



The Indianapolis Times

EXTRA

Mostly cloudy and somewhat colder tonight and Sunday; lowest temperature tonight, 25 to 30.

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VEHLING INDICTED ON BRIBE CHARGE

HUGE PROFITS REVEALED ON FOREIGN LOANS

Rich Harvest Reaped by U. S. Bankers, Senate Group Is Told.

ASSAILED BY JOHNSON

Californian Charges Small Investor Is 'Holding the Bag.'

BY RAY TUCKER
Times Staff Correspondent

WASHINGTON, Jan. 2.—Bankers' profits of more than \$122,000,000 from handling \$6,205,662,000 worth of foreign loans, and a default of \$815,000,000 worth of South American securities were revealed today by the senate finance committee, in a summary of testimony taken in its inquiry.

Failure of J. P. Morgan & Co. to submit detailed figures on its profits, as requested by the committee, prevented an exact estimate of the commissions paid to the several banking houses. Further computations may bring their profits as high as \$140,000,000.

Senator Johnson of California, who denounced the "excessive rates" charged, in view of the fact that the securities have been "unloaded" on small purchasers throughout the country, will insist on additional details.

Profits Called Amazing
Although some members of the committee, including Chairman Reed Smoot (Rep., Utah), point out that the interest rate is proportionately small—about 3 per cent or less—Johnson retorted with the statement that it actually was an "amazing profit."

The bankers, according to the Californian, took comparatively little risk, acting only as "merchants," and received their millions in commissions simply for serving as middlemen.

Johnson also pointed out that the story is only begun, as but three banking representatives have been heard. They are Thomas W. Lamont of J. P. Morgan & Co., Charles E. Mitchell of the National City Bank and Otto P. Kahn of Kuhn, Loeb & Co. The inquiry will resume Monday with Kahn on the stand.

Other houses originated or participated in the flotation of the issues already described, but these three firms handled the largest part of the total.

Cash Harvest Reaped
The National City Company acted as manager for \$1,071,955,000 worth, and made a profit of \$13,892,000 for its managerial services with respect to \$653,365,100 of the total. Others who helped to handle these issues profited to the extent of \$24,167,841.

The National City company, as well as other firms, collected commissions in their various capacities as originators, participants, underwriters and distributors. In each step of the transaction a profit was taken.

Firms which acted as managers for this group of securities included: J. P. Morgan & Co., Chatham Phenix Corporation, Lee, Higginson & Co., Dillon, Read & Co., White Wolf Company, Speyer & Co., Kidder, Peabody & Co., Kuhn, Loeb & Co., Field, Gluck & Co., and Potter Bros. & Co.

A total of \$577,750,000 in loans was handled by Kuhn, Loeb & Co., but it has sold only part of its amount. Profits on this loan were \$3,153,231. The National City company acted as manager in floating \$500,255,000 worth Cuban and Canadian issues, and profits from handling about one-third of the total was \$1,315,414.

In this basis, the commissions to the bankers for the whole issue were approximately \$3,946,242.

Some Cities Default
Other houses originated \$795,295,000 worth of Cuban and Canadian securities, with profits of about \$6,000,000. The firms which managed these loans were Harris, Forbes, W. C. Read Company, the Guaranty Trust Company, the Morgan house, Dillon, Read, Lee, Higginson, the First National bank and the Union Trust title company.

The defaulted South American issues consist of bonds of cities, states and federal governments of Bolivia, Peru, Brazil and Chile. Cities of Colombia and Uruguay also have defaulted.

RESCUE 45 SAILORS

Japanese Ship Left to Founder After Crew Is Removed.

By United Press

SAN FRANCISCO, Jan. 2.—Forty-five Japanese sailors were removed from the distressed freighter Tamahō Maru, south of the Pribilof islands, today by the steamer Reijo Maru and the abandoned ship was left to founder, according to radio messages intercepted here.

The Reijo Maru reported that huge seas had been opened in the Tamahō's hull during a storm and that the vessel was expected to sink in a few hours.

The crew abandoned ship a few hours after sending out SOS calls for the second time this week. The Reijo was one of three vessels which went to her assistance. The Hakun Maru and Tashiku Maru reported they also were standing by.

'Regular Guy' Is Found at Last

by Elsie Janis



Elsie Janis

'We'll Probably Marry,' Is Word to World From Film Actress.

By United Press

NEW YORK, Jan. 2.—Elsie Janis, actress, admits she has found a "regular fellow" in Gilbert Wilson, motion picture actor, and they may be married soon.

"It's quite probable," was the way Miss Janis put it, when asked about reports she was to wed Wilson.

"As it stands at the moment, my friendship with Mr. Wilson has progressed farther in the direction of matrimony than any other friendship I've ever had or been accused of having," she said. "It's quite probable Mr. Wilson and I will be married within the next few weeks or months."

"Perhaps I'll have an interesting and official announcement to make within a week or so."

"Gilbert is just a wonderful guy and not a 'big shot' in the ordinary sense of the word. I've spent most of my life in the company of the so-called 'big shots' and they all failed to interest me. So now I've picked out a regular fellow."

FRUIT AREA RAVAGED

Snow, Sleet, Rain Spread Havoc Near Toronto.

By United Press

TORONTO, Jan. 2.—Snow, sleet, rain and high winds isolated many towns in Ontario today.

Fruit areas were damaged. Telephone and telegraph lines and traffic in business centers were paralyzed.

The storm centered around Hamilton, Galt, Guelph and Windsor. The Niagara fruit area suffered the heaviest damage.

Part of Toronto was plunged into darkness Friday night when ice snapped wires in the city proper. A trail of smashed auto cars, deserted by their drivers, marked the streets.

Dominion and provincial roads almost everywhere impassable, motorists on the highways taking refuge in farmhouses and barns until conditions improved.

Bel Telephone Company officials estimated at least \$300,000 damage was done to telephone wires.

BISHOP MAKES ADDRESS

Louisville Cleric Is Speaker at A. M. E. Zion Church.

By United Press

Bishop George Clement of Louisville, senior bishop of the A. M. E. Zion church, was the principal speaker at the Emancipation day services Friday at Mt. Paran Baptist church, Twelfth and Missouri streets.

He spoke on "The Negro and Present-Day Problems." Approximately 1,200 persons attended. The meeting was held under the auspices of the Interdenominational Alliance.

Hourly Temperatures

6 a. m. 36 9 a. m. 36

7 a. m. 36 10 a. m. 37

8 a. m. 36

ASSEMBLY LEADERS PUSH SPECIAL SESSION PLANS

Plans for a general conference of representatives of business, industry and agriculture with members of the general assembly to discuss and frame a tax equalization program were being considered today at a meeting of Lieutenant-Governor Edgar D. Bush and Speaker Walter Myers, in the latter's office.

Bush indicated he preferred the general parity be held no later than Wednesday so that a program with the demand for a special session may be presented soon to Governor Harry G. Leslie.

Today's meeting was delayed for a short time pending arrival of the Republican house and senate lead-

MINE MURDER CASE TEST OF FREE SPEECH

Kentucky Court Is Defied by Newspaper; Ruling Slated Monday.

FLOUT APOLOGY ORDER

Alleged Threat by Union Head Bared at Trial for Deputy Killing.

By United Press

MT. STERLING, Ky., Jan. 2.—Constitutional rights to freedom of speech and freedom of the press will be tested Monday in Kentucky courts in connection with the trial of William Hightower, charged with conspiracy to murder during the Harlan county labor war.

John T. Moutoux, staff writer for the Knoxville (Tenn.) News-Sentinel, has been barred from reporting the trial, pending decision of a prosecution motion to exclude him.

Judge Henry T. Prewitt is scheduled to decide the issue.

Judge Prewitt dismissed the original contempt charge against Moutoux, but ordered the News-Sentinel to "apologize for and correct alleged attacks published by it," before a representative would be permitted in the courtroom. He decided Moutoux's dispatches were not objectionable.

The News-Sentinel replied to the judge's order by publishing an editorial in which it asserted it had no apology to make.

"The News-Sentinel will give complete news reports of the happenings at the trial," the editorial stated. "It will continue to comment editorially in accordance with the rights bestowed by the Constitution of the United States."

Contempt Dismissed

The new action against Moutoux was taken when he appeared in court, after dismissal of the contempt citation, as a representative of the United Press. He had agreed not to send any dispatches to the News-Sentinel.

Commonwealth Attorney W. C. Hamilton presented an affidavit by J. R. Snyder, member of the prosecution counsel, charging Moutoux with statements "derogatory to the court" and "very antagonistic to the prosecution."

Judge Prewitt was to have heard argument on the cause order Friday, but it postponed at the request of W. H. Townsend, Lexington (Ky.) attorney retained to represent Baker, Hostetler, Sider & Patterson of Cleveland, counsel for the News-Sentinel.

Meanwhile, continuance of Hightower's trial in the murder of a deputy sheriff brought out evidence that threats against Harlan county officials were a common occurrence at miners' meetings.

Butler Sanders, state witness, testified he heard Hightower speak at a union meeting about "getting rid" of county officers. Hightower is president of the Everts Union local.

"We won't have the Black Mountain thugs (deputy sheriffs) to contend with much longer," Saunders said he heard Hightower say. "We are going to get rid of them."

"I heard Jim Maynard say at another meeting that 'Jim Daniels' house ought to be dynamited," Saunders continued. Daniels was a deputy sheriff, one of those killed in an ambush near Everts last spring, a murder on which the present trial is based.

"The men said, 'No, there are women and children there. We don't think any more of herself than to live with a man like that, she ought to be dynamited, too,'" Saunders quoted.

ROSENWALD UNCHANGED

Chicago Philanthropist Resting Comfortably, Doctor Reports.

By United Press

CHICAGO, Jan. 2.—The condition of J. H. Rosenwald, seriously ill since last week, today failed to change and the philanthropist was reported still resting comfortably.

Dr. Herbert Pollack, New York, in constant attendance at Rosenwald's Lake Forest estate said, "Mr. Rosenwald is no worse, but neither has he shown any improvement."

NEW YORK STOCKS OPENING

(By J. H. Hamilton & Co.)

Jan. 2

Am. Can. 49 1/2

Am. Red. 49 1/2

Am. Tel. & Tel. 116 1/2

Am. Gas. 61

Ches. & Ohio. 28 1/2

Gen. Foods. 41 1/2

Gen. Motors. 22 1/2

Gold. 17 1/2

Int. Nickel. 75

Ut. & Indus. 21 1/2

Woolworth. 40 1/2

Yankee. 11 1/2

Wm. Allen. 11 1/2

Senators Plan Nation-Wide Relief



NEA

It was discussion of the nation's unemployment problem that brought these leaders together at the opening of hearings before the senate committee on manufactures, in Washington. Left to right are William Hodson, executive director of the New York City Welfare Council; Senator Edward P. Costigan of Colorado; Senator Robert La Follette of Wisconsin, committee chairman, and Samuel A. Goldsmith, chairman of the Jewish Charity Association, as they conferred on methods of relief for the jobless.

Wall Street and Italian High Officials Targets of Terror Plot Bared by Bomb Blasts

ARMY SEEKING FOURTH ROBBER

Hold Three Soldiers for Alleged Safe Theft.

Search for a fourth man in the alleged slugging of a taxi driver and robbery of a safe at Ft. Benjamin Harrison Thursday night, was launched today by army authorities.

Three soldiers, in custody at the military reservation today, are privates Merle Moore, James McGee and Paul Wirebaugh, Company I, Eleventh infantry.

They are alleged to have stolen a safe at the fort after kidnapping George Albrecht, 23, of 1406 North Tremont street, a cab driver.

Albrecht was knocked unconscious after obeying an order to drive north on Noblesville road.

When he woke, he said, he was lying in his cab, with the safe beside him, and the auto in a ditch. He was bound and gagged.

Albrecht said the safe later was dropped into the canal near Indiana avenue. The men then left the cab, ordering Albrecht to "keep your mouth shut," he said.

How the Market Opened

By United Press

NEW YORK, Jan. 2.—The stock market opened irregular on the first day of the new year with trading dull.

The first stock to make its appearance in 1932 was Continental shares. The transaction involved 100 shares at 50 cents a share, unchanged from the previous close.

Last year the issue ranged between a high of \$12 and a low of 25 cents. In 1930 it reached 40%.

United States Steel opened at 39, up 1/2; Woolworth 40 1/2, up 1/2; Radio 5 1/2, up 1/2, and American Can 60 1/2, up 1/2.

Western Union dipped to 37 1/2, down 1/2, as new note, while smaller issues were noted in Transamerica, Standard Brands, Commercial Solvents, Packard, Union Carbide, Standard Oil of California and Texas Corporation.

Union Pacific led the railroad group into higher ground with a rise of 3 points, to 74 1/2. General Motors was steady in its division while Auburn spurred 3 points, to 134. American Smelting was unchanged in the copper division, while Socoy-Vacuum was firm in the oils.

During the early trading tapers barely moved and prices held around the opening levels. Steel common firmed up slightly from its initial level. Rails held steady.

Bonds opened irregularly higher. All commodity markets were closed until Monday.

Chicago Stocks Opening

By James T. Hamilton & Co.

Jan. 2

Bendix Avia. 17 1/2

Cent. So. 49 1/2

Cent. Pu. Serv. 17 1/2

Cent. Tel. & Tel. 116 1/2

Ches. & Ohio. 28 1/2

Gen. Foods. 41 1/2

Gen. Motors. 22 1/2

Gold. 17 1/2

Int. Nickel. 75

Ut. & Indus. 21 1/2

Woolworth. 40 1/2

Yankee. 11 1/2

Wm. Allen. 11 1/2

Wm. Allen. 11 1/2

Wm. Allen. 11 1/2

Wm. Allen. 11 1/2

Wm. Allen. 11 1/2

Wm. Allen. 11 1/2

IMPEACHMENT ACTION ALSO TAKEN AGAINST CORONER AS CLIMAX OF LONG INQUIRY

Arrest Expected at Once; Attorney, Prepared for Verdict, Said to Have Taken Steps to Post Bond.

HEAVY PENALTY CAN BE IMPOSED

Long Prison Term, \$10,000 Fine Possible; Many Charges of Irregularities on Autopsies Are Aired.

Coroner Fred W. Vehling today was indicted by the Marion county grand jury on a charge of soliciting a bribe, and prosecuting authorities also filed impeachment proceedings against the coroner in circuit court.

Arrest of Vehling was expected shortly after the true bill was returned by the jurors, who have been investigating alleged illegal activities of the coroner for a month.

The indictment, filed with Criminal Judge Frank P. Baker, alleged that Vehling solicited \$150 from relatives of Benjamin Stickle, 331 East Tenth street, gas victim, to return a verdict of accidental death.

It is charged Vehling declared he would file a suicide verdict unless he received a "lot of money." Return of a suicide verdict would have prevented payment of double indemnity on insurance policies held by the deceased.

Stickle, his wife, Letha, and William Coble were found dead in their home in March. Gas from a leaking water heater caused their deaths.

False Claim Charged

A similar count is leveled against Vehling because it is charged that he permitted Dr. Clarence Harris to file a claim for the post-mortem on the body of Ernest Owens, which, it is alleged, actually was performed by Drs. Harry S. Rabb and Donald S. White.

Allegations that Vehling, not a licensed physician, aided in performance of an autopsy on the body of Edward Myers, who succumbed after falling from a downtown building, also is charged in the circuit court action.

In this instance, Wilson charges, the autopsy was unvarnished and held to satisfy the curiosity of medical students and nurses. This operation was performed without consent of Mrs. Ida Myers, the widow, it is claimed.

Records Not Filed

Failure to file with the county clerk results of his investigations into the death cases for "from four to six months" is another count in the impeachment writ. Vehling also is charged with refusing to permit Marion county residents to view his records.

As an aftermath of the train-auto deaths of Mr. and Mrs. James Jordan of Lawrence, Vehling is charged with arresting John Rosenbalm, neighbor of the deceased couple, in the Jordan home shortly after the tragedy.

Chris Jordan, brother of the deceased man, previously had charged this to The Times and said Vehling attempted to "bulldoze" relatives and friends of Mr. and Mrs. James Jordan.

The impeachment petition alleges Vehling did not possess a warrant for Rosenbalm's arrest, but held him under \$5,000 bond, although there was no evidence of law violation by Rosenbalm.

FLAY SPANISH REGIME

Catholic Leaders Score Religious Policies of Government.

By United Press

MADRID, Jan. 2.—Spanish Catholics were ordered by leaders of the church today to accept the new republican regime merely as a de facto government, while Catholic politicians exhorted their followers to defiance of the republican administration.

A collective Episcopal pastoral letter, signed by all archbishops and bishops, denounced the government's religious policies and told Catholics that accepting it as a de facto regime "does not imply approval, neither less obedience, to legislation which is opposed to church and God."

Catholics were warned to read only Catholic newspapers and were advised that only Catholic marriages would be legitimate. The letter proclaimed the church's "right to legislative repatriation."

Illegal Collections Alleged

He is charged with "refusing and neglecting to perform the official duties pertaining to his office and was guilty of charging and collecting illegal fees for services rendered."

Vehling is alleged to have "caused and permitted" performance of eight post-mortems. These, according to the impeachment citation, included the autopsy on the body of Fire Lieutenant Lewis Stanley, killed in a fire truck-automobile crash Oct. 31 at Sixteenth street and Central avenue. Stanley was pinned between the truck and auto and died of skull fracture.

City officials became irate when Vehling is said to have looted Stanley's locker at the engine house of the fireman's personal possessions.

The impeachment action "also charges Vehling with permitting Dr. Emil G. Winter to file an alleged false claim for the purported performance of an autopsy on the body of Earl Beale. This autopsy, the prosecutor avers, actually was performed by Phillip B. Reed, then an interne at the city hospital, at Vehling's request."

Cops Cop's Car

By United Press

CHICAGO, Jan. 2.—Policeman Ray Kopinsky parked his automobile in front of the detective bureau and got into a squad car and drove off. Five minutes later he let out a yell and ordered the driver to pursue a passing car. The machine quickly was forced to the curb. It was Kopinsky's automobile, stolen from under the detective's eyes.

He was committed to the reformatory on a five-to-twenty-year sentence for robbery at West Point in 1927.

Baxter and John Burns, both convicted of the robbery, were being taken to the reformatory when deputies John P. Grove and Wallace McCutcheon were alone. Burns was convicted of murder and is serving a life sentence in the state prison.

Brenton A. Devol, judge of Clinton circuit court, Frankfort, will preside at the trial. He has ordered a special venire of twenty-five in addition to the regular jury panel of eighteen.