

BLOCKADE OF BERLIN PROTESTED

Medford Physician Describes Southern Oregon Medical Group In Anti-Trust Suit

Dr. James C. Hayes
Takes Stand In
Portland Hearing

Doctor Outlines
Prepaid Cure Plan

Portland, Jan. 26—(U.P.)—Medford physician Dr. James C. Hayes yesterday outlined the organization of the Southern Oregon Medical Service association, a doctor-sponsored prepaid medical care plan, in the government's anti-trust suit against Oregon doctors and medical groups.

The defense witness told how the doctor-sponsored plan competed with commercial associations in Jackson County. Dr. Hayes, now semi-retired, was the third third former president of the Oregon State Medical society to take the stand in as many days.

Later Broke Away
The doctor said he was the first "panel" doctor to take care of national hospital association patients in his area. He said he started in 1923, but later broke away from the association.

He always got along with the associations, he said, but they asked him to reduce his fees by one third from the state industrial accident rate allowance which the firm collected.

When cross-examined, Dr. Hayes said "Hospital associations not only sold my services, but the services of the hospital and the drugstore." Later he said the word "selling" also could be applied to any medical care organization. He indicated competition was healthy if it followed "certain rules, regulations and ethics," and he added that doctors formed their own plan when they found they were subject to regulation by lay hospital associations.

Advise Own Bureau
Dr. Hayes deemed that it "would be wise for the medical profession of the county to organize a service bureau where they would have the right to service employees in the county under their own supervision." He emphasized that taking tickets of hospital associations is a matter of the individual doctor deciding what he wanted to do.

A similar doctor's service group in Clackamas county, the Clackamas County Physicians' association, has to a large extent been guided by the policy of the state doctor-formed association, Oregon Physicians' service, Dr. Edward H. McLean of Oregon City testified on continued cross-examination Wednesday. OPS is named as defendant in the suit, which charges it, the doctors and a number of county medical societies with conspiring to monopolize prepaid medicine in Oregon.

Defendant On Stand
Dr. McLean, first individual Oregon doctor-defendant named in the government suit, took the stand in his own behalf Tuesday.

An Oregon City physician long prominent in many of the state's medical associations, he braved cross-examination of a government attorney and clung staunchly to his story that the medical societies had not tried to coerce doctors into withdrawing support from commercial prepaid health plans.

Dr. McLean, ex-president of the Oregon State Medical society, carefully pointed out in direct examination by Nicholas Jauregui, defense attorney, that he knew of no coercion of doctors.

In a furious cross-examination, in which he and Philip Marcus, special assistant to the United States attorney general, almost shouted at each other, Dr. McLean insisted the doctor-formed Clackamas County Physicians' association for prepaid medicine was not affiliated with Oregon Physicians' service.

"I do not believe so," was his only answer to the question of whether Northwest Hospital service and Oregon Physicians' service negotiations had been carried on "for purposes of eliminating competition." He refused to say "no" categorically.

"My idea of competition," he snapped, "is to sell something you own and not to sell something you don't own in reply to the attorney's chiding."

He denied that he ever had anything to do with "attempting to strain hospital associations' relations with hospitals."

He said OPS has not gone into Clackamas county because of a "deep-seated principle of medical ethics" that doctors do not go in where other doctors operate.

He emphasized that the state society has no power to discipline doctors in that they cannot take original action against them.

OPS requirements of authorization before proceeding with extensive treatment, which the defense has maintained was one of the doctors' beefs with the commercial associations, were necessary to find out if the

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Dr. James C. Hayes
Testifies in Medical Suit

\$325,750 In Lieu Of Taxes To Be Paid To County

A total of \$325,750.53 will be paid into Jackson county's general fund in lieu of taxes on O and C lands for the fiscal year ending June 30, 1949, according to E. K. Peterson, Medford district manager for the bureau of land management.

More than \$1,750,000 is being distributed in 18 western Oregon counties, Daniel L. Goldy regional administrator for the bureau, reported. Distribution is made annually by the department of the interior under the O and C land of 1937. It provides that 50 per cent of the income from O and C lands go to the counties.

Douglas county will receive the largest payment, \$480,081.23. Total income from disposal and rental of O and C lands exceeded \$3,500,000, Goldy said. Approximately \$3 million was from the sale of timber. The remainder came from grazing rentals, right-of-way and special uses.

Ex-Film Juvenile Held As Disorderly

Mincola, N. Y., Jan. 26—(U.P.)—Elmer "Scooter" Lowry, 30, who earned \$350 a week as a member of Our Gang comedy when he was seven years old, was in Nassau county jail today charged with disorderly conduct and listed as an "unemployed counter-man."

Lowry, police charged, quarreled with his wife late last night, stalked from his home to a nearby tavern and reported to police and a hospital by telephone that Mrs. Lowry was about to commit suicide.

When police and an ambulance arrived, Mrs. Lowry was sitting in her living room, reading. A few moments later, Lowry walked in. He was arrested immediately.

patient was covered, he said.

Cross-examination of another defense witness, Dr. Paul R. Vogt, The Dalles, physician and a member of the supervisory committee of OPS, also made that point. After Marcus read an OPS directive to "clear OPS liability first," he admitted that was usually done.

Acheson's Stand On Hiss Support Irks Republicans

Washington, Jan. 26—(U.P.)—Republican senators threatened today to oppose any further funds for the state department until congress investigates the extent of Alger Hiss' "influence" in the government.

Angered by Secretary of State Dean Acheson's pledge of support for the convicted perjurer, they said the secretary must explain the role Hiss played in the formation of U. S. policy.

Democrats Silent
Their democratic colleagues remained silent.

Hiss, a former top-ranking state department official, was sentenced to five years in prison yesterday for lying to a grand jury about his espionage conspiracy with Whittaker Chambers, the former communist spy courier. He has appealed the conviction and is free on bond.

Acheson, a close friend of Hiss and his brother Donald, was asked at his news conference yesterday if he had any comment on the case.

India Proclaims Independence As Violence Mars Celebration

New Delhi, India, Jan. 26—(U.P.)—India renounced its allegiance to the British crown and proclaimed itself an independent republic today in a nationwide celebration marred by communist violence in Bombay and an attempt to assassinate the nizam of Hyderabad.

Grenade Tossed
Reports from Hyderabad said a man believed a Hindu fanatic tossed a hand grenade at the car of the nizam as he drove from his palace to take an oath of allegiance to the new republic of India.

The grenade bounced off the car and rolled to the ground without exploding.

Although believed the world's richest man with tons of precious jewels in his palace vaults, the nizam lives on a personal income of \$2.60 a week as frugally as a peasant.

The would-be assassin told police he was a member of the reactionary Hindu organization known as mahasabha.

It was a member of the same Mohandas K. Gandhi.

Demons Trained
In Bombay, 10 demonstrators were wounded and eight police

State To Charge Deliberate Murder In Death Of Cop

Bridgeport, Conn., Jan. 26—(U.P.)—Carol Ann Paignt, 21, who killed her dying father because she could not stand to see him suffer, faces today the state's testimony that she planned a deliberate murder and thus violated the laws of God and man.

The jury of 12 Fairfield county citizens was expected to be completed around midday. After the two alternates are chosen and the jury is sworn in, State's Attorney Lorin W. Willis will begin presenting his witnesses. There are no opening statements in Connecticut court practices.

Second Degree Murder
The slim, golden-haired college senior whose father was her closest pal on hunting and swimming trips, is charged with second degree murder. On the evening of September 23 she went to the Stamford, Conn., hospital room where Police Sgt. Carl W. Paignt, 52, lay ill of cancer, and fired one bullet from his service revolver.

She had been told a few hours before that he was "ridicled with cancer," could not be cured, and would die within six months.

Soil Conservation Hearings Underway

Soil conservation hearings are being held in Rogue River and Phoenix today to determine feelings of Jackson county residents on the formation of a soil conservation district here.

Representatives of the state soil conservation committee conducted a hearing in Rogue River this afternoon and were to be at the Phoenix Grange hall at 8 p.m. All interested parties were to be given an opportunity to be heard.

More Snow Expected In Western Oregon

Portland, Ore., Jan. 26—(U.P.)—The weather bureau warned today that western Oregon will have more snow through tomorrow and there may be freezing rain.

The mixing of cold air from Canada and a storm out of the Gulf of Alaska brought freakish conditions to the area overnight, including a loud clap of thunder which awakened hundreds of Portlanders at 2:35 a.m. Higher elevations in the Portland area received a new blanket of snow while warmer temperatures downtown turned the snowfall to slush.

While eastern Oregon was to get continued snow, the weather bureau forecast rain on the coast for the western section of the state and rain or snow in the interior with the chance of freezing rain in the lower Columbia gorge.

were injured during a communist demonstration protesting inauguration of a non-communist government for India.

Police said they opened fire on the crowd after two demonstrators threw acid bombs at them. The demonstrators were dispersed and 35 were arrested.

India's long dream of independence became a reality at a solemn ceremony in state Durban hall in New Delhi's government house.

There, Chakravarty Rajagopalachari, the last of British 49 governor-generals for India, read the proclamation establishing India as a sovereign republic.

First President
Rajendra Prasad, a long-time associate of Gandhi, was inaugurated immediately as India's first president. Jawaharlal Nehru and his cabinet were sworn in as the republic's first government under the new American type constitution.

At the same time, new local governments were installed in the 26 states of the republic.

**Coplon, Gubitchev
Frustrated Lovers,
Attorneys Claim**

New York, Jan. 26—(U.P.)—Defense attorneys said today that government girl Judith Coplon and Valentin Gubitchev, United Nations Russian employee, were sex-frustrated lovers who were framed by the department of justice.

Gubitchev's attorney told a federal court jury in his opening statement in their espionage conspiracy trial that the Russian was "crazy with love" for Miss Coplon, and had never asked her to spy for him.

Victim Of Maneuver
Miss Coplon's attorney, Archibald Palmer, said that she was the victim of a maneuver by her superiors "who didn't have the guts to admit to the house un-American activities committee that they had failed."

Palmer told the jury that FBI agents tapped her telephone, installed microphones in her \$35-a-month room, and "followed her like the lamb followed Mary." From Jan. 2 to March 3, 1949, without finding any evidence against her.

On March 3 her superior in the department of justice handed her a memo and said "this is hot and interesting," Palmer said.

The attorney charged that FBI agents who arrested her and Gubitchev in New York the next night immediately took a note from her purse where she had placed it when he boss told her to take it home and study it during the week-end.

The note Gubitchev but they failed," Palmer said.

He claimed that until the incriminating memorandum was given to Miss Coplon the FBI had not been able to pin anything on her.

**Chrysler Braces
For Long Strike**

Detroit, Mich., Jan. 26—(U.P.)—The CIO United Auto Workers and Chrysler corporation braced today for a long, crippling strike.

More than 112,000 workers already were idled by the walk-out and industry observers said another 48,000 will be thrown out of work if the strike lasts two weeks.

State and federal mediators hoped to bring union and company negotiators together again "as soon as they cool off a little."

Although UAW President Walter P. Reuther and Chrysler Labor Relations Director Robert W. Conder said they were willing to begin new contract talks, there seemed little chance of immediate resumption of negotiations.

Each denounced the other's contract demands as "foolish," and vowed to stick by their "final and rock bottom" offers for pensions and welfare insurance.

ESCAPES INJURY
Oregon City, Ore., Jan. 26—(U.P.)—Tom Miller, 35, Aurora, Ore., police chief, escaped uninjured early today when his car skidded on ice in Oregon City and skidded into a telephone pole. He was chasing a speeding vehicle.

Defense Attorney James H. MacInnis then asked him if he belonged to any communist organization.

"No," Mead replied. "I want to refer you to my statement before the board of supervisors last Monday in which I said 'any communist who doesn't like this marvelous country of ours, if you pardon the expression, should get the hell out of here.'"

WEATHER

FORECAST: Cloudy with rain or snow showers in valley and snow showers over mountains tonight and Friday. Little change in temperature.

Highest Yesterday	31
Lowest This Morning	31

Portland, Ore., Jan. 26—(U.P.)—The freighter Citrus Packer ran aground in the Columbia river at Reeder's Point on Sauvie island, six miles below the mouth of the Willamette river.



"I'm McLean," "I'm McNair."
Two Scots thus introduced themselves last week when they met during the American Legion's March of Dimes drive. H. J. McLean, left in picture above, is shown buying 50 March of Dimes dance tickets from H. D. McNair, Ashland fire chief and leader of the Ashland Legion Killy band, which played in Medford last Saturday. Proceeds from the dance will go to the March of Dimes fund. The dance is at 8 p.m. Friday at Merrick's ballroom.

Wallace Denies Part In Atomic Shipments

Washington, Jan. 26—(U.P.)—Henry A. Wallace said today he had nothing to do with wartime atomic shipments to Russia and, in fact, didn't even know they were made.

The former vice president made the statement to the house un-American activities committee in answer to charges that he actually helped in such shipments.

Not Aware
Wallace said that despite his role in this country's war efforts, he was "neither responsible nor aware" of any kind of shipping to Russia. That, he said, was in the hands of lend-lease.

Wallace said his wartime role is being criticized "in certain newspapers and by certain radio commentators" as a means largely of attacking the democratic party and President Roosevelt.

That was the only political reference in his prepared statement.

Fulton Lewis Jr., a radio commentator, has accused Wallace of overruling Lt. Gen. Leslie R. Groves, wartime A-bomb chief, in order to send uranium supplies to Russia.

Wallace said he wasn't aware the Russians were trying to obtain licenses to get uranium and heavy water, both atomic bomb materials, from this nation when the Soviets were our wartime ally.

"In short, and in fact," Wallace said, "I had absolutely nothing to do with any of these licenses."

Shipments Licensed
Wallace was chief of the board of economic warfare, which issued export licenses during the first part of 1943. The committee, on the trail of Soviet A-bomb espionage, has found that small shipments of uranium compounds to Russia were licensed and made between March and June of that year.

Testifying under oath, Wallace said he was in Latin America between March 16 and April 25, 1943. At that time the license question was being threshed out among government bureaus. The Manhattan engineering project which made the A-bomb tried to corral all atomic supplies and ban their export.

**Japanese Astronomer
Reports Blast On Mars**

Osaka, Japan, Jan. 26—(U.P.)—A Japanese astronomer today reported observing what was apparently "a terrific explosion" on the planet Mars on January 16.

The scientist, Sadao Saeki, said the apparent volcanic eruption caused an unusual cloud formation over an area 700 miles in diameter, at an estimated height of 40 miles above Mars.

The cloud, described as dull gray with a yellowish tinge, was different than the Martian clouds usually seen by astronomers, Saeki said.

Saeki said the cloud was formed by a volcanic eruption sufficient to cause disaster among any form of Martian life that might inhabit the planet.

Saeki is on the staff of the astronomical observatory of the Osaka municipal museum, working with a telescope reported to have a magnification power of 400 times.

**Remodelling Of Store
To Cost \$110,000**

The F. W. Woolworth company today revealed the extent of its Medford store remodeling project when General Contractor F. W. Fairweather applied for a building permit totalling \$110,000.

The Medford branch of the firm is currently engaged in an expansion program that will triple the size of its location in the Medical Center building at 33 North Central avenue. The expansion will be accomplished without interruption of business by working on half of the quarters at a time.

Work is expected to be completed sometime this summer and will give Woolworths the entire first floor of the building, with the exception of lobby space at the southeast corner.

**Lewis May Order
Miners Back To Pits**

Washington, Jan. 26—(U.P.)—John L. Lewis may crack down on 90,000 striking coal miners today by publicly ordering them to return to work Monday on the three-day shift.

The United Mine Workers president was said to have received White House assurance that such an order would delay, at least temporarily, intervention by President Truman in the solid coal wage dispute.

Government labor officials said Mr. Truman was prepared to step in "before the week-end" unless the wildcat strikers return to work quickly. If the men go back, they said, the president will continue his "hands-off" policy.

Lewis "suggested" that the strikers return to the pits two weeks ago. But that advice was ignored by his men either of their own accord or on secret orders from the union's high command.

Portland, Ore., Jan. 26—(U.P.)—The freighter Citrus Packer ran aground in the Columbia river at Reeder's Point on Sauvie island, six miles below the mouth of the Willamette river.

Joint Letter Sent To Russian Chief By Western Powers

Big Three Complain
About Soviet Tactics

Berlin, Jan. 26—(U.P.)—The Big Three western powers protested to Russia today against the week-old Soviet "baby blockade" of Berlin.

The American, British and French commandants in Berlin sent a joint protest letter to the Soviet commandant complaining about Soviet tactics that have reduced truck traffic from western Germany to a trickle.

Convoy Clears
An American army convoy of 57 trucks guarded by military police passed through the Soviet zone border and reached Berlin without incidents this morning.

But the Russians still were curbing non-military trucks loaded with supplies for western Berlin by insisting on the most minute inspection of all travel and cargo documents.

Some 260 German trucks were lined up outside the Helmstedt checkpoint awaiting clearance when the army convoy flashed by.

Loaded With Food
The Americans decided to see how far the Russians would go in their slowdown by sending the military convoy through Helmstedt this morning.

The convoy, commanded by Maj. Arthur H. Norwood Jr. of Washington, D. C., and guarded by seven American military police on motorcycles, was loaded with food for the U. S. garrison in Berlin.

The Russian checkpoint where Soviet border guards have imposed a six-day-old slowdown on German trucks hauling supplies into Berlin is one mile from an American checkpoint.

At the American checkpoint the trucks pulled up in line for a last-minute inspection and instructions before going on to meet the Russians.

German Held Up
Motorcycle police cruised up and down the column while the inspection was made.

The Russian baby blockade was in full force when the Americans halted. On the western side, waiting to pass through the Soviet checkpoint for Berlin, was a long line of 200 German trucks halted by the Russians.

On the opposite side of the border were 150 more German trucks from Berlin waiting to pass into western Germany through the Russian guard.

**Boy, Reporter Given
Medals For Heroism**

Pittsburgh, Pa., Jan. 26—(U.P.)—A 10-year-old boy and a 38-year-old newspaper reporter were honored for their lives in rescue attempts were among 15 persons awarded bronze medals for heroism yesterday by the Carnegie Hero fund commission.

All 15 heroes recognized "by the commission at its annual meeting were awarded bronze medals. Five of the awards were made posthumously.

John Kruppo Jr., 11, the youngest hero recognized by the commission, lost his life while attempting to save a woman from his burning home at Lost Creek, Pa., April 3, 1949.

James Waldron Webster, Mass., a newspaper reporter, lost his life while attempting to rescue Stanley W. Nelson, 29, from the surf at East Sandwich, Mass., last July.

Road Conditions

Autos were going over the Siskiyou and Greensprings this morning without chains but state police advised motorists to carry them. Grants Pass reported spots of ice but Sexton mountain and the Redwood highway were being traveled without trouble.

Keno had packed snow and Klamath Falls had spots of ice. United Press reported. On Willamette pass it was snowing lightly with three inches of new snow and chains were advised. UP said.

**Casino Customers Amazed
By Generosity of Gambler**

Cannes, France, Jan. 26—(U.P.)—A tall, thin gambler from Argentina left fellow gamblers and croupiers of the municipal casino here goggle-eyed early today when he handed out more than \$3,000 in tips and gave away millions of the francs he had won.

The man registered at the Carleton hotel here as Alfonso Rosend Rosen, 24, of Buenos Aires.

Played Number 32
Late yesterday he sauntered into the casino, played number 32 at three roulette tables simultaneously and within three hours had won 2,500,000 francs (about \$70,000).

When he came back after dinner he lost \$10,000 right off the bat. Playing the maximum sum on the last 12 numbers of the roulette wheel, on three tables simultaneously, he recouped in the next two hours.

Another Number Pays
A French countess who was about to leave the tables suddenly had a wad of 500,000 francs (about \$13,000) thrust at her by Rosen.

"I don't know you," she said. He told her she could have the money if she played it on number 21. She did, and won about \$6,000.

"He is either the devil or Santa Claus," one of the croupiers murmured as Rosen left the Casino at dawn.