

FORECAST—Local: Unsettled and cold. Rainfall: 24 hours ending 5 p. m. Wednesday, .00; season to date, 4.34; normal, 5.48; last year to date, 2.80. TEMP.—Min, last 24 hrs, 7; max, Wed., 24

Price Five Cents

KLAMATH FALLS, ORE., THURSDAY, JAN. 14, 1932

Herald subscribers who fail to receive their papers by 6:30 p. m. are requested to call the Herald business office, phone 1900, and a paper will be sent at once by special carrier.

Number 6769

GUARDIAN MANAGER CONVICTED

Editorials on the Day's News

By FRANK JENKINS
DISPATCHES from Tokyo state that while patrolling in Manchuria a Japanese army contingent, including a company of infantry and a detachment of engineers, was practically wiped out by an overwhelming force of bandits.

Thus proving, you see, that STILL LARGER Japanese forces are needed in Manchuria if the bold, bad bandits are to be controlled.

WHILE we are on this Manchurian question, here is something to think about: We won't let the Japs come to this country. Canada won't let them come up there. The Australians object when they undertake to settle in Australia.

They HAVE to go somewhere, because they are getting crowded out at home. Why not to Manchuria?

THERE is no crisis in Europe," says George Bernard Shaw; "there is only a middle."

Thus proving that even Shaw can say something sensible at times.

WHAT we want to know is this: Can conditions in this country improve materially while European affairs still remain in a muddle?

Well, they did in 1921 and 1922, when the European mess was just about as bad as it is now.

What has happened once can happen again.

HERE is a little bright spot in the gloom. Consumption of butter increased in 1931 as compared with 1930.

Any fundamental and lasting improvement in the dairy situation must come through increased consumption of dairy products.

DAIRYING and poultry go together, and it has long been known that Oregon is famous for the number of its high-producing dairy cows. Here is an interesting statement regarding hens, vouchered for by H. E. Conby, poultry specialist at Oregon State College:

"I doubt if all the high grade poultry breeders in the nation together have as many 200-egg hens as can be found on the farm of one Oregon poultryman."

(Continued on Page Four)

SUSPECTED SHORT CHANGE MAN HELD

Charles E. Rufford was arrested by city police at Eleventh and Oak streets late Wednesday and booked at the county jail on an open charge.

Chief of Police Guy Merrill stated that Rufford is under investigation on suspicion of being a short change artist. Paul Rufford, thought by police to be a brother of the man held, was sentenced to three months in the county jail Monday on a charge of being a short change artist and for larceny of \$5 from a hotel.

Ramon Medosa was arrested early Thursday at 1915½ Westland by city police, who turned him over to the county on a charge of lewd cohabitation.

LEGION HEAD ILL
SEDALIA, Mo., Jan. 14. (AP)—Henry L. Stevens Jr., of Warsaw, N. C., national commander of the American Legion, was unable to deliver an address at a Legion meeting here last night, because of illness.

Back Again!

Salesman Sam is back at work in Gus' store with his old friends, Kitty and Red. Seems more natural to see him there. If you haven't been following Sam's career he sure to start today. See him every day in the Klamath News

LOAN LINKED WITH MELLON PETROL DEAL

Charge Hurlled by Patman at Cabinet Member on Thursday.

Credit Extension to Colombia Involved in Allegations.

WASHINGTON, Jan. 14. (AP)—Secretary Mellon was charged today by Representative Patman with a part in the credit extension to Colombia, arranged by New York bankers at about the time a large oil concession was granted the Mellon owned Gulf Oil company.

WASHINGTON, Jan. 14. (AP)—The name of Secretary Mellon was linked today with testimony involving the granting of an oil concession by Colombia to an American concern immediately before a large loan had been made by American bankers to that country.

While the senate finance committee was seeking information from the state department which might tie the two transactions together, Representative Patman in his impeachment efforts was charging that Secretary Mellon had a hand in influencing the loan.

State Department Active
Testimony before the senate committee already has brought out that the state department worked to influence American bankers to make the loan to Colombia. It was told today that the Harco Oil concession was granted to the South American Petroleum company, in which the Mellon owned Gulf Oil company has a large interest.

Senator Johnson of California demanded of the state department documents that might be in its hands relating to the transaction. Department officials offered to give them to him in (Continued on Page Three)

DEATH OF CHILD CAUSE OF ACTION

Suit for \$10,000 damages for the death of his little son, Jackie, has been filed in circuit court by Jack Almeter, justice of the peace of the Wood River district, against E. W. Thomas and his son, Ralph Thomas.

The complaint states that on June 14, 1931, Jackie Almeter, aged 4, was struck down by the automobile while driving the car driven by Ralph Thomas.

The plaintiff charges that Thomas, who was driving the automobile with the consent of his father, was driving in a careless and reckless manner with total disregard of the rights of others. The little boy, who was on his way to Sunday school, was struck down, and sustained a fractured skull and other injuries from which he died shortly afterward.

The complaint alleges that the accident could have been avoided. In addition to the \$10,000 damages asked for the loss of his son, Almeter asks for \$300.50 for expenses incident to the child's death, and for costs and disbursements of the case.

T. R. Gillenwater is acting as counsel for the plaintiff.

Association Hits Receivership Plan

KANSAS CITY, Jan. 14. (AP)—Directors of the merchants association to the Long-Bell lumber company are resisting a federal receivership sought by William G. Hutson, Jr., of Lawrence, Kan. In a letter to the company yesterday the directors expressed the belief that a "receivership would be a real calamity" not only to the company but "to our entire community."

Hutson in his petition alleged the company had failed to maintain a sinking fund ratio set forth in its mortgages.

Heiress Convicted In Lover's Death

FLINT, Mich., Jan. 14. (AP)—Miss Helen Joy Morgan, 27-year-old heiress, was convicted today for second degree murder for the slaying last April 23 of Leslie Casteel, her garage mechanic sweetheart, and immediately was sentenced to serve from 20 to 25 years in prison.

Judge James S. Parker of the circuit court, in passing sentence, recommended 20 years.

Steiwer May Succeed Holmes



WASHINGTON, Jan. 14. (AP)—President Hoover assumed the Far West today as he began consideration of a host of names for a successor to Oliver Wendell Holmes on the supreme court.

There was no comment, however, that the post would go to a westerner. Nor was there any decision whether a republican or democrat would be selected.

Those receiving serious consideration by Mr. Hoover included Judge William J. James of Los Angeles, on the federal bench for the southern district of California; Senator Steiwer, republican of Oregon; Senators Walsh of Montana and Bratton of New Mexico, democrats, and Judge Curtis D. Wilbur of California.

HAWAII GOVERNOR CONSIDERS CHARGE

Encouragement of Rape in Islands Indicated by Naval Committee.

HONOLULU, Jan. 14. (AP)—The engagement of "outside counsel" to prosecute four persons accused of the murder of Joseph Kahahawai suspected attacker of a naval officer's wife, and to handle retrial of the case itself was asked today by James F. Gilliland, city and county attorney.

HONOLULU, Jan. 14. (AP)—While Governor Lawrence M. Judd was composing his answer to congressional reports blaming him and other officials for crime conditions here, first preparations were made today for the trial of four persons accused of the murder of Joseph Kahahawai, suspected attacker of a naval officer's wife.

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CHILL WIND STRIKES CITY AS SNOW FALLS

Heavy Snowfall Told of In High Mountains in Klamath.

Moisture Valuable Says Elgan; All Highways Reported Open.

The local weatherman produced more tricks from his bag today, and with the barometer still registering the exceptionally low mark of 29.55, he issued the warning that any freakish weather stunts may be expected.

A knifelike wind chilled the already near-zero temperatures of Klamath Falls today, and a light shift of snow fell before noon. The minimum temperature was recorded at seven degrees above zero, and the maximum for the day at 23.

Cold to Continue
Continuation of unsettled, cold weather is predicted with a chance of fair weather Friday.

A total snowfall of 17 feet to date is reported on San Creek Mountain summit, according to reports from the local office of the state highway department. This mark is higher for the present time than that reached in the peak year of 1927-28, when a total snowfall of 37 feet was recorded.

The total for the entire winter season of 1930-31 was between six and seven feet, 16 feet less than present totals. More than seven feet of snowfall have been reported to date on Hayden mountain, while the total fall for last winter was less than three feet.

Value of Snow Seen
A new version of the value of the snowstorms of this winter is given by Senator Elgan, who is giving up the crops, livestock and forest service, here.

"The snow will furnish moisture for the farmers next summer. Larger crops of hay and grain may be raised to feed livestock. More livestock will be given up the crops, livestock and forest service, here."

Upper Klamath Lake has been (Continued on Page Three)

RATE ON KLAMATH LUMBER HELD FAIR

WASHINGTON, Jan. 14. (AP)—The Interstate Commerce Commission today held that freight rates on lumber and other forest products in carloads from Klamath Falls, Oregon, to destinations in the east and the southwest were reasonable.

The Klamath Moulding company complained that rates on forest products shipped between October 26, 1926, and October 25, 1928, to points in Oklahoma, Texas, Kansas, Pennsylvania, Massachusetts, New Jersey, Ohio, Connecticut, Illinois, Iowa and New York violated the long and short haul provision of the Interstate Commerce Act. The firm sought reparation.

The lumber company claimed it should have what is known as coast group rates. The commission held that the rates charged were proper.

More Highway Bonds For Relief Proposed

PENDLETON, Ore., Jan. 14. (AP)—A group of Umatilla county representatives meeting here last night with the county court adopted a resolution favoring the sale by the highway commission of not less than \$1,000,000 in bonds for further aid of the unemployment relief situation over the state.

This action was taken following a request of J. M. Dever, highway commission attorney, for an expression of sentiment. Dever has been authorized to poll the counties to determine their attitude.

Aged Salem Woman Dies From Burns

SALEM, Jan. 14. (AP)—Burns received when her dress caught fire while she was working over a cook stove early yesterday proved fatal to Mrs. Aggie Cave, 79, who died last night at a hospital here. Most of the woman's clothing was burned off before assistance arrived to extinguish the flames.

The woman lived alone here. She is survived by a daughter, Myrtle Cramer, Portland, and a brother, Saul Cox, Independence.

This Ski Jumper Takes To the Sky



Here is Alf Engen, of the Utah Ski club, holder of the unofficial world record with a leap of 566 feet, taking off on a plunge down a giant slide. He made 234 feet on this jump. Engen is also shown in the inset.

HOUSE VOTES FOR FARM LOAN FUND

\$200,000,000 Set Aside in Reconstruction Measure.

WASHINGTON, Jan. 14. (AP)—The house voted today that \$200,000,000 of the \$2,000,000,000 provided by the reconstruction finance corporation measure should be set aside for loans to farmers.

The provision was put into the bill at the request of agricultural groups of both parties. The senate had voted \$50,000,000 for this purpose.

A vote on the measure will be taken tomorrow, and President Hoover hopes to sign it early next week.

WASHINGTON, Jan. 14. (AP)—The house rejected an amendment today to prevent Governor Meyer of the federal reserve board becoming a director of the proposed reconstruction corporation.

The vote was 131 to 122. The amendment was proposed by Representative LaGuardia, republican, New York, and supported by Representative McFadden, republican, Pennsylvania. It would have permitted President Hoover to appoint any member of the federal reserve board, but would not have stipulated that the appointee be the "governor."

LaGuardia charged that while director of the war finance corporation, Meyer diverted its business to his own brokerage concern in New York.

McFadden said Meyer's activities in duplicate bond selling to the government in 1925 should be investigated.

Owen Says Court Move Necessary In Reorganization

MEDFORD, Ore., Jan. 14. (AP)—James H. Owen, general manager of the Owen-Oregon lumber company which, under a recent reorganization plan, changed its name to the Owen-Oregon Lumber Sales company, said today that the suit filed in federal district court in Portland Tuesday is part of a legal procedure necessary in reorganization of the company's affairs, in accordance with a moratorium extended by bondholders.

The suit in federal court in Portland was brought by the First Iowa State Trust & Savings Bank of Burlington, Iowa, and Calvin Fontenot of Chicago, trustee, who contend the lumber company and its affiliated company are in default in a bond issue handled by the trustee, and that \$2,300,000 in principal and interest now is due.

Postmaster's Nose Skinned In Fall On Street

Postmaster John McCall, with a bruised nose, denied Wednesday that he had received it in "any fistie encounter."

The postmaster slipped and fell on an icy sidewalk at Seventh and Main Wednesday morning as he started to step back into the regular path on the sidewalk after turning out to allow another pedestrian to pass.

Prospective Gun Purchaser Turns Weapon on Broker

PORTLAND, Jan. 14. (AP)—A man walked into Hyman Israel's pawnshop today. "Let me see a .32 calibre revolver," said the prospective customer.

The man took a cartridge from his pocket and inserted it in the gun.

"Now let me have \$10," he said, pointing the weapon.

Israel handed him a \$10 bill. The man put the gun and the bill in his pocket and walked out.

JEALOUSY IS MOTIVE FOR PRISON SLAYING

BELLEFONTAINE, Pa., Jan. 14. (AP)—An inquest in the death chamber of Rockview penitentiary last night established that Fred Collins, 37, negro convict and psychopathic patient, killed Betty Hickok, daughter of a prison doctor, because of jealousy.

Collins said he resented "attention" the 22-year-old daughter of Dr. A. L. Hickok, head of the prison psychopathic ward, had given another negro prisoner, Henry Malone. Both were trustees employed as servants in the Hickok home.

Officials believed the "attention" referred to by Collins was nothing more than minor acts of kindness Miss Hickok often did for the prisoners.

Seemingly unimpaired of his fate, Collins halted the inquest once to point across the death chamber and say:

"If that is the electric chair, that is what I want."

He said he had planned the slaying for some time, but had no opportunity to carry it out until yesterday. He surprised Miss Hickok in the bathroom, and after attacking her he nearly hacked her head off with a butcher knife.

He removed his shoes and slipped from the house to go direct to the prison office and confess his crime to prison officials.

Advance Orders for New Cars Received

NEW YORK, Jan. 14. (AP)—Large advance orders for new models were interpreted as the most favorable indication of a rapid return of buyer confidence by speakers at the Chevrolet retail dealer banquet featuring the automobile show last night.

More than 2,000 retail dealers from all parts of the United States attended the banquet held at Hotel Commodore.

Worker Crushed As Boulder Falls

OREGON CITY, Ore., Jan. 14. (AP)—Simon Slapkauskas, 46, was crushed to death by a huge boulder while working on a tunnel on the Clackamas river near Estacada late yesterday. Word of the accident was received here today.

The boulder fell from an upper still in the tunnel. Slapkauskas was instantly killed.

Vancouver Feels Distinct Tremor

VANCOUVER, Wash., Jan. 14. (AP)—A distinct tremor, attributed to an earthquake, was felt in Vancouver at 8:20 a. m. today. The shock was great enough to rattle dishes and windows, and was felt alike in the residential and business sections of the city.

HOOVER CANDIDACY STARTED BY BROWN

President's Name To Be Entered On State's Primary Ballots.

WASHINGTON, Jan. 14. (AP)—Postmaster General Brown announced today that President Hoover was a candidate for re-nomination on the republican ticket.

The postmaster general, who in political circles is considered the most likely successor to Senator Fess as chairman of the republican national committee, said that local conditions would be met in each state as to methods of entering the President's name in the race for delegates.

"The only way President Hoover can be renominated," he said, "is to get delegates to the convention. There are about 20 or 30 different methods by which these delegates are selected and the President's friends will conform to these methods in the different states."

He said no decision had been reached as to whether Mr. Hoover's name would be entered in the North Dakota primary race on March 1.

"No decision will be reached in these matters until the time comes for action," he said. "When that time comes prompt action will be taken."

MEDFORD OFFICERS ON CONVICT HUNT

MEDFORD, Ore., Jan. 14. (UP)—Southern Oregon law officers were searching the snow-covered Stikivou mountains today for F. M. Reed and Cal Young, escaped convicts from McNeil island penitentiary.

Reed and Young are also wanted by authorities at Woodlawn, Cal., for questioning about a shooting scrape there Monday night.

An automobile in which they are thought to have been riding drove north past the checking station at the state line without stopping.

LATE NEWS

CHICAGO, Jan. 14. (AP)—Deliberations of the Railway Brotherhoods and a committee of nine railroad presidents were deferred until tomorrow when Daniel Willard, chairman of the executives, announced that a question of the authority vested in some of the railway presidents had arisen.

RICHMOND, Va., Jan. 14. (AP)—A resolution proposing Harry Flood Byrd, governor of Virginia, as the democratic nominee for president of the United States was adopted in the Virginia senate today.

NEW YORK, Jan. 14. (AP)—Walter S. Gifford, president of the American Telephone & Telegraph Co., in a statement to stockholders today said that 1931 earnings had fully covered dividend requirements of \$9 a share on the capital stock.

VALLEY CITY, N. D., Jan. 14. (AP)—Governor Franklin D. Roosevelt of New York, was endorsed as democratic presidential candidate by the resolutions committee at the party's state convention today.

KELSO, Wash., Jan. 14. (AP)—A southbound tri-motored mail and passenger plane bound for Oakland, Cal., landed here today because of snow at higher altitudes. The three passengers in the ship continued to Portland by stage.

WASHINGTON, Jan. 14. (AP)—Prohibitionists in the House prepared today to concentrate behind a constitutional amendment restoring control of liquor manufacture to the states, while the federal government would keep jurisdiction over interstate shipments.

JAY MOLTZNER FOUND GUILTY AT PORTLAND

Loans Without Security Bring Trouble to Association Head.

Crime Punishable by Not More Than Two Years in Prison.

PORTLAND, Ore., Jan. 14. (AP)—The jury in the case of Jay S. Moltzner, managing director of the Guardian Building and Loan Association and the Mortgage Investment company, holding company for the Guardian group, returned a verdict of guilty today after one hour of deliberation.

Circuit Judge Walker announced sentence would be pronounced Friday at 2 p. m.

The crime is punishable by a sentence of not more than two years in the state penitentiary, or not more than one year in the county jail, or by a fine of not less than \$100, nor more than \$1,000.

Moltzner was charged with unlawfully lending funds of the Guardian company to the holding company without security.

PORTLAND, Jan. 14. (AP)—The jury today had the case of Jay S. Moltzner, managing director of the Guardian Building & Loan association and of the Mortgage Investment company, on trial for having allegedly loaned Guardian money to the investment company without security.

The case went to the jury this morning. The trial lasted nine days.

Moltzner was tried on an indictment charging him and E. E. Fitzwater, former president of both companies, specifically with lending \$19,090 of the Guardian funds to the holding company in 1930 without security. The prosecution contended these loans actually totaled \$255,000.

The defense argued the money was paid to the investment company under a contract which entitled it to 2 1/2 per cent of the net earnings of the Guardian.

Fitzwater pleaded guilty last week, but sentence was deferred until after the Moltzner trial.

BRIGHTER DAYS IN LUMBER FORECAST

SAN FRANCISCO, Jan. 14. (AP)—H. C. Hendon, editor of the Wall Street Journal, said editorially today in forecasting brighter days for Pacific coast lumbermen:

"Without attempting to be fatuously optimistic in the face of the very depressed condition of one of the coast's largest primary industries, lumber, it is worth observing that orders for that commodity have now exceeded production for a record period in the Pacific Northwest, and that the West Coast Lumbermen's association believes that the situation 'may be described as in a strengthening position.'"

Industry was described as having more than held its own in 1931, compared with other basic industries. Better volume and values were looked for this year.