

VOLUME 49—NUMBER 190

# The Indianapolis Times

FORECAST—Much cooler with rain tonight; tomorrow fair and cooler.

TUESDAY, OCTOBER 19, 1937

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FINAL  
HOME  
PRICE THREE CENTS

## 22 FIRMS RESUME MILK DELIVERIES ON STATE'S ORDER

Distribution Probe to Be Asked, Says Union Head.

NO DISTURBANCE MEETING CALLED

2 Struck Companies Servicing Clients, They Announce.

(Photos, Page Three)

As all but two Indianapolis dairies, which are struck, resumed home and store deliveries today, the International Brotherhood of Teamsters and Chauffeurs said it would ask a State investigation into milk distribution practices in the Marion County area.

Police were asked to protect property or employees of delivering companies as the 12-day tie-up ended. Resumption was ordered by Leon C. Collier, Marion County Area Milk Administrator.

Mr. Collier said he had withheld an earlier order to resume deliveries when it seemed possible that the companies and the union would get together.

The resumption of the order, he said, was because the situation seemed to be stalemated and because non-delivery caused great inconvenience to the public and might have resulted in a partial loss of market to the producers.

Failure to comply with the order to resume, except in the case of struck dairies who notified him they did not have the personnel to deliver, would result in revocation of license, he said.

Hughes to Ask Probe

Thomas L. Hughes, Brotherhood general secretary and treasurer, said he would ask for the distribution investigation on the basis of evidence he has collected showing that distributors in some cases accept less than the legal 11 and 12 cents a quart for milk.

He said that was discriminatory to consumers paying the legal price and that the practice was one reason wages were not higher in the industry. He said distributors in some instances accepted as little as 8 cents a quart.

As deliveries began at 7 a. m., the drivers' union struck the Banquet Ice Cream Co., Leslie Dobs, union secretary, said. He said that Capitol Dairies, struck by the union 13 days ago, had attempted to deliver five of its routes in Banquet trucks and that Banquet drivers had struck.

H. T. Perry, Banquet vice president and general manager, denied the union charges, and A. P. Hobbs, Capitol Dairies president, said: "I don't want to answer about that. Take the union's word for that."

Police said they were told by Banquet Co. officials that the company was attempting to find substitutes for them.

Wages Barrier, Says Hutson

State Labor Commissioner Thomas R. Hutson said he knew of no further conference scheduled to mediate the four strikes—Banquet, Capitol, Weber Milk Co. and Furness Ice Cream Co.

Wages were the stumbling block in latest conferences, he said. Today the dairies had bulletin board proposals posted in all plants, all identical.

The table below contains the weekly salary offers, taken from bulletin board announcements, and the counter demands of the union, as quoted by Mr. Dobs:

(The points are a system of figuring sales, satisfactory to both union and management, Mr. Hutson said.)

Classification Company Union  
From 250 to 245 \$22 \$20  
Every 100 points over 245 \$1.50 \$1.30  
All wholesale drivers \$20 \$18  
(and 2% commission) (Straight)

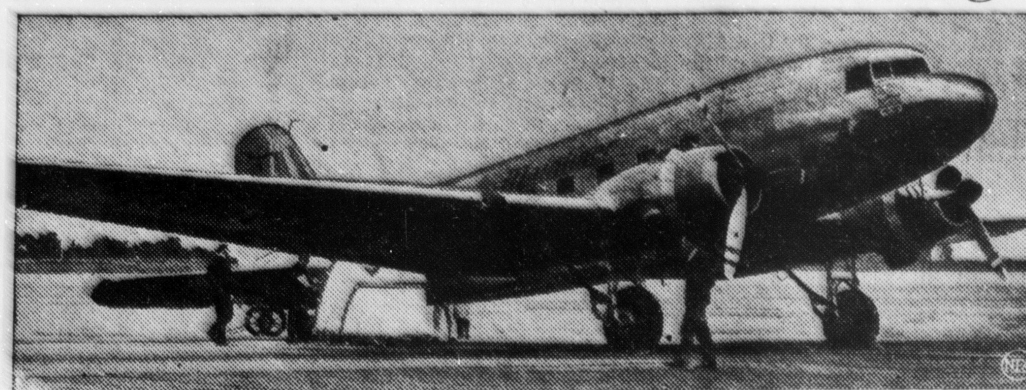
Skippers \$22 \$20  
Supervisors \$25 \$23  
Special delivery \$24 \$22  
Inexpensive route men \$21 \$19  
(first 2 weeks) (first 2 weeks)

Plant helper \$21 \$19  
Semi-specialized labor \$21 \$19  
Specialized labor \$21.50 \$19.50  
Women \$19.50 \$17.50  
Mr. Dobs charged and the distributors denied that the bulletin board proposal was not a net rise in wages, but was merely a revision of top salaries down and bottom up.

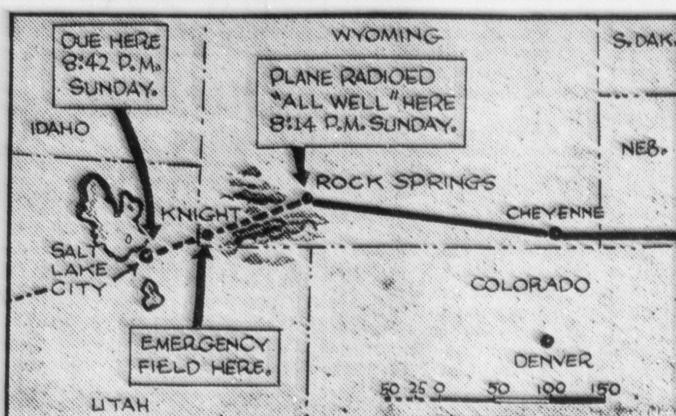
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## 19 Found Dead in Air Liner Wreckage



The big Mainliner, above, bound for San Francisco from Newark with 16 passengers, two pilots and a stewardess, was wrecked near the Utah-Wyoming boundary, about 26 miles from Knight, Wyo., shown on the map at right. Radioing that it was on the course and on schedule over Rock Springs, the big transcontinental cruiser was not heard from thereafter, although it was due in Salt Lake City 23 minutes later. Heavy black line on the map indicates the plane's course to Rock Springs. The dotted line shows the route on which it left for Salt Lake City, over mountainous regions, with a violent rainstorm and squally weather reported.



## RUSSIA BALKS AT FRENCH PLAN

Rejects Proposal to End Foreign Troop Aid in Spanish War.

BULLETIN

LONDON, Oct. 19 (U. P.).

—Soviet Russia rejected a French proposal tonight for solution of the Spanish non-intervention problem.

The rejection was made by Ivan Maiski, Soviet ambassador, at a meeting of nine powers represented on the "chairman's subcommittee" of the International Nonintervention Committee of 27 nations. The French plan dealt with "symbolic" withdrawal of foreign volunteers from each side in Spain, dispatch of a committee to supervise withdrawals, and a study of granting belligerent rights to each side.

ASTURIAN FRONT, Oct. 19 (U. P.).—The Loyalist front in Asturias, last Government stronghold in northeastern Spain, was crumbling rapidly today, as Rebels shelled a huge trap in the high ranges of the Picos De Europa. The Loyalist retreat was assuming the proportions of a rout. Defenses became almost impossible in the face of the speedy and multiplied outflanking movements by Rebel columns.

LONDON, Oct. 19 (U. P.).—Armed with fresh instructions, delegates of nine European powers began today the crucial business stage of negotiations on withdrawal of foreign volunteers from the Spanish civil war.

Delegates were pessimistic. But French sources, usually well informed, reported that France was ready to make a new concession to Italy—to propose that an equal number of volunteers be withdrawn from the Spanish Rebel and Spanish Loyalist sides.

## MILLER IS ELECTED TO ROBINSON POST

LITTLE ROCK, Ark., Oct. 19 (U. P.).—Rep. John E. Miller, who admires President Roosevelt but didn't always support his program in the House of Representatives, today was elected to fill the unexpired term of the late Joseph T. Robinson in the Senate.

Mr. Miller defeated Governor Bailey, who accused Mr. Miller of disloyalty to the national Administration and the voters he had and would support President Roosevelt "100 per cent."

Mr. Miller's margin was sufficiently decisive when returns from 1703 of the state's 1923 precincts in yesterday's election gave him 62,119 votes to 41,333 for Mr. Bailey. Mr. Miller said he admired the New Deal but always voted his conscience.

## VanNuys May Seek Office As Independent Next Fall

By TOM OCHILTREE

Some political advisors of Senator VanNuys, apparently conceding he has little chance for renomination by the Democratic State Convention, predicted today that he would run as an independent next fall.

State House sources, however, claimed he could muster only "feeble, half-hearted support" under such a plan, and said they had little fear that the Republican high command would accept him as their candidate.

"Any attempt he might make would be purely a last-ditch stand, and he knows it," said one spokesman for the Administration, which is now aligned against Senator VanNuys. "It would cost him at least \$100,000 to build up a moderately powerful organization. The assessment for putting his name before

## Mercury Down Nine Degrees in 2-Hour Period

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## BODIES THROWN FROM BIG PLANE

One of Women Killed Had Expected Baby in Few Days.

BULLETIN

KNIGHT, Wyo., Oct. 19 (U. P.).

A searching party reached the wreckage of a United Air Line transcontinental plane today and found all its 19 occupants dead. The plane actually was considered 20 because one of the woman passengers, had she lived a few days longer, would have given birth to a baby.

Secretary of Commerce Daniel C. Roper today announced appointment of a special board to investigate the crash.

Temperatures dropped 9 degrees between 11 a. m. and 1 p. m. this afternoon, and the Weather Bureau said it would be "much cooler with rain tonight." The rains which have drenched the city since Sunday afternoon were expected tomorrow with cooler temperatures.

Temperatures today were to hover between 55 and 60, with a drop to between 40 and 45 forecast for tomorrow.

The Bureau said rains have swollen Indiana streams but the situation is not alarming.

## G-MEN REVEAL ROSS RANSOM OF \$50,000

CHICAGO, Oct. 19 (U. P.).—G-men today began a nation-wide hunt for the kidnapers of Charles S. Ross, 72, who failed to return after extorting \$50,000 ransom from his family.

Within an hour of expiration of the deadline laid down by Mr. Ross' anxious wife in a public appeal to the abductors, J. Edgar Hoover, Federal Bureau of Investigation chief, made public a list of the ransom money.

Mr. Hoover said the ransom was paid after the family received what (Turn to Page Two)

## BLACK CHALLENGE MAPPED IN SEC CASE

TAMPA, Fla., Oct. 19 (U. P.).—Frank J. Ryan and the Ryan Florida Corp. will petition the U. S. Supreme Court immediately for a rehearing of its petition against the Federal Securities Commission because Justice Hugo L. Black took part in consideration of the case, it was announced today.

"We will petition the Court immediately for a rehearing," Attorney William C. Pierce said. "We did not question the eligibility of Justice Black prior to yesterday's Supreme Court ruling on the assumption he would not participate in the case because of the public stand he had previously taken." Justice Black, when a Senator, was connected with the case in his capacity as chairman of the Senate Lobbying Committee.

## STOCK MARKET RALLIES AFTER WIDE DOWNTURN, RECOUPS MANY LOSSES

Wheat Prices Recover From Early Lows At Chicago.

CORN HOLDS EVEN

Porkers Drop 25 to 40 Cents in Local Stockyards.

CHICAGO, Oct. 19 (U. P.).

—Wheat futures rallied on the Chicago Board of Trade today after the props were knocked out from under the market in early dealings. Initial weakness arose from uncertainty over the drop in the stock market.

However, prices turned upward from the bottom with a parallel rally in securities, buying for the accounts of Eastern houses having stemmed the decline.

Continued rain and unsettled weather was an early bearish influence that had to be hurdled. On several small advances renewed selling swamped the pit.

Corn maintained its level more successfully. Losses were not so large or so rapid and December and May showed a tendency to steady about 1 cent under the previous close.

Liverpool closed irregular and Winnipeg was not immune to the downside here. Overnight Canadian export demand was reported to be restricted.

Porker Prices Drop In Local Yards

Hog prices dropped 25 to 40 cents at the Indianapolis Stockyards today, in line with the current trend in all markets.

Weights above 160 pounds were 40 cents lower and weights below 160 pounds were 25 cents down. Vealers and lambs were steady.

## DEATHS BLAMED ON 'ELIXIR' REACH 13

Dr. Fishbein Reports Five More After Survey.

CHICAGO, Oct. 19 (U. P.).—Dr. Morris Fishbein, editor of the Journal of the American Medical Association, announced today that he had received a "proprietary elixir" of sulfanilamide had mounted to 13.

He received a report of four deaths in East St. Louis, Ill., and another death in Tulsa, Okla., where eight deaths were reported yesterday. One other man is dying in East St. Louis. Dr. Fishbein said.

One other patient in Tulsa and one in East St. Louis are known to be ill from the effects of diethylene glycol, with which the sulfanilamide was mixed. Dr. Fishbein said.

The drug employed in Tulsa, Okla., to which a number of deaths have been attributed was not prontosil or protinyl. Protinyl is the original compound, a group of antistaphylococcal specific, and is sold at present only in a watery solution for injection. Protinyl was the first preparation of sulfanilamide introduced to the American medical profession by the manufacturers of protinyl and was made known to American readers through the curative results obtained in the case of the son of the President of the United States, Franklin D. Roosevelt Jr.

## WILL ATTACKED IN HAHN POISON CASE

CINCINNATI, Oct. 19 (U. P.).—Testifying in German through an interpreter, Mrs. Anna Eberhardt told today of the relationship between Jacob Wagner, 78, and Mrs. Anna Marie Hahn, 31, who is on trial on charges of killing Mr. Wagner.

Mrs. Eberhardt testified to what she said was Mrs. Hahn's first visit to Mr. Wagner last May. The State contends that a will leaving Mr. Wagner's estate to Mrs. Hahn was dated Jan. 10, 1936, and that Mrs. Hahn did not know him on that date.

## HISTORY PROFESSOR REPORTED MISSING

EVANSTON, Ill., Oct. 19 (U. P.).—Prof. Ernest Lauer, 51, Northwestern University history instructor several times a figure in campus controversies, today was reported missing.

Mrs. Loretta Lauer, his wife, told police she had received no word from her husband since yesterday morning, when he left his home for the campus.

## SEC UNCOVERS EVIDENCES OF SHORT SELLING

Effort to Depress Market Found on Exchange, Body Indicates.

(Merry-Go-Round, Page 12)

By ROBERT W. HORTON

Times Special Writer

WASHINGTON, Oct. 19.—Investigation of the stock market decline by the Securities and Exchange Commission has developed evidence of a persistent effort over a period of months to depress the market, it was learned today.

Substantial short sales have been uncovered by SEC investigators, who have been in New York collecting information on the slump that has carried prices to new lows since 1935. The identity of the short sellers and the extent of their commitments are a secret.

It appears, however, that discovery of this activity has not tended to inspire sympathy in the SEC for stock exchange members who have been attacking the SEC as the principal cause of the decline and crying for removal of some of the restrictions on trading.

Solution Is Sought

The Commission is working overtime on the problem in search of a solution which may protect the legitimate demands of the capital market and at the same time prevent "insiders" from regaining such control as they had before the collapse of 1929.

Reports to the Commission indicate that the public is not in the stock market to such an extent that general purchasing power should be severely affected by the decline. The absence of the "little man" was said to account for much of the thinness of the market, against which the SEC Exchange complains.

With volume falling off, brokers' commissions decline. As the profits of brokers have become thinner their protest has grown louder at the SEC. There is strong opinion, however, among SEC officials that the stock exchange is overmanned and that a reduction of its present membership, 1375, to something nearer 800, would be a good thing.

## F. D. R. Urged to Take 'Strong Measures'

CHICAGO, Oct. 19 (U. P.).—Rep. A. J. Sabath (D., Ill.) today charged Wall Street is in a conspiracy "to break the market and punish the President and urged President Roosevelt to take "strong measures" to frustrate their "diabolical plan."

In a telegram to the President, Mr. Sabath said: "Even inflation should be resorted to in order to frustrate their destructive plans."

He urged increasing the margin requirements on "short" sales to 90 per cent and reducing the margin on "long" transactions to 25 per cent.

## Result of 'Fear Market,' Says Chicago Head

CHICAGO, Oct. 19 (U. P.).—Thaddeus R. Benson, president of the Chicago Stock Exchange, said today the present market collapse is the result of a "fear market."

"It is a fear market, pure and simple, yet nobody seems to know just what he is afraid of—regulations, or what," Mr. Benson said.

He has been a factor, but it is far from being the whole picture. Insiders have been scared by governmental rules."

## Deadline in Fund Drive Is Extended Two Days

The 2500 volunteer workers of the Community Fund campaign today had reported more than three-fourths of their goal pledged as leaders announced the drive had been extended two days. It is to continue through Friday.

Nearly \$125,000 was raised during the week-end, bringing the total to \$244,420.31. Approximately \$176,000 must be raised to reach the goal.

At the sixth report meeting yesterday, Fred Hoke, one of the co-chairmen, said the entire amount must be raised to meet the needs of the 38 fund-supported agencies.

Largest contribution reported at yesterday's meeting was \$10,000 pledged by H. P. Wasson & Co. Other large gifts included: Mr. and Mrs. G. A. Ertymann, \$4000; Mr. and Mrs. William A. Zumpfe, \$2000; West Baking Co., \$1500; Mrs. Walter C. Marmon, \$1000; Mrs. Samuel M. Reid, \$700; Rough Notes Co., \$675; J. M. Antim, \$350; Herman W. Kotke, \$200; Henry V. Kohn, \$220; Abraham J. Barskin, \$100, and William H. Roberts & sons, \$300.

Among the increased pledges reported were: H. Lieber Co., \$125 to \$150; Vonnegut Hardware Co., \$650 to \$750; Mrs. Perry E. O'Neal, \$250 to \$300; Mr. and Mrs. Karl Zimmer, \$175 to \$200; Carter-Lee Lumber Co., \$90 to \$100; Louis Huesmann, \$55 to \$75; City Securities Corp., \$100 to \$125, and Alex Cohen's Sons, \$110 to \$150.

The following employee groups also contributed: Indianapolis Public Schools, \$9884.87; American Can Co., \$360; Link-Belt Co., \$2734.45; Ward Co., \$190.50; Gibson Co., \$404.25; Colonial Furniture Co., \$311, and Haag Drug Co., \$275.

Roosevelt Talk Opens Drive In 454 U. S. Cities (Text, Page 16)

Strong Buying Trend Comes to Front in Closing Hours.

TRADING HEAVY

Net Gains Recorded In Some Issues on Exchange.

NEW YORK, Oct. 19 (U. P.).

—Stocks rallied on institutional and investment trust buying today after breaking 2 to 13 points in the heaviest trading since July 1, 1933, when the turnover was 9,572,000 shares.

In some instances, prices rallied to net gains, notably in North American and Montgomery Ward.

Trading was at a furious pace from the start, which was featured by blocks of 1000 to 25,000 shares. The tape was late nearly all day, attaining its maximum tardiness around noon when it was 22 minutes behind the actual market.

At 1:43 it caught up, but four minutes later was behind again and never was ahead of the market again to the close.

First hour sales were 2,210,000 shares, a rate of 11,050,000 shares for a full session. In the second hour sales were 1,680,000 shares, bringing the first two hours to 3,890,000 shares, largest first two hours since July, 1933 and a total above any full day this year.

Three 25,000-share blocks were traded at the outset. The feature was Nash-Kelvinator which did not appear until 11:40 when it sold at 5 off 5 1/2. A short time later the issue got back to 10.

Allied Chemical sold at 150 off 13 and came back 10 points from the low. Wide recoveries were noted in other leading issues. Steel Common made a new low at 54 1/2 off 8 1/2 and rallied more than 5 points. Chrysler recovered 6 1/2 points of a 9 1/2 point decline.

American Telephone rallied 4 points after touching 140 off. Montgomery Ward reached 36 after hitting 30 off 2. Standard of New Jersey made a net gain after selling down 2 1/2 points to 42 1/2.

Wall Street opinion was that the market's decline today was caused entirely by its own recent performance. Most early sales were necessities, caused by inability to meet margin calls.

Rumors that the exchange would be closed were quelled by Washington sources who said they would maintain a hands-off policy until an emergency developed. They did not consider this an emergency.

Commodities dropped and recovered partially. Wheat closed at declines of 1 1/2 to 2 1/2 cents a bushel. Bonds declined to new lows since 1933 and rallied partially. Government issues, which had substantial losses, retraced half of them.

## Federal Reserve Action Not Seen Necessary

WASHINGTON, Oct. 19 (U. P.).—A responsible Federal official said today that conditions "do not seem to warrant" any immediate Federal reserve board action to change margin requirements in an effort to halt the rapid fall of stock market values.

## Chicago Issues Fall 1 to 5 Points

CHICAGO, Oct. 19 (U. P.).—Stocks fell 1 to more than 5 points on the Chicago Stock Exchange today, in excited trading and then rallied in afternoon dealings following losses. At the low prices were at new bottoms since early 1935.

Zenith Radio jumped 3 points from its low to 15 1/2, where it was up 1 1/2. While Quaker Oats closed a 6-point loss to 5 points. Such issues as Bendix Aviation, Borg Warner, Commonwealth Edison, W. B. Jarvis, Libby McNeill & Libby, all of which were down 1 to more than 2 points, were up 1 to more than 2 points from the lows. Chicago Flexible Shaft had an 11-point loss at 35, Abbott Laboratories was down 3 at 37 and Central & Southwest Utilities former liens were 6 points lower at 78.

## Investors Crowd Local Brokerage Houses

Local brokerage houses were crowded today as the New York Stock Exchange reacted wildly, affecting all stock, grain and livestock markets in the United States and abroad.

Officials at Thomson & McKinnon and Abbott, Proctor & Paine said they were doing twice as much business as usual. Both offices were filled with traders. One official said: "They are protecting accounts, splitting margins and doing investment buying."

The heaviest rush was during the noon lunch period, when office employees of the city, hearing of the market's actions, rushed to the brokerage firms.