

Chinese Demonstrate Against Reds Over Turbulent Manchurian Crisis; China Receives Support Of America

By SPENCER MOOSA
CHUNGKING, Feb. 16 (P)—
Chungking witnessed its first
demonstration against the Rus-
sians today as the turbulent
Manchurian situation reached a
boiling point and China was
given American support in a
request to move more troops
into that vast area.

Lt. Gen. Albert C. Wedemeyer,
U. S. commander in China, told
a press conference that
General Marshall approved the
request to move more Chinese
armies into Manchuria. He did
not elaborate.

Two hours later a Chinese
communist spokesman charged
that government forces, prepar-
ing to seize Yingkow, impor-
tant port, and five other Man-
churian towns, had clashed with
communists. He said the com-
munist had withdrawn from
Panshan and Talian "to avoid
aggravating the conflict."

(It was not immediately
clear why the reported fight
was for Yingkow, from which
the communists reported on
January 30 they had withdrawn
after having wrested it from
government troops.)

Present Demands
Almost simultaneously, 400
members of the Manchurian
guild marched through Chung-
king streets to government
headquarters and presented
nine demands. It was the first
public demonstration ever seen
here against the Russians.

The paraders carried banners
inscribed "we demand with-
drawal of Soviet troops from
Manchuria."

(Soviet forces are reported
preparing to remain in Man-
churia until June 1, although
they had been scheduled to turn
over administration of the ter-
ritory on February 1. However,
the Yalta agreement gives Rus-
sia joint control with China of
two railroads in Manchuria.)

There are unofficial reports
that the Russians have made
economic demands upon China.
Chiang Kai-shek said yesterday
Sino-Soviet discussions are in
progress, but did not elaborate.
Police did not interfere with
the demonstrators but took care
to see that no untoward inci-
dents occurred.

Blocks Concessions
Observers attached impor-
tance to the demonstration as
marking a possible start in a
nationwide movement against
any concessions to Russia going
beyond terms of the Sino-Soviet
treaty.

The World Daily News esti-
mated there were well over
100,000 Russian troops in Man-
churia, the bulk of them at
Dairen and Port Arthur.

It added that Chinese officials
in Manchuria enjoyed only lim-
ited freedom and that Chinese

The Wordage Grows



As the joint congressional inquiry on Pearl Harbor began
night sessions to speed its work, Ada Jackson, capitol employe,
exhibits a portion of recorded testimony given during the probe
which began last November 15.

communists there steadily were
expanding their influence. It
said the communists had estab-
lished several civil administra-
tions and seized many of the
country's coal mines and fac-
tories.

It further asserted that the
situation was aggravated by ru-
mors that an independence
movement was being engineered
there.

Postponed—The party and
business meeting of the Juveniles
of Neighbors of Woodcraft,

THE CLUB

BLV, ORE.
Bar—Dancing—Bowling
"Come in as you are."
LEWIS WITTER, Prop.

Flashes Of Life

GOOD REASON
GAINESVILLE, Fla., Feb. 16
(P)—The University of Florida
basketball team had a playing
date with the Orlando army air
base here last night, but the
soldier team didn't show up.
The army explained the en-
tire team—and a good one too—
was being separated from the
service.

RESOURCEFUL
KANSAS CITY, Feb. 16 (P)—
William Robert Endsley, now
16 spent 21 months in the navy
under his sister's name, which
he used for enlistment when he
was 14.

Now he has been discharged
as a minor, still one-year shy of
legal enlistment age.
The youth explained that he
used the birth certificate of his
17-year-old sister Sammy Louise
Endsley, after erasing the "E"
in Louise.

Mrs. Mary Endsley disap-
proved strongly but said her
son's pleas persuaded her not
to notify the navy until after the
war with Japan was over.

Workmen Build Fire Trail

Modoc national forest has a
crew of workmen quartered in
the Lava Beds CCC camp on a
fire protection plan.

Dan Davis is in charge of
the eight-man crew building a
fire road through Gold Digger
pass to Dome mountain, a dis-
tance of six miles.

In past years, forestry men
stated, several fires started in
that area reached serious pro-
portions due to difficulty of
getting fire-fighting crews to
the spot.

Heavy rock-moving machin-
ery is being brought in to as-
sist in the job and it is ex-
pected the work, started Feb-
ruary 1, will be finished about
April 1.



Calling
THE
HARVEY GIRLS

which was set for Monday, has
been postponed until March 4.

Spring Buying—Mrs. Albert
Hattan will leave tonight for
Portland on a buying trip for
Shaw's Stationery shop.

ART A. R. TRIPLETT Advertising

PHONE 5373
OR 3842

NEWSPAPER-RADIO
DIRECT MAIL

SOCE Students Hear Program

The Associated Men students
of the Southern Oregon college
presented a most unusual pro-
gram at the regular Wednesday
morning assembly.

Edwin Wissenbach and Dar-
win Wissenbach, twin brothers
from Klamath Falls, told of their
experiences while flying in the
same bombardment squadron in
the European theater. Both
brothers were shot down in
enemy territory.

Erwin Wissenbach spoke on
"Escaping from the Germans
Via the Underground Route" and
his brother Darwin spoke on
"Two and a half years in Ger-
man Prison Camps."

Gene Rae of Medford, another
veteran flyer, acted as master of
ceremonies in presenting the
Wissenbach twins and William
Alice of Ashland, soloist who
was accompanied by Meryl Pot-
ter of Medford.

Logging Lay-Off Boosts Joblessness

LEBANON, Feb. 16 (P)—A
seasonal logging lay-off, plus re-
turn of jobless veterans, has
boosted unemployment com-
pensation claims in eastern Linn
county to 984, which may be a
record, a U. S. employment ser-
vice official said today.

Manager C. S. Edwards Jr.,
said 256 of the unemployed were
ex-servicemen. The others are
mostly loggers temporarily job-
less because of heavy snow and
impassable roads, he reported.

Ample Supply

LEE

AND

DISNEY

HATS

Sugarman's

6th and Main

Coffee Lack Blamed On Can Scarcity

PORTLAND, Ore., Feb. 16 (P)
Although dealers reported house-
wives here are having trouble
finding their favorite brands of
coffee, one declared the situa-
tion is "clearing up and any run
on coffee now is silly."

Industry spokesmen attributed
the shortage to a can scarcity,
due to strikes, and low supplies
from South America because of
the price ceiling. One buyer de-
clared OPA should raise the
price so Americans can get re-
sults in South American mar-
kets.

Takes Position—Everett Hoo-
ten, a returned serviceman, has
taken over Mrs. Frances Lee
Ough's job as clerk and recep-
tionist in County Judge U. E.

Saturday, Feb. 16, 1946

HERALD AND NEWS—TWELVE

Reeder's office, Mrs. Ough has
resigned the post.

Watch For
the
**RED
ROOSTER**
?

D-A-N-C-I-N-G

9 P. M. TO 1 A. M.

SATURDAY NIGHT DANCELAND

515 Klamath Ave.

MUSIC "AS YOU LIKE IT"

BY PAPPY GORDON'S OREGON HILLBILLIES

SPONSORED BY POST 1383, V.F.W.

**Dance
Sat.
Feb. 16
Malin**

Dancing 10 till 2

Music by

**Jack Stuart's
ORCHESTRA**

WE CAN GIVE YOU COMPLETE

SERVICE

ON ALL 4-WHEEL DRIVE EQUIPMENT

We have two men, factory trained on JEEPS and
any other 4-wheel drive equipment, who can give
you fast, guaranteed service. No guess-work here
... they know their jobs.

GENERAL SERVICE ON ALL MAKES

SELBY WILLYS MOTORS

401 So. 6th



Place your
order for a
new JEEP
now ... early
delivery!

Used Car Lot—7th & Oak

The Pacific Telephone and Telegraph Company

and Subsidiaries

Southern California Telephone Co.—Bell Telephone Co. of Nevada

\$400,000,000 Five-Year Expansion Program

Excerpts from the 1945 Annual Report

"ALTHOUGH it expe-
rienced an exceptional
growth throughout the
war years, our company
did not profit from the
war. The tabulation ...
comparing the year 1945—
the end of the route to
Tokyo Bay—with 1939—
the year in which ominous
war clouds cast their im-
pending gloom—vividly
portrays, not only what
our company's expansion
has been throughout the
years of its war effort, but
also the impact of this ex-
pansion on its major opera-
tions.

"The phenomenal de-
velopment of the Pacific
Coast with its tremendous
strides in commerce, in-
dustry, military and naval
activities has placed, and
will continue to place, ex-
acting demands upon our
company. With the nation-
wide interest in this far-
flung section with its rap-
idly expanding markets
and its outstanding growth
potentialities, our com-
pany will experience in
the immediate years ahead, as they are now
visualized, an unprecedented expansion.

"Our immediate task ahead is to render
service to all who want it and to restore
and to take our service to new heights. As
it announced December last, in the im-
mediate five-year period our company will be
required to make expenditures for new con-
struction aggregating \$400,000,000 and, as
a consequence, extraordinary amounts of
new capital will be required. The execution
and speed of this entire program are de-
pendent upon the flow of available man-
power, materials, money and the level of
business conditions. The consummation of
the program for 1946, now well under way,
will require, it is estimated, an all-time
high expenditure of upwards of \$90,000,
000 for new construction. This compares
with the \$35,800,000 expended in 1945. In-
clusive of materials re-used, the gross plant
additions for 1946 are estimated at well
over \$100,000,000. This expenditure will
be more than double the 1945 gross plant
additions of \$48,791,000.

"To do all the things we have in mind

FROM PEACE TO WAR AND FROM WAR TO PEACE

	1939	1945	Increase	Per Cent Increase
Telephones Owned and Operated	1,948,062	2,702,686	754,624	39
Toll and Long Dis- tance:				
Total Calls	129,190,340	346,892,535	217,702,195	169
Longer haul calls (originating in and destined beyond our ter- ritory)	650,570	11,766,999	11,116,429	1709
Plant Investment . .	\$493,360,850	\$678,550,591	\$185,190,141	38
Operating Revenues	\$122,168,305	\$248,870,088	\$126,701,783	104
Local Service				
Revenues	85,703,890	131,179,676	45,475,786	53
Toll Service				
Revenues	33,156,914	109,735,931	76,579,017	231
Operating Expenses (before taxes) . . .	\$82,163,244	\$167,291,874	\$85,128,630	104
Operating Taxes . . .	\$17,579,987	\$33,364,072	\$15,784,085	204
Total Payroll	\$56,023,205	\$124,689,994	\$68,666,789	123
Employees	29,998	51,282	21,284	71
Men	12,091	15,745	3,654	30
Women	17,907	35,537	17,630	98
Income Available for Interest and Return	\$22,560,834	\$24,215,173	\$1,654,339	7
Average Invested Capital	\$355,293,069	\$412,344,160	\$57,051,091	16
Return on Invested Capital	6.33%	5.87%	.46%	7*
Per Common Share:				
Earnings	\$7.87	\$6.78	-\$1.09	14*
Dividends	\$7.25	\$6.50	-\$.75	10*
Taxes	\$9.74	\$21.68	\$11.94	123

(At December 31). *Includes construction payroll. *Decrease.

will take men, materials and money. Our
program will offer employment opportu-
nities to many men and women not only in
the manufacture, construction and installa-
tion of the added plant, but also in the
maintenance and operation of a contin-
uously improving and expanding service.
Our vast undertaking will require for its
accomplishment earnings that are sufficient
to attract the huge sums of new capital
needed. Expressing as it does a fundamental
significance to every city, town, village and
hamlet throughout the Pacific Coast, the
consummation of our unprecedented pro-
gram will result in increasing the plant in-
vestment of our company by almost 50 per
cent, bringing its total plant investment to
an amount aggregating upwards of a bil-
lion dollars.

"The era of tremendous expansion that
our company has now entered places re-
sponsibilities of the first magnitude upon
our management. We go forward with a
firm faith that a telephone service rendered
well will continue to be well received. In
our company's following out its established

policy—to furnish the best
possible service; to render
the service as economically
as possible; to charge for
the service only an amount
to keep our company finan-
cially vigorous—it is of
vital importance that its
earnings be such that they
will continue to attract the
necessary amounts of new
capital needed to accom-
plish these objectives.
Earnings that are adequate
are in the public interest,
because earnings that are
less than adequate neces-
sarily jeopardize the effi-
ciency and the scope of the
service. Thus, our com-
pany and the public it
serves have a common in-
terest. In full recognition
of that interest, the charges
for the service rendered
should reflect a fair treat-
ment policy expressed in
rates which, at all times,
will be such that sound
economic considerations
will prevail in the interest
of all parties—the patrons,
the employees and the in-
vestors.

"A successful nation is a prosperous na-
tion. In order to increase and to sustain the
production which is vital to that prosper-
ity, business and industry must, of neces-
sity, prosper as must their personnel who,
through the dedication of individual effort,
contribute to the forward march of Amer-
ica. This fundamental concept, the recogni-
tion of the dignity and worth of the in-
dividual and the value of free enterprise,
with equal opportunity for all—the Amer-
ican way of life—has produced the highest
standard of living among all peoples. Pro-
gress has been the measure of the welfare of
our great Nation—it will be the earnest en-
deavor of our company, as it has been in
the past, to render a communication ser-
vice, which through its scope, efficiency and
dependability, will continue to make its
full contribution to that progress."

W. R. Selby
President.

KLAMATH MEDICAL SERVICE BUREAU

NOW OFFERS A

HOSPITAL SERVICE PLAN for Individuals and their Families

residing in the Klamath Basin

The Services Offered Include:

1. Bed and board with general nursing care in ward.
2. All operating room costs, including anaesthesia by hospital anaes-
thetist.
3. All laboratory services, including electro-cardiograms, basil meta-
bolism tests.
4. All drugs and dressings, including serums, penicillin, and the many
other new wonder drugs.
5. All X-ray services, including deep therapy and fluoroscopic examina-
tions.
6. Hospitalization for maternity care after 12 consecutive months of
membership.
7. All the above services up to 6 months for any one condition.
8. Private room service may be obtained by subscriber by paying the
difference in cost between that service and ward service.

MONTHLY CHARGES:

Applicant\$6.00 semi-annually\$12.00 annually
Applicant and
one dependent11.40 semi-annually 22.80 annually
Applicant and
other dependents15.00 semi-annually 30.00 annually

As the rapid progress of medical science makes the
hospital care of the sick and injured more necessary
and more expensive, you can assure your loved ones
of quality hospital care for this small budgetable
payment.

For full information call 7757

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Joe Hicks, Mgr.

335 East Main

Vincent Clapp, Ass't. Mgr.