WIRE SERVICE
Herald and News subscribe to full the United Press, the world's greatest ed wire service of the Associated Press gathering organizations. For 17 hours y world news comes into the Herald- s office on teletype machines."

THE KLAMATH NEWS

IN THE SHASTA-CASCADE WONDERLAND

WEATHER NEWS
Unsettled
High 56; Low 37
At Midnight 49
24 hours to 5 p. m. ..... .02
Season to date 1.81
Last year to date ..... .01
Normal precipitation ..... .49

14, No. 291—Price Five Cents | KLAMATH FALLS, ORE., SATURDAY, OCTOBER 16, 1937 | (Every Morning Except Monday)

ANESE HURL COND FORCE N SINO LINES

ty Attack May Break tire Chinese Defense Northwest Positions

By EARL LEAP
ght, 1937, by United Press
NGHAI, Saturday, Oct. 16 — Japanese troops struck ly and swiftly southward Woosung creek today in an t to shatter the Chinese round Tazang and Naziang, est and west of Shanghai

e before the Japanese drove hin a mile of Tanzang, six from the international set- t and most heavily forti- own on the Chinese front gt they were hurled back furious Chinese counter-of-

Tazang or Naziang falls, the Chinese line stretching to rthwest might collapse.

nese bombers swarmed over China during the last 24 and Chinese asserted that rsons were killed or wound- Kweilin and Wuchow in si province.

ran campaigners of the old e "red army"—now the route army—aided by ons of mysterious new es, today appeared to have ed the Japanese drive in the est.

Japanese military spokes- here admitted Gen. Juichi hi's Shansi campaign had halted" and that the Japa- commanders had called for rcements.

ANGHAI, Oct. 15 (AP)—An e battle raged today in the and Hongkew sectors the Chinese armies were ontinued on Page Three)

NESE CONFLICT T WORK FOR E-POWER MEET

DE PARK, N. Y., Oct. 15 President Roosevelt said in nce today that an attempt diation of the Sino-Japanese t would be the first step ered by the conference at s of the nine-power treaty ories, including the United

d at a press conference if ion was a fair assumption drawn from his "fireside" speech last Tuesday night, resident remarked he had at in so many words.

le refusing comment on the market decline, he indicated ght have something to say subject in a general way in essages to the special and r sessions of congress.

ed if the market develop- were bothering him, he told quirer to wait and see his ges to the legislature.

would not comment on the yesterday of Winthrop W h, president of the Chase al bank, blaming the drop urities value on federal re- n and urging revision of pital gains and income sur- tes.

the foreign situation, the nt said it was sheer guess- s to what the United States ing to do in the future.

ELAKE HONKERS VE SUCCESSFUL LETIC DAY

LELAKE, Oct. 15—Tulelake chool dominated the entire here this afternoon to de- hiloquin 14-7 in the Klam- kiyou football league game. loquin scored early in the on a long pass but Tulelake e score tied 7-7 at the half ent on to add seven more later in the game. Craw- Croft and Pritchett starred winners. Poulson of Camp th was referee.

LELAKE, Oct. 15—Tulelake basketball teams turned wo assaults by Butte Valley f Dorris tonight. Crawford lelake, who had played in a football game this after- led the Honkers to a 21-19 by scoring 11 points, in lass game. Clemens count- points for Dorris. Half-time favored Tulelake, 13-6.

he C game Jarger of Tule- and Rido of Dorris each 8 points, with Tulelake g the game 23-11 after g 13-2 at the half.

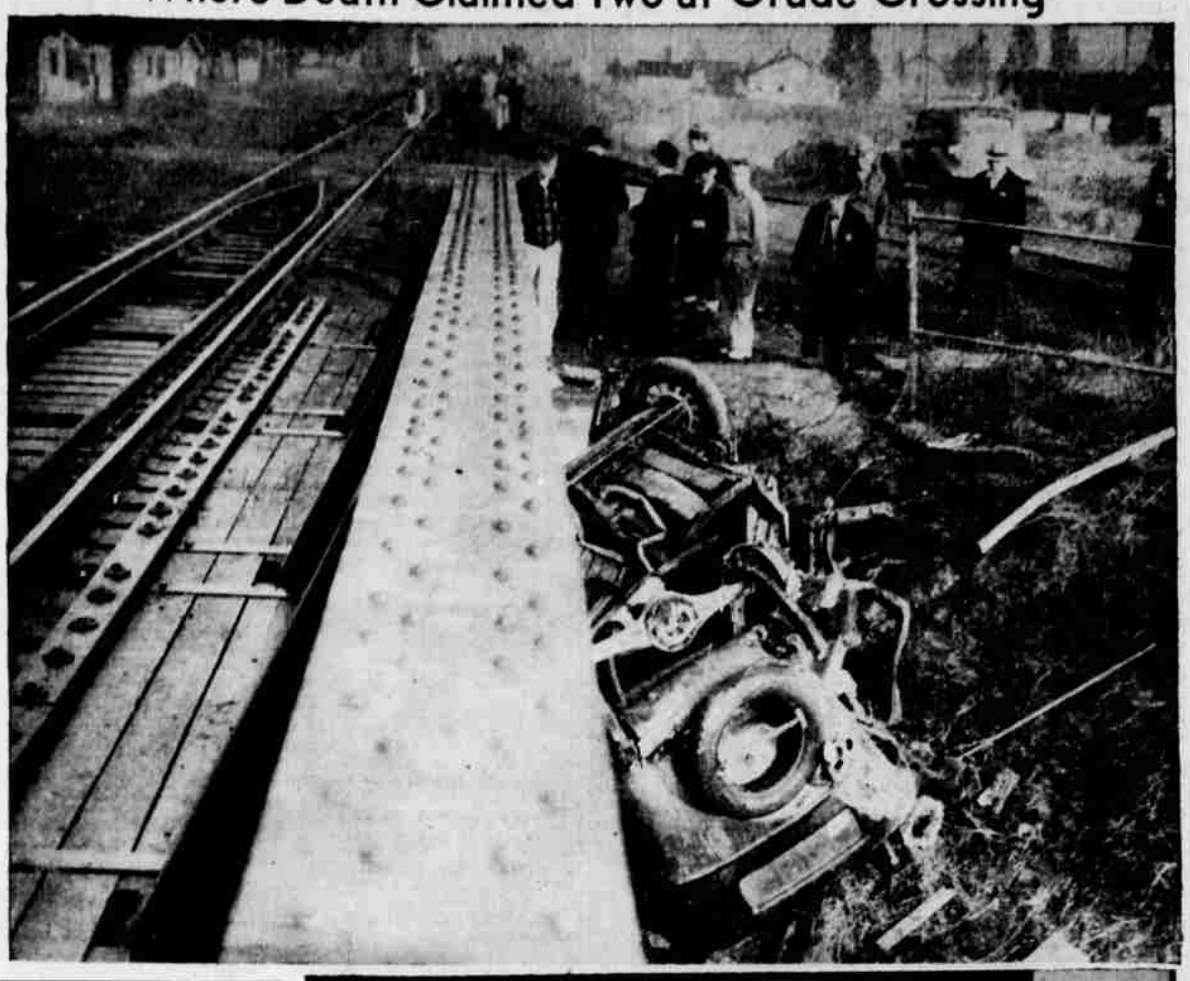
C and D teams, made up of aller and younger boys of chools, will play return at Dorris October 26. Har- hilling, grade school coach, eferee.

Scores

math 6, Ashland 6
anza 12, Merrill 6
elake 14, Chiloquin 7

ific U. 27, Whitman 7
Jose 81, Willamette 7

Where Death Claimed Two at Grade Crossing



Val Phillips and Dale Beck, Kesterson employes, were killed Friday morning at the Alameda street crossing, when their car collided with a Southern Pacific passenger train. These striking pictures were taken by Wesley Guderian, News-Herald photographer, shortly after the tragic mishap. The upper picture shows the crossing (at the end of the guard rail) where the collision occurred; the solid steel side of the railroad bridge against which the sedan was jammed, and, at lower right, the battered, twisted wreckage of the car. One body lies just beyond the fence, to the right of the policeman. The lower picture gives a close-up of the view of the battered automobile. Deputy Coroner A. A. Ward is examining the wreckage.

MALIN TO GET BRANCH BANK

First National of Portland Leases Hirvi Building On City's Main Street

The First National bank of Portland will establish a branch in Malin immediately, it was learned Friday.

Lease of the Hirvi building on Malin's Main street has been signed. C. B. Stevenson, vice president in charge of operations for the First National at Portland, has been in the territory and has completed arrangements for installation of fixtures and the vault in the building.

First in Five Years

It is expected the bank will be ready for business in a week or so.

Bank officials have looked over the Malin territory and consider it an excellent location for a
(Continued on Page Three)

TWO SOUGHT FOR FORGING CHECKS ON ALTURAS FIRM

ALTURAS — Two young men, Albert Moser and George McDonald, both about 25 years of age, are being sought by the sheriff's office.

The two men are alleged to have distributed forged checks to the amount of $450 among Alturas merchants last Saturday night. The checks were all drawn for the same amount, $47.09, and carried the signature of H. E. Timmonds and Alfred Miles. The checks were stolen from the George Pollack company and all had the company's name printed on them. Pollack is a contractor on the highway between Madeline and Susanville.

The men were said to be familiar with the pay roll, having worked for the company, and to have forged the names of Timmons, bookkeeper, and Miles, foreman, on the checks.

The sheriff's office broadcast descriptions of the men all over the state. When last seen they were driving a 1931 model Chevrolet coupe. McDonald has lived in the Madeline territory for a number of years, Moser having come to this county a short while ago from the east. No word as to their whereabouts has as yet been received.

The sheriff's office requested no publicity on the forgery thinking that if the forgers were to read an account of the crime in the press, they would be hard to apprehend.

BONANZA DEFEATS MERRILL HIGH 12-6

Bonanza high emerged victorious on a muddy field today by defeating the Merrill Spudpickers 12-6. Both teams were slowed considerably by the wet ground.

Seater, fullback for Bonanza, carried the ball on line plays to chalk up both his team's scores in the first half. Merrill high got its six points in the last quarter on a pass.

CONGRESS WATCHED FOR HEALING OF DEMOCRAT SPLIT

WASHINGTON, Oct. 15 (AP)—A major topic of speculation in the national capital today was whether next month's special session of congress will bring a reconciliation between the democratic factions in the senate.

Republicans as well as democrats awaited the answer, in the belief it not only would spell success or failure for the administration's legislative program but also would help shape the political battleground for years to come.

Continuation of the bitter warfare which broke out in democratic ranks last session might foreshadow a permanent split in the ranks of the party and lead to a political realignment, based more on economic beliefs than on party labels.

Opinion on what will happen was divided. Many close observers of the political situation forecast, however, that there would be a partial reconciliation if President Roosevelt drops his court reorganization program, as his radio speech on Tuesday indicated.

This, however, probably would leave outside the administration fold some democratic senators who had been openly critical of Roosevelt policies even before the court bill was submitted.

AUTO VICTIM DIES

Chester Sutherland of Portland died early Friday afternoon as the result of a skull fracture sustained Wednesday night when he was struck down on the Merrill highway by a machine driven by V. N. Manuel.

The pedestrian was identified as Sutherland by a card carried in his pocket. He never regained consciousness after the accident.

Attendance in County Schools Leaps 20 Per Cent Over 1936; Altamont Area Has Big Gain

First figures for this year's Klamath county school enrollment Friday showed startling increases over last year.

The gain in all grades was in excess of 20 per cent over the registration of last year at the corresponding period. It was 33 per cent over the first report of 1935.

Previous Gain Doubled

County School Superintendent Fred Peterson announced the increases after a careful compilation of reports from all of the grade and high schools in his jurisdiction. Here are his totals:

	Grades	High	Total
Oct. 8, 1937....	3352	616	3968
Oct. 2, 1936....	2804	498	3293
Oct. 4, 1935....	2526	424	2950

The increase from 1935 to 1936 was 343, and the increase from 1936 to 1937 was 675.

1018 in Two Years

Peterson put the final punch into his statistics when he pointed out that in two years, the gain in his district has totaled 1018 pupils.

The most remarkable increase occurred in the Altamont area, where there are 208 more grade school pupils this year than last.
(Continued on Page Three)

Night Wire Flashes

GAS BLAST

MONTREAL, Oct. 15 (UP) More than a score of men, women and children were injured tonight when an explosion, followed by fire, wrecked a restaurant in the north end of the city. The explosion was believed caused by gas.

TO ENTER TRADE

HOLLYWOOD, Oct. 15 (UP) The Duke of Windsor "will enter trade" when he completes his American tour, Cornelius Vanderbilt, Jr., said today. Vanderbilt reported that the duke will tour the world in behalf of his employer. He did not name the employer.

METERS IN PORTLAND

PORTLAND, Oct. 15 (UP) The city council today voted to install parking meters over much of the downtown area in an effort to halt serious traffic congestion now prevailing, and to raise revenue.

Potatoes

SAN FRANCISCO, Oct. 15 (AP-USDA)—Potatoes: 4 California cars arrived, 1 Oregon, 7 cars unbroken, 11 broken, by boat 6 California, supplies light, demand moderate, market steady, better feeling prevailing, Klamath district Russets No. 1, $1.25-1.35, California prices unchanged.

LOS ANGELES, Oct. 15 (AP-USDA)—Potatoes: 12 California cars arrived, 16 Idaho, 67 unbroken, 37 broken, supplies heavy, demand fair, market strong, Idaho Russets No. 1, $1.15-1.25; some $1.20-1.25; Stockton Wisconsin Prides, good quality, $1.30, fair quality 90c to $1.10, ordinary quality 75-80 cents.

TWO KILLED IN RAIL CROSSING CRASH IN CITY

Third Escapes When Auto Hurled from Track By S. P. Passenger Train

Two died Friday morning in Klamath's first grade crossing accident of the year.

Val Phillips, 26, and Dale Beck, 47, Kesterson employes, were fatally injured at 6:55 a. m. when the car in which they were riding skidded onto the Southern Pacific tracks on Alameda street ahead of a southbound passenger train, No. 17.

Fred Nolan, 45, a third occupant of the car, was injured. He will recover.

Jammed Against Bridge

The train, striking the 1930 model sedan on the right rear side, carried the car for about 50 feet and jammed it against the steel side of the railroad bridge across the government canal.

The automobile then rolled partly down the canal bank.

Beck was thrown from the wreckage and died almost instantly.

Nolan and Phillips were pinned under the battered, twisted body of the car. Residents of the district who rushed up immediately were able to extricate Nolan, but not until a wrecker arrived was it possible to free Phillips. He was resuscitated temporarily but died shortly afterwards at Hillside hospital.

Cause Uncertain

Cause of the accident was in doubt. City police said that a
(Continued on Page Three)

30-TON BOMBER BUILT FOR ARMY IN MAIDEN FLIGHT

SEATTLE, Oct. 15 (UP)—Looking like a huge cross moving across the sky, the U. S. army's greatest and newest bombing plane flew over Seattle today on its maiden flight.

The test climaxed three years of secret development of the single-winged, streamlined ship that cost approximately $500,000 to build.

The four-motored plane was aloft for 25 minutes. Two men—Edmund T. Allen of New York, consulting engineer and commercial test pilot for the Boeing Aircraft company, and Major John D. Corkille tried her controls.

"It was a fine flight," Allen said after he set the air giant down at Boeing field. Allen spoke as though flying the biggest fighting plane in the world was every-day work.

Although much larger, the ship resembles the army's "Flying Fortresses," which also were produced by the Boeing company. Wingspread of the plane is about 150 feet. It is about 90 feet long and has a gross weight of 30 tons.

Living and sleeping accommodations for the plane's crew are aboard. The ship has six machine gun turrets and "blisters" so situated as to permit no "blind spot" in an attack by enemy aircroft.

PORTLAND MILL WORKS SECOND DAY WITHOUT TROUBLE

PORTLAND, Oct. 15 (AP)—Nearly 100 patrolmen stood by again today as AFL workers marched past CIO forces massed to protest resumption of operations at the Plylock corporation.

The plant, recently closed by jurisdictional controversies, turned its machinery for the second day. The CIO followers departed without incident after their rivals entered the gates. Two pickets were left at the entrance.

One CIO-manned sawmill operated, but all others are "down."

Federal Judge James Alger Fee scheduled a hearing Monday on the petition of attorneys for the Plylock corporation for an order restraining "CIO men from assaulting and intimidating workers in a manner contrary to law even without the order."

The attorneys said they had affidavits showing a "continued process of assault and intimidation" had closed the plant "in the face of police, which have been unable to protect the workers.

SINGLE CHINESE FIGHTS 6 CRUISERS

SHANGHAI, Saturday, Oct. 16 (UP)—A Chinese machine-gunner engaged six Japanese warships throughout last night.

He opened fire from Pootung Point across the Whangpoo river from the international settlement, raking the decks of the Japanese craft. Their spotlights were turned on immediately and the heavy guns blazed away at Pootung.

At dawn he was still firing, a solitary challenger to Japan's naval might.

Chinese KKK Hits U. S. in Chain Letters

SHANGHAI, Saturday, Oct. 16 (UP)—The United Press today obtained copies of anti-American chain letters, circulating in Tientsin among Chinese employes of foreign companies, urging a boycott of American goods and proposing Chinese-Japanese cooperation against foreigners throughout the Pacific. The letters were signed "Chinese KKK."

"Slap the Americans' faces if they bluff you," the letters said. "They'll respect you then.

"American-sponsored education killed all the good Chinese teachings and substituted American cowboy conduct, worshipping money above everything, disregarding chivalry and character.

Children Act Funny

"American vices were imported including Hollywood pictures and American magazines filled with
(Continued on Page Three)

KLAMATH HIGH, GRIZZLIES TIE

Last-second Score Saves Pelicans from Defeat After Outplaying Foes

GAME STATISTICS

	Ash.	Klam.
1st down (scr.).....	3	8
1st downs (pass.)..	1	3
1st downs (pen.)	1	0
1st downs (tot.)....	5	11
Yardage (scr.)	75	215
Yardage (pass.)	28	112
Yardage (pen.)	20	0
Yardage (tot.)	123	327
Passes tried	4	17
Passes comp.	2	8
Passes int.	0	3

Talk about your Merriwell finishes and add a footnote or two on flat anti-climaxes!

A combination of the two on Modoc field last night produced a 6-6 tie in the annual Southern Oregon conference football game between Ashland and Klamath high schools.

Without the first, the score would have been Ashland 6, Klamath 0. Without the second, it might have been Klamath 7, Ashland 6.

Neither Gains

But there were both a Merriwell finish and a terrific subsequent letdown, and the effect was to leave the result in the air, with neither team accorded the satisfaction of victory and neither gaining any ground in the Southern Oregon conference race.

Pass-tossing Wes Yancey, with
(Continued on Page Three)

WOMAN KILLS WIFE OF EX-HUSBAND, TAKES OWN LIFE

SAN FRANCISCO, Oct. 15 (UP) Nell Reynolds today killed the woman her ex-husband married, and then shot herself to death, but there was more than jealousy in her motive. There was the loneliness of a woman who had turned the corner in life and saw nothing ahead, and there were hatred and intrigue, race tracks and liquor, all providing a background which would have done credit to a first class fiction writer.

But this was grim reality. She told Jack Reynolds when they were divorced that he could marry again if he pleased. . . . Any woman but Naomi Nelson.

"I'll kill her if you marry her," she said.

Jack Reynolds married Naomi Nelsson two weeks ago and Nell Reynolds shot her three times to-
(Continued on Page Three)

AFL ACCEPTS REVISED PLAN FOR CIO MEET

Lewis Casts Doubt Over Peace Possibilities, Hits F. R. in Final Address

By C. L. SULZBERGER
United Press Staff Correspondent

DENVER, Oct. 15 (UP)—The American Federation of Labor tonight accepted a CIO invitation to meet jointly in a peace conference designed to heal the breach in union ranks.

The reply to Lewis' invitation was drafted at a secret council meeting. It reiterated the stand taken by President William Green that the federation would meet the rebel group.

No Commitments

However, the message asserted strongly that: "It is to be understood that such conference is to be held without prior commitments, stipulations or conditions by either side."

The federation message pointed out that an A. F of L. standing committee still existed which has been fully authorized to sit with a similar C. I. O. group whenever John L. Lewis is ready to come to terms.

Although the A. F. of L. convention voted yesterday to increase the size of this group from three to "any reasonable number," it was not apparent whether the council would authorize creation of a committee of 10—as suggested by Lewis in his invitation.

The council requested Harvey Fremming, pro tem secretary of the C. I. O. conference in Atlantic City, to "please advise when you are ready to meet." The C. I. O. invitation had suggested that the joint parley be convened at Washington during the week of October 25.

Despite the apparent willingness of both groups to talk over methods of settling labor's civil war, observers were inclined to pessimism as to the outcome.

The C. I. O. demand that in-
(Continued on Page Three)

PIERCE IN FAVOR OF CROP CONTROL, PUBLIC OWNERSHIP

MERRILL—Firm in his conviction that the old era has passed when crops can be grown in the United States without benefit of government regulation, Congressman Walter Pierce, during a called luncheon session of the Merrill Service club Thursday, stated that the general agricultural situation will be clarified when production is held within bounds and when crops are marketed in an orderly way.

Pierce touched briefly on public ownership of power and brought to residents of Klamath county a report on his activities in connection with the proposed re-flooding of Lower Klamath lake. In touch with the biological survey and with reclamation officials the congressman stressed the need for
(Continued on Page Three)

BRITISH PATIENCE NEARLY EXHAUSTED, EDEN TELLS ITALY

LLANDUDNO, North Wales, Eng., Oct. 15 (AP) — Foreign Secretary Anthony Eden, in a strong speech tonight, unmistakably warned Italy that British patience is "well nigh exhausted" at "proclaimed intervention" in Spain.

Blasting at "glorification of breaches of the (nonintervention) agreement," the foreign secretary reviewed the entire in-
(Continued on Page Three)

TODAY'S NEWS DIGEST

LOCAL

Two men killed at Alameda street railroad crossing Friday morning when their automobile is struck by the southbound Southern Pacific passenger train No. 17. Page 1.

Klamath county schools show remarkable increases over last year and 1935, first figures show. Total is up more than 1000 over last year. Page 1.

Klamath Pelicans mess up conversion after last-second touchdown to end game with Ashland in 6-6 tie. Page 1.

First National bank of Portland reveals intention to establish branch at Malin. Page 1.

Man identified as Chester Sutherland of Portland dies Friday afternoon at Hillside hospital as result of injuries sustained when he was struck by an automobile as he was walking toward Klamath Falls on the Merrill highway. Page 1.

Engineer proposes substantial increase in county road budget for next year. Page 3.

Order of Ahepa to initiate 40 candidates at Klamath ceremonies this weekend. Citizens of Hellenic descent to gather here. Page 10.

GENERAL

AFL agrees to amended CIO plan for peace conference, Lewis closes CIO convention with doubts as to possibility for peace. Page 1.

Japanese launch second try to break Chinese defenses northwest of Shanghai. Page 1.

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