

**Weather**  
 Full U. S. Weather Bureau report inside  
 Forecast: Partly cloudy with occasional light showers tonight and Friday. Little change in temperature.  
 Highest yesterday 59  
 Lowest this morning 48  
 Precipitation past 24 hours .12

# MEDFORD MAIL TRIBUNE

PULITZER AWARD 1934

**Monthly Basis**  
 Are you paying cent? Why not step out and buy a home through the Want Ads in this newspaper? In many cases properties are sold to be paid for on a monthly basis just like rent.

Thirty-sixth Year

MEDFORD, OREGON, THURSDAY, MAY 29, 1941.

No. 59.

## CRETE'S DEFENDERS CAUGHT IN VISE

### THE CAPITAL PARADE

By JOSEPH ALSOP and ROBERT KINTNER

Washington, May 29.—There was a simple reason for the strange, grimly ineffectual aimlessness that has afflicted Washington for the last two months. A great issue had to be met somehow or other. Virtually every department of the government and all major policies were certain to be affected, and until the issue had been met, every other decision had to wait on the major one.

The issue was met by the president on Tuesday. His decision is now clear to everyone. His speech, therefore, whatever else it does, should serve as a signal for action of the greatest importance in economic defense, long neglected and now ripe for effective organization.

The first comprehensive treasury memorandum proposing an American program of economic measures to be coordinated with the activities of the British ministry of economic warfare was prepared in the office of the general counsel in September 1940. Secretary of the Treasury Henry Morgenthau Jr., championed the idea until the question whether or not to embark on such a program became a really hot issue at the White House. Discussions dragged on until the present day.

The same arguments, the same facts, the same theories, were chewed over and spat back and forth between the state, treasury, war and justice departments, the RFC, SEC and all the other governmental divisions that exercise some sort of economic power. Precious time was wasted and precious opportunities slipped away.

Now that the president has faced the main issue, however, other issues are also being faced. In fact several weeks ago, before the president clarified his position, the contending champions in the economic defense struggle, the treasury and state departments, ended their differences in a memorandum.

(Continued on Page Six)

### BRITISH ADMIT BOMBING SFAX

Cairo, May 29.—(AP)—RAF headquarters acknowledged tonight a raid on the French harbor of Sfax, Tunisia, saying a motor vessel of between 4,000 and 5,000 tons was attacked and that the enormous explosion that resulted made it apparent she was loaded with munitions.

The French have announced that two Italian merchantmen and a French steamer were bombed in the harbor on Tuesday.

### SIDE GLANCES

By TRIBUNE REPORTERS

Bob Duff coming out second best with one of those picture-taking machines, he turning his head just as the thing went into operation with the result that only the back of his head was depicted in the finished product.

State Cop Clark Johnson falling asleep in a barber's chair and awakening to find his hair had been trimmed in a style to which he was not accustomed.

Murray Marley buying up back copies of the MT so as to keep his baseball scrapbook up to date.

C. H. Lorton, of Route 1, finding a pearl while enjoying a dish of oyster stew in Melzer's ice cream store.

### SUDA BAY TAKEN, CANDIA OCCUPIED IN HOT FIGHTING

British Struggle Desperately; Concede Major Gains by Nazis; Reinforcements Aid

#### Bombs Plow Cities

London, May 29.—(AP)—Greek Prime Minister Emmanuel Tsouderos, now somewhere in the Middle East, informed his legation in London today that German bombers had so hammered the Crete cities of Canea, Candia and Retimo that there was "not one stone left standing."

Tsouderos alleged the German raiders "ruthlessly machine-gunned" the civilian population.

Raging fires, he declared, completed the work of destruction started by high explosives.

By the Associated Press  
 With newly-arrived Italian troops striking from the east end of the island, Adolf Hitler's aerial invaders captured Crete's prize harbor of Suda bay on the west today and occupied Candia, in central Crete, as the British struggled desperately in the jaws of a closing vise.

Candia is the island's biggest city, with a population of 33,000, about 55 miles east of Suda bay.

British military headquarters, conceding that the heavily-reinforced Germans had scored major gains, declared that violent hand-to-hand fighting was continuing.

Casualties Heavy  
 Casualties were heavy on both sides, the British said, with New Zealand and other imperial forces fighting bitterly east of Suda bay.

Amid the losing struggle in Crete, British Foreign Secretary Anthony Eden gave the first comprehensive statement on Britain's war aims and declared: "We must never forget that Germany is the worst master Europe has known. Five times in the last century she has violated the peace. She must never be in a position to play that role again."

Seizure of Suda bay gave the Germans a bridgehead for landing sea-borne troops, and military experts said it may prove to be the turning-point of the struggle—the beginning of another British debacle.

Reach Almyro Bay  
 Hitler's high command reported that Nazi mountain troops, striking on beyond Suda bay, reached Almyro bay to the east in pursuit of the "defeated" British.

The German communique said Nazi forces had taken a large number of prisoners.

Fascist press dispatches reported also that hundreds of little Greek sailboats, loaded with German troops had been safely escorted to Crete under the guns of Italian warships.

### GERMAN NABBED BY IMMIGRATION

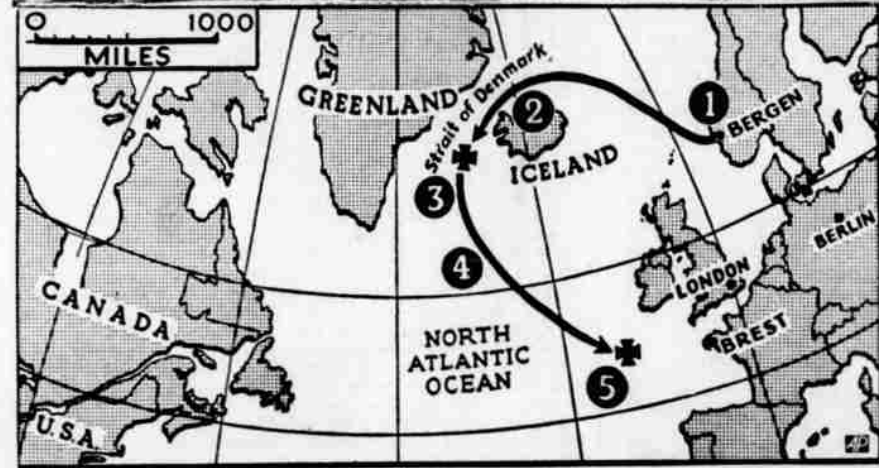
New York, May 29.—(AP)—Kurt Henrich Rieth, German citizen and former diplomat, was taken into custody today and hurried to Ellis island by immigration authorities.

Dr. Rieth's presence in the United States was revealed last Saturday by the New York Herald Tribune which said he was here to buy American-owned oil properties in eastern Europe.

The Herald Tribune said Dr. Rieth used the name of Walter C. Teagle, chairman of the board of the Standard Oil Company of New York, when he entered this country. That company subsequently denied knowing him.

England: Note  
 Clinton, Okla. (AP)—H. B. Gannaway of Clinton has carried the same umbrella with him daily for the past 30 years.

### Bismarck Sinking Revenges Loss of Mighty Hood



The map below indicates the route of Germany's 35,000-ton battleship Bismarck from the time it was first observed off Bergen, Norway, until it succumbed to a combined air and sea attack by the British, 400 miles west of Brest, France. It was first discovered at Bergen (1), next seen off the Strait of Denmark off Iceland (2). It was intercepted by the British battleship Hood off Greenland (3), where the Hood was sunk. Bismarck slowed by aerial torpedo hit (4), as British fleet pursued it. Then British aircraft and warships closed in and further crippled German battleship (5), under combined attack.

### Matsuoka Reaffirms Loyalty to Axis; Crisis Is Seen in Indies Negotiations

By the Associated Press  
 Japanese Foreign Minister Yosuke Matsuoka reaffirmed Japan's loyalty to the Rome-Berlin-Tokyo alliance today and conferred for more than an hour with German Ambassador Eugen Ott on the reported subject of President Roosevelt's fire-side chat.

While the Tokyo stock exchange boomed in apparent relief over the president's speech—particularly the lack of reference to America's problems in the Pacific—the Japanese newspaper Chugai declared bluntly: "If the United States continues her present policy (of aid to China), conflict with Japan is inevitable."

Meanwhile, the Japanese news agency Domei said it understood authoritatively that economic negotiations between the Dutch East Indies and Japan in Batavia had reached a most critical stage.

Tokyo dispatches said Matsuoka had demanded that the East Indies government come to terms in trade with Japan, and that the Japanese foreign minister had virtually told Britain to keep "hands off" from interfering in the negotiations.

Addressing teachers at the Tokyo ministry of education Matsuoka said the present world crisis must end either in the destruction of modern civilization or in the establishment of a new world order.

In Washington, D. C., legislators said there was a growing belief that Japan's adherence to the axis may soon weaken—a belief based on information that business interests apparently were gaining influence in the Tokyo government.

### PENDLETON AIR BASE UPS SCHOOL EXPENSE

Pendleton, May 29.—(AP)—Expecting a 20 percent increase in Pendleton school district population, the budget committee yesterday authorized a 6 percent increase in the district's special tax levy. The total budget of \$98,855 will be raised through a levy of about 15 mills.

### ROOSEVELT DEPARTS FOR WEEK-END REST

Washington, May 29.—(AP)—President Roosevelt left today for a week-end visit at his Hyde Park, N. Y., home. A fellow traveler as far as Weekhawken, N. J., was Judge Samuel I. Rosenman, who helped Mr. Roosevelt prepare his speech of Tuesday night.

### MEDICAL ASSOCIATION FINED FOR VIOLATION OF ANTI-TRUST LAWS

Washington, May 29.—(AP)—Justice James M. Proctor of District court today fined the American Medical Association \$2,500 and the District of Columbia Medical Society \$1,500 for violation of the Sherman anti-trust act.

The A.M.A. and the District society were convicted of conspiracy to violate the act on April 4. At the same time 18 physicians, including five officials of the A.M.A., were exonerated.

In the trial attorneys of the justice department argued that the two groups and the physicians had conspired to obstruct the activities of Group Health association, a federation of government employees organized to provide cooperative medical aid.

They charged that the association and its affiliated societies had "concertedly restrained 12 Washington hospitals" by refusing the group health doctors the privilege of practicing in the hospitals and had brought pressure to bear to prevent other physicians from consulting with the group health physicians.

### BASEBALL

National	R.	H.	E.
Boston	2	5	2
New York	9	13	0
Posedel, Sullivan, Lamanna, and Berres, Mast; Carpenter and Hartnett.			
American	R.	H.	E.
Philadelphia	4	9	1
Boston	6	10	0
Knott, Harris, and Hayes; Dobson, Rybs, and Pytlak.			
R.	H.	E.	
St. Louis	0	1	2
Chicago	4	6	6
Caster, Trotter, and Ferrell; Dietrich and Tresh.			

### BRITISH DESTROYER LAST TO BE SUNK IN BATTLE OF BISMARCK

London, May 29.—(AP)—British destroyer Mashona was sunk by German planes when they got in the last blow of the sea battle which cost Germany the 35,000-ton battleship Bismarck, the admiralty announced today.

One officer and 45 men are missing from the 1,850-ton tribal class destroyer, which went down shortly after the Bismarck was pounded to ruin 400 miles west of Brest, France, last Tuesday morning.

The Mashona's normal complement was 240—110 more than that usual for British destroyers.

The admiralty said that more than 100 officers and men of the Bismarck were picked up after the battleship was sunk.

British warships and long range Catalina (American-made) and Sunderland flying boats still searched today for the Prinz Eugen, the Bismarck's cruiser escort which left her before the sinking.

### DEFENSE CAUSING STEEL SHORTAGE

Washington, May 28.—(AP)—President Roosevelt declared today that a report on the adequacy of the steel industry to produce for civilian and military uses showed a prospective shortage of 1,400,000 tons for the current calendar year.

A deficit of 6,000,000 tons is estimated for the 1942 calendar year.

Asserting that approximately 25 per cent of steel output was needed for defense needs and that 75 per cent went for civilian purposes, the president said a study was being made whether to take one of two steps:

Curtailment of civilian consumption. Increasing the capacity of the industry.

He did not say which method he preferred.

The report was presented to Mr. Roosevelt by Gano Dunn of the office of production management.

### LABOR FEDERATION URGES MACHINISTS TO RESUME WORK

By the Associated Press  
 The executive council of the American Federation of Labor declared today that AFL machinists on strike at shipyards in the San Francisco bay area "should call it off immediately and return to work."

This formal announcement by the council backed up a sweeping pronouncement it issued yesterday, calling on all its affiliates to take disciplinary action against local unions which strike without exhausting resources for mediation. The executive council said it would take similar action itself against federal labor unions directly under its control.

Production Vital  
 The council declared that interrupted production by the west coast shipyards was vital to the nation's defense, and further that "the good name, the honor and the 'no-strike' policy of the American Federation of Labor demand that the coastwise master agreement between the shipbuilders and the metal trades unions, barring strikes and lockouts, be religiously observed and respected."

Differences should be adjusted through conferences, mediation and arbitration, the council declared.

The AFL machinists paced the gateways at the San Francisco yards under telegraphic advice from E. F. Dillon, union business agent, to "hold your picket lines tight."

Dillon telegraphed from Washington that he and Harry Hook, another union business agent, were "accorded" the brutal treatment by the senate when they appeared before a special senate defense investigating committee yesterday.

The United States conciliation service assigned Paul Broderick of its staff to a labor dispute at Cleveland which threatened to close five plants of the American Company of America, CIO die casters there voted last night to empower a negotiating committee to call a strike.

The workers seek a wage increase of 4½ cents an hour, in addition to a recent eight-cent raise granted by the company. The present minimum scale is 72 cents.

### Early Paper Friday

In order to permit employees to participate in Memorial day observance, the Mail Tribune will publish soon after noon on Friday. The business office will close as soon as the paper goes to press.

### DAYLIGHT SAVING URGED BY ICKES TO SAVE POWER

Restrictions on Use of Electricity and Gasoline May Come, Says Secretary

Washington, May 29.—(AP)—Interior Secretary Ickes today advocated daylight saving time on a nationwide scale, and suggested that America may have to resort to restricted use of electricity and institute "gasless Sundays" to meet shortages of power and oil.

The statement came as an official of the federal power commission foresaw a power emergency, "perhaps the most serious in history," and revealed studies were being made on means of diverting power from civilian to industrial uses, to prevent interruptions of defense production.

Congress Could Act.  
 Daylight saving, Ickes said, could be instituted by an act of congress, to save substantial amounts of power.

In mentioning the possibility of priorities in the use of power, the secretary said restricted consumption might easily include night baseball, and he commented: "It's more important to make aluminum than to have night baseball."

The power shortage, he said, might "be met by moral suasion," through civilians voluntarily restricting consumption.

Turning to oil, Ickes told his press conference the problem was strictly one of transportation and he foresaw a possibility of restricted use, especially on the eastern seaboard.

### NEW YORK WITHIN RANGE OF GIANT GERMAN BOMBERS

London, May 29.—(AP)—An article in the authoritative aviation publication, "Aeroplane," to be published tomorrow, states that "whenever the Germans want to bomb New York they can do it."

The detailed article, by Peter Masefield, said the Germans, using four types of long-range bombers, could attack the eastern seaboard and Panama from bases in Norway, France, Portugal and West Africa.

The author apparently takes it for granted that the Germans would acquire bases in Portugal and West Africa for such an undertaking. Those areas are not now German-occupied.

"If they (the Germans) decide to bomb airplane factories on Long Island, in Baltimore or Hartford, they have bombers capable of performing the task and getting back to Europe again," the writer asserts.

"The canal zone is not outside the range of certain of their airplanes."

### Non-Saluters Fired At Parkrose School

Portland, May 29.—(AP)—The school board of Parkrose grade school, just east of Portland, announced yesterday that two boys were expelled for refusing to salute the flag.

The board withheld the boys' names, but Norman Larson of Jehovah's Witnesses, a religious sect, said they were Robert and Wilford Woodruff, of the sixth and fifth grades, respectively.

### Leon Janney Hurdled Cards, Wife Charges

Los Angeles, May 29.—(AP)—Wilma Francis was awarded a divorce today from Leon Janney. They are movie actors. She told Judge Goodwin J. Knight her husband once threw a deck of cards at her.

"I suppose you had trumped his ace?" asked Judge Knight. "No, he had no reason for it at all."

Lancaster, Mo. (AP)—Henry Roberts' terrier went visiting on a farm. In the next 20 hours he killed 110 rats.

### VAWTER MANSION WILL TRAVEL TO SO. HOLLY SITE

Fluhrer Bakery Expansion Requires Removal Large Residence On Main Street

Constructed in 1906 and one of the handsomest residences in southern Oregon at that time, the old Vawter home at 310 West Main street, converted several years ago into an apartment house, will soon be moved from the location it has occupied for 35 years.

William H. Fluhrer, owner of the beautiful three-story frame structure, announced yesterday that he would move the building to the southeast corner of Eighth and Holly streets on two lots, which he has purchased from the county for an unrevealed consideration.

Bakery to Expand  
 Built by the late W. I. Vawter, Sr., prominent Medford banker and lawyer, the apartment house will be moved to make way for the contemplated expansion of Fluhrer's bakery, located adjacent to the old home, according to Mr. Fluhrer. The Richfield Oil company service station at 308 West Main street also will be enlarged after the building is moved. Mr. Fluhrer said. He added that plans for the bakery expansion were still in the formative stage.

Moving of the Vawter apartments, which will entail considerable planning and ingenious operation, is expected to take about six weeks from the time the present foundation is torn out until the building is again ready for occupancy in its new location. However, once the huge rollers are placed under the structure, the actual moving will be accomplished in two days, Mr. Fluhrer stated. Work will start about June 15.

To Remove Porches  
 The building houses four apartments and is 60 by 56 feet in dimension. Its elaborate porches will have to be sawed off before it is moved. Mr. Fluhrer explained, and much other work will have to be done before it is ready to be rolled to its new location. Mr. Fluhrer said the present tenants of the apartments would continue to reside in the building after it was moved.

Occupying the two lots at Eighth and Holly streets, which were purchased by Mr. Fluhrer, is a blacksmith shop owned and operated by Joseph O. Frasier, two frame buildings and a residence. The blacksmith shop and the frame buildings will be torn down and the house moved, Mr. Fluhrer explained.

### CAPTURED SCHMELING KILLED IN CRETE AS ESCAPE ATTEMPTED

Cairo, Egypt, May 29.—(AP)—Max Schmeling, former world champion heavyweight boxer, has been killed while trying to escape from British imperial forces which captured him in the German invasion of Crete, a New Zealand ambulance driver witness declared today.

Returning to Egypt, the ambulance driver said: "Early in the battle of Crete, a husky German soldier was captured, slightly wounded.

"Speaking English with a strong American accent, he said he was Schmeling and his papers bore that name. He was truculent and surly.

"After talking with him at length, our officers were convinced he was Schmeling.

"Later in the day he was being taken to a field hospital by our ambulance corps, when more German parachutists descended on top of us and a dog fight opened.

"Schmeling grabbed a rifle from one of our soldiers who had been wounded and went into action like a wild bull.

"Before he did any damage, however, someone let him have it, and that was the end of Max."