

VIRU GRABBED; TROOPS PLUNGE TOWARD RABAU

(Continued From Page One)

New Georgia island. A large fire was started.

Jer Planes Attack

"(B) Commencing in the early forenoon, an estimated 110 Japanese planes comprising of Zero fighters, Mitsubishi medium bombers Aichi dive bombers and various other types attacked at intervals, U. S. naval forces during the landing at Rendova island, New Georgia group. United States surface units and air forces destroyed 65 of the enemy planes according to an incomplete report. Seventeen United States planes are reported missing.

"(C) The transport McCawley was attacked and disabled by Japanese torpedo planes after landing troops on Rendova. Subsequently the vessel was attacked and sunk by a Japanese submarine. Reports indicate that all personnel were removed before the vessel sank and that there was no loss of life.

Viru Harbor Taken

"3. On July 1, Viru harbor on New Georgia island was taken by joint United States forces.

The transport McCawley, the navy said, was completed in 1928 at a British shipyard and was acquired by the navy in

July, 1940 at a cost of \$1,314,223. Converted to a transport, she was renamed in honor of the late Colonel Charles G. McCawley, seventh commandant of the marine corps.

The McCawley Jane's fighting ships carried a five-inch gun, three three-inch guns and various smaller weapons and had a normal complement of 197 crew members with a transport capacity of about 1800 persons.

Observers expressed belief that Tokyo's warlords cannot much longer avoid another open test of sea power if they hope to stem the coordinated land, naval and air drive that began with announcement that American forces had landed on Rendova island and was followed quickly by a series of trip-hammer assaults on key points of the New Guinea area.

That Gen. Douglas MacArthur personally is directing the whole action underscored the full dress nature of the campaign now under way. As allied forces moved into position from Nassau bay on the north coast of New Guinea to Rendova and New Georgia islands in the Central Solomons—fighting in some places and unopposed in others—it appeared that a gigantic pincers movement was being aimed at the strategic and heavily fortified enemy base at Rabaul, on New Britain. Rabaul is generally regarded as the center of the whole Japanese structure in the south and southwest Pacific areas.

Compel Action

It was believed here that the enemy now may be compelled to throw battleships and aircraft carriers, cruisers, destroyers and submarines into a major counter-offensive. Loss of Rabaul not only would expose the supply lines which link all of Japan's

conquered territories in that whole area but would give the allies a jumping-off place for an assault on the big enemy naval base of Truk island, 1000 miles to the north.

Distances furnish a clue to the future development of the campaign. Rendova is only five nautical miles from the enemy air base at Munda, which in turn is only 125 miles from the Japanese bases in the Shortland island-Bougainville area and 360 miles—fighter plane range—from Rabaul.

The Rendova operation, directed by Admiral William Halsey, commander of the South Pacific forces which were merged under MacArthur's Southwest Pacific command for the joint operation, forms the eastern prong of a giant pincers pointing toward Rabaul. To the west are MacArthur's own forces battling toward the enemy stronghold at Salamaua, only a few miles from Nassau bay. And in the middle of these two operations are the Trobriand and Woodlark island groups, which were occupied by allied forces without opposition.

MILK PRICE CEILINGS UP IN KLAMATH

PORTLAND, Ore., July 1 (AP)—To offset increased production costs, the regional OPA office today increased milk price ceilings in many sections of Oregon and in five southwest Washington counties under the Portland district.

In some cases the price to the producer was increased but the retail price held at its present level. These instances, including the Portland market, were where OPA received evidence that while producers were being pinched, distributors were receiving a margin greater than necessary.

Explaining the increase, Blair Stewart, district OPA officer, said that "we were under an inhibition by the department of agriculture not to set fluid milk prices so high that they would attract milk away from the manufactured milk industries. The manufacture of dried and processed milk for export to the armed forces must be increased . . . and the war food administration insists that the consumption of fluid milk must not be increased. It has already reached a higher per capita rate than at any time in our history."

In most parts of Oregon prices were set at 85 cents per pound butterfat at the producer with the wholesale price at 11.75 cents and the retail price at 13.5 cents per quart.

Southern Oregon counties included in the 85 cents, 11.75 and 13.5 cents prices were Douglas except that portion west of the coast range, Jackson, Josephine and Klamath.

GERMAN SUB LOSSES

LONDON, July 1 (AP)—British naval observers said today Germany was now losing one U-boat, built by slow and costly precision methods, for every mass-produced allied freighter sunk by the undersea craft.

If you have the proper car insurance, you can keep right on driving and let the insurance company worry about the accident. Get a standard policy from Ed Chicotte, 111 N. 9th.

TOO LATE TO CLASSIFY

FOR THE BETTER grades of fuel oils, accurate, metered deliveries, try Fred H. Heilbroner, 821 Spring street, telephone 4153. Distributor Shell Heating Oils. 7-13m

COMPLETE service men's gift section at Rudy's Men's Shop, 6th and Main. 7-25

TWO FURNISHED 3-room apartments, across river. Gas stoves. Fine view. \$35 and \$40. Drews' Manstore. 7-1

WANTED—By responsible couple, to rent or lease two-bedroom furnished house within five blocks of the business district. Phone 5840. 7-1

TO TRADE Klamath Falls property for property near Eugene. Write Box 1754, care of News-Herald. 7-3

FOR RENT—Modern 2-bedroom house. Furnished or unfurnished. Nice yard. Ph. 8379 or 3229. 7-3

WILL PAY CASH for trash burner, or will trade good Wedgwood range with coils. Phone 7073. 7-2

LOST—Keys in tan leather case, vicinity Hendricks Drug Store. Reward. Phone 7851. 7-1

FRYERS for the 4th. Lewis Poultry Farm, P.O. 4580, Washburn and Garden. 7-3

2-ROOM furnished cottage, gas stove and water heater. Clean—Phone 7154. 7-3

GILCHRIST WORKERS IDLE OVER DISPUTE

(Continued From Page One)

were not disclosed beyond statements that some workers objected to demotions entailed when a double-shift operation was reduced to a single 10-hour, six-day-per-week shift. Many workers in skilled categories were left to take jobs of lower classification or resign, they said.

No Strike

At Portland, J. E. Fadling, vice president of the International Woodworkers of America (CIO), which has bargaining rights at the mill said the action did not constitute a strike. He said the management attempted to fill out its two-shift crews with women but paid them less than the male scale and workers objected. The women were released and the mill announced plans to change to a one 10-hour shift operation.

War labor board spokesmen in Portland were hopeful the dispute could be settled speedily since the mill is one of those rare operations which has an ample stock of logs. WLB men expressed hope a two-shift operation could be resumed.

TIMELY ACTION FITS NAVY MAN'S WORDS

HOLLYWOOD, July 1 (AP)—Latest American success in the South Pacific constituted timely action to fit the words of Navy Secretary Frank Knox.

"The war lords of Tokyo know not where or when the next blow will fall," he told a war bond rally here last night. Then, pausing momentarily while a smile spread across his face, he deviated briefly from his speech to add:

"Tojo found that out this morning. Just before I took the rostrum I was informed that other enemy-held islands have just been occupied by the navy and marines."

(Word had just been flashed that the Trobriand, Woodlark, Rendova and New Georgia island groups had been invaded by forces under Gen. Douglas MacArthur.)

WALLACE-JONES ROW PROJECTS INQUIRY

(Continued From Page One)

The joint committee on reduction of non-essential federal expenditures will broaden a present inquiry into subsidiary corporations of the reconstruction finance corporation (RFC) to look into the allocations and commitments made by BEW.

Agree Temporarily

Wallace said in a statement last night that he and Jones had agreed to continue temporarily the arrangement by which the BEW draws funds from the RFC for its foreign purchases. After congress returns from a contemplated summer recess, Wallace said BEW would ask for direct appropriations.

In his statement Wallace said he had advised Jones at a White House conference with War Mobilization Director James F. Byrnes that he had no intention of reflecting on Jones' patriotism when he accused the RFC head of obstructing the war program.

Churchill Asks Unchanged French Command in Africa

(Continued From Page One)

and control of the French armed forces and the serious effect which this might have on the furtherance of the war effort and the safety of allied forces."

The representation to the French committee of national liberation, the prime minister said, "was made on military grounds and implied no decision to invest Eisenhower with full control over the political organization in North Africa."

Martinique Asks Talks of Status With Allies

WASHINGTON, July 1 (AP)—Secretary of State Hull said today the United States navy has received a dispatch from authorities on Martinique requesting reopening of discussions concerning the status of that French Caribbean colony.

Hull was asked at his press conference whether the government has received from Admiral Georges Robert, French high commissioner on the island, a request for the dispatch of an American envoy to Martinique to fix the terms for a change of French authority there. Such a step could lead to alignment at last of Martinique with the allies.

He replied that the navy had received a dispatch from Martinique authorities and that it was being given appropriate consideration. In reply to other questions Hull said he supposed the authorities involved were speaking for Admiral Robert, who heretofore has stayed aloof from allied ties.

NEW YORK, July 1 (AP)—Martinique's high commissioner, Admiral Georges Robert, was reported today to have invited the United States to name an envoy "to fix terms for a change of French authority" on the island, a step which may align it at last with the allies.

Plans Shape for Buckaroo Days Celebration

(Continued From Page One)

Portland for the races, and several locally-owned horses are stabled there.

Event Judges

Traditional crown of the celebration will be Bill Murchinson, who will guarantee thrills and laughs.

Judges chosen for various events are Bob Colahan and Jack McAuliffe, bronc riding; Frank Gross, best trained cow horse; Orzo Brown and Marshall Cornett, flagmen; Les Finley and Gilbert Fleet, timers; and H. E. Getz and Sid Abbott, tallymen. Lynn Roycroft will be announcer at the rodeo.

Several more entries have been made for the parade on July 5. The parade begins at 10 a. m. at the Link river bridge and proceeds down Main street to Main and Esplanade.

Pet Prize

Twenty-six entries, including marching units and floats have been turned in to John Maguire, in charge of entries.

Pet entries of children will be judged, and the winner will be given a \$5 theater script. Any children up to and including 12 years are eligible for the pet entry prize.

Marching units entered include the police reserve, the Veterans of Foreign Wars, the Red Cross and the Commandos. Oregon state guardsmen are asked to report in uniform at the armory at 9 a. m. of the parade day. Those possessing rifles are asked to bring them.

More Miners Return to Pits In Pennsylvania

(Continued From Page One)

ducing state, where about 120,000 of the 200,000 miners were on the job.

PITTSBURGH, July 1 (AP)—More thousands of hard coal miners returned to the pits today in eastern Pennsylvania and a couple thousand more soft coal workers returned in Alabama, reducing the number of idle in the nation's mines to roughly around 104,000.

Most of the hard coal workers returning were employed in United Mine Workers district No. 1 where the vast majority of the workers trooped back in compliance with votes taken yesterday and last night.

There was no break, however, among thousands of insurgents elsewhere in the anthracite field, and about 30,000 out of a total of 83,000 remained idle.

The number idle in the country's mines yesterday had been unofficially estimated at 130,000.

SERVICE MEN HERE TASTE HOSPITALITY

(Continued From Page One)

his family. "Sailor" was wounded in the Solomons on November 13, 1942.

Malaria Victim

Staff Sergeant "Bob" Barber, United States army, 23 years old, and a westerner. His parents are Mr. and Mrs. Otis Barber of Pullman, Washington, and he, too, has had the good luck to enjoy a visit with home folks. "Bob" enlisted September 16, 1940, and suffered a severe attack of malaria while in the jungles. He was returned to this country April 5, 1943.

Staff Sergeant Phillip R. J. Bonin, 26, United States army, and called "Phil" by Klamath Falls friends from now on, enlisted February 12, 1941, from his home town in Pawtucket, Rhode Island. His sister is Mrs. N. Boudreau, also of Pawtucket. This soldier is another malaria casualty.

At Guadalcanal

Corporal James Tucker, 23, United States army, and Mr. and Mrs. James D. Tucker of Portland call him just "Jim." The family has come west from Rockford, Illinois, where "Jim" enlisted January 27, 1942. He was wounded at Guadalcanal, and service men refer to the island as "The Canal."

PFC Clarence Hendricks

United States army, is 32 years old and enlisted in December, immediately after Pearl Harbor. He is from Holcombe, Wisconsin and was among the soldiers receiving wounds on New Guinea. To friends this soldier is "Hank."

Four Marines

The four marines were wounded at Guadalcanal.

PFC Thomas McDaniel, 22, United States marine corps, is "Tom." He hails from Orlando, Florida, where his father, J. L. McDaniel, makes his home. Incidentally "Tom" has not yet been back to see the family. He enlisted September 15, 1941, before Pearl Harbor. He was in the second wave of marines to the island.

PFC William "Bill" Andrews, United States marine corps, is 22 years old, was in on the first wave of marines to get things in hand on Guadalcanal. He is the son of Mr. and Mrs. Leslie Andrews of Delhi, New York, and has had a 35-day leave which he enjoyed very much, to say the least. "Bill" enlisted December 8, 1941, just as fast as he could get to marine recruiting offices after word came about Pearl Harbor.

Plenty of Marines

Private James Pecorella, 22, United States marine corps, and "Jim" to Leatherneck buddies. "Jim" joined up at the Brooklyn, New York, recruiting station on August 13, 1941, and has seen plenty of action in the south. When "Jim" got on Guadalcanal he said there were "plenty of marines there."

Private Arthur McKechnie, 23, United States marine corps, comes from Newcastle, Indiana where his mother, Mrs. Nancy Lee McKechnie, makes her home. He has had a well earned leave. "Mac" enlisted January 3, 1942 and was wounded during the fighting on Guadalcanal.

Thursday noon the 12 men were guests of the Kiwanis club and tomorrow, Friday, they will have lunch with the Rotarians. Following their arrival here Thursday morning they were taken to the homes of their Klamath Falls hosts.

RAINBOW

LAST DAY "Double Trouble" "LONDON BLACKOUT MURDER"

Tomorrow!

THE CORNIO-KING-TERRUNG ARIZONA SINGE COACH

SECRETS OF THE UNDERGROUND

John HUBBARD - Virginia GREY - Olin HOWLIN

Death Sentence Of Max Stephan Commuted by FR

WASHINGTON, July 1 (AP)—On the very eve of his scheduled execution, the death sentence of Max Stephan, Detroit traitor, was commuted today by President Roosevelt to life imprisonment.

The chief executive took this step, a White House announcement said, because he believed "that the sentence imposed by the court was too severe in that it did not sufficiently take into account the statute which provides for the consideration of different qualities of treason."

Stephan would have died by hanging before dawn tomorrow if the chief executive had not commuted the death sentence.

Oregon Division of OWI Liquidated

PORTLAND, July 1 (AP)—Liquidation of the Oregon division of the office of War Information was started today upon orders from Washington, D. C.

Four employees, directed by Ben Titus, will continue working until July 15, when the office will be closed. It has served as a press liaison agency for the various war and government agencies. Closing was made necessary by refusal of congress to appropriate funds for this work.

SEE IT TODAY!

PELICAN

A NEW TYPE OF ENTERTAINMENT that's out of this world!

HERBERT MARSHALL G. AUBREY SMITH RAY WILLARD CLAUDE BARR IAN HUNTER WENDY BARRIE ERIC BLOE ROLAND YOUNG REGINALD GARDNER ARTHUR TREAHER EDMUND GWENH DAINE MAY WHITTY ANNA NEAGLE CHARLES LAUGHTON MARYAGI LOVE PATRIC KNOWLES BRIAN ANDRE KENT SMITH VICTOR MCGLAGLEN

FOREVER AND A DAY

RUTH WARDKNE SENE LOCKHART REGINALD OWEN ANNA LEE EDW. EVERETT NORTON

NEXT ATTRACTION

UNFORGETTABLE THRILLS! UNBELIEVABLE BEAUTY!

IN BREATHLESS TECHNICOLOR

DESPERADOES

Starring with Claude SCOTT - FORD - TREVOR Keyes - BUCHANAN

STARTS WITH MIDNIGHT PREVUE SATURDAY

LOCAL MOTORISTS BUY USE STAMPS

Auto owners yesterday topped stamp tax sale records here with 1147 stamps sold, more than a fifth of the number sold during the entire month.

Up to and including June 30, 5451 stamps were sold to buyers. Stamps will continue to be sold at \$5 until August 1, when they will drop to \$4.50.

Prizes Offered at Beatty Rodeo Show

Sponsoring a rodeo show, the Beatty rodeo committee is offering \$300 in prize money with entrance fees added. Events are open to amateur bronc riders, goat ropers and bareback riders.

All men and women in service are admitted free. The rodeo committee is composed of Jesse Lee Kirk, Hy Robbins, arena director; Leslie Robertson; Vince Bodner, announcer, and Tom Watah.

Cowboy races are also scheduled.

ESQUIRE NOW

Limited Engagement Doors Open 1:30 - 4:45

THEY'RE TALKING ABOUT IT!

A great love story! From poverty to President! Its stormy drama is the most discussed film of the day!



VAN HEFLIN

LIONEL BARRYMORE RUTH HUSSEY MARJORIE MAIN REGIS TOOMEY

WILLIAM H. HAYES J. WALTER RUDY

NEXT BIG HIT

ABBOTT - COSTELLO

It Aint Hay

See Dorothy Lamour, co-starring in "DIXIE," a Paramount Picture in Technicolor

Dorothy Lamour Treats Service Men

HOME SICKNESS disappears when Dorothy Lamour plays hostess at a USO canteen. When she isn't working on the Paramount lot, Dorothy spends her spare time entertaining the boys. And do they like it! Here, Dottie treats the boys to her favorite soft drink, Royal Crown Cola.

PICTURE WORK and car-teen duty keep Dorothy on the go. That's why she goes for a frosty bottle of Royal Crown Cola—it gives her a "quick-up." Last year she took the cola taste-test. "My winner," she says, "was Royal Crown Cola. I've preferred Royal Crown Cola ever since."

Dorothy Lamour prefers

ROYAL CROWN COLA

Best by Taste-Test!

LOST RIVER DAIRY
1500 Esplanade

BUY MORE U. S. WAR BONDS AND STAMPS TODAY

FOR THE BETTER grades of fuel oils, accurate, metered deliveries, try Fred H. Heilbroner, 821 Spring street, telephone 4153. Distributor Shell Heating Oils. 7-13m

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THIS WEEK'S BIG HOLD OVER HIT!

Moves TO THE TOWER Today

DOORS OPEN AT 6:45

Sponsored by Katherine TRACY - HEPBURN will startle you in

FOR YOUR FULL ENJOYMENT

SEE IT FROM THE BEGINNING!

Doors Open 1:30 - 4:45

RAINBOW

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THE CORNIO-KING-TERRUNG ARIZONA SINGE COACH

SECRETS OF THE UNDERGROUND

John HUBBARD - Virginia GREY - Olin HOWLIN

Continuous Run from 1:00

PINE TREE

"PITTSBURG" District - Wayne - Scott

"SPY TRAIN" Favorite Cast

Tomorrow!

A blaze of action roaring out of the West of Old!

"FRONTIER FURY"

STARRING CHARLES STARRETT with CAL SHRUM and his Cowboy Troupe

Be Young AGAIN FOR TODAY!

Peck's BAD BOY

STARRING JACKIE COOPER

THOMAS BRIDGES JACKIE COOPER JACKIE EARLE