



OPENING CEREMONY—Pictured just prior to cutting the ribbon today in front of the new First National Bank of Portland, Medford branch, is Mayor Earl Miller, second from left with scissors. Miller formally opened the new bank for the all-day open house. KYJC Manager James Dunlevy, left, recorded the ceremony for rebroadcast. Other

dignitaries who spoke briefly at the ceremonies were, left to right, C. B. Stephenson, president of the bank, Portland, John Pletsch (behind Stephenson) president of the Jackson County Chamber of Commerce; Elwood Hedberg, manager of the local branch of the bank, and D. L. Flynn, former mayor and president of the League of Oregon Cities. —(Brainerd photo)



MOVING GUARDED—Pictured are three armed Medford city policemen who participated in the Saturday night moving of cash and safety deposit vaults from the old to new First National bank locations. Officer Jack E. McMillan is shown with shotgun left

in the bank's vault, and Officers Keith Gillesgard and Raymond Seely ride the rack of a vehicle moving a safe deposit section in front of the new bank. A total of 10 officers were used to guard the cash moving, and six policemen worked for 20 hours straight. —(Brainerd photo)

Weather
FORECAST—Mostly cloudy tonight and Tuesday with occasional light snow. Low tonight 30. High Tuesday 34.
Highest yesterday Temp. 35
Lowest this morning Prec. 29
To 1:30 a.m. today Trace

Morse Given Coveted Post

MAYOR CUTS RIBBON TO OFFICIALLY OPEN NEW BANK BUILDING

Medford Mayor Earl Miller snipped the blue ribbon at 10 a.m. today and the local branch of the First National Bank of Portland officially opened its doors to business and an all-day open house in its new home. The modern structure was erected at a cost of a half million dollars and is two stories high, located at 1 East Main st. A small crowd attended the ceremonies, which started at 9:45 a.m. Dignitaries, besides the mayor, were C. B. Stephenson, president of the bank from Portland; Elwood Hedberg, manager of the local branch; John Pletsch, president of the Jackson County Chamber of Commerce; and former Mayor D. L. Flynn, president of the League of Oregon Cities.

Officials Interviewed
The officials were interviewed by James Dunlevy, manager of radio station KYJC, during the ribbon cutting ceremonies, for a later re-broadcast. The Medford high school band played during the ceremonies.

A steady stream of guests flowed into the new quarters during the morning. Orchids were presented to the women and refreshments served. The open house will continue until 8 o'clock tonight. Balloons flew from the top of the building and the interior was decorated with large baskets of flowers for the occasion. A 20-minute film, "The Banking Story," was shown downstairs. Organ music was performed by Abbey Greene of the Rogue Valley Country Club.

The new building is more than three times the size of the old structure, which the branch occupied for the past 20 years. Many modern banking innovations are featured, including two drive-in banking windows and a large parking lot. The building generally features enlarged facilities of all types.

Second Floor Offices
The second floor of the building houses the branch's trust department, bookkeeping department, employee lunchroom, two conference rooms and men's and women's lounges.

Construction began on the structure one year ago. The site was recently used as a parking lot and at one time was the site of the Chamber of Commerce.

A bustle of activity preceded today's grand opening on Saturday and yesterday, in order to open in the new quarters today for business as usual. What was probably Medford's biggest money moving job in its history occurred Saturday night without a hitch, according to the city police department.

Over a half million dollars in cash was moved from the Medford branch, First National Bank of Portland's old site, a half block away, to the new location at 1 East Main st.

Fichtner in Charge
It took exactly 19 minutes to move the cash from one location to the other and secure it, police said. The overall operation, however, took almost a whole day. Six officers worked 20 hours straight as guards, with 10 men working during the actual moving of the money. Sgt. Clyde Fichtner was in charge of the operation.

The officers were armed with sawed-off shotguns, riot guns or carbines as well as the usual sidearms and stopped all pedestrian traffic in front of both

banks all night long. Traffic was re-routed at intervals during the cash moving.

Bank personnel and Davis Transfer company people executed the actual moving. Moving of 34 safety deposit vaults of varying weights from 250 to 6,500 pounds took the majority of the time.

Police said a number of bystanders watched the operation during the night. A few slightly inebriated persons were hustled away by officers when they "offered their services for the job," officers added.

Water Outlook for Southern Oregon Said 'Only Fair'

The outlook for 1955 water supplies in southern Oregon is only fair at this early winter date, according to a joint release by R. D. Church of the Medford Weather Bureau Office and W. T. Frost of the U.S. Soil Conservation Service and Oregon Agricultural Experiment Station, Portland. Unless much above normal snowfall occurs in this area during the remainder of the winter, there is a strong likelihood of serious water shortages.

Water content of present snow cover in the Rogue and Klamath Basins is 50 and 71 per cent of average, respectively, the release said. Soils in the high watersheds are extremely dry under the present snow and will soak up much of the early snow melt next spring.

Below Average
Precipitation in the Rogue-Klamath area was 40 per cent of the 10-year average (1943-1952) during the September through November period. December was 79 per cent of average and the cumulative precipitation from September 1 through December is 54 per cent of average.

Storage in all reservoirs is below that of last year, but is above the 10-year average. Fish lake contains 5,100 acre feet compared with 6,700 a year ago. Four mile lake holds 8,300 acre feet compared with 15,600 in 1954. Hyatt Prairie is holding 9,400 acre feet compared with 11,200 a year earlier. Upper Klamath contains 280,700 acre feet as against 407,800 a year ago but present rate of inflow is about 8 per cent greater than the 10 year average. Storage in Gerber reservoir is 26,900 acre feet compared with 49,200 in 1954 and Clear lake holds 219,200 acre feet compared with 245,200 last year, the report showed.

Man Hurt in Fall At Post Office

A. C. Maxwell, Portland, is in critical condition at Community hospital where he was taken this morning by Medford ambulance service attendants after he fell down a stairway to the basement of the Medford post office, according to reports from the attending physician and post office officials. He received a head injury and was not conscious at the time of the report. Maxwell and his wife arrived here last week to care for their three grandchildren, the children of Mr. and Mrs. A. C. Maxwell Jr., 723 West 13th st., while the younger Maxwells went on vacation. They left yesterday for Los Angeles. The injured man's son is sales manager at Chapman Jewelry store. Mrs. R. W. Hurn, wife of the pastor of the Medford Church of the Nazarene, will care for the children, it was stated.

Knowland Not to Join 'Back Ike' Movement

Washington — (U.P.) — Senate Republican Leader William E. Knowland said last night he would not join a draft Eisenhower movement in 1956 because the Republican party does not want a "reluctant" candidate for its presidential nominee. Knowland also said that he would "make my decision" about whether to support President Eisenhower when the President decides whether to run.

Grandview Water District Election Set Wednesday

Election for incorporation of the Grandview water district will be held Wednesday, it was announced today. Polling place will be at 2179 Crater Lake ave. and the polls will be open from 8 a.m. to 8 p.m.

Foreign Relations Assignment Goes To Oregon Senator

Sen. Barkley Also Placed on Committee.

Washington — (U.P.) — Senate Democrats today gave Sens. Alben W. Barkley (D-Ky.) and Wayne L. Morse (Ind-Ore.) coveted seats on the Senate Foreign Relations Committee. This action was announced after a meeting of the 14-man Senate Democratic Steering Committee, which handles committee assignments for the party which is now in control of the Senate.

Senate Democratic Leader Lyndon B. Johnson announced that the committee had waived the seniority rule for Barkley and for Sen. Joseph C. O'Mahoney (D-Wyo.). Both returned to the Senate this year after interruptions in their long service.

Essential Vote
Morse, former Republican who turned Independent in 1952, supplied the vote needed by the Democrats to organize the Senate this year. Johnson said it is the responsibility of the majority party to assign Independents to committee seats.

Morse also was assigned to the Banking Committee and, by his own choice, retained his seat on the District of Columbia Committee. Republicans bumped him from his former committee assignments two years ago because of his bolt from the party, and gave him two minor committees. Barkley was named to the powerful Finance Committee as well as to Foreign Relations. He served on both before his election to the vice-presidency in 1948.

Presidential Messages
Johnson described Morse as "one of the ablest members" of the Senate who "would serve with distinction in any post."

O'Mahoney, former chairman of the Interior Committee, was assigned to that committee and to the Judiciary Committee.

Party leaders and party committees in both House and Senate were expected to devote most of this week to the legislative committees.

Dag, Chou End Prisoner Talks

United Nations, N.Y. — (U.P.) — UN Secretary-General Dag Hammarskjold held his final talks with Red China's Premier Chou En-lai today on the fate of 11 imprisoned American fliers, but a final joint communique failed to disclose their outcome. Hammarskjold and Chou talked for one hour and 20 minutes. It was their fourth meeting together. Their communique said that "their talks have been useful and we hope to be able to continue the contact established in these meetings."

It said their discussions had referred to "questions pertinent to the relaxation of world tension."

Prisoners Not Mentioned
But it made no mention of the "free the prisoners" mission which took Hammarskjold to Peiping on a mandate from the UN General Assembly. And it did not refer to anything said by either side on the fate of the 11 American fliers jailed as "spies" and some 2850 other UN command personnel still held as Korean war prisoners by Red China.

Hammarskjold planned to start his journey home tomorrow.

Medford Man Dies In Alabama City

Montgomery, Ala. — (U.P.) — A man identified as Calvin Edward Reynolds, 56, Medford, Ore., was found dead of an apparent heart attack in a downtown hotel here yesterday. The coroner's office said the body was at the White Chapel funeral home awaiting word from the man's family as to disposition.

Local directories list a Calvin E. Edwards with a residence address of 30 North Front st.

DOW-JONES AVERAGES
New York — (U.P.) — Dow-Jones final stock averages: 30 industrials 400.89 up 5.29; 20 railroads 146.23 up 1.89; 15 utilities 62.38 up 0.28; 65 stocks 149.60 up 1.74. Sales today were about 4,300,000 shares.

EISENHOWER ASKS CUTS IN TARIFFS, TAX CONCESSIONS

Washington — (U.P.) — President Eisenhower asked Congress today to throw more of America's economic weight into the cold war against Communism by reducing tariffs, granting tax concessions to business investment abroad, and continuing technical aid to underdeveloped countries.

The President also made recommendations for encouraging greater tourist travel abroad and increasing U.S. participation in international trade fairs.

In a 2400-word special message to the House and Senate, he laid down a seven-point program of foreign economic policy which he said would help to open new markets for U.S. exports as well as strengthen free nations against "Communist

penetration and subversion."

Mr. Eisenhower described his program as "moderate, gradual and reciprocal."

Its main feature was a renewal of last year's request for a three-year extension of the reciprocal trade agreements act, with authority to reduce tariffs by five per cent each year. Democratic leaders of the new Congress have promised full support and priority action for this request, which was sidetracked by the Republican controlled 83rd Congress. Some Republicans served advance notice that they oppose any program "which does not protect the interest of our American workers and producers."

Other Features
Other features of the new presidential program included recommendations for:

1. Reducing the corporation tax rate from 52 to 38 per cent on income which U.S. business earns from foreign subsidiaries and branches. The tax also would be deferred until the income is removed from the country where it is earned. Mr. Eisenhower said this would stimulate the flow of U.S. investment capital abroad.

2. Streamlining U. S. customs rules and procedures to remove unnecessary red tape from importing foreign goods.

3. U. S. membership in the proposed new International Finance Corporation, a branch of the World Bank which will provide private venture capital for underprivileged countries.

Would Up Duty Free Goods
4. Increasing from \$500 to \$1000 the amount of foreign goods which American tourists may bring into the country duty free on their return from foreign travels.

5. More widespread U. S. participation in foreign trade fairs, which, he said, the Communists have been using as propaganda showcases to convey the impression that Russia "is producing on a large scale for peace and is creating a paradise for workers."

Protection for Business
6. Continuing the so-called "Point Four program of technical aid to underdeveloped countries, Mr. Eisenhower said the program "should be concerned with knowhow rather than large funds" and promised to spell out details in his budget message next week.

In an apparent effort to reassure the protectionist wing of his own party which sidetracked his trade program last year, Mr. Eisenhower said he did not favor "radical or sudden tariff reductions" but only a "moderate, gradual and reciprocal" lowering of barriers.

Tachen Island Hit By Chinese Reds in Heavy Air Assault

Taipei, Formosa — (U.P.) — Red China plastered Nationalist-held Tachen Island with the heaviest air attack in five years of coastal warfare today and Communist Peiping Radio boasted that "four" Nationalist ships were destroyed or damaged in the raids.

Nationalist sources said 100 Red bombers, heavily protected by Communist fighters, showered 300 bombs on the island "stronghold" in four separate raids.

Peiping Radio claimed that one Nationalist landing craft and one supply vessel were damaged, and that in a later raid one landing craft was destroyed and another was damaged.

A communique from the Nationalist Ministry of Defense said "many" civilians were killed and wounded among the island's 13,000 inhabitants. But there was no mention of military casualties or damage.

The Nationalists claimed that two raiders possibly were shot down, and two others were seriously damaged.

The communique said the Chinese Reds unleashed their first powerful air strike off the coast of the Tachens, which lie about 200 miles north of Formosa, at 6:55 a.m. The Reds used eight La-11, four TU-2 and 12 MIG-15 type planes in a 30-minute raid.

The main target of the Reds appeared to be Tachen Harbor on the main island of the chain. It was not disclosed whether any Nationalist shipping anchored in or near the harbor was sunk or damaged.

Mystery Man Contest Plan Told by March of Dimes

A county-wide "mystery man" contest was announced today by the March of Dimes. The contest is to start immediately and will run until identity of the mystery man is guessed, at which time a new contest will

would be accepted along with the sender's name.

One telephone call will be made nightly, starting Wednesday. The calls will be rotated by the four radio stations and television station. The first call will be made by KWIN, Ashland, Wednesday at 8:15 p.m. The person identifying the mystery man will receive a hand vacuum cleaner and a week's use of a sewing machine and vacuum cleaner from Singer Sewing Machine Co. Each day that the mystery man goes unidentified, an additional prize will be added.

Persons desiring to contribute prizes may call John Duffy at 2-7111.

First clues to the identity of the mystery man, shown here, follow:

He was born in a year of great financial panic. His birthplace was approximately seven miles east of the county seat of Jackson county. Start with a popular brand of cigarettes, make a real estate deal, and you have his first name. An additional clue will be added each day that the person is not identified, it was stated. The annual March of Dimes steer "giveaway" also will be a feature of this year's fund-raising campaign. The animal will be on display at Main and Front sts., until 8 o'clock tonight, it was announced.



POLIO'S MYSTERY MAN
Can You Guess His Identity?

Patterson Proposes Several Means To Offset State Deficit

Salem — (U.P.) — Gov. Paul L. Patterson proposed several methods to the 1955 Legislature for raising revenue sufficient to offset a \$45,000,000 state deficit predicted for the 1955-57 biennium, as well as to provide funds for a state building program.

Patterson delivered his message just after his inauguration for a four-year term as Oregon's chief executive. He was sworn in by Chief Justice Harold J. Warner of the Oregon Supreme Court.

Senate President Elmo E. Smith of John Day, with House Speaker Edward A. Geary of Klamath Falls at his side, opened the joint session.

Gov. Patterson did not advocate a sales tax, observing that such a tax had suffered defeat by the voters half a dozen times.

"I do not believe that this Legislature should adopt a retail sales tax," the governor said. "If we are to have such a tax, it should be initiated by the people themselves."

The two major proposals of the governor for raising revenue were a state property tax of six mills together with a property tax levy to pay bonded indebtedness—the two taxes to raise about \$30,000,000 for the biennium—and repeal of the federal offset to the existing state per-

sonal income tax law to produce another \$30,000,000.

Proposes Tax Study
Gov. Patterson also proposed a study of the business tax law, similar to one in operation in New York. The governor said that Oregon for many years has been collecting a corporate excise tax on corporations but has not levied a similar tax on partnerships or individual operators of business.

"It has seemed to me that to tax one form of doing business and exempt other forms doing the same business is not doing entire equity to our people," he said.

Gov. Patterson said he believed the time has come when the legislature should repeal the so-called "skyscraper clause" under which large building owners are exempted from payment of corporate income tax, as well as exemptions to utilities. Other exemptions provided in this tax, he said, should be re-examined. But he made it clear he was opposed to any repeal of the personal property offset unless there should be a corresponding adjustment in the rate, together with consideration of a within-the-tax picture of businesses which now are not being taxed.

Other Revenue Methods
Other methods of raising revenue, Gov. Patterson said, would be: A markup on the sale of liquors; a tax on public utilities,

whether operated by private or public companies; an increase in the state's portion of the take in pari-mutuel betting on horse and dog racing in Oregon; and a tax on insurance policies.

Appropriations of \$2,500,000 for an intermediate penal institution on a site purchased by the State Board of Control north of Salem and south of St. Paul was urged by the governor. He also asked sufficient money to start construction of the new mental hospital in the Portland area, and the beginning of the first unit of Portland State college, together with an act making this institution a four-year degree-granting college.

For the remainder of the building program, covering the needs of state institutions and the schools of higher learning, Gov. Patterson proposed a building bond issue to be submitted to the voters.

Opposes Gas Tax Boost
Gov. Patterson said he was against a two-cent increase in the tax on gasoline, but he recommended issuance of \$11,000,000 in bonds, to be earmarked for the purpose of matching such amounts of money as to be required by the new federal highway program.

He endorsed a one-man tax commission, as recommended by the legislative interim committee on the department of revenue.

Increase in weekly unemployment compensation payments was proposed.

Extension of unemployment benefit coverage to all employees of one or more persons was recommended.

Gov. Patterson further recommended enactment of legislation providing for a multiple schedule providing for increase of rates when the fund has been depleted to a fixed level.

The governor made a complete review of the power situation facing Oregon and the Pacific Northwest and he recommended the strongest possible memorial from the Legislature to Congress urging completion of Chief Joseph, McNary and The Dalles dams on present construction schedules.

Big Navy Helicopter Parks Beside Highway at Talent

Talent had unexpected visitors last night when two Navy helicopter fliers landed their craft alongside the Par-A-Dise motel and obtained rooms for the night.

The twin-motor helicopter is en route from San Diego, Calif., to Seattle. Lt. Roger E. Ruch and Airman Bill Reiss, the two fliers, started out from San Diego, Dec. 30, but have been plagued by bad weather all the way.

Last night over Medford a shortage of gasoline, and icing conditions, gave them trouble, so they contacted the control

tower at the Medford airport and were instructed to land the helicopter south of town alongside of Highway 99.

They brought the craft down a few steps from the motel, and across the highway from a restaurant, so they spent a comfortable night.

This morning, they brought the helicopter to the Medford airport to gas up. Lieutenant Ruch, the pilot, said after a check with the local weather bureau, that because of weather conditions it appears the 'copter will be unable to leave Medford for the next day or two.