

GERMAN RAIDERS KILL 108 BRITONS; HAVNER INDICTED BY GRAND JURY

ATTORNEY GENERAL OF IOWA CHARGED WITH INTIMIDATING WITNESS IN THE KELLY CASE

State Official Brought Into Court and Gives Bond Proceedings Overshadowing Trial of Minister for Ax Murders Which Was Just Under Way; Denies Charge as Maliciously Brought Out.

By EDWARD BLACK. (Staff Correspondent of The Bee.) Red Oak, Ia., Sept. 4.—(Special Telegram.)—Attorney General Havner of the state of Iowa has been indicted by a grand jury. The trouble grows out of the famous Villisca ax murders.

The grand jury reported to Judge Boies, and returned an indictment against Havner for willfully oppressing a witness named Alice Willard.

Five years ago on the night of the Villisca ax murders, Ed Shepherd, Maurice Shepherd, Gertrude Lott and Alice Willard, all of Villisca, overheard a conversation which implicated others than Kelly in the crime.

GIVES \$1,000 BOND. Havner immediately put up \$1,000 cash bond.

Court convened at 2 o'clock to continue the Kelly trial and the state named the four men who witnessed and took down the Kelly confession. Under the Iowa laws it is necessary for the state to inform the defense of the witnesses in advance of the trial. As the required time will not elapse until Wednesday, court adjourned until that time.

Overshadows Kelly Trial. The indictment of Attorney General H. N. Havner today overshadowed in importance the Kelly trial, which was adjourned shortly after the afternoon session of court was called.

The attorney general was in the court room at the time and took the matter with his usual stoicism. He is charged with willfully oppressing a witness, Alice Willard, at the time of the grand jury investigation of Kelly last spring.

Gives Denial to Bee. Havner dictated the following statement for The Bee: "I deny that there is any truth in or foundation for the charge. I have simply tried to do my duty as an officer in bringing the man to justice who killed Joe Moore and his family and the Stillinger girls, and I believe that I have done that thing and that we have the man.

"This indictment was returned by a grand jury that has been in existence here all summer, and if I had done any wrong the men who are back of this proposition have known it all along.

"I could have been indicted long ago. I was indicted just on the eve of the Kelly trial, and I believe that it was done for the purpose of intimidating me in this prosecution and for the purpose of discrediting the prosecution of Kelly, and also to intimidate me in connection with the prosecutions of Wilkerson which have already been commenced and which are in contemplation.

Woman Was Impeached. "This woman, Alice Willard, whom I am charged with oppressing, is the witness concerning whom Wilkerson refused to answer a question before the grand jury, because he said that if he did answer it, it would impeach Alice Willard, and when the court compelled him to answer the question, it did impeach her.

"She is Wilkerson's star witness and upon whose testimony his whole theory rests. The prosecution of Kelly will go on just the same." Sutton Interviews Woman. Attorney Sutton interviewed Alice Willard at Villisca this afternoon.

"She will be a witness for the defense," said Sutton, who added:

(Continued on Page Two, Column Four.)

The Weather

Table with columns: Hour, Temp., Wind, etc. for various locations like Springfield, Chicago, etc.

Table with columns: Station and State, Temp., High, Rain, etc. for various stations.

OMAHA FEDERAL RESERVE BANK FORMALLY OPEN

Nebraska Only State Now in Omaha District, as Denver is Fighting for Wyoming Business.

With a capital stock of \$1,500,000 constituting the reserve deposited by the national banks in the district, the Omaha branch of the Federal Reserve bank of the Tenth district, opened formally for business yesterday in the Farnam building, formerly the old First National bank building at Thirteenth and Farnam streets.

Manager O. T. Eastman was on the job by a little after 7 o'clock in the morning, getting details arranged for the opening a few hours later. Great bouquets of flowers with cards attached bearing the good wishes of the big institutions of the city began to arrive early. Among the handsome vases of flowers which arrived early were those from Charles T. Kountze, Omaha Ad club, Stock Yards National bank, Byrne-Hammer company, and the officers of the United States National bank.

Money Arrives by Mail. The ready money for the conduct of the bank's business arrived from the head bank at Kansas City by registered mail, while the ledger accounts arrived on loose leaf ledger pages.

Thus far, only Nebraska is actually included in the district served by the branch bank at Omaha. Wyoming was included in the original division of territory, but a fight is being waged wherein the Denver branch seeks to have Wyoming assigned to its bank. In the meantime, with the status of Wyoming undetermined, the Wyoming banks are still reporting to the main bank at Kansas City.

J. Z. Miller, jr., of Kansas City, the governor of the Tenth District Federal Reserve bank, was present for the opening, as were also Directors Burnham of Norfolk and Byrne of Omaha, the two Nebraska directors of the Tenth district bank.

Directors of New Bank. The directors of the Omaha branch are Luther Drake, Omaha; O. T. Eastman, Omaha; P. L. Hall, Lincoln; J. C. McNish, Omaha; R. O. Marnell, Nebraska City.

O. T. Eastman, formerly of the First National bank of Omaha is manager, and E. D. McAllister is cashier. The work started out in the morning with an office force of about sixteen men and women. The morning mail brought a heavy correspondence, and the bank started with a

17 Springfield Rioters Held; More Warrants Issued

Springfield, Ill., Sept. 4.—Seventeen men are under arrest today and more warrants are to be issued growing out of rioting last night by street car strike sympathizers, in which six cars were demolished.

British Casualties for Last Week Reach 15,614

London, Sept. 4.—British casualties reported in the last week are 15,614. They are divided as follows: Killed or died of wounds: Officers, 364; men, 3,880.

Hold Russ Grand Duke for Counter Revolutionary Plot

Petrograd, Sept. 4.—Grand Duke Michael Alexandrovich, brother of the former emperor, and his wife have been placed under arrest in connection with the counter revolutionary plot recently unearthed.



MINISTER CHARGED WITH MURDER OF EIGHT PERSONS WITH AX PLEADS NOT GUILTY

Story of Bloodiest Crime in History of Iowa to Be Told on Stand; Attorney General Havner Takes Charge of Prosecution; Horror Stricken Citizens Make Long Fight for Justice.

By EDWARD BLACK. (Staff Correspondent of The Bee.) Red Oak, Ia., Sept. 4.—(Special Telegram.)—Red Oak has been interested, if not excited on the first day of the trial of Rev. Lyn G. J. Kelly, charged with the Villisca ax murders. The appearance of the little minister and his wife in the court room was of itself an attraction of importance.

Then, to make it a real red letter day, the attorney general of the state, H. N. Havner, was indicted by a grand jury sitting in the same court building where Kelly was on trial.

Court was adjourned shortly after the noon session and was called to reconvene at 9 o'clock, Wednesday morning.

TO BACK UP CONFESSION. The state offered the names of four additional witnesses in connection with the Kelly confession at Logan. The defense objected to the witnesses on the grounds that four days had not elapsed since the defense had been notified. This legal technicality was overcome by the adjournment.

The four witnesses at issue are: J. Ferguson, Lyman J. Irvin, Paul Roadier and Fannie R. Lingman, court reporter, clerk of court, county attorney and stenographer, respectively, who will testify as to the legitimacy of Kelly's confession.

Reception for Accused. Upon adjournment of court Kelly and his wife were greeted by a long line of Montgomery county people who filed by in a reception line. Deputy Sheriff Smith allows Kelly unusual freedom, considering the seriousness of the charge. The prisoner is not handcuffed and walks to and from the jail without restraint.

"I do not want to lay down any harsh rules for this trial," announced Judge Boies. "I realize that the crowds will increase. During a trial of this kind I believe it will be only fair to the defense, the state and the court for each person to deputize himself of herself to maintain order."

Judge Boies Presides. District court was opened by Sheriff Dunn with Judge W. D. Boies, of Sheldon, on the bench, when the Kelly case was called for trial.

Deputy Sheriff Smith entered with Rev. Lyn G. J. Kelly and Mrs. Kelly, who occupy seats at the end of a long table arranged for the opposing lawyers.

Spectators in the crowded court room eyed the prisoner and his wife with considerable interest, and there was much craning of necks to get a glimpse at the diminutive man, who is charged with the murder of eight persons at Villisca five years ago.

Standing at the table with the Kellys are Attorney General H. M. Havner, F. F. Faville of Storm Lake, special counsel for the state; J. J. Hies of Council Bluffs, also for the prosecution, and Oscar Wenstrand, Montgomery county attorney.

Kelly Watches Jury. W. E. Mitchell of Council Bluffs, fourth attorney for the defense, announced they were ready for trial.

NETHAWAY JURY ASKS NEGRO BE HELD FOR TRIAL

Husband Asks to Be Permitted to Explain Away Some of the Testimony Given Early in Hearing.

A coroner's jury, after deliberating forty minutes yesterday, returned a stereotyped verdict of "death by a hunting knife in the hands of an unknown person" after a three days' inquest and investigation into the brutal slaying of Mrs. C. L. Nethaway, wife of a Florence real estate man, a week ago Sunday afternoon.

The verdict, however, contained a recommendation that Charles Smith, negro suspect, now in county jail, be held for further investigation by the county attorney.

Mrs. Nethaway was the victim of one of the most revolting murders in the history of Nebraska. She was hacked to death near the Northwestern railroad track in South Cut between 3 o'clock and 5 o'clock on the afternoon of August 24. She was on her way to keep an appointment with her husband at Briggs crossing up the railroad track.

Slain by Degenerate. Since the woman was not assaulted nor was she robbed, police and Sheriff Clark's forces have come to the conclusion she was slain by a degenerate with another motive.

Smith, still protesting his innocence of any wrongdoing, though admitting he was in the neighborhood of the crime on the day it was committed, was not called at the inquest for fear of mob violence.

Threats Against Smith. The court room in the court house where the inquest was held was packed to the doors by curious hundreds. Threats were murmured against the negro at the conclusion of the final session of the investigation, when many heretofore rumors were connected up in the form of damaging evidence against the black.

Smith persists that he has a perfect alibi as to his movements after he arrived in Omaha on the Friday before the murder, but the chain of circumstantial evidence against him is strong, and he will probably be tried in criminal court this fall on a charge of first degree murder.

Nethaway Makes a Scene. Shortly after Deputy County Attorney Piatti, representing County Attorney Magney, ex-officio coroner, had instructed the jury to retire and deliberate, Claude Nethaway, Florence real estate man, husband of the murdered woman, leaped to his feet and objected to the case going to the coroner's body without calling additional witnesses.

"But this is only a coroner's inquest," protested Mr. Piatti. "I think we have sufficient evidence. The negro admits having been in all these places your witnesses will testify they've seen him."

"There can't be too much evidence when a woman is murdered in broad daylight," shouted Nethaway.

Nethaway's request he was allowed to take the witness stand again and make a statement to the jury.

Denies Cursing Wife. In a flow of language in which he piled up his words and gesticulated excitedly Nethaway said he wanted to rebut the testimony of one Edwards, farmer living near Florence, who told the jury Saturday that he had heard the Florence real estate man curse his wife.

"I never cursed my wife in my life," breathed Nethaway. "We were always happy."

He also took exception to the testimony of one Edwards.

(Continued on Page Five, Column One.)

Irish Hoodlums Attack American Sailors in Cork

London, Sept. 4.—Attacks on American sailors on Sunday night are reported in a dispatch from Cork to the Chronicle. It is said that gangs of young men paraded the streets and set upon the Americans, who were accompanied by their sweethearts.

One instance cited is that of two Americans who were attacked on the chief street of Cork, a young woman with them being insulted and having her hat torn off. The correspondent reports that the sailors did nothing improper or contrary to good taste to invite the attack and as far as could be learned did not retaliate. They escaped on a tram car.

English Unions Oppose Socialist Peace Meet

Blackpool, England, Sept. 4.—The trades union congress today placed itself on record as opposed to participation in the international socialist congress at Stockholm, abandoning the idea of sending British delegates. By a vote of 2,894,000 to 91,000 the congress adopted the recommendation of the parliamentary committee that, although an international conference is desirable in principle, it would be useless in practice until an agreement as to war aims is reached among the workers of the allied nations.

American Red Cross Leaves Rome for Front

Turin, Italy, Sept. 4.—The American Red Cross commission left Rome today for the front and passed through this city this afternoon. It was received here by military and civil officers.

FALLING BOMBS BRING DEATH TO ENGLISH SAILORS

Six German Airplanes Swoop Down Upon Port of Chatham, Killing 107 Naval Ratings and One Civilian; Ninety-two Are Injured; Raiders Apparently Escape Pursuing Machines.

London, Sept. 4.—German airplanes again raided the British coast last night. For the first time the death toll taken by the raiders was from England's fighting men and not defenseless civilians.

The official report of the war office gives the dead as 107 naval ratings, sailors stationed at Chatham, which was the principal point attacked, and one civilian. Eighty-six sailors and six civilians were wounded.

RAID NEAR LONDON. In last night's air raid 108 persons were killed and ninety-two wounded at Chatham, it is announced officially.

The victims were naval ratings. Six airplanes took part in the raid. Chatham is on the east bank of the Medway, thirty miles southeast of London. It is the seat of immense military and naval establishments, including a vast dock yard, an arsenal and extensive barracks.

The term naval ratings applies to the grade of men on board ship, usually those before the mast. In addition to the naval casualties, one civilian was killed and six were injured.

SIX ENEMY MACHINES. The announcement follows:

"Lord French commander of the British home forces reports that last night's air raid was carried out by about six enemy airplanes, which proceeded up the south bank of the Thames estuary to Chatham. Bombs were dropped in the Isle of Thanet and in the Sheerness-Chatham area between 10:40 p. m. and 11:30 p. m.

"There were no army casualties. Civilian casualties reported at present are: Killed, one; injured, six. The material damage was slight. Our machines went up and anti-aircraft guns came into action, but without result.

"The secretary of the admiralty reports that in the course of the air raid last night the following casualties were caused to naval ratings: Killed, 107; wounded, eighty-six."

Kaiser Lauds Prince Leopold For Capture of Baltic Port

Berlin, Sept. 4.—(Via London.)—Emperor William has sent the following telegram to the emperor:

"Field Marshal Prince Leopold of Bavaria reports the capture of Riga by our troops, which is a new milestone of German strength and unerring will to victory. May God help us further."

The emperor has telegraphed Prince Leopold as follows:

"On the occasion of the capture of Riga, I express to you and the Eighth army and the fatherland's congratulations and thanks. Farseeing leadership and steel-hard will to victory guaranteed this fine success. Onward with God."

U. S. Denies Protest Against Jap. Occupation in China

Washington, Sept. 4.—The State department today characterized as "without foundation in every detail" a report published in German newspapers and circulated by German agents, that the United States had protested to Russia against occupation of Chinese territory and coastal provinces lying north of Vladivostok by the Japanese and that the Japanese withdrew as a result.

The report also stated that the Japanese ambassador at Petrograd expressed his disapproval to the Russian government in regard to "far reaching political and commercial privileges granted to America in Siberia and on the Island of Sakhalin."

Sinking of British Ship Due to Disregard of Orders

London, Sept. 4.—Advices received here from Capetown, South Africa, say that a court of inquiry held recently to investigate the sinking of the British steamer City of Athens, in which four American missionaries and a large number of other persons lost their lives, found that the disaster was due to the vessel striking a mine as a result of the captain disobeying steering orders.

"The court considers," says the finding, "that the vessel was lost as the result of navigating contrary to the admiralty's advice, the captain steering a course, taking his ship over a danger area instead of as directed by the admiralty. It is recommended that the captain's certificate be suspended for six months."

Fifteen Hurt in Train Wreck Near San Antonio

San Antonio, Tex., Sept. 4.—Three persons were seriously injured and a dozen others hurt when the Sunset Limited, westbound, on the Southern Pacific lines, was derailed about thirty miles west of San Antonio today.

The cause of the accident has not been determined.

Twenty-Four Norwegian Ships Lost During August

London, Sept. 4.—According to Norwegian advices, twenty-four Norwegian merchant ships with an aggregate tonnage of more than 41,000 were lost in August. Twenty-three seamen were killed and five are missing.