



The Indianapolis Times

Fair tonight and tomorrow; slightly cooler tonight.

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POSTAL INSPECTORS TO PROBE ALLEGED SECURITIES RACKET

\$250,000 Loss to Customers of Purported 'Bucket Shop' Here Is Claimed; Four Employees Hunted.

\$250 FURNITURE IS SOLE ASSET

Investigation Urged in 1931, Better Business Chief States; Milton D. Ullman, Firm's Head, Is Dead.

Postal inspectors today were asked to begin the probe of an alleged "bucket shop," Mann & Co., securities dealers, reported to have caused a loss estimated as high as \$250,000 to its customers.

Four employees of the former firm, which had offices at 914 Merchants Bank building, were sought for questioning by federal as well as state officers.

Louis R. Markin, administrator of the estate of Milton D. Ullman, head of the firm, brought the matter to the attention of the federal government would take action in the probe of the case.

He said it is shown that a living company official was involved in a federal violation that a case might be made, but that where only an employee was involved, that he feared no charges could be brought.

The administrator said that furniture in the offices of the firm, valued at \$250, was the sole known asset of a company that in 1931-1932 did a stock business of \$617,109 with 141 customers throughout small Indiana, Kentucky and Ohio cities.

Probe Asked in 1932

Herbert E. Wilson, Marion county prosecutor, when informed of the alleged machinations of the company, said that action might be taken under the state securities act. T. M. Overley, manager of the Better Business Bureau of Indianapolis pointed out today, however, that his bureau has made efforts to have the firm investigated by the state securities commission since late in 1932 and early in 1933, but without avail.

Mr. Overley alleged that the firm's operations were those of "sell-and-switch" stock brokerage. Customers were solicited over the phone. Stock was purchased for them, he charges, and then the customers were kept in debt with the firm that they were forced to sell the stock and switch to another stock.

Both Mr. Overley and Mr. Markin were unable to find any securities or listing of the purchase of the stocks in the company's safe.

Safe Broken Open

Brokerage houses in Chicago and New York reported the firm's accounts closed.

Mr. Markin said the safe was broken open by a locksmith in the presence of an employee of the state securities commission.

No securities or stock purchase books were found.

A branch office of the firm in Terre Haute was empty of furniture. It is charged by Mr. Overley, when an investigation was made in that city.

Governor Paul V. McNutt was appealed to by Mr. Overley as far back as the summer of 1933 and a probe was not started, according to Mr. Ullman, the firm's head, died July 17 at Methodist hospital, Mr. Markin said.

Financial Statement Denied

Mr. O'Neill demanded a financial statement from the company shortly before Mr. Ullman's death. It was not submitted.

William O'Neill, Indiana securities commissioner, vacationing at French Lick, Ind., said that complaints had been received against the company in 1933, but that they involved out-of-state customers and that investigations were made.

He asserted that the firm had filed the necessary bond and shown the required financial condition to be licensed as a dealer in securities. "Each time we had a complaint against the company we took it up with Mr. Ullman and the firm settled with the customer," Mr. O'Neill said.

\$86,321 Lost in Year

"We have not ended our probe. What we would like to know is where the books on stock purchases can be found. We also wish to know if the stock is shown in some brokerage company's ledger or is in a safety deposit box."

Letters written by Mr. Overley to customers revealed a loss of \$86,321 in the year of 1933-1934 to them.

Mr. Overley pointed out that forty-four of the 141 customers were holdovers from the year 1933 and as a consequence estimated that the total losses since the firm began operation in October, 1932, might reach \$250,000 of customers' money.

The customers' list found in the firm's safe shows transactions ranging as high as \$20,000 to \$25,000. Doctors, business men and widows were purchasers of the stock on a margin basis. Greencastle, Greenfield, Winchester, Gary, Spiceland, Bargersville, Lebanon and numerous other Indiana cities are represented in the customers' lists.

INMATE KILLED BY CRAZED MAN

Asylum Patient Wrenches Bar From Bed, Slays County Charge.

Seized with a sudden fit of violent insanity, an inmate at the Julietta County Hospital for the Insane, today wrenched a three-foot iron bar from a bed in the observation ward and killed another inmate.

The dead man is Daniel Faeling, 63, of 2115 South Belmont avenue, sent to the hospital after a sanity hearing in superior court.

Accused of the murder is Pete Gagriss, 63, of 133 Hermann street, admitted to Julietta yesterday from the city hospital psychopathic ward.

Milton Barger, an attendant, heard the noise of the struggle, and rushed into the ward just in time to see the dying man sink to the floor from a terrific blow on the head.

Dr. E. R. Wilson, deputy coroner, said that the fit of insanity must have been accompanied by a seizure of superhuman strength, because it was almost impossible for a normal man to wrench the bar from the bed.

Gagriss, a native of Greece, had been a CWA laborer. Immediately after the slaying, he was placed in a private cell.

MUSSOLINI TO SPEND \$102,840,000 ON NEW PLANES, BATTLESHIPS

ROME, Aug. 3.—Europe's unrest has caused Premier Benito Mussolini to appropriate 1,200,000,000 lire (\$30,337,800) for naval construction and 354,000,000 lire (\$8,851,700) for military construction, the official Gazette revealed today.

Most of the naval money will be spent on the 35,000-ton battleships which Mussolini plans to oppose the new French battleships.

POLICE BEGIN DRIVE ON ILLEGAL PEDDLING

Morrissey Acts on Complaint of Poultry Dealers.

Acting on the protest of embattled retail grocers and poultry dealers, Police Chief Mike Morrissey today gave special orders to his men to enforce strictly all laws covering the peddling and selling of vegetables and poultry within the city limits.

Chief Morrissey made it plain that his order was aimed particularly at street peddlers.

Labor Unrest Hits Links; Players Boomed by Caddies

Police Chase Pickets From Greens After Various and 'Sundry Bronx Cheers Break Up Tournament.

CHICAGO, Aug. 3.—Probably the greens committee eventually will obtain intervention of the national guard, but in the meantime there's no less than a first class mess on the fairways of Exmoor.

Caddy Master Frank Piccini was just reading about the truck drivers in Minneapolis (I was just thinking what a terrible thing all this labor trouble is) when up walked Johnny Maloney plus a delegation.

Johnny looked scared but nodded solemnly.

"And if we don't get \$1 a round, right now," concluded John, "we're gonna strike."

Picini took the situation post-haste to the club manager. The manager went to the chairman of the greens committee. The chairman telephoned his committee.

The answer, unanimously, was "No." So the boys struck.

Unfortunately, a tournament for mixed foursomes was scheduled. Came the first foursome to the tee. No caddies. The players thought it funny. They decided to carry two clubs and play anyway. The first player—a sweet young blond—teed up. She waggled her club. She shifted her spikes. She glanced down the fairway. Up swung her club.

HITLER PAYS FAREWELL VISIT TO DYING HINDENBURG



Adolf Hitler was one of the last persons to speak with President Paul von Hindenburg before his death. This Times-NEA Service radiophoto shows the German chancellor (second from left) who has succeeded to the presidential office, as he arrived at the Von Hindenburg estate in Neudeck, East Prussia, for his farewell visit. Bulking large beside Hitler is Colonel Oskar von Hindenburg, the field marshal's son.

COURT'S ORDER AMUSES HUEY

Puppet Governor 'Defied' Him: Can't Call Off Troops, He Says.

NEW ORLEANS, La., Aug. 3.—Senator Huey P. Long left troop-ridden New Orleans today, bodyguards at his side, pretending to obey a court order that he revoke martial law in the city.

He ambled into the state capitol at Baton Rouge and announced that his puppet governor, O. K. Allen, had defied him. There being nothing more he could do about the matter, he was going fishing, he said.

The senator, "political sponsor" of Senator Arthur R. (Lil' Arthur) Robinson of Indiana, was joking. His dictatorship over state government is complete. The whole trouble is that he is trying to muscle in on New Orleans city government and that city has mobilized its police to full strength and sworn in 500 citizen deputies to defend itself and its officers from troop raids.

It now remained for city officials to prove that Long was in control of the Governor's office and the militia.

City legal experts were busy at that task, hoping to be able to "jail the Kingfish for contempt of Judge Nat Bond's court."

One thing was certain. The Kingfish would do no fishing while the strife raged. It was reported that he planned to have the Governor call the legislature into special session to amend the New Orleans city charter and take the police out of the hands of city officials.

Freight Train Kills Woman

MARION, Ind., Aug. 3.—Mrs. Elsie Mae Pattison, 42, Swayzee, was killed and her son, Raymond, 18, was injured last night when their automobile was struck by a Nickel Plate freight train.

TERRE HAUTE POLICE OFFICER SHOT DOWN

Patrolman Slain by Negro House Breaker.

TERRE HAUTE, Ind., Aug. 3.—Walter Lanfair, 45, Terre Haute policeman, was shot to death today while attempting to arrest a Negro burglar.

Officer Lanfair and two other policemen were sent to the James T. Buckley home after a neighbor had reported a man was breaking into the house. Officer Lanfair was entering from the rear when the gunman opened fire without warning. He fled to a car and escaped.

CITY MAN INJURED SERIOUSLY BY AUTO

Struck While Crossing Street; Driver Is Arrested.

Jesse Mobley, 60, of 510 East Ohio street, is suffering from serious injuries in city hospital today as the result of an accident at Alabama and Ohio streets last night.

He was crossing the street when he was struck by an automobile driven by Albert L. Fishman, 805 Inland Bank building. Mr. Fishman was arrested on a charge of failure to have a driver's license.

VICTIM BADLY BEATEN BY FIVE HOLDUP MEN

Resident Goes to Hospital After Robbery Near Home.

Beaten unconscious by five hoodlums, robbed of \$1 and a pair of shoes, Harry E. Higgins, 42, of North Sheffield avenue, was thrown into a church yard a few blocks from his home shortly after midnight.

Mr. Higgins, who had been paid yesterday, was reported as in "fair" condition at city hospital today. He is suffering from head injuries and lacerations.

Bulletin

MICHIGAN CITY, Ind., Aug. 3.—Improper handling of information that a break was going to occur and negligence on the part of at least three guards and officials was blamed today for the escape of five convicts from the Indiana state prison last week.

In a formal report submitted to Governor Paul V. McNutt by Wayne Coy, his undersecretary in charge of penal affairs, recommendations for structural and administrative changes in the prison were offered.

MICHIGAN CITY, Ind., Aug. 3.—Kenneth Rogers, 22, Evansville, Ind., and Louis Crail, 22, Michigan City, two of five convicts who escaped from the Indiana state prison last week, were captured today at Hopkinsville, Ky., prison authorities were informed this afternoon.

Two other escaped convicts, John Burnett, Clinton, and William C. Jay, Michigan City, were caught at Mexico, Mo., early this week.

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Hourly Temperatures

6 a. m. 70 10 a. m. 83
7 a. m. 72 11 a. m. 84
8 a. m. 78 12 (noon) 85
9 a. m. 80 1 p. m. 87

POISONED CREEK BARS PLAYLOT

Pollution in Little Eagle Creek Upsets Plans of Park Board.

The murky hand of stream pollution threatens to snatch a proposed playground and bathing beach from west side children, park officials declared today.

Industrial wastes pouring into Little Eagle creek have caused the park board to threaten to abandon plans to acquire a nineteen-acre park on West Michigan street.

On the site of the proposed park, officials planned to dam Little Eagle creek and construct a bathing beach. A. C. Sallee, park superintendent said.

Unless the stream is cleared of pollution, the park board will be forced to abandon its plans to establish a much needed park for west side residents, he said.

"The site is splendid for the construction of a small lake or pond," Mr. Sallee asserted. "However, we do not want children bathing in an acid-laden stream."

The pollution is caused by five factories at Speedway City that use the stream as an outlet for their sewage and wastes, Mr. Sallee said.

Dr. Herman G. Morgan, city health officer, was asked to investigate the pollution of Little Eagle creek. He has advised the park board to resort to the state laws for protection of the stream, it was learned.

Bacteria Count High

Because of the absence of a swimming pool or bathing beach in the neighborhood, many west side children frequent dangerous unguarded spots along Little Eagle creek for swimming.

Tests made by The Times show that the waters have a high bacteria count caused by sewage. A recent test showed that there was a count of 8,000 sewage bacterial per hundred c. c. of water.

If the park department can eliminate pollution of the stream, the West Michigan street site would be excellent for swimming purposes, it was said.

At the present time the nearest bathing spots are at Rhodius park and at McClure beach, both some distance from the west side community.

Civic Leaders Back Site

West side civic leaders have urged the park department for some time to acquire the West Michigan street site, known as the Henry Harding property.

After recent negotiations, the park department was prepared to trade a plot of ground in the 600 block, Grande avenue, for the nine-acre tract at Little Eagle creek and West Michigan street.

Unless some action is taken to clean up the stream, the park board will cancel its negotiation for the property, Mr. Sallee said.

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EIGHT LIVES ARE LOST IN STORM; DAMAGE TOLL IS MORE THAN \$1,500,000

Scores of Stool Pigeons Used in Dillinger Hunt, Captain Leach Discloses

State Police Sleuth Relates How One Informer Barely Escaped With Life After Hoosier Outlaw Almost Was Captured in Chicago.

By BASIL GALLAGHER
Times Staff Writer
(Copyright, 1934, by The Times.)

Captain Matt Leach of the Indiana state police used more than forty "stool pigeons" to follow the long, bloody trail of John Dillinger and his mobsters.

Department of justice agents, it is estimated, used three times that number of informants to help trail the Hoosier desperado along the murder-strewn path which led from Canada to Florida and from Pennsylvania to Arizona.

And now with Dillinger dead—killed in a Chicago alley—the indisputable evidence reveals that "stool pigeons" led him to his doom.

Mrs. Anna Sage, "the woman in red" and Polly Hamilton, the two women who accompanied Dillinger to the movie theater in front of which he was killed, have been spirited away by the federal men. Some day they may share in the reward which enticed informants to put Dillinger "on the spot."

"It is sad but true," says Captain Leach, "that the police are forced to work with 'stool pigeons.' But on a job like the Dillinger case they are absolutely essential. It stands to reason that any information you get about criminals must come from the underworld. And all that crowd are 'rats' of one kind or another."

Safe With Police

"The big lesson in this case," Captain Leach continued, "is that criminals really have more to fear from their underworld acquaintances than they have from the police."

"Let me tell you a story about that," he continued. "Shortly after Dillinger was freed from the Lima, (O.), jail by his pals, who murdered Sheriff Jess Sarber in cold blood, a fine looking chap about six feet tall and very well dressed came to my office in the state house."

"I have withheld his name for nearly a year but since Mary Kinder, Pierpont's 'gun moll' has named him in an article published in another city there is nothing more for me to conceal. But Mary only told one-tenth of the story."

"My caller told me that his name was Arthur McGuinness and he had done a 'bit' in the state prison with John Dillinger."

Work—For a Price

"I was surprised for this man looked anything but a jailbird. His English was precise and his voice courteous and well modulated. He looked like a prosperous business man."

"Apparently he saw my surprise. He then informed me that he had been a bank clerk in Indianapolis and had been sent away for embezzlement and later paroled."

"Now it seemed that he thought he knew where Dillinger was hiding in Chicago and wanted to go to work for the state police and help locate the desperado—for a price."

"Later," Captain Leach continued, "I discovered that my informant already had made a deal with an

Hundreds of Plate Glass Windows in Downtown Flint Are Shattered.

OTHER TOWNS SUFFER

Weather Bureau's Valued Instruments Destroyed, Is Report.

FLINT, Mich., Aug. 3.—Eight lives and more than \$1,500,000 in ruined crops and damaged buildings were the toll today of two storms that swooped down on Michigan and Illinois communities late yesterday.

Eight were known dead in Michigan. Damage there was estimated upward of \$1,500,000. In Illinois, tornadoes caused at least \$100,000 damage in three counties, but took no lives.

A 100-mile wind, heavy with rain and hail, leveled buildings and crops along a 100-mile path in southeastern Michigan.

At least a dozen communities in the two states were left without electric light or power most of the night.

Flint was hardest hit. Hundreds of plate glass windows in the business district were shattered by hail. Weather bureau instruments were demolished.

Sirens Add to Effect

The storm roared down on Flint out of the northwest at 4 p. m. In fifteen minutes, street cars were stalled without power. Automobiles were stalled in four-wheel puddles. Factories were idle and dark.

As midnight darkness settled over the city, the lights failed. Fire engines, answering alarms caused by falling electric wires, and ambulances, rushing to pick up injured, screamed through the streets, adding to a general pandemonium.

An emergency room was established in the engineering room of Hurley hospital, because elevators were not working to take scores of injury victims to the regular emergency room on the tenth floor. Nurses held flashlights while doctors gave first-aid to the scores of injured.

Similar scenes were enacted all along a 100-mile path from Flint to Detroit.

Communication with many small cities, such as Marine City, Algonac and Imlay City, was impossible for hours.

Steamer Blown Aground

Near Algonac, on Squirrel Island, an excursion steamer was blown around, leaving 1,400 excursionists marooned at Tashmo Island park, where they were waiting to board the steamer for Detroit. The crew was rescued.

M. G. Willett and his son, Bobby, were drowned when a wind-blown Charles Van Blaircouer was killed near Detroit when the wind blew his car from the road.

Mrs. O. W. Pickard, 38, and her two children, Lucille, 11, and Perry, 9, were drowned in Lake St. Clair when their boat overturned.

Michael Roddy, 84, Big Rapids, fell dead of heart disease as he watched the storm.

An unidentified man died in Flint when he suffered an attack of heart disease while clearing away a tree fallen in the street.

JAIL TERM IS UPHELD FOR CODE VIOLATION

Auto Dealer Who Undersold Car Must Serve 3 Months.

NEW YORK, Aug. 3.—A three-months jail sentence imposed on Gordon S. Harris, automobile dealer, was upheld today by the state supreme court. Harris was accused of selling an automobile for \$50 less than the list price.

MARIE DRESSLER WILLS \$50,000 TO SERVANTS

Film Star Rewards Loyalty of Negro Couple.

LOS ANGELES, Aug. 3.—Two Negro servants who attended Marie Dressler, film star who died last week, "with loyalty and devotion," today received notice the actress had left them a handsome reward.

The servants, Harry and Mamie Cox, will receive \$50,000 in cash and her silverware, according to terms of the will on file here.

TRACKLESS CARS TO SERVE PROSPECT ST.

New Trolleys to Begin Operation on Sunday.

Trackless trolleys will replace street cars on the Prospect street line Sunday, J. P. Tretton, general manager of Indianapolis Railways, announced today.

The new line will be the tenth trackless trolley route in the city. It will be through-routed, by way of Washington street, with the West Tenth street trolley.