMPANY OF CALIFORNIA