

CHINESE DENY HAINAN LANDING

Million-Dollar Expansion Of Industrial Area Here Told

Details of a million-dollar expansion and building project, involving three companies at the Camp White industrial area, were reported today by Medford businessmen involved.

The three firms are the Ross Lumber company, the White City Lumber company, and Bruce Bauer and Company. Total expenditure planned for the three related projects will amount to more than \$1 million.

The Ross Lumber company is in the process of installing a new 15-inch high speed planer and mill including resaw equipment at the White City industrial area.

Ground has already been broken for a log pond, which will serve as a new Swedish gang mill, the first of its type in southern Oregon. It is designed to handle logs up to 36 inches in diameter, and company officials say that it will handle logs far more efficiently than with the conventional type sawmill.

The new planing and log gang mills will cost in the neighborhood of \$400,000. Tom Ross is president of the concern, and the firm's office is located in the Fluhrer building.

The largest expansion project of the three firms is that now under way at the White City Lumber company, where a new 10-track concrete and tile dry kiln, with stacker and unstacker, is being constructed. In addition, a new planing mill with a 24-inch planer, with added rip saw equipment is being installed, to add to present facilities. These include a 15-inch planer, side-fed dry kilns, and one horizontal and one vertical resaw rig.

The new facilities will increase the capacity of the plant substantially, and will make possible a more constant supply of material for use by remanufacturing plants now located or planned for construction on the site.

The new pieces of equipment, and a rearranging of the plant's layout to permit more efficient operation, will cost approximately \$500,000. Chauncey

Two State Roads Off Load Restriction List

Removal of reduced load limits on Medford-Provoct and Little Butte secondary state highways in Jackson county was reported yesterday by James Bromley, Grants Pass, state highway department resident engineer.

Restrictions remained in effect, however, on three other Jackson county routes, the Sams Valley road, Tiller-Trail highway and Cascade Lake highway above Cascade Gorge. The highway department order went into effect on January 6 to prevent damage during thaw.

In Josephine county limitations were taken off Williams secondary highway and the Rogue River loop except between Robertson bridge and the junction with the Redwood highway. Nearly 12 miles of the Oregon Caves highway is restricted and load limits have been placed on the Redwood highway from Cave Junction to the state line.

'Preserve The Rogue' Group Incorporates

"Preserve the Rogue association" has filed articles of incorporation at the county clerk's office, with three Trail men signing as officers and directors.

D. H. Barber, president; R. G. Eastin, secretary-treasurer, and Ronald Axtell, member of board, state that their organization is formed to "promote, support, and engage in any and all activities and measures which have for their purpose to preserve, improve, and perpetuate the scenic and recreational assets and values of the Rogue river basin and to oppose and resist any and all activities, movements or measures designed to destroy or damage said assets or values."

Kenneth Denman, Medford, also signed as attorney for the group.

Salem, Ore., Jan. 12—(U.P.)—Wade Carter was elected this week as president of the Salem trades and labor council.

Beards Sprout As New York Observes Thirsty Thursday

The Great Gotham Gobi, N. Y., Jan. 12—(U.P.)—Beards sprout like alfalfa in New York today as the city observed "thirsty Thursday." There was a forecast of rains in the upstate watershed, but the reservoirs still were only about one-third full.

It was bathless, shaveless and wash-at-the-dishes-at-one-a-crack day, the second such emergency measure.

Edward J. Clark, chief engineer of the water department, set the hirsute tempo by announcing that he would taxi his tuxedo to the Waldorf for a formal function tonight—wearing a ragged two-day stubble.

But early water department reports indicated that, while this

logging on a sustained yield basis.

The acquisition of the Camp White area was a phase of this program. The expansion of the two logging firms, and the construction of workers' homes there, follows the lines of development originally laid down in the chamber's plan.

The area comprises 750 acres of land, which is served by six and a half miles of spur track, and there are more than 700,000 square feet of factory space in existing army-made buildings, and 20 miles of paved and concrete highways and water and sewer facilities.

In addition to the firms mentioned above, contracts have been signed with several new concerns which will begin production early this year.

Russia 'Taking' China Provinces, Acheson Maintains

Washington, Jan. 12—(U.P.)—Secretary of State Dean Acheson said today that Russia is in the process of "taking" the four northern provinces of China.

"The Soviet Union is detaching the northern provinces of China from China and attaching them to the Soviet Union," Acheson said in a speech before the National Press club.

Significant Fact

He said this is the most significant fact in relation to the policy of any foreign power toward Asia today.

Acheson said the process of taking over is complete in Outer Mongolia, nearly complete in Manchuria and that "happy reports" are going to Moscow from Inner Mongolia and the fourth northern province.

Acheson said nothing that the United States does should be allowed to obscure this fact. He said Soviet propaganda could not obscure it, but that "ill-conceived ventures on our part could do so."

"We must not seize the untenable position Russia has carved for herself," he said. "We must not take for ourselves the righteous anger of the Chinese people which must develop."

Isbrandtsen Vessel Heading For Tsingtao

Hong Kong, Jan. 12—(U.P.)—The shell-torn Isbrandtsen freighter Flying Arrow was reported steering north to Tsingtao today after being ordered to abandon attempts to reach Shanghai.

Capt. David Jones of the Flying Arrow was ordered by his owners to take his ship to Tsingtao rather than risk a dash into Shanghai past blockading nationalist warships.

The ship, on the Shantung peninsula some 360 miles north of Shanghai, is the former United States naval base in the far east. It is too far away from nationalist naval bases to be blockaded successfully.

Two American destroyers which have been standing by the Flying Arrow for the past two days were reported to have departed after learning the freighter had been ordered to Tsingtao.

The destroyers helped the Flying Arrow repair 17 shell holes received when it was fired upon by a nationalist gunboat last Monday.

Ingrid Bergman Will Get Mexican Divorce

Rome, Jan. 12—(U.P.)—Ingrid Bergman has made arrangements to get a Mexican divorce so she can marry Roberto Rossellini, Italian movie director, "as soon as possible," the director's lawyer announced today.

The attorney said Miss Bergman and her husband, Dr. Peter Lindstrom, Hollywood surgeon, had reached a divorce agreement which will give him custody of their daughter, Pia, 11. They also agreed on a property settlement, he added.

"There are no other hindrances to hold back the swift course of divorce," Gino Solis, attorney for Rossellini, said in announcing the agreement. Negotiations have been going on in New York for several days.

Man's Haste To Change Leaves Him In Undies

Mulhouse, France, Jan. 12—(U.P.)—A visitor from Basle, Switzerland, bought himself a suit here and checked it in a restaurant while he had lunch.

As his homebound train approached the Swiss border, he undressed in the washroom and tossed his old suit out the window.

When he opened the package he had received from the restaurant check room, he discovered it was a size six boy's suit.

He got off the train in his underwear.

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TO BOLSTER PACIFIC FLEET—F8F Bearcat is hoisted aboard the aircraft carrier Boxer (background) at Alameda Naval Air Station, Calif., as the carrier is readied for duty with the Seventh Task Fleet in the Orient. The 27,000-ton Boxer has a complement of 90 planes and a crew of 2400.

GI Life Insurance Checks Due Monday

Washington, Jan. 12—(U.P.)—The mailman will deliver U. S. government checks to some half a million veterans Monday morning.

It's the beginning of the grand payoff on GI life insurance. In some \$2,800,000,000 in dividends will be paid out to 16,000,000 veteran policyholders.

Mass writing of the dividend checks starts today. By next week the U. S. treasury electronic check-writing machines will be grinding them out at the rate of 200,000 a day.

The Veterans Administration will distribute the checks by a "block" mailing system. Beneficiaries will receive them in the mail.

Each check will carry the signature of Paul D. Banning, 57-year-old native of Mt. Vernon, O., as chief disbursing officer of the U. S. treasury. He has become the "world's greatest check writer."

On the back of every check will be the suggestion: "Invest it wisely. Buy U. S. savings bonds."

Lewis Seen On Way Out As President of UMW

Washington, Jan. 12—(U.P.)—John L. Lewis could be on his way out as president of the United Mine Workers.

He will be 70 on February 12. The union's constitution says 70 is the retirement age for officers. But the constitution allows for "exceptions." It empowers the executive board to block an officer's retirement "if it finds it necessary to continue his services."

Union officials said the board might make an "exception" in Lewis' case if he wants to stay on.

Lewis, who has been president since 1920, said he had "no comment."

BULLETINS

Washington, Jan. 12—(U.P.)—The senate armed services committee voted unanimously today to confirm the nomination of Adm. Forrest P. Sherman to be chief of naval operations.

The action washed up a planned "limited" investigation of the ousting of Adm. Louis E. Denfeld, Sherman's predecessor in the top navy post.

Springfield, Ill., Jan. 12—(U.P.)—Mrs. Ann Louise Lewis, 91-year-old mother of John L. Lewis, United Mine Workers' chief, died at the home of her daughter here today.

Lake Success, N. Y., Jan. 12—(U.P.)—Jacob Malik, Russian delegate to the United Nations security council, appeared at UN headquarters today to attend the council meeting.

London, Jan. 12—(U.P.)—The 1,090-ton British submarine Truculent was sunk in the Thames estuary after colliding with a Swedish freighter, the admiralty announced tonight.

Woman Confesses To Starting Fire In Iowa Hospital

Davenport, Ia., Jan. 12—(U.P.)—A young woman patient was charged with first degree murder today after admitting that she set the fire which destroyed the mental ward at Mercy hospital last Saturday and killed 41 women.

County Attorney Clark Filseth filed the charge against Mrs. Elnora Epperly, 23, Rock Island, Ill.

Used Christmas Gift

Mrs. Epperly, a petite, attractive brunette who had suffered a nervous breakdown, admitted to her husband last night that she set fire to curtains in her room with a cigarette lighter he had given her for Christmas.

The husband, John, promptly notified the office of State's Attorney Bernard Moran at Moline, Ill., and Moran sent two sheriff's deputies to the couple's home at Rock Island.

He said the deputies questioned the woman for four hours last night, and that she repeated the story in detail. She was brought to Moran's office at Moline today, to be turned over to Iowa authorities.

In a mixup, however, she and her husband had been reported missing from their home, and a warrant had been issued here for her arrest.

Claustrophobia Victim

Moran said a Davenport psychiatrist who asked to remain unidentified told him that the woman suffered claustrophobia, or fear of confined spaces.

She was allowed to stay in a ward during the day, the psychiatrist said, but was locked in a room at night. The psychiatrist told Moran that the woman was due to have been released from the hospital last Saturday morning.

Moran said the psychiatrist told him he had treated the

Northwest Clogged By Winter Weather

By United Press

Drifting snow, icy highways and cold weather slowed transportation, business and logging operations in the Pacific northwest Thursday as the U. S. weather bureau forecast a continuation of raw winter weather.

Weathermen predicted the mercury will drop as low as zero in eastern Washington and Oregon and northern Idaho Thursday night, with temperatures in the 20's in western Washington and Oregon.

A wind-whipped snowfall in the Spokane area again snarled road conditions in the inland empire of Washington. About two-thirds of Spokane county's schools were closed and travel became more difficult hourly.

I Idaho state police said motorists were warned not to travel on any roads in the Coeur d'Alene district unless absolutely necessary.

Stocks Drop Sharply In Severe Setback

New York, Jan. 12—(U.P.)—Stocks dropped sharply in the last hour today in the most severe setback since the market started up on last June 17. Tickers fell several minutes behind the market.

The tape was late at 2:20 p.m. Indications were sales would set a new high since Nov. 3, 1948.

Dow Jones closing stock averages: 30 industrials 197.93, off 3.68; 20 railroads 53.81, off 1.99; utilities 40.94, off 0.54; 65 stocks 71.52, off 1.58.

Sales today amounted to 2,970,000 shares, compared with 2,630,000 shares traded yesterday. Volume was the most active since Nov. 3, 1948 when 3,230,000 shares changed hands.

In the final hour alone, 1,350,000 shares were traded, same as the last hour on May 14, 1948, which was the peak for any hour since May 14, 1940.

Portland, Ore., Jan. 12—(U.P.)—The first smelt of the year will be on the Portland market next week, Clatskanie Smelt Association Secretary Nick Begleries predicted today.

WEATHER

FORECAST: Partly cloudy this evening becoming clear and colder tonight. Ground fog Friday morning increasing cloudiness and slightly warmer Friday afternoon.

	Temp.
Highest Yesterday	34
Lowest This Morning	21
Prec. to 4:30 A.M. Today	.12

Guerrillas Engage Formosa Defenders In Invasion Area

Battle Going On In All Directions

Taipei, Formosa, Jan. 12—(U.P.)—A nationalist military spokesman said today that there was heavy guerrilla fighting on Hainan Island but he denied that Chinese communist regular troops have landed there.

"There have been no landings whatsoever but there is fighting between guerrillas and nationalists," the spokesman said. He added that he couldn't specify the exact areas of the fighting but that it was going on "in all directions."

Landings Told

The report of a communist landing was published in the semi-official paper New Life Daily (Sinsangpao). It said communist regulars from the mainland landed and established a beachhead with the help of guerrillas.

The dispatch said there was no fighting and that so far the nationalist commander, Gen Hsueh Yueh, has made no move to repel the communists.

The landing was said to have been made on the southwest coast between the cities of Kanem and Kaotu, 140 miles southwest of the expected invasion area around the island's capital, Hailow.

Guerrillas Move Down

The dispatch said guerrilla forces which have been active in the mountains moved down to the beaches and established a headquarters there to aid the landing forces.

Instead of sailing from the Luchow peninsula as expected, the dispatch said, the communist invasion fleet left the port of Pakhoi, some 90 miles northwest, and sailed directly south to Welchow Island in the Gulf of Tinkin.

At Welchow the communists waited for an opportune time, then sailed 150 miles south to reach the landing area. The dispatch did not say how many troops were in the landing force.

Van Dyke To Attend Salem Board Meeting

Frank J. Van Dyke, speaker of the state house of representatives, will leave tonight to attend a meeting of the state emergency board in Salem tomorrow. At the meeting consideration will be given to requests for additional state funds for the eastern Oregon hospital, Pendleton, and the state unemployment compensation and welfare commissions.

Members of the board have been invited to attend the Oregon-Oregon State basketball game at Corvallis following adjournment of the board meeting tomorrow evening.

First Gifts Made To March Of Dimes Here

First contributions to the 1950 March of Dimes, which does not begin officially until next Monday, were received today by Dick House, chairman of the drive this year.

The Junior Service League's contribution of \$50 was received today, as were two gifts from individuals, made in the memory of the late Lewis G. Ulrich.

Road Conditions

United Press reported today that highway 99 north from Grants Pass had some packed snow but state police said only about an inch was on the ground. Chains were advised. It was snowing lightly in Roseburg and on the Redwood highway.

Union Creek reported it snowing hard with chains required while Greensprings and Siskiyou also reported heavy snowfall. Chains are required in all three areas.

UP reported it was snowing lightly on Willamette pass, at Klamath Falls and Keno. Snow was packed in all three places and motorists were advised to carry chains.

Beau Seeking Margaret's Hand Must First Ask Dad

New York, Jan. 12—(U.P.)—Margaret Truman said today that when and if the right man comes along he'll have to ask the president for her hand.

She couldn't say whether she'd over-ride her father's decision, since she couldn't predict the future state of her heart.

Miss Truman said, however, that she definitely would not marry this year and those who predicted she would were "all wet."

"There isn't even a remote possibility of a wedding this year," she said in an interview. "There is no particular man I'm interested in at present and I see no romance on the horizon."

"If and when the right man comes along, however, he'll have to see my father in the traditional manner. I certainly would want my family's consent and I doubt if I'd attempt to marry anyone they'd disapprove of. But if my father did say no, I'm not sure of what I'd do. It depends on how I'd feel at the time."

Miss Truman, 25, the attractive, blue-eyed blonde daughter of President Truman, was interviewed in her apartment in midtown Manhattan. She is here studying voice under the guidance of Soprano Helen Traubel. She said that at present her musical career came ahead of any plans for matrimony.