



The Indianapolis Times

FORECAST: Fair and warmer tonight; tomorrow increasing cloudiness.

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CHOOSE PEACE OR EMBARGO, ITALY IS TOLD

Franco-British Proposal Is
Sent to Belligerents
by League.

ASKS END OF WARFARE
Urged to Begin Negotiations
at Once; Duce May
Accept, Is Hint.

By United Press
GENEVA, March 3.—The League of Nations Committee of 13 today adopted a resolution appealing to Italy and Ethiopia to make a peace agreement "within the framework of the League."

The resolution, offered by Great Britain and France, was coupled with an appeal to the warring nations to begin negotiations at once with a view to ceasing hostilities. The committee, comprising all members of the League Council except Italy, then voted to reconvene on March 10. Italy and Ethiopia thus were given one week to consider the appeal for peace.

If Italy rejects it, the League's General Committee of 18 on penalties is expected to proceed promptly to impose an embargo on shipments of oil to Italy.

The Franco-British resolution was adopted at a session which lasted only 15 minutes. Although the appeal was regarded as the League's last alternative to imposition of an oil embargo, it avoided all appearances of being an ultimatum to Italy by not directly fixing a time limit for a reply and by not insisting that Italy cease hostilities before peace negotiations are started.

The resolution was described officially as being "a pressing appeal to the two belligerents for immediate opening of negotiations within the framework of the League, and the spirit of the covenant."

In anticipation of probable rejection of the proposal by Italy, the League's committee of oil experts will meet during the week to devise machinery for application of an embargo. The penalties committee of 18 also is to continue work on means of reinforcing existing sanctions.

There was some feeling here that Premier Mussolini might agree at least to discuss peace proposals. He could thus seek to prolong negotiations indefinitely while his army advances in Ethiopia and the League delays the oil embargo.

Naval Accord Near

LONDON, March 3.—Almost the final technical obstacle to the finalizing of a naval treaty among Britain, the United States and France was cleared away today when France accepted a limit of 35,000 tons and 14-inch guns for battleships.

The treaty permits the building of an unlimited number of battleships until the end of 1940.

TRADING TURNS DULL ON STOCK EXCHANGE

Roosevelt's Tax Recommendation
Studied by Wall Street.

By United Press
NEW YORK, March 3.—Stock trading turned extremely dull today as traders studied President Roosevelt's tax recommendation to Congress. Prices held about steady after early gains ranging to more than a point.

U. S. Steel common reached a new high since 1933 at 66 1/2 in early trading and lost only part of the point gain. General Motors went to a new high since 1929 at 61 1/2, up 1 1/2, and Chrysler maintained more than a point gain.

\$641,006 GAIN SHOWN IN BUILDING PERMITS

January-February Increase Over
Last Year Reported.

Building permits for the period Jan. 1 to Feb. 29 represented an increase of \$641,006 over the corresponding period last year. Building Commissioner William F. Hurd told the Safety Board today.

Permits for the week ending Saturday, however, showed a decrease of \$23,572 compared to the corresponding week last year, Mr. Hurd said. A total of 176 permits, representing \$32,782, was issued last week.

BITTEN BY DOG, LOCAL POLICEMAN IS TREATED

Chow Had Rabies When He At-
tacked Sgt. Dever.

Sgt. William Dever, assigned to the Indianapolis Humane Society, was ordered to take Passer treatments today as the result of being bitten by a rabid dog yesterday. Veterinarians reported today that the chow, which died shortly after it was taken to the dog pound, had a positive case of rabies. The dog was captured in the 1900 block, E. 38th-st.

FINKLESTEIN FINED \$500

Watson's Campaign Manager Failed
to File Tax Return.

By United Press
CHICAGO, March 3.—Jacob Finklestein, campaign manager for former Senator James E. Watson of Indiana, today was fined \$500 for failure to file income tax returns in 1930 and 1931.

Charges of failure to pay income tax for those years were dismissed.

Small Change

Financial profit from Indianapolis rackets struck a new low today with the introduction of the playing card sales "game." Edward Fuller of Knox, Ind., told police that he bought two decks of cards from a man at Meridian and Washington-sts. When he opened the card boxes he found they contained a short, cold dead consisting chiefly of hearts.

The aggregate loss was 10 cents—5 cents the package.

TRAFFIC LIGHT CHANGE MADE

New Moves to Prevent Tie-
ups at Downtown
Intersections.

Improvement in the traffic light setup in Indianapolis as an accident prevention move was outlined today by the Safety Board.

The lights on Washington-st. at Alabama and East-sts were ordered moved into the safety zone sections and another light is to be installed at the Rockville-rd. and W. Washington-st., after a conference with members of the Indiana State Highway Commission.

The downtown light change will prevent tieups at the intersections. Mayor Kern presented the recommendation for the West Side light.

A survey also is to be conducted to determine whether a light should be installed at the five-way intersection at Rural-st and Southeastern-av.

LA GUARDIA ACTS IN NEW CRISIS

Summons Leaders as Union
Threatens to Paralyze
Tallest Buildings.

By United Press
NEW YORK, March 3.—Mayor F. H. La Guardia worked desperately today to bring about a settlement of the building service workers' strike as union leaders threatened to call off employees in the heart of Manhattan—the district from 42nd-st north to 59th-st.

Representatives of the building operators and strike leaders were called again to the Mayor's office. Ben Golden, assistant director of the National Labor Relations Board, acted as the Mayor's representative.

Should the strike spread to the region between 42d and 59th-sts it would affect some of the tallest structures in the world, including the Chrysler, Chanin and Graybar Buildings and Rockefeller Center.

One of the first developments of the day was an attempt by a flying squad of 30 strikers to attempt to paralyze building service at the Stock Exchange as it opened for trading.

A detachment of the Exchange's private police forced the strikers to disband.

Strike Leader James J. Bambrick claimed that at least 11,000 workers had quit more than 5650 buildings by noon. Police, however, estimated that only 1100 buildings had been affected.

GANG BULLETS KILL BROTHER OF M'GURN

Police Believe De Mory
'Knew Too Much.'

By United Press
CHICAGO, March 3.—Anthony De Mory, who "knew too much" followed his brother, Machine Gun Jack McGurn, to a slay in the county morgue today.

De Mory, third member of the hot-blooded Sicilian family to fall before spitting gangland guns, was shot last night as he played cards in a Chicago "recreation" hall.

Police agreed he must have died because his brother's assassins feared he might talk. De Mory was an innocent victim of circumstances. He had never taken an active part in the gang business that brought his brother fame as a Capone machine gunner.

Tony was shot by two men who entered the poolroom, firing nine times.

M'CART IS REAPPOINTED

Public Service Commission Chair-
man to Serve Four Years.

Gov. McNutt today announced the reappointment of Perry McCart, Paoli, as chairman of the Public Service Commission for another four-year term.

\$30,000,000 COST SEEN ON JOB AID BILLS

Figure Is Estimate of What
Employer and Employee
May Pay Eventually.

ANNUITY U. S. FUNCTION
Workers Retirement System
Does Not Require Action
by Assembly.

This is the second of a series of stories outlining Indiana's social security problem and proposed legislation that is to effect it during the special session of the Legislature, opening Thursday.

BY JAMES DOSS
Unemployment insurance and Federal annuity taxes contemplated under the social security program on which Indiana is to embark this week, eventually may cost the workers and employers of the state more than \$30,000,000 annually.

Indiana is not called upon to do anything about the Federal annuity plan that will provide monthly pensions for employees on retirement at 65. That is a transaction between the employer and the Federal government, with the employer as his workers' agent.

Neither are the Federal annuity benefits for persons 65 to be confused with old-age pensions on which the Indiana General Assembly is to begin action this week. The old-age pension is a benefit for aged indigents. The annuity is an investment by the worker and his employer for the former's benefit.

Three-Part Program Outlined

The three-part social security program being undertaken by Indiana deals with old-age pensions, job insurance and maternal and child health.

Every Indiana employer of eight or more persons (with a few exceptions) is to become liable April 1 for nine-tenths of 1 per cent tax on his pay roll for the succeeding nine months of 1936. To receive 90 per cent credit on the Federal tax to which he would be liable if the employer did not enact such legislation, the employer may elect to pay also for the three-month period which started Jan. 1.

Employer payments are to increase to 1.8 per cent in 1937 and to 2.7 in 1938 and 1939. The much discussed "Merit Plan," an inducement for the employer to stabilize employment, is to be stabilized.

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KERN PREDICTS CUT IN LOCAL GAS RATE

Efficiency Increased, He
Tells Women's Council.

Mayor Kern this afternoon said that directors of the Citizens Gas and Coke Utility foresaw a "substantial reduction" in gas rates to consumers within the year.

He spoke at the meeting of the Indianapolis Council of Women in L. S. Ayres and Co. auditorium. "There has been an increase in efficiency in both the operation and profits since the city took over the Citizens Gas Co. Within a year there should be substantial reductions in rates to citizens," Mayor Kern said.

A settlement of the city's difficulties with the Indianapolis Gas Co. and Indianapolis Power & Light Co. also were predicted by the Mayor.

NIPPON GENERALS QUIT AS RESULT OF REVOLT

Most of Members of Supreme Mil-
itary Council Resign.

By United Press
TOYO, March 3.—Most of the members of the supreme military council tonight submitted informal resignations to the Minister of War as an aftermath of the revolt of a segment of the army against the government.

Those who submitted the resignations were Generals Hayashi, Abe, Masaki, Araki, Ueda, Nishi and Terachi.

CONDITION IS SERIOUS

Aydin Fazi Hurt on Head and Body
by Falling Bricks.

The condition of Aydin Fazi, 45, a barber, who was injured when a brick coping fell from a building at 407 W. Washington-st while he was walking in front of the structure, is regarded as serious at City Hospital today. He is suffering from head and body injuries.

His Profession

A young man stepped jauntily from the prisoners' bench in Municipal Court today as the bailiff called, "Case of Harry Lynch, charged with burglary and grand larceny."

"What's your profession, young man?" asked Municipal Judge Charles J. Karabell.

"Truck driver and burglar," your honor," said the prisoner promptly.

"You're charged with burglary and grand larceny," said Judge Karabell.

"Yes, sir, that's right," was the quick answer.

Lynch, who is 18 and lives at 830 College-av, was bound to the grand jury.

BORAH MAY BE G. O. P. BOLTER

Approaching Primaries in
Key State May Deter-
mine His Course.

BY NED BROOKS
Times Special Writer

WASHINGTON, March 3.—The approaching presidential primaries in such key states as Ohio and Illinois may determine whether Senator William E. Borah will become the No. 1 "walkout" of the 1936 campaign.

The possibility of a bolt which would put the Idahoan in President Roosevelt's camp has been the topic of political gossip ever since Al Smith made his threat to take a walkout of the Democratic convention. Some observers see in "developments" of the last few days the pattern for a Borah walkout on the Republicans.

Although withholding his fire for the opening of the Ohio campaign on March 19, Borah is known to resent the failure of Gov. Alf Landon and Frank Knox to accept his challenge to compete in the Buckeye primary.

Action Is Denounced

Borah Henchmen contend that Landon and Knox, by boycotting the primary, have given their support to the "favorite son" arrangement which Borah has denounced as a hoax for control of delegates by an old guard clique.

The Idahoan must now content himself with a fight against Robert A. Taft, designated by Ohio "regulars" as the favorite son. If the Borah side is defeated in Ohio and the old guard movement is successful in other states where un-instructed delegations are being sought, he may decide that his fight for liberalism within the party is futile, some observers believe.

A desertion by Borah also would hinge on the platform to be written by the Cleveland convention, politicians concede. The Senator has served notice he will fight for a liberal platform.

Democratic leaders, mindful of Borah's powerful following west of the Mississippi, have kept the way open for his possible support of Mr. Roosevelt.

Borah himself has centered his fire on the reactionary elements in his own party and has avoided the sniping at the New Deal in which other Republican aspirants have indulged.

PRISON RULING HELD CURB ON CONGRESS

Narrows Interstate Com-
merce Powers, Is Belief.

By United Press
WASHINGTON, March 3.—The Supreme Court in upholding the Hawes-Cooper prison law act has narrowed the power of Congress, lawyers believed today.

For it distinctly hints that Congress has no constitutional power to divest goods shipped in interstate commerce of the Federal government's exclusive jurisdiction.

The decision upholding the conviction and \$25 fine imposed on an Ohio man in an Ohio State Court for offering to sell prison-made goods from Alabama, but it expressly stated that another count of the indictment, charging him with illegally transporting the goods into the state, was not being passed upon.

The Hawes-Cooper act divests such goods of their interstate commerce character, in cases where states pass laws forbidding their transportation and sale, as Ohio has.

Urges War Debt Commission

WASHINGTON, March 3.—Senator William G. McAdoo (D., Cal.) introduced a resolution in the Senate today providing for creation of a debt commission to negotiate a new settlement of war debts owed to the United States.

NEW CORPORATION TAXES PROPOSED BY PRESIDENT

HE CAN'T SEE THE FOREST FOR THE TREE!



HOPE OF NEW STAY FOR BRUNO DIMMED

Hoffman-Hague Alliance Is
Seen in New Jersey.

By United Press
TRENTON, N. J., March 3.—A strange web of politics in keeping with the bizarre tradition of the Lindbergh case, enmeshed the fate of Bruno Richard Hauptmann today.

A session of the state Legislature last night served to dim the hope of a second reprieve made earlier by a responsible official.

In the maneuvering of the state assembly on a bill seeking to divert highway funds to relief and another to prevent the interim ouster of Col. H. Norman Schwarzkopf, head of the state police, political experts professed to see an alliance between Republican Gov. Harold G. Hoffman and Democratic Boss Frank Hague, Mayor, Jersey City.

The Governor, it was said, had agreed to continue against the highway bill—a measure on which he held a share of common ground—last night in return for aid in denying extension of the term of Col. Schwarzkopf whose handling of the Lindbergh case he had characterized publicly as "the most bungling" in history. They are political and personal enemies.

LAND SWAP PROPOSED FOR NEW FIREHOUSE

City to Ask Co-operation of As-
sembly Is Indication.

Proposal for erection of a firehouse near the Central Indiana Hospital, Tibbs-av and Washington-st, is to be presented at the special session of the Legislature, Safety Board members indicated today.

They said the state is to give the city ground in the vicinity in trade for additional ground presented by the city to the state for erection of the Naval Reserve Armory, 30th-st and White River.

MILK PRICES ARE SET

Rates for Last February Period
Ranges From \$1.65 to \$2.20.

Milk prices in the Indianapolis area for the delivery period, Feb. 16 to 29, for distributors were announced today by Leon C. Collier, local milk administrator. They are \$2.20 a hundredweight for Class I milk, \$1.87 for Class II and \$1.65 for Class III.

And It's Still a Problem

Gas Company Stockholder Confuses Bookkeepers
for 25 Years; They're Upset Yet.

MEET the man who has the doubtful distinction of having been a bookkeeping problem to officials of the Citizens Gas Co. for a quarter of a century.

He is one W. F. Douthirt, New York. No one seems to know a great deal about Mr. Douthirt except that he has been a very difficult fellow to deal with.

Back on July 31, 1907, Mr. Douthirt bought one share of common stock in the gas company. No one, with the possible exception of Mr. Douthirt, knows just why. Maybe it was for reasons of sentiment.

Things went all right for a while. No one knew Mr. Douthirt was going to turn out to be a problem stockholder, but he was revealed in his true light in 1911 when the gas company started paying dividends.

MR. DOUTHIRT failed to cash his dividend check. Of course, the check for one dividend on one share of common stock was not large, but his failure caused great confusion in the bookkeeping system, but company treasurers and controllers do not like to have even small transactions outstanding.

Maybe Mr. Douthirt was possessed with the collector's instinct. He proceeded to save all of his dividend checks, ranging in amount from a 31-cent regular to a \$5.87 special. Frequent letters from company officials, asking him to cash them, failed to move him.

He even held out during the depression. Recently, when the city of Indianapolis acquired the gas company and it became necessary to retire the outstanding stock, Mr. Douthirt finally agreed to get into step with his fellow investors.

He mailed in with his one share of stock a stack of 60 dividend checks to be consolidated into one. However, at last reports he still was doing all right as a problem stockholder.

He failed to endorse his stock certificate so it must be mailed back to him for his signature. Company officials are hopeful he won't have writer's cramp for another quarter century.

Former Ambassador Dies
MADISON, Wis., March 3.—Rasmus Bjorn Anderson, United States Ambassador to Denmark from 1885 to 1889, died at his home last night from pneumonia.

Revision of Whole Setup
Asked by Roosevelt
in Message.

GIVES 2-POINT PLAN

Anticipates Yield Will Give
United States Additional
\$620,000,000.

Complete Text, Page 3

By United Press
NEW YORK, March 3.—Wall Street today viewed President Roosevelt's proposal to tax corporate surpluses as favorable on first reading, but withheld market commitments pending further study and congressional action enactment of the recommendations into law.

WASHINGTON, March 3.—President Roosevelt today submitted to Congress the outline of a broad revision of corporate income taxes intended to increase their yield by an estimated \$620,000,000 annually and eliminate necessity for permanent farm processing taxes.

Mr. Roosevelt presented a two-point tax suggestion for restoring the budget to balance except for relief expenditures.

The program:
1. A graduated tax, estimated by the Treasury to yield \$1,614,000,000 for the 1936 tax year, on undistributed corporate income. This would be accompanied by repeal of the present corporation income tax, capital stock tax, excess profits tax and of the present exemption of dividends from normal tax on individual incomes.

(Taxes on which repeal was recommended carried an estimated yield of \$994,600,000. The proposed change would increase the corporate tax yield by \$620,000,000 to a total of \$1,614,000,000.)

2. A direct tax intended to recapture as much as possible of unpaid and returns processing taxes, coupled with temporary reimposition of processing taxes at lower rates and on a broader base. Yield of these two taxes would be approximately \$517,000,000.

Treasury officials explained that the proposed tax on undistributed corporate income would not be retroactive, but could apply to 1936 and future income.

Seeks Same Revenue
The President said the intention of the proposed corporate tax should be to tax undistributed corporate income so that it would yield approximately the same revenue as if it were distributed and had been taxed after it got into the hands of the individual stockholder.

He said he was informed by the Treasury that the proposed corporate income would be withheld from stockholders.

"It," said the President, "this undistributed income were distributed, it would be added to the income of stockholders and there taxed as is other personal income."

"But as matters now stand, it will be withheld from stockholders by those in control of these corporations. In one year alone, the government will be deprived of revenues amounting to over one billion three hundred million dollars."

Total of \$994,600,000

The taxes which would be repealed under Mr. Roosevelt's suggestion had the following estimated annual yield:

Capital stock, tax, \$163,000,000.
Corporate excess profits tax, \$5,000,000.

Corporate income tax (estimated 1937), \$826,600,000.

Total, \$994,600,000.

Mr. Roosevelt said the Treasury believed the new proposed tax would yield that sum plus the \$620,000,000.

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DAVID W. GRIFFITH, 56, WEDS N. Y. GIRL, 26

Famed Movie Director Marries in
Quiet Louisville Ceremony.

By United Press
LOUISVILLE, Ky., March 3.—Mutual admiration and friendship which had grown since she was a child culminated in marriage for Evelyn Marjorie Baldwin, 26, of New York, to David Wark Griffith, 56, motion picture producer.

In a quiet ceremony last night, attended by close friends and relatives, Mrs. Baldwin, daughter of Mrs. Sarah Baldwin, became the bride of Griffith, who last Friday was granted a divorce from Linda A. Griffith in Oldham County Circuit Court, from whom he had been separated since 1911.

The couple will remain here several days before completing plans for a honeymoon.

Thief Takes Loot From Home of
Dr. John A. Pickard.

Theft of money and jewelry valued at more than \$1300 was reported to police today by Dr. John A. Pickard, 2246 N. Illinois-st.

Dr. Pickard told officers that the thief entered his home through the office, which adjoins the residence, and stole the money and jewelry from his bedroom. The cash totaled \$426 and the remainder consisted of jewelry. Included in the loot was a pearl ring valued at \$509 by Dr. Pickard.

Huge Statue Crushes Workman

By United Press
CHICAGO, March 3.—A 3000-pound statue which toppled on him a he and eight other men attempted to lift it, crushed Kenneth Witter, 25, to death today.

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