

## MERTON, GERMAN BANKER, CENTER OF GRAFT CASE

His Testimony May Send Daugherty and Miller to Jail.

By United Press  
NEW YORK, Sept. 9.—Richard Merton of Frankfurt-On-The-Main, Germany, emerged today from the status of a person sometimes heard of but never seen, into a flesh and blood creature and the center of probably the most remarkable prosecution for alleged governmental graft in American history. He is the Government's star witness against former Attorney-General Harry M. Daugherty and former Alien Property Custodian Thomas W. Miller, now on trial here for alleged conspiracy to defraud the government.

The immaculately attired, more or less romantic appearing man who shows the marks of world travel and of one who speaks many languages, controls many dollars and moves in many spheres, was awaiting the opening of court Friday to tell his story of how he brought about the return to interests headed by himself of \$7,000,000 in property the Gov-

ernment seized from German owners during the war.

**His Expected Story**  
Merton, who is expected to say that he connived with Miller and Daugherty, is looked upon now as the main reliance of the Government in its efforts to send to jail these two high officials—the highest ever prosecuted for an offense of that character.

Merton's testimony is expected to recount how he met John T. King, Republican politician of Bridgeport, Conn.; through him met Jesse Smith, the somewhat mysterious confidant of Daugherty, who committed suicide, and finally, with the help of those men, met Daugherty and Miller with the result that the \$7,000,000 in assets of the American Metal Company which he sought, was returned to him.

**Check for \$6,500,000**  
Merton actually received \$6,500,000, handed him, according to the prosecution, in the form of Government check brought here by Miller personally and presented at a gay champagne party in one of New York's finest hotels; a party at which Miller, Merton, Smith and King were guests.

Of the remainder of the \$7,000,000, a total of \$391,000 was in Liberty Bonds and U. S. Attorney Emory R. Buckner expects Merton to reveal that these bonds went into the possession of King. Then, through records and other witnesses, the story of what King did with the bonds will be pieced together—a story expected by Rucker to reveal that Daugherty, King, Smith and Miller all received a part.

**Story Just Started**  
Merton started his testimony just before the close of Wednesday's ses-

sion of court. He progressed in his recital only to the point where he came to New York and met King. Then adjournment was taken.

But Merton's brief period on the witness stand revealed him as a romantic character. Of medium stature, he was carefully dressed in blue, with black tie, highly polished shoes and spotless linen. His personality gripped the court room. The eight women in attendance fairly caught their breath as he strode forward, with long steps and confident manner, carefully seated himself and then gazed squarely at Miller and then at Daugherty—the two men he is claimed to have used in alleged illegal dealings and whom he now may help convict.

**A German Citizen**

Merton is the son of an English mother and German father, and is a German citizen. He heads a powerful German firm—The Metallbank of Frankfurt and the Metallgesellschaft or Metal Trust of Frankfurt; and the Societe Suisse Pour Valeurs Metaux of Switzerland.

The Metallbank and the Metallgesellschaft owned the American Metal Company before the war. It was seized as alien property by the Government and came under Miller's control. In 1921 Merton having first allegedly organized in Switzerland the Societe Suisse Pour Valeurs Metaux as a sort of holding company, sought return of the American metals assets to the Swiss concern.

**A "Blind"**

The method by which this return was accomplished is the basis of the present trial. The Government

charges that the Swiss concern was merely a "blind" behind which Merton and his associates in Frankfurt-on-the-Main operated and that return of the property to the Swiss organization was illegal.

The trial, only started, is expected to consume many days. Through it all will move the names of men who figure largely in the Senate's investigation of the Department of Justice two years ago. Jesse Smith, Daugherty's friend; Mal Daugherty, brother of the former Cabinet officer and a banker at Washington, Ohio; King and many others move through the story as important characters.

Already it has been revealed that bank records of Mal Daugherty's bank covering dates of entries which might be important in the case, have been destroyed; but the Government has a mass of checks, records and verbal evidence gathered over a year or more of investigation, which represents one of the most detailed cases the country's courts have seen.

**U. S. OFFERING TAKEN**

New Treasury Issue Heavily Oversubscribed.

By United Press  
WASHINGTON, Sept. 9.—The new \$350,000,000 Treasury certificate issue floated Sept. 7 was heavily oversubscribed and books will be closed tonight. Acting Secretary of the Treasury Winston announced today.

Winston said there is a scarcity of Government securities on the market at present and this indicated a lower interest rate would be fixed on the next financing issue. The new issue was 3½ per cent as compared with a rate of 6 per cent five years ago.

## TWO, UNDER FIRE, QUIT POLICE JOBS

Woman and Patrolman Give Resignations to Chief.

Police Chief Claude Johnson accepted the resignations of a policeman and patrolman Wednesday night, following investigation of al-

legations that they had frequented places where liquor was sold.

Those who resigned were Hettie Brewer, Negro, 714 W. Twenty-Sixth St., and Patrolman James W. Collins, 445 Parkway Ave.

The policeman resigned after Rose Majors, Negro, 40, of 1712 E. Twenty-Seventh St., was arrested by Federal officers who alleged they purchased "white mule" at his stand at the State fairground. Hettie Brewer was said to be a partner in the operation of the stand.

Collins was alleged to have been seen at the house of John Cox, 730½ Ft. Wayne Ave., arrested by Fed-

eral officers for selling beer. Attorney Edward Little, who was defending Cox, made the allegation that policemen visited the place and drank the beer.

**FARM BODY TO PICNIC**

Federation Outing Sept. 14 at Turkey Run Park.

First state-wide picnic of the Indiana Farm Bureau Federation is planned for Sept. 14 at Turkey Run State Park.

The outing will be in connection

with the fifth district meeting. Talks will be given on the proposed State income tax.

Speakers include William H. Settle, federation president; Albert Stump, Democratic candidate for United States Senate, and Secretary of State Frederick E. Schortemeier.

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## COMPETITION IN WORDS

One who goes into the market to buy a motor car today is naturally confused.

He has read the words *best* and *greatest* so often that they have ceased to be convincing. Where *all* is best, he reflects, there can be no best.

Thousand-dollar cars have been described to him in ten-thousand dollar language. And vice versa.

He finds himself the target in a war of adjectives; the helpless victim in a gigantic competition of words.

And so he is forced to rely on chance—the advice of friends—or his own limited experience.

Dodge Brothers, Inc., have never participated in this verbal competition.

They are content with the position they have long maintained in the far more vital competition of *honest value*.

They have continued steadily to improve their product, not only in comfort and beauty, but *basically*—beneath the body and hood where fundamental values lie.

Yet they have not unduly stressed each betterment that has marked the steady progress of their motor car toward a higher perfection.

And when economic conditions or greater sales have permitted them to reduce prices without reducing quality, they have announced the fact without excessive emphasis.

Unexaggerated truth is not spectacular. But in the long run, implicit public confidence has been Dodge Brothers reward, and this they propose to preserve *forever* by continuing to build just a little better than they tell.

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It brings outstanding Chrysler superiorities within their reach—at a very low first cost, combined with unequalled operating economy.

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25 miles to the gallon.

**Performance**

50 miles—and more—per hour.

**Flexibility**

5 to 25 miles in 8 seconds.

**Beauty**

Typical of Chrysler.

**Full-Size**

Comfortable bodies—with a roominess such as no low-priced car ever gave.

**Value**

Quality materials and expert workmanship plus Chrysler genius for precision manufacturing give this car its astonishing value.

All these features—available now for the first time because of Chrysler's plan of Quality Standardization—are the result of a complete co-ordination of scientific engineering and manufacturing methods of utmost accuracy.

Through it the certainty of Chrysler unsurpassed performance is built into each and every Chrysler model, eliminating purchaser's risk and making possible the buying of any Chrysler regardless of price, with positive assurance that the value of each is unquestionable.

Come in for a ride—you will then consider no other car near it in price—for no other gives such measures of quality and value, with assurance of long life, as the new Chrysler "50".

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Coach - 780  
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Price today, is largely governed by quantity. It is easy to see that the Kay stores, buying in greater quantities than an individual store, get the lowest prices possible. This means that our customers pay lower prices here. And a retail jewelry organization as large as Kay's means almost unlimited resources, thereby enabling each Kay store to sell to trustworthy people on easier terms of credit. It always pays to buy at Kay's.

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During our Anniversary Sale we will pay \$5 in trade for every slogan we accept. Send as many in as possible, with your name and address plainly written. Make your slogan brief—for example, "Your Promise to Pay Is Good With Kay." It's O. K. to Owe Kay. Watch our ads. You may be a winner.

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