

Blackout Signal

One 5-minute blast on sirens and whistles is the signal for a blackout in Klamath Falls. Another long blast, during a blackout, is a signal for all-clear. In precautionary periods, watch your street lights.

Herald and News

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THE SHASTA-CASCADE WONDERLAND

NEA FEATURES

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Weather News

July 12—High 82, Low 43
Precipitation as of July 8, 1942:
Last year 13.58
Normal 11.87
Stream year to date 13.18

NAZIS DRIVE TOWARD STALINGRAD

In The Day's News

By FRANK JENKINS
TODAY'S war news at a glance:
The situation in Russia is definitely worse.
In Egypt (temporarily, at least) it is slightly better.

IN Russia, you'll have to raise your sights to take in Stalingrad, on the Volga—a big jump eastward on your map.

Stalingrad is an important industrial city. Its factories, along with those of Moscow, are probably supplying the bulk of the Russian munitions for the present great battle—apart from aircraft replacements, which can be flown in from long distances.

The Volga is not only an important defense line, but a great Russian artery of commerce. On it oil moves in barges from the Caucasus fields. At its upper end, Moscow is connected with it by a canal.

As compared with this country, river transport is vastly important in Russia.

THE Germans are now within 200 miles of Stalingrad. They have advanced 170 miles in a week.

They are following down the right bank of the Don, through a valley containing few natural defense lines. From the valley of the Don, where it bends southward west of the Volga, it is only 50 miles to Stalingrad.

TODAY'S dispatches say the nazis are achieving their successes at tremendous cost of men and equipment.

That is doubtless true. But Grant's successes in his final drive on Richmond were also achieved at tremendous cost. He lost half his army in less than a month.

He won because Lee's losses were RELATIVELY MORE costly.

THE final result in Russia will depend on the comparative losses and the COMPARATIVE RESOURCES of Hitler and Stalin.

Plus whatever help OUR SIDE can give to Russia.

DON'T give up the ship. Don't let yourself get as gloomy now as you were probably cocky a few weeks ago.

Be REALISTIC in your appraisal of the progress of the war. Keep the long pull in mind. But don't let yourself think the Russians have the war won.

IN Egypt the hard-hitting Australians have come into the picture again. One gathers from the tone of the dispatches that their arrival is the chief reason for the temporarily favorable turn in the battle.

Where they came from isn't stated. Possibly from Australia. There has been time for them to come clear from home.

As usual, Rommel gave way before their deadly bayonets.

THE British Mediterranean navy entered the picture today for the first time since the present battle began, shelling Matruh.

Appearance of the navy suggests that our side still has control of the air in Africa. Otherwise, naval participation in the fighting along the Egyptian coast would have been too dangerous to be risked.

Egyptian fighting on a decisive scale seems to be still waiting for REINFORCEMENT ON A DECISIVE SCALE.

Whichever side gets adequate reinforcement FIRST will have the edge.

THERE has been an intriguing development on the Western front.

The British strike BY DAYLIGHT with new, last-word, four-motor, up-to-now-secret Lancaster bombers at the German U-boat nest at Danzig, on the Baltic. The number of these bombers participating is not announced, but it is stated that the loss was under five per cent. (Continued on Page Two)

Aussies Bolster Army Of Nile

ALLIES STAND FIRM WEST OF EL ALAMEIN

Both Sides Gather Reinforcements for Big Push

CAIRO, Egypt, July 13 (AP)—Britain's army of the Nile, once again bolstered by Australians, stood firm in its newly won positions 10 miles west of El Alamein today after repulsing sharp German attacks, but Marshal Rommel was reinforcing his forces by air and sea and preparing for a new thrust toward Alexandria.

Gen. Sir Claude Auchinleck also was drawing new strength from his stores and reserves in Egypt.

With both sides thus hastily gathering power for new tests, present activity in the desert was viewed by British military circles as probing for favorable ground for future operations.

The newly won British positions at Tel El Eisa, west of El Alamein, were believed so vital to Rommel's offensive plans that the British expected he would continue to attempt to recapture them before he begins a new bid for a complete Egyptian victory.

Repulse
The British communique today said they had repulsed all German counterattacks on the positions so far.

At the same time British shock troops and artillery were reported harassing the enemy on the southern end of the front, just above the Quattara depression, while in the center axis (Continued on Page Two)

Sinking of Ships In St. Lawrence Told in Canada

OTTAWA, July 13 (AP)—Navy Minister Angus MacDonald announced in the house of commons today that three United Nations ships had been torpedoed and sunk in the gulf of the St. Lawrence river "about a week ago."

Four crewmen were killed, four are missing, and 89 were rescued, he said.

This brought the total of ships sunk in the river to at least five.

The government announced the loss of two ships May 13, and survivors at the time said they believed a third had gone down.

Simpson Charges Rubber Firms With Profit-Reaping

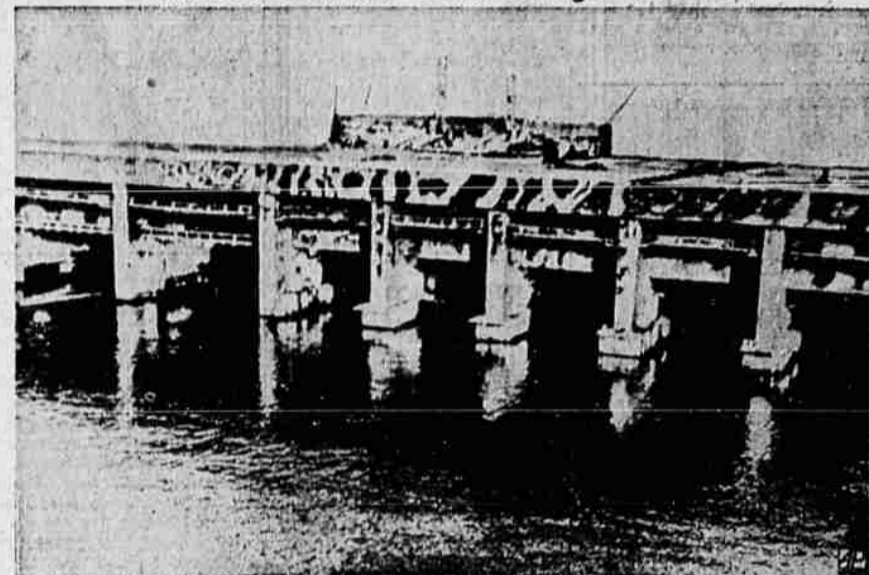
WASHINGTON, July 13 (AP)—Elliot E. Simpson, an independent rubber dealer who is counsel for a house sub-committee investigating the rubber situation, charges that "four large scrap rubber firms have reaped enormous profits from the country's scrap rubber drive."

Simpson, in a statement released yesterday, said: "The four companies which have been appointed as the sole rubber reserve agents are H. Meuhlschein and Company, Inc., A. Schulman, Inc., Nat E. Berzen, Inc., and the Loewenthal company. All four have branches extending from coast to coast, and all four are due to obtain tremendous profits from this deal."

Subsiding
The Rubber Reserve corporation is a government subsidiary of the Reconstruction Finance corporation.

"The latest wrinkle in war-profiteering is in scrap rubber," Simpson said, "with four so-called agents of the rubber reserve pocketing gigantic profits at the expense of the millions of

Here's a German U-Boat 'Garage' in France



This waterfront view, which came from a neutral nation through London to the United States, was described as showing a German submarine "garage" on the French coast. Atop the concrete-covered U-boat docks a fortification was being built. Aircraft were to be assigned to protect the structure.

WARSHIPS HURL BOMBS AT MATRUH

British Drop High Explosive Shells on Vital Base

By LARRY ALLEN
WITH THE BRITISH NAVY AIRFORCE IN THE EGYPTIAN DESERT, July 12 (Delayed)—(AP) British warships hurled more than 700 rounds of high explosive shells into the axis vital supply base at Matruh before dawn today, causing great destruction in the enemy's material dumps close behind the Egyptian battlefields.

Naval aircraft bombed the western Egypt seaport installations while scores of steel projectiles from the great throats of the sea guns silenced short batteries and beat much of the sector into smoking, ravaged pulp.

The surprise bombardment caught a mass of small supply ships and swift motor torpedo boats resting at anchor in the harbor. A number were set afire. The great shells from the fleet set huge blazes ashore.

The warships pumped shells into Matruh for nearly a half hour. The first round fell squarely on the target area and blasted the heavy anti-aircraft guns into rubble of twisted steel. Afterwards, there was only the rattle of machinegun fire and bursts of small arms from ashore.

Nazis Plan More Terror For French

VICHY, July 13 (AP)—The Germans announced today in Paris they would shoot males over the age of 18 years who are members of families of fugitives from German military justice—accused of terrorism or sabotage.

This applies to "all near male relatives in the ascending line as well as brothers-in-law and cousins." Women of the same degrees of kinship will be sentenced to hard labor and children of adults thus punished will be sent to reform schools, the announcement said.

A notice issued by the gestapo director over-night to the press in the occupied area said: "After having observed the attitude of the French population in the occupied zone I have noted that a majority of the population is continuing to work in calm. Terrorists attacks, sabotage, etc., instigated by the English and soviets are disapproved of and it is known that it is only the peaceable French population which suffers the consequences."

"I am resolved to guarantee to the French population in absolute (Continued on Page Two)

Slot Machine Close-down Starts in State

SALEM, July 12 (AP)—Governor Charles A. Sprague disclosed today that state police and county sheriffs are attempting to wipe out all slot machines operating in the state.

Governor Sprague, at the request of Lt. Gen. J. L. De Witt, commanding general of the western defense command, asked the officers to make the raids on July 1. Many of the raids already have been made.

In a letter to Charles P. Pray, superintendent of state police, the governor wrote: "I request that you instruct the officers of the state police to take immediate action to confiscate all such slot machines observed to be operating in the state of Oregon and further request that you ask the cooperation of local police authorities in continuing to suppress this form of gambling."

General De Witt asked the governor, in a letter written June 10, to shut down all slot machines operating near barracks and encampments of troops.

General DeWitt said he had requested similar action in other western states.

Governor Sprague explained that he delayed the announcement in order to give police a chance to catch slot machine operators by surprise. He said that publicity would have given the operators a warning and chased them into temporary hiding.

NAVY ANNOUNCES 3 MORE SINKINGS

Ships Lost Since Pearl Harbor Now Stand At 364

By The Associated Press
The loss of three United Nations merchant vessels, one of them a United States vessel torpedoed approximately 90 miles off the Atlantic coast, was reported today by the navy.

Earlier, the torpedoing of two merchant ships, one in the Gulf of Mexico and the other in the Caribbean, was announced by the navy.

Eleven of the 32-man crew of a small armed Norwegian cargo ship were lost in the sinking of the ship one week ago in the gulf. All 22 of the crew of the other victim, a small unarmed Panamanian cargo vessel, were saved when their ship sank May 23.

In Havana, the Cuban navy general staff said a U. S. merchant ship was torpedoed and sunk off the north coast of Cuba yesterday.

The three sinkings announced by the navy today and the two reported yesterday raised to 364 the unofficial Associated Press tabulation of allied and neutral ship losses in the western Atlantic since Pearl Harbor. The Cuban and Canadian-announced sinkings were not included pending further information.

French "Reds", Germans Battle

VICHY, Unoccupied France, July 13 (AP)—French gendarmes joined German police in a pitched battle against defiant, hand grenade-tossing Frenchmen at Houdin, in the Pas De Calais department, reports reaching Vichy said today.

One of the recalcitrant group was reported killed and a bystander wounded before the French and Nazi police stormed the house in which the Frenchmen, described as "communists," were barricaded.

The Germans said a cache of firearms and explosives was found in the house along with information which led to discovery of another cache containing dynamite and railway sabotage tools.

Baseball

AMERICAN LEAGUE
Detroit 3 4 2
New York 4 8 1
Trout, Gorsica (7) and Tebbets; Gomez and Dickey, Rosar (2).

CHINESE CLAIM RECAPTURE OF FUTUO ISLAND

Newest Jap Threat to Vital Port Held Smashed

By The Associated Press
Generalissimo Chiang Kai-Shek's high command declared today that the Chinese had recaptured Futuo island, just off the Fukien province coast from Foochow, smashing the newest Japanese threat to one of the biggest ports still in Chinese hands.

The Japanese seized the island last Thursday but were driven off Saturday, a Chinese communique announced. It said fighting still was in progress northwest of Wenchow, in Chekiang province, the second of the two big remaining Chinese ports. The Japanese claimed yesterday that they had occupied Wenchow.

Fighting continued inland in Kiangsi province where the Chinese said the Japanese were rushing up reinforcements in an effort to save 30,000 of their troops hemmed in by the Chinese between the Kan and Fu rivers.

Second Front
Free China's leading newspaper, Ta Kung Pao, called upon the United States to bring the war to a turning point this summer or autumn by opening a second front in Europe, starting a naval offensive against Japan, and turning the full power of her air force upon the axis in Europe and Asia.

The newspaper said talk of a second front so far recalled a Chinese proverb: "There is (Continued on Page Two)

Nazis Wipe Out Norwegian Town, Soviets Report

LONDON, July 13 (AP)—Reuters said today that the soviet information bureau had broadcast a report that the nazis have wiped out a village in Telemark province of southern Norway and "shot all its residents, including women and children."

A spokesman here for the Norwegian government-in-exile, however, said "We have received no information that a village was wiped out in Telemark province."

Daylight Raid on Danzig Shows New Strength in Air

LONDON, July 13 (AP)—The new potency of Britain's air campaign to drive the U-boat from the seas by smashing Germany's replacements before she can get them into the water is the story behind the RAF's sensational daylight raid on Danzig Saturday.

That neither daylight, distance nor foul weather deterred squadrons of British bombers from sweeping low over Germany on a 1750-mile round-trip in daylight showed that the nazis are exposed now to mighty air assault anywhere and at any time.

The test of the Danzig raid is comparison with the dramatic daylight air attack on the German submarine plant at Augsburg just last April. Only 12 planes made that stab, only about half as far from home as the former free city, and only five returned.

The attack on Danzig cost but three planes and unofficial indications that this was less than five per cent of the attacking

Nominated



Police Chief Frank Hamm, who was nominated Monday by President Roosevelt to be United States marshal for Oregon.

HAMM NOMINATED AS U. S. MARSHAL

F. R. Proposes Klamath Chief for Federal Post

WASHINGTON, July 13 (AP) President Roosevelt today nominated Steve F. Hamm of Oregon to be United States marshal for Oregon.

Steve F. Hamm, who is Frank Hamm in Klamath Falls, has been police chief here for seven years.

He was first appointed by former Mayor Willis Mahoney, and served through two terms of former Mayor Clifton Richmond's administration, as well as Mayor John Houston's administration to date. He had police experience with the Pendleton and Los Angeles police departments before moving to Klamath Falls.

Got Strong Support
Hamm became an active candidate for the U. S. marshal's appointment about the first of this year. He was strongly supported by the Klamath county democratic central committee, and was widely recommended by other central committees in the state, particularly those of neighboring counties. He was endorsed for the appointment by Congressman Walter M. Pierce, and former Mayor Willis Mahoney is understood to have assisted in placing Hamm's qualifications before the "powers that be."

Vacancy Here
The nomination by the president now goes to the senate for confirmation. Confirmation will be followed by assumption of the office, and Hamm will then move to Portland, where headquarters of the U. S. marshal's office are maintained.

Incumbent in the marshal's of (Continued on Page Two)

REDS PUSHED BACK TO BEND OF DON RIVER

Mighty Blitz Carries Swastika Toward Caspian Sea

By JAMES LONG
Associated Press War Editor

The Russian army, giving ground but keeping its front unbroken, was hammered back today into the big bend of the Don river where the German's deepest drive into soviet soil carried the swastika war flag within 200 miles of the Volga in a sweep toward the Caspian sea that would cut off the Caucasus.

The gravest threat to the hard-strained Russian southern front developed at Boguchar, 50 miles beyond Rossoh, 200 miles east of Kharkov, whence the German drive began, and barely 200 miles short of Stalingrad on the Volga river.

Voronezh Held
To the north the Russians reported still holding Voronezh though under intensive assault, but to the southwest they were forced to give up Lisichansk and drop back to the east bank of the Donets river against a third German spearhead being driven in south of Izyum between Kharkov and Rostov, front door to the Caucasus.

"Intense fighting continues at the approach to Voronezh, during which the enemy is suffering enormous losses," a soviet communique declared.

Defensive Fight
"In the neighborhood of Boguchar," it said, "our troops are waging a heavy defensive engagement against advancing enemy forces... Having evacuated Lisichansk and occupied new positions, our troops are waging a battle against enemy tanks and infantry."

Boguchar, where the Don veers sharply east to within 50 miles of the broad Volga, is 435 miles from Astrakhan where the Volga pours into the Caspian.

The Vichy radio broadcast a report that the Germans had occupied Pokrovsk, 40 miles northwest of Rostov, in a new and fourth spearhead of the southern drive.

The German high command said the Russians were "being pushed on a broad front in the southern sector" and that "Russian defenses had been reached and 30,000 Russians captured in a big new encirclement southwest of Rzhev, 135 miles northwest of Moscow."

Close to Capital
The Rzhev salient is the closest foothold to the soviet which the Germans were able to hold throughout the winter of Russian offensive.

A special announcement by Hitler's high command said several Russian infantry and cavalry divisions and a tank brigade had been trapped in violent fighting which started 11 days ago through a forest line of fortifications.

"The number of prisoners and the amount of booty is still increasing," the announcement said.

Power Asked to Take Over Autos

WASHINGTON, July 13 (AP)—Senator Reynolds (D-NC) asked congress today to empower President Roosevelt to take over automobiles and other transportation for war purposes.

Reynolds' bill would authorize \$5,000,000,000 of appropriations with which to pay owners of cars or equipment acquired by the government. It would be effective through 1944.

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