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GLANCING AT SOME OF THE MERCHANDISE, which local merchants have contributed for tonight's Junior Miss Oregon of 1958 Contest, are members of the contest committee, Neal Wadley, left, and Roy Weaver. Tonight's queen will receive an all-expense trip to Mobile, Alabama to compete in the national contest and take part in the Mobile Azalea Festival, February 27 through March 1. This is the first contest of its type held here.

In The Day's News

By FRANK JENKINS

Business note in the news: The New York Stock Exchange figures it will take an average seven billion dollars PER YEAR through 1965 in new stock issues to foot the corporate bill for new plants and equipment.

President Keith Funston says the figure has been revised from a prior prediction of six billion dollars. He says a total of 45 billion dollars will have to be raised between now and 1965 to keep American industry efficient and up to date.

Where will the money come from?

The answer is plain. It will have to come out of the savings of people who buy shares in American industry.

There is nowhere else for it to come from.

Is that bad?

No! It's good. If it comes to pass, it will be WONDERFUL.

Here's how it works:

You save up some money—by the process of spending less for things that are less important so that you may have MORE money to put into the things that are MORE important.

When you have saved up enough money (it doesn't take much to make a start) you invest it in shares (which are also called stocks) in American business enterprises. You then become a PART OWNER of these industries.

As they prosper, you receive your share of the profits.

This business of ownership of American industry ought to be better understood.

Because it isn't as well understood as it should be, self-seeking demagogues are enabled to MUDDY THE WATER, making people think they are being EXPLOITED by big business. The truth is that modern big business makes it possible for every thrifty person in our country to BECOME A CAPITALIST on his own account.

For example:

General Motors (America's biggest business corporation and probably the world's biggest) has more stockholders than employees. The day when a few captains of industry wearing plug hats and Prince Albert coats owned American industry all by themselves is GONE.

Where has it gone?

It has gone where the dinosaur went when the world changed so that dinosaurs could no longer exist.

A new day has dawned.

In this new day more money is needed to finance American industry than can be provided by a few tycoons.

The immense sums of money needed to keep American industry GOING FORWARD in these modern days can be provided ONLY by pooling the savings of ALL THE PEOPLE and investing these savings in the buildings and the machinery that modern industry must have if it is to go on expanding to keep pace with modern developments.

More Letters From Soviets To Eisenhower Foreseen

WASHINGTON (AP)—Diplomatic officials said today it is quite likely Soviet Premier Bulganin will ignore President Eisenhower's advice and keep firing public letters at the White House.

If he does, they said, Eisenhower would have no choice but to answer the notes just as publicly.

Silence, it is felt, would only allow the Soviets to win a high-level propaganda war without a contest.

These officials discussed this outlook in the wake of the strongly worded Eisenhower letter to Bulganin which the White House made public yesterday.

The Eisenhower message virtually told Bulganin further letters from him on the subject would be unwelcome. Eisenhower suggested instead that the Kremlin leaders concentrate on "less formal and

JC Contest Set Tonight

Tonight's Junior Miss Oregon of 1958 Contest, to be held in the Mills School auditorium at 7:30, will determine which Klamath County high school senior coed will represent Oregon in the Mobile Azalea Festival, during February 27 through March 1.

Dean DeWitt, chairman of the sponsoring committee of the Junior Chamber of Commerce, said that local merchants have donated many items such as costume jewelry, shoes, sport slacks, a blouse, gift certificates, a travel alarm clock, hosiery, lockets, a cotton housecoat and flowers for tonight's queen and her runners-up.

On the subject of prizes, DeWitt said that the winner of the national contest will receive a \$5,000 scholarship award. Second prize is a \$2,000 award and there will be three \$1,000 awards for the next three places.

"Judges for tonight's contest," DeWitt said, "are Mrs. Marcella Bigler, chief stewardess of West Coast Airlines; Earl G. Bray and Roger K. Haldeman, advertising sales supervisors for P.T.&T., Portland and Hazel Kann, manager of the Town Shop."

He added that Bob Fredericks, local advertising man, will emcee the show and stated that in addition to the songs, piano playing, and dramatic readings by the girls, top local entertainment has been obtained.

Tickets for the show are still available at the chamber of commerce, Leo's Camera Shop and the House of Shoes in the Town and Country Shopping Center. Price is 75 cents for adults and 50 cents for children and students.

Experts Check 'Space Pilot'

SAN ANTONIO, Tex. (AP)—Physicians and scientists at the Air Force's School of Aviation Medicine continued checks and tests on the world's first "space man" today.

Airman Donald G. Farrell, 23, of the Bronx, during the seven days in the compact space cabin, neither heard nor saw anything going on on earth. He was subjected to most of the physical and psychological conditions scientists believe man will experience in space travel.

Mostly, he said, he missed smoking cigarettes. He usually smokes a pack a day.

At his first meal outside the chamber, attendants placed a big sizzling steak in front of him.

"If Gen. Benson says I'm a chowhound I'm going to be one," Farrell quipped. Maj. Gen. Otis O. Benson Jr., commander of the aviation medicine school, branded Farrell a chowhound during the simulated space flight.

Farrell ate the steak, slept most of the afternoon and then ate a roast beef dinner. He lost four pounds, he said, during the seven-day flight.

Farrell, who now wants to make a real flight to the moon, will complete a scheduled 72 hours of tests and observations tomorrow.

Weather

FORECAST—Klamath Falls and vicinity: Considerable cloudiness with a few periods of light rain through Wednesday. Low Tuesday night 40-45; high Wednesday 56-63.

High yesterday 48

Low last night 39

Precip. last 24 hours Tr.

Since Oct. 1 12.29

Same period last year 7.32

Normal for period 7.78

CRATER LAKE

High yesterday 35

Low last night 32

8 a.m. today 34

Trace of new snow

Snow depth 132

Last year 60

It is cloudy and overcast in the park today. Highway No. 62 is open with chains advised. Chains are required from Annie Springs to park headquarters and the road is closed from headquarters to the rim. The last several days' snow has been heavy and wet and the snow plows are having difficulty keeping the highways open for travel.

Sudan Blasts Egyptian Move

KHARTOUM, Sudan (AP)—Sudan has protested Egyptian efforts to take over some 6,000 square miles of her northern desert in a move to cut off Sudanese holdings at the 22nd Parallel.

Prime Minister Abdullah Khalil told a news conference the Cairo regime replied that residents of the disputed area would participate in the Feb. 21 plebiscite to approve the union of Egypt and Syria.

Khalil said Egypt had accompanied her claim with an offer to give back a small area south of the 22nd Parallel ceded earlier to the Egyptians.

The Premier said Sudan had protested that the frontiers in question had been undisputed for the past 60 years and had been confirmed before Sudan declared herself independent in December 1955, ending the British-Egyptian condominium.

Khalil said the area Egypt claims is believed to contain rich mineral deposits. It is a triangle in the northeast corner of the country, bounded by the 22nd Parallel on the south and the Red Sea on the east.

Timber Sale Action Denied

PORTLAND (AP)—A Klamath Indian woman Tuesday lost her attempt to prevent the federal government from selling timber she owns on the Klamath Reservation.

U.S. Judge William East denied an injunction sought by Mrs. Coralie Crawford Nelson of Palo Alto, Calif., challenging constitutionality of the Klamath Indian Reservation Termination Act.

Mrs. Nelson's petition claimed the 1954 termination act gave her the right to dispose of her large timber holdings "just like any other citizen."

The government argued that until the secretary of the Interior ends U.S. trusteeship of the reservation, the government is obligated to administer the timber for the benefit of the Indians. Under an amendment, the termination date has been extended to 1960, with the government continuing its authority over timber disposal.

Mrs. Nelson's attorney contended the original termination act was binding.

Mrs. Nelson said some of her timber on the reservation is being logged on a selective basis. Were she permitted to dispose of it herself, she said, she would realize more money because she would be able to sell under a clear-cutting contract.

CHAMBER MUSIC

CHICAGO (UP)—Three policemen awakened disc jockey Omar Shapli Monday at the radio studio where he works. They had been sent there by worried listeners who reported hearing an ominous thump over the air. Oh, said Shapli, that was nothing. Merely fell asleep while listening to Busoni's Sonata No. 2.

GOP Chiefs Say Tax Cut Is Unwise

WASHINGTON (AP)—Republican leaders of Congress agreed with President Eisenhower's key cabinet officers Tuesday that it "would not be wise" to cut taxes as a business stimulant at this time.

Following a breakfast conference at the White House, Senate Republican leader Knowland of California told reporters the decision was "of course subject to review" before Congress adjourns in late July or early August.

Tax reduction was the subject of a "round table discussion," Knowland said, along with the question whether the government should launch a major public works program to counter the recession.

Both the administration chiefs and the minority Congress members agreed, Knowland said, that unemployment will start declining in March and business will turn up fairly soon thereafter without artificial stimulus.

But Knowland added:

"If the anticipated improvement did not take place before midyear when Congress nears adjournment, public works would get serious consideration."

Knowland's statement did not appear to rule out a tax cut as an additional stimulant later if business continues to slump. Both the administration and Democratic leaders are reported working quietly and separately on plans for such a move if it should appear necessary.

The Democrats are reported working on a package plan totaling more than five billion dollars in cuts.

At the same time administration officials are known to have called in private experts, and to have talked among themselves, in efforts to work out tax formulas to meet various economic conditions.

The congressional delegation, headed by Knowland and Rep. Martin (R-Mass.), house minority leader, got a briefing on the economic outlook from Secretary of the Treasury Anderson, Secretary of Commerce Weeks and Secretary of Labor Mitchell.

Police Identify 'Bread Bandit'

Vigilance has paid off for the patrol squads of the city police department.

Eldon Baker at the Alameda Grocery recently reported to police that someone has been stealing bread from in front of his store during the past 10 weeks.

The bread has been stolen sometime between the time the bread man left it outside the store at 5 a.m. and the opening time of the store at 7 a.m.

The police instigated early morning breadbox watch but were not successful in apprehending the culprit. Each morning a loaf or more of bread turned up missing.

However, persistence and patience paid off early Tuesday morning when Patrol Officer Rex King timed it just right and was there when the thief walked up and took a loaf of bread out of the open box and marched down the street.

King tried to stop him, but the big Chesapeake dog, with bread in mouth, cleared a fence and headed for a nearby alley.

The storekeeper estimates that during the past few weeks, the early morning "burglar" has gotten away with more than \$10 worth of bread.

One big problem remains—to find out who owns the dog.



PLANS ARE IN PROGRESS for the OTI blood drive March 4 which will be a part of the Red Cross sponsored blood program. The OTI students and faculty are organizing the program on a class basis. From left to right above are Mrs. Virginia Dixon, executive secretary of the Klamath Basin branch of the American Red Cross; Clint Mann, student chairman of the OTI blood drive; Don Sands, student body president; and Jim Armon, OTI faculty adviser. The organizational meeting was held Monday afternoon at the OTI student lounge.

Examiner Denies Influence Used In Miami TV Decision

WASHINGTON (AP)—The examiner who was overruled by the Federal Communications Commission on the award of a Miami TV channel testified Tuesday he believed he made the right recommendation.

"There was no question in my mind at all that I had arrived at the right decision in the case," Herbert Sharfman told a special House investigating committee.

When the FCC reversed him, Sharfman said, "I was surprised, but I don't think shocked."

He said there had been less doubt in his mind as to the proper decision than in the only two prior contested cases he had decided.

Under questioning, Sharfman agreed that another examiner might in good faith have come to a different conclusion.

He said he encountered no improper pressures in the case.

Also under questioning, Sharfman said he didn't think he had ever described the FCC decision as "shameful" but that possibly he had used this word in conversation about it.

Sharfman was the only witness heard before the hearing recessed for lunch.

The investigators called Sharfman and four men from Miami in digging into accusations that money was passed to influence FCC Commissioner Richard A. Mack in the case. Mack denies this and contends that \$2,650 of cancelled checks, introduced in the hearing, represented loans to him by a Miami lawyer.

Sharfman, after lengthy hearings, recommended in 1955 that Miami's Channel 10 be given to Radio Station WKAT, owned by A. Frank Katzentine.

The FCC in February, 1957, granted the channel to Public Service Television Inc., a wholly owned subsidiary of National Airlines. The award is now being contested in the courts.

"I held that WKAT was the best qualified of four applicants," Sharfman testified.

The name of Sen. Smathers (D-Fla.) has come into the case in connection with the Wilson application. Smathers was executor of Wilson's estate.

Smathers told a reporter Monday that he has no active connection with the estate's prosecution of the TV application after

Wilson's death. He said he would be glad to testify if the House subcommittee asked him to.

Smathers also said he recalled an informal conference of FCC members and the Senate commerce committee at which, he said, Sen. Magnuson (D-Wash.) expressed an opinion that perhaps it wasn't wise for FCC to award a TV station to a party which also had interests coming under another Federal regulatory agency.

Smathers said no names of applicants or cases were mentioned at this conference, held before the FCC made its decision in the Miami case.

Tragic Blaze Fatal For 12

ATLANTA (AP)—Twelve persons, including 11 children in two families, perished in a fire that roared through a two-story duplex building in Atlanta's southwest section last night.

Firemen said they found the bodies of 10 children huddled in one upstairs bedroom.

In other bedrooms were the charred remains of an infant boy in an incubator and a woman, mother of four of the dead youngsters. Police said all 12 victims were Negroes.

Mr. and Mrs. Jewell Jones risked their lives in unsuccessful attempts to reach their seven children.

Jones was cut off by flames while trying to get to them and finally leaped to safety from a second-story window. Later he ran up a ladder erected by firemen and plunged into the smouldering structure. Firemen pulled him back.

Mrs. Jones said she "ran through a wall of flames trying to get upstairs. My hair caught fire and my arms were blistered. I just couldn't reach the children."

Police listed the seven dead Jones children as Sandra Louise, 8; Frederick, 6; Larry, 5; Charles, 4; Christine, 2; Barbara, 1; and Calvin Douglas, the infant whose body was found in an incubator.

Also dead were Mrs. Mary Helen Rowe, Jones' sister-in-law, and her four children, Betty Jo, Marvin, Robert and Calvin, all under 6.

Jones told police he was repairing a bed when he thought he smelled smoke in the duplex. He went downstairs.

"The whole downstairs was a sea of flames," he said. "I ran back upstairs and tried to get to the bedroom where the children were sleeping, but the flames cut me off."

"I saw I couldn't get to them and I jumped out a window."

Cuban Forces Battle Rebels

HAVANA, Cuba (AP)—The Cuban Army moved planes, tanks and troops into Oriente Province Tuesday, apparently in an attempt to trap a major force of Fidel Castro's rebels in the Northern fringes of the Sierra Maestra.

The Army's General Staff here withheld any announcement of whether a major offensive was under way against the rebels' mountain holdout. But heavy firing was reported in Pino Del Agua, 20 miles south of Veguitas, between Manzanilla and Bayamo.

Some army sources claimed a big rebel contingent had been surrounded.

Cold Grips Wide Area; Toll Hits 182

By THE ASSOCIATED PRESS

Numbing temperatures Tuesday gripped the Eastern section of the nation—still trying to dig out from the weekend's heavy snowfall, even the Deep South had below freezing weather.

The mercury dropped to 29 below in Lebanon, N.H., 27 below at Newport, Vt., and 25 below in northern New York.

Unofficial readings of minus 40 were reported in the Kenne, N.H., area.

At least 182 deaths across the nation were attributed to the snow and cold.

No immediate relief was in sight from the protracted cold spell—now in its 10th day.

At Newark, N.J., airport the thermometer has not been above freezing since Feb. 8.

Schools were closed in many communities, and businesses were shut down in some.

The Pennsylvania Railroad said westbound trains were three to four hours late and eastbound one to two hours late through the night.

Below zero temperatures were the rule rather than the exception in most of New York state, though New York City's lowest reading was four above.

Saranac Lake and Stillwater Reservoir, in upstate New York had 25 below readings to match their 25 or more inches of snow. Other below zero readings in New York state were: Glens Falls, 22, Albany 18.

By a strange quirk, the temperature at Caribou, Me., often a cold spot, was 17 above, warmer than some parts of the Deep South. Southern temperatures included Augusta, Ga., 12 above, Charleston, S.C., 14 above, and Savannah, Ga., 15 above.

Northern Indiana was hit last night by a new blizzard that added 20 more inches to the already snow-plagued area. The fall raised the total in South Bend to 35 inches.

Michigan City, Ind., already covered with an estimated 54 inches, escaped the brunt of the new storm.

Ice on the upper Ohio River brought water traffic there to a virtual standstill.

The temperature in New Jersey dropped to 10 above at High Point. About 500 motorists in East Orange, N.J., finally dug their automobiles out of snow drifts and found each had been tagged with an overtime parking ticket.

The cold spell in Washington, D.C., was its worst in 16 years. The temperature dropped to five above in the district, which had a 14 inch snowfall Saturday. Public schools in the area were closed for a second day. Government workers had another holiday, this time at Uncle Sam's expense. Those who stayed out Monday were docketed a day's leave.

Middlesboro, Ky., not only had zero weather, but one-third of the coal mining town was without heat, awaiting emergency supplies of heating gas.

USING HIS NOSE

TROIA, Italy (UP)—Policeman Giovanni Ferramosca Monday displayed a bloodhound's ability to sniff out a thief. Noting that burglars who had stolen 100,000 lire (\$160) and \$120 U.S. dollars from a tobacco shop had also spilled perfume on the floor, Ferramosca rounded up a group of suspects, sniffed at their shoes, and arrested Antonio DeCecilio, 27, and Giovanni Ventura, 18, whose shoes were delightfully scented.

Communists Reject Order To Return Stolen Airliner

PANMUNJOM, Korea (AP)—The North Korean Communists today rejected the U.N. Command's demand for return of a South Korean airliner and 34 persons aboard it and insisted that President Syngman Rhee's government negotiate directly with the Pyongyang Reds.

Communist spokesmen adopted this position at a meeting of the Military Armistice Commission secretariat on the fate of the twin-engine DC3 airliner presumably forced across the Red border Sunday with two American pilots, a West German couple and 30 Koreans aboard.

A South Korean Foreign Ministry official labeled the Red demand "impossible." South Korea did not sign the armistice agreement suspending the Korean War and has refused to recognize the existence of the Communist regime. Any direct negotiations would constitute de facto recognition.

A North Korean newsman covering the truce commission meeting hinted that a flight took place aboard the airliner before it was diverted north. He told South Korean reporters that some of the 34 persons aboard the plane were "wounded and received medical treatment."

Col. Kim Joon Kyung of North Korea claimed at the secretariat meeting that those aboard the plane had "defected because they



NEW PUBLIC RELATIONS DIRECTOR for the Klamath County Chamber of Commerce is Patti O'Connor, daughter of Mr. and Mrs. Hugh O'Connor, 133 Grant Street. Miss O'Connor is well known in the Basin for having served as news chief for Radio Station KJFI and as a former reporter for the Herald and News. Chamber manager, R. Frank Tucker, shown with Patti, said that "As part of the program for the economic expansion of the Klamath Basin, it was necessary to engage a full time publicity director. I am confident she will do an outstanding job as she is known in the area and is appraised of the economy and the needs of the Basin."