



# The Indianapolis Times

HOME

Increasing cloudiness, becoming unsettled, probably followed by rain late tonight or Wednesday; somewhat warmer, lowest temperature tonight about 35.

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INDIANAPOLIS, TUESDAY, JANUARY 19, 1932

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## STEVE LOSES HIGH COURT APPEAL

### DAWES TAKES REINS OF U. S. BUILDING FUND

Former Envoy to Britain Is Choice to Direct Reconstruction.

### STIMSON TO GENEVA

Secretary of State Named to Head U. S. Group at Arms Parley.

By United Press

WASHINGTON, Jan. 19.—President Hoover today announced the partial personnel of his new two billion-dollar reconstruction corporation.

Charles G. Dawes, he revealed, will retire as head of the American delegation to the Geneva arms conference and become head of the corporation.

Secretary of State Stimson will succeed Dawes as head of the arms delegation.

Eugene Meyer, of the reserve board will become chairman of the directors of the finance corporation.

Mr. Hoover said that the names of other directors of the finance corporation would be announced after conferences which are to follow final passage of the finance corporation bill in congress.

Some Democrats

The President said he wanted to maintain the nonpartisan complexion of the corporation, intimating that some of those named to the board would be Democrats.

Stimson will not leave the delegation for Geneva Wednesday, it was brought out. Hugh Gibson, United States ambassador to Belgium and a member of the delegation, will fill Stimson's place at Geneva for the time being.

The president, in making the announcement, said:

"I have requested General Dawes to accept the position of president of the new reconstruction corporation. It is gratifying to state that he has accepted. Eugene Meyer, governor of the federal reserve board, also will be chairman of the board of reconstruction corporation.

Of Both Parties

"In order that we may preserve the nonpartisan character of the institution, the other directors will be chosen after consultation with leaders of both political parties upon completion of the legislation. I announce General Dawes' name at this time because of the required change in plans as to the chairmanship of the delegation to the arms conference. Otherwise, General Dawes would be leaving for Europe Wednesday.

"In view of the change in General Dawes' plans, Secretary Stimson has undertaken the chairmanship of the delegates to the arms conference at Geneva. The secretary will not attend the opening meeting, but will take part in the work of the commission after the preliminaries have been disposed of. Ambassador Gibson will be acting chairman of the delegation."

Circulated Before

Reports that Dawes would head the corporation were circulated at the time of his announcement and he would retire as ambassador to Britain and also would leave the arms delegation after the work was organized. However, the reports failed of confirmation and it was understood Mr. Hoover would look elsewhere for a head for the reconstruction corporation.

This morning, however, the reports of Dawes' selection were revived and at noon his appointment was announced.

Dawes' appointment was looked upon as substantiation of denials both at the White House and by Dawes that Dawes' dramatic announcement of his retirement from the realms of diplomacy indicated a disagreement between him and Mr. Hoover which might lead to his resignation. The senate had acted last night and the way was cleared for a conference committee which will report back to both houses for final approval. The measures then will go to the White House for President Hoover's signature.

### MAIN BURSTS: 1 KILLED

Second Worker Saved From Death in Excavation Mishap.

By United Press

NEW YORK, Jan. 19.—One man was drowned and another severely injured today when a large water main burst in Queens and flooded an excavation in which they were working.

The excavation was two feet wide, eight feet long and eight feet deep. They were making repairs to the water main when it burst under high pressure. The rush of water stunned them both.

A passerby saved one of the men at the risk of his own life.

### Dragon's Victim



Madge Oberholzer

David C. Stephenson, former Indiana klan dragon, must spend the remainder of his life in the state prison, the Indiana supreme court ruled today in a 3 to 2 decision affirming his conviction in the Hamilton county circuit court for the murder of Miss Madge Oberholzer.

### U. S. COLD ON DEBT HOLIDAY

'Reparations Are Up to Europe,' Is Stand.

By Wallace Carroll

PARIS, Jan. 19.—Europe must settle its reparations problem by itself, France was told informally today in an American reply to the suggestions on debts and reparations made by Premier Pierre Laval on Saturday to Walter E. Edge, the United States ambassador.

The reply definitely placed the responsibility for a reparations settlement on Europe, since the United States has no hand or share in reparations, and reaffirmed the United States debt policy as enunciated in congress.

The reply enumerated the cardinal points of United States policy as follows:

1. The United States will consider each nation's debt on its merits and will not rush into a collective settlement of all former allied debts.
2. The United States does not consider the debt problem pressing, because no payments are due until Dec. 15.
3. Under the Hoover-Laval agreement any initiative or readjustment of debts must come from Europe, but the European nations have not yet approached Washington formally.

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### SEEK JURY TO TRY ALLEGED TRUNK KILLER

State to Ask Noose Death for Mrs. Ruth Judd, Ex-Indiana Girl.

### ALIENISTS TO TESTIFY

Accused Woman Is Believed Almost Sure to Plead Insanity.

By George H. Beale

United Press Staff Correspondent

PHOENIX, Ariz., Jan. 19.—Trial of Arizona's most widely publicized murder case opened here today with Winnie Ruth Judd, attractive daughter of a retired minister, fighting the hanging penalty the state asks for the deaths of two of her former girl friends.

In the small courtroom of Superior Judge Frank C. Speakman, state attorneys and Mrs. Judd's expensive legal staff were ready to select a jury to decide whether she will be punished for the shooting of Agnes Anne Lerol, nurse, who came here from Alaska in search of health.

Mrs. Judd also is accused of the murder of Miss Hedvig Samuelson, but will not be tried on that count unless the state fails to convict on the first charge. The Lerol case was chosen because prosecutors believed it the stronger.

Crowd Throgs Courtroom

Judge Speakman was forced to postpone opening of the trial for a time as deputies were having trouble handling the crowd and seating the witnesses.

Mrs. Judd came into the court room shortly before 10, walking between two deputies. She was wearing a black crepe dress that accentuated the lack of color in her face.

She seemed to have lost considerable weight since she made her last court appearance. There were large hollows under her eyes. She appeared calm.

The crowd in the corridor swarmed in Mrs. Judd's wake and any order deputies had established, was lost. There was hysterical laughter from women and several men were escorted forcibly from the court room.

From the questioning of talesmen, it was established at the outset that the state would ask the supreme penalty, death by hanging, and that the defense intended to use both self-defense and insanity in the attempt to save Mrs. Judd.

Plans Kept Secret

Both sides were secretive about their plans, giving rise to dozens of varying expansive rumors.

A most persistent report was that newspaper articles in which Mrs. Judd, under her own name, admitted killing both girls, but claimed self-defense, failed to cover the whole story of the shooting.

The theory was that Mrs. Judd had an accomplice or accomplices, although she said not in her articles.

Both sides claimed surprise witnesses, but declined to name them. Because of the many alienists who examined Mrs. Judd, it was presumed she would plead not guilty by reason of insanity and also claim self-defense, a procedure permitted in Arizona.

Defense alienists have said the manner in which the victims were killed and the attempt made to dispose of their bodies showed dementia.

Claimed Self Defense

The victims' bodies were placed in trunks and taken to Los Angeles as luggage. The deaths were discovered by a suspicious baggage master, who noted an offensive odor from the baggage and refused to permit Mrs. Judd to claim it, without first permitting an inspection.

He did not detain her when she said she did not have the key to the trunks. After the baggage was opened to reveal the bodies, one of them—that of Mrs. Samuelson—disappeared. Mrs. Judd was arrested. When Mrs. Judd surrendered to authorities four days later, she said statements to be used under her signature, saying she shot in self-defense when Mrs. Samuelson rushed at her with a revolver during a quarrel. Mrs. Lerol, according to this story, was shot when she continued the attempt to kill Mrs. Judd.

State's attorneys contend that even if Mrs. Judd shot Mrs. Samuelson in self defense, there is no evidence Mrs. Lerol was slain for any reason other than to eliminate her as a witness.



D. C. Stephenson

### WITT CONFESION RULING SCHEDULED

Boone Circuit Judge Will Decide Today on Its Status as Evidence.

By Times Special

LEBANON, Ind., Jan. 19.—Ruling on whether a purported confession of Charles Vernon Witt, alleged slayer of L. A. Jackson, Indianapolis chain store head, can be presented to the jury as state's evidence against the defendant, is to be made today by Judge John W. Hornaday.

Battle over admission of the alleged statement continued throughout Monday after Ira Holmes, defense counsel, charged Witt was mistreated by Indianapolis detectives. He charged the alleged confession was made by Witt to "save" himself from further abuse.

Arguments on the defense objection to introduction of the alleged statement, were held when court convened today.

Dismisses Jury

Hornaday dismissed the jury Monday when Holmes raised his objection to introduction of the purported confession through Indianapolis detectives.

Holmes scored the highest point of his protest when Mrs. Naomi Witt, wife of the defendant, testified she had seen bruises on her husband's face and detectives prevented Witt from telling her how the injuries were inflicted.

Witt was arrested June 25, 1931, following the slaying of Jackson in his central Standard Grocery Company store at 419 East Washington street, May 27.

Several police officers, who were involved in questioning of Witt after his arrest denied the defendant had been struck or abused by them.

Report "Fine Treatment"

Other witnesses, who saw and talked with Witt after his arrest, testified Witt and his wife said they had received "fine treatment" from officers.

With the court's ruling, the state will conclude the case against the alleged robbery slayer. Chester Jackson, son of the slain grocer, will be the state's final witness.

Defense attorneys then will present the "alibi" defense to the jury, claiming Witt was in Iowa, Kan., home of Louis E. Hamilton, alleged "trigger man" in the murder, the day Jackson was shot.

PLAYS VERSAILLES PACT

German Minister Blames It for All of World's Distress.

By United Press

BERLIN, Jan. 19.—Wilhelm Groener, minister of defense and interior, denounced the treaty of Versailles as an injustice "responsible not only for our unprecedented distress, but for that of the whole world," in a nation-wide empire day radio address Monday night.

### Slave Market

By United Press

CLEVELAND, Jan. 19.—Miss Margaret Elizabeth Evans, 26, and attractive, is the latest to place herself on the auction block of matrimony in order to aid her aged parents. Old or young applicants may apply, so long as they have "common sense," and \$5,000.

### KILLED AT POLLS

Two Others Are Wounded in Louisiana.

By United Press

HAMMOND, La., Jan. 19.—Louisiana's Democratic primary election today was ushered in with bloodshed, one man being killed and two others wounded in a gun battle on a downtown street here.

Elmer Dunnington, ex-convict, was shot to death, "Red" Bates of Kentwood, was wounded critically and Kinchen Bridges received a flesh wound in what observers said was an aftermath of a political argument.

Officers said each man held a gun and fired until he fell. Dunnington's body was riddled by bullets and Bates was shot several times.

In the balloting today, Democrats will nominate a successor to Senator Huey P. Long as well as an entire slate of state officers. Long's political strength is at stake with his support behind the ticket headed by O. K. Allen for Governor.

### AMERICAN CAPTURED

Chinese Shell Boat, Hold Captain for Ransom.

By United Press

PEIPING, Jan. 19.—River pirates on the Yangtze, said to be Communists, captured an American barge captain today and shelled an American steamer.

Charles Baker, the barge captain, was seized west of Hankow and carried off for ransom. The American gunboat Oahu was sent to his rescue. Six members of his Chinese crew were held with him.

Infection Causes Death

LAFAYETTE, Ind., Jan. 19.—Infection which developed in a finger from injury caused by a piece of glass caused the death of Mrs. William J. Metzger, mother of three children. She was a member of the Delta Theta Tau, national philanthropic sorority and had served as its national inspector.

Hourly Temperatures

6 a. m. ....	26	10 a. m. ....	33
7 a. m. ....	26	11 a. m. ....	35
8 a. m. ....	28	12 (noon) ..	38
9 a. m. ....	30	1 p. m. ....	40

## EX-KLAN CHIEF TO STAY IN PRISON REST OF LIFE FOR CITY GIRL'S MURDER

Justices Vote 3 to 2 in Affirming Lower Bench Sentence Given One-Time Indiana Political Boss.

(Steve Case History of Page 13)  
David C. Stephenson, former Indiana Klan dragon, must spend the remainder of his life in the Indiana state prison for the murder of Madge Oberholzer in 1925, the state supreme court decided today in a three to two decision affirming his conviction in the Hamilton circuit court Nov. 14, 1925.

Stephenson's appeal had been pending in the high court more than six years.

The affirmation of the lower court's decision closes the last avenue by which Stephenson may gain his freedom, except one, a petition for a writ of error coram nobis, which is pending still before the supreme court.

The action of the court affirming the life sentence was announced in a forty-two-page opinion marked only "Per Curiam."

Judge Clarence R. Martin, Indianapolis, Republican, and Walter Treanor, Bloomington, Democrat, did not concur in the action of the court, and filed separate opinions, concurring and dissenting in parts of the opinions and dissenting in their conclusions.

Two Favored New Trial

The two judges held that a new trial should be granted Stephenson. Judges who voted to affirm the judgment as announced in the anonymous opinion were Curtis W. Roll, Kokomo, Democrat; David A. Myers, Greensburg, Republican, and Julius C. Travis, Laporte, Republican.

The murder charge upon which the life sentence was imposed upon Stephenson by the Hamilton circuit court on Nov. 16, 1925, grew out of a fight taken by Stephenson and Miss Oberholzer from Indianapolis to Hammond and return on March 15-17, 1925.

Stephenson on the trip to Hammond on a night train is alleged to have committed a criminal assault upon the girl.

The fight while in a Hammond hotel and during the absence of Stephenson, she swallowed a bichloride of mercury tablets, which she purchased at a drug store.

Miss Oberholzer died at her home here on April 14, 1925.

Intimidation Charged

Stephenson and his bodyguards, Earl Klenck and Earl Gentry, were indicted by the Marion county grand jury. The two guards were acquitted, but the prosecution headed by William H. Remy, then prosecutor with Ralph K. Kane and Charles E. Cox special prosecutors, obtained the dragon's conviction and he was sentenced to life imprisonment.

Stephenson was represented by Eph Inman and Ira Holmes of Indianapolis, and John Kiplinger, Rushville.

Then opened Stephenson's battle for freedom in which intervention of the federal courts were sought, and writs of habeas corpus asked. There now is pending the petition for a writ of error coram nobis, in which the dragon alleges that he was intimidated from taking the stand in his own behalf.

Responsibility Upheld

The majority of the court in its "per curiam" opinion rejected Stephenson's contention that Miss Oberholzer's independent act of suicide superseded between his attack—which resulted in a wound on the breast that completely healed—and her death, by holding that the jury had a right to consider him responsible for her act in taking poison.

The opinion held that the allegation in the indictment that Miss Oberholzer was "disturbed with pain and shame" when she took bichloride of mercury was sufficient to charge that she was responsible mentally at that time, and that the evidence was sufficient to show that "at all times from the time she was entrapped by Stephenson at his home till she was returned to her home two days later she was in the custody and absolute control" of the dragon.

"If a defendant," said the court "engaged in the commission of a felony inflicts upon his victim both physical and mental injuries, the natural and probable result of which would render the deceased mentally irresponsible and suicide followed, we think he would be guilty of murder."

Continuing, the court held: "To say that there was no causal connection between the acts of the appellant and the death of Madge Oberholzer would be a travesty on justice. The whole criminal program was so closely connected that it should be treated as one transaction."

Judge Martin in his opinion states that he does not believe the phrase "distracted with pain and shame," in the indictment, was sufficient to charge that Miss Oberholzer was unbalanced mentally, and that there was "no evidence to indicate that at any time the mind of the deceased was not clear."

"It appears very clearly from her dying declaration," said the judge, "that she committed suicide because of shame, humiliation or remorse." She expressly stated that she decided to take her life in order to save her mother from disgrace. She also said she wanted to kill herself in Stephenson's presence.

Compulsion Is Denied

Pointing out that after Miss Oberholzer went alone into two stores in Hammond, she returned to Stephenson's rooms at the hotel and took the poison without Stephenson's knowledge, Judge Martin said:

"She was not under any restraint or compulsion by Stephenson which would cause her to act to be considered in law as Stephenson's act. 'Where, upon deliberation, one commits suicide, because of shame, humiliation or remorse, the one who caused such mental state—although he may be morally responsible for the death in the sight of God—is not guilty of murder under the law, unless he in some way procured, advised, compelled, assisted or exercised control over the person performing the act.'"

Finds Fault With Verdict

The Martin opinion also points out that the jury acquitted Stephenson on three counts of the indictment, which were those charged by criminal assault, another by administering poison or causing the same to be administered through fear, duress or compulsion, and the one charging murder by withholding medical assistance.

The count on which he was convicted charged the "killing of a human being during the perpetration of a felony, namely criminal assault."

He considers and rejects the theory that the taking of the poison by Miss Oberholzer was a natural consequence of Stephenson's assault which he was bound to contemplate, anticipate and be responsible for.

Treanor Cites "Error"

Judge Treanor in his separate opinion states that he believes count one of the indictment can be considered sufficient to charge that Miss Oberholzer was in a state of mental irresponsibility when she procured and took the poison," but says:

"I do not think that the trial was conducted on the theory that these words, 'distracted with pain and shame,' imported the fact of mental irresponsibility. It was expected that Stephenson would learn of the ruling either through newspapers sent to the prison tonight, unless they are censored by prison authorities, or through other prisoners who learn of the decision through visitors."

Reviews Hammond Trip

He says that "despite the state's insistence that the 'whole trip from Indianapolis to Hammond and return forms a part of the entire action relating to attempted rape,' we can not ignore the plain fact that there was no attempt to commit an attack after the parties registered at the hotel in Hammond, and that 'since the alleged acts of

### Lawyers Say—

Attorneys who defended D. C. Stephenson and those who prosecuted him made little comment today after the supreme court ruled Stephenson must remain in the state prison the remainder of his life for the murder of Madge Oberholzer.

William H. Remy, former state's attorney, who prosecuted the former klan dragon, said he "could not say a word until I take a look at the opinion and see what's in it."

Pending study of the opinion, Ralph Kane, special prosecutor, refused to comment.

"I haven't a thing on which to base my expression, whatsoever," Kane stated.

John H. Kiplinger of Rushville, attorney for Stephenson, declared if the state court affirmed the lower court, "the ruling embraces some bad points of law."

He said he probably would come to Indianapolis to study the court's decision.

"I haven't a single word to say about the ruling," Eph Inman, one of the defense attorneys, said. "I have not been connected with the case for a long, long time and have no desire to express any opinion at all."

Ira Holmes, defense attorney, is out of the city, and Charles E. Cox Sr., a special prosecutor in the case, could not be reached.

failure to provide aid were not a part of the attempted attack or causally connected therewith, their inclusion in the first count can not be justified by calling them 'a part of the attempted assault.'"

Judge Treanor quoted instruction 41 which told the jury that it could find that "the suicide in such a case" was the natural and probable consequence of the acts of Stephenson, even if the one committing suicide was of sound mind. He said:

"I think that a wrong doer is not required by law to anticipate such a result as a legal consequence of his misdeeds, but of one of sound mind."

### Steve Not Told

By Times Special

MICHIGAN CITY, Ind., Jan. 19.—Warden Walter Day of the Indiana state prison today refused newspaper men and visitors permission to see D. C. Stephenson, and form him of the supreme court ruling directing that he remain in prison for life.

Day also declined to go to Stephenson himself and advise him that his six-year battle for freedom apparently had met defeat.

It was expected that Stephenson would learn of the ruling either through newspapers sent to the prison tonight, unless they are censored by prison authorities, or through other prisoners who learn of the decision through visitors.

Marion Mayor Ousts Two

By Times Special

MARION, Ind., Jan. 19.—Mayor Jack Edwards has discharged Julian Lett, city attorney, and Reely Wiley, works board member, as an act of retaliation against a city council group seeking to take from the mayor the power of appointing works board members. Another board member, Dr. B. C. Dale, also may be dismissed, Edwards hints.

### Healthy CHILDREN!



How to Provide Proper Food and Care at a Minimum Cost

Six timely daily articles by AIDA DE ACOSTA BRECKINRIDGE of the American Child Health Association.

DR. MORRIS FISHBAIN, editor of the Journal of the American Medical Association.

OLIVE ROBERTS BARTON, noted authority on child care.

SISTER MARY, expert on dietetics.

Starting Thursday in The Times

## FREE TRIP TO CAPITAL FIRST PRIZE IN THE TIMES MODEL HOME CONTEST

AT RIP to Washington, D. C., with expenses paid, will be awarded to the high school youth winning first place in the fifth annual miniature model home contest, conducted by The Times, it was announced today.

The winner of the contest will have nearly a week's trip, enabling him to visit all the showplaces of Washington, including the White

House, United States mint, house, senate and others.

In addition to the grand prize, substantial cash prizes, to be announced later, will be awarded to the runners-up in the contest.

Already a large number of Indianapolis high school pupils have started work on entries for the contest, being conducted in connection with the eleventh an-

nual Realtors Home Complete Exposition, April 2 to 10.

The competition will be judged on the basis of imagination and skill of competitors, architectural merit of design, ingenuity shown by the pupils fitness of the design as a whole to meet spirit and needs of the problem and practicality of construction. Model houses must be con-

structed on a scale in which one-fourth inch equals one foot.

Each house must contain a living room, dining room, kitchen, breakfast room, three bedrooms and two baths. This arrangement was decided on by the committee in charge because of the present demand for real houses of this type.