

MUSSOLINI'S NAVAL POWER SAID BEATEN

of British dreadnaughts and the bombs of the royal air force and fleet air arm.

Working in closest collaboration with the royal navy, the RAF went into immediate action, attacking the Italian war fleet and heavily pounding Italian air bases in the vicinity of Brindisi.

With customary understatement the admiralty reported naval operations "of some importance are taking place in the eastern Mediterranean."

"So far," said the admiralty, "only preliminary reports are available but from these it appears that yesterday our naval forces operating under the command of Admiral Sir Andrew Cunningham, sighted Italian naval forces consisting of battleships, cruisers and destroyers."

Greeks Take Part
"The enemy force scattered but some units have been brought to action and it appears so far at least one Italian class battleship has been damaged and two enemy cruisers very seriously damaged."

"Naval aircraft and units of the RAF have carried out attacks the results of which are not yet known. Greek naval forces are taking part in these operations. Further information will be issued as soon as available."

A later admiralty communiqué said: "Further information on the naval action in the eastern Mediterranean is not yet available but rafts containing

Italian survivors have been reported this morning by our aircraft. It must therefore be assumed that at least one Italian ship was sunk."

An initial report by the air ministry on the RAF's part in the engagement said a "large formation of bombers" had heavily and successfully attacked Italian warships in the Ionian sea, hitting two cruisers and one destroyer with heavy bombs.

It was believed in London these two cruisers and the destroyer were in addition to those reported damaged by the admiralty.

The British fleet which engaged the Italians was believed to include at least three battleships, the aircraft carrier Formidable and a large number of cruisers, destroyers and escort craft.

ROME, March 29 (AP)—The possible sinking of a British cruiser and the damaging of an aircraft carrier and another cruiser in torpedo and bomb attacks by Italy's air force were reported by the high command today.

At the same time Stefani, the official Italian news agency, said that the "naval assault craft" which entered Britain's naval base at Suda Bay on the island of Crete Tuesday night and reportedly sank a warship were tiny, new high speed vessels requiring skill and daring on the part of their volunteer crews.

Without saying whether they were the small motor torpedo boats which Italy is supposed to have in large numbers, the agency said they were the "newest boatcraft of the royal navy."

BERLIN, March 29 (AP)—A long-range German bomber attacked a British troop transport in the Atlantic about 310 miles west of Cape Wrath, Scotland, and forced the soldiers to take to

Kalpine Case To Be Heard By Conciliator

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representative who comes here Monday will also be in charge of the Kesterson Lumber corporation labor election set for Tuesday. The Kesterson men will vote on CIO, AFL or no union representation.

Saturday passed without additional statements from the embattled unions who have been issuing blistering pronouncements for several days following AFL's unheeded claim that it now has a majority in the Kalpine plant.

No comment from either union was made on the Kalpine management's statement of Friday night re-affirming the company's position and urging plant operations be resumed pending outcome of the NLRB inquiry. (Full text of the statement will be found on page 6 of this issue.)

Lifeboats, the German high command declared today.

In the same region a 2500-ton ship sank and a large steamer was hit in other attacks, the German communiqué said.

Two British freighters totaling 5000 tons were reported sunk in dive-bombing attacks in St. George's channel between Elre and Wales and in the Bristol channel.

Informed sources said one of the British freighters was a munitions ship which was torn apart by explosions of her cargo after a bomb hit.

These sources said that, in addition to the 7500 of ships sunk, 27,000 tons were "heavily damaged."

SCHOOL PRINCIPALS REELECTED IN CITY

Teachers Named for
Next Year; Fire
Hazards Eyed

All principals of the seven Klamath Falls public schools were reelected at a meeting of the city school board held Tuesday of this week. Named to continue their duties as school heads were Florence Ollmann, Fairview; Augusta B. Parker, Fremont; Myrtle Helm, Joseph; Conner; Agnes Bryan, Mills; Lowell Kaup, Pelican; Verne Speirs, Riverside; Carl W. Muen-der, Roosevelt.

Supervisors: Lillie E. Darby, music; Paul D. Angstead, physical education.

Special teachers, LeRoy L. Erdman, manual arts; Olive Wilson, home economics.

Teachers reelected: Stephen Mosher, Jennie Mills, Ellen Patterson, Mary Scott, Irma Wauchope, Freda Wheeler, Henrietta Ekern, Frieda Ellis, Lena Hackett, Eva Lovely, Audrey McPherson, May Phinney, Elizabeth Priddy, Lillian Redkey, Jean Whitney, Anita Cooke, Marie Doern, Connel Napier, Freda Robinson, Irma Badger, Gerald Clemens, Frieda E. Bryant, Karen Dunton, Bernice Elliott, Irene Foster, Aubra Griffiths, Emilie Haldeman, Marguerite Hundley, Mayme Johnson, Ruth Linfesty, Dorothy Marshall, Ida E. Nordine, Geraldine Owsley, Helen Prince, Della S. Records, Edna H. Russell, Florence O. Walker, Eda Adamson.

Bertha Lester, Gertrude Lindberg, Ruth Ann McAllister, Genevieve McGee, Kathleen Silver, Ralph E. Turner, Rosella Cline, Florence Hoe, Estrid Johnson, Leora Repp, Grace K. Rhoades, Betty Lou Williams, Julia Cannon, Ruby Darby, Helen Elliott, Ruth Flood, Oia Mae Hough, Orpha Hudson, Hazel Leonard, Muriel Moore, Helen Perkins, Houston Robison, Selvig Erickson.

The following teachers did not make application for reelection according to a member of the board: Mrs. Eleanor Hicks Robison, Mrs. Jean McCall MacBeth, Mrs. Vera Pearson Dyrd, Eleanor Donofrio, Elizabeth Mat-son, Frances Dix.

Relative to removal of fire hazards at Riverside school recently recommended by Fire Chief Keith Ambrose, City School Superintendent Wells reported that a new electric stove and water heater has been installed and that partitions and doors between the first main floor and the basement will be installed during the spring vacation by the school mechanic, Mr. Proctor, and that other changes recommended will be made as soon as possible.

Upon motion, the board tentatively approved the matter of reinstating manual arts and home economics in the seventh grade for 1941-42 employing two additional teachers, subject to further consideration when making the budget.

In the matter of budget committee for the 1941-42 budget, the board was instructed to select one budget committee member each and report at the next board meeting, Wednesday,

She (the Baby) Likes Men Best



Deanna Jean Hall makes it no secret that blonds of her tender age prefer gentlemen. Here she plays up to Richard Carlson while Anne Shirley, former diaper-clad star herself, gives Deanna Jean advice on how to act this scene from "Little Miss Muffet."

Picket Down in Harvester Strike Melee



(NEA Telephoto)
At the reopening of the International Harvester Co.'s Richmond, Ind., plant a policeman feels a picket during a clash in which 25 strikers, policemen and deputies were injured. Union leaders were arrested as 900 returned to work on defense orders.

F. R. ASSERTS TERRORISTS AT WORK IN U. S.

we seek will become an unattainable hope."

Sun-tanned and refreshed after eight days of sunshine at sea, Mr. Roosevelt spoke by radio to the nation and the world from the cabin of the presidential yacht Potomac tied up at the dock here. He spoke as head of the democratic party and addressed his speech to a nationwide series of dinners of party leaders observing Jackson day.

Beyond Party Lines
But his address went beyond the party celebration. The president talked not only to the party which had made him the first third-term president in history, but to all Americans. The two party system remains a basic principle of American political life, he said, but in the present national emergency "we Americans—nearly all of us—have risen above any considerations of party politics."

Mr. Roosevelt promised action to meet the crisis arising from a world at war.

"In the comparative quiet of this week," he said, "it has become more than ever clear that the time calls for courage and more courage—action and more action."

"In our own day the threat to our nation and to our democracy is not a sectional one. It comes from a great part of the world which surrounds us and which draws more tightly around us day by day."

This threat, he said, is directed against the basic principles of American liberty—"freedom of speech, freedom of the press and the air, freedom of worship." Then he identified the source from which this threat originates.

Refers to Axis

"These are the eternal principles which are now being threatened by the alliance of dictatorship nations," he said, in an obvious reference to the triple axis alliance of Nazi Germany, fascist Italy and Japan.

"The history of nations betrayed during the past year, the

AUTO STRIKERS WON'T RETURN

(Continued on Page Two)

cases referred to it yesterday. A panel of the board and representatives of the Vanadium corporation were present, but it was discovered that union officials had not received notice of the meeting in time to be present.

The board members assembled in Washington to begin mediation efforts in strikes called by the CIO Farm Equipment Workers organizing committee at four mid-west plants of the International Harvester company, employing 20,000; by AFL Electrical Workers at the Condenser corporation at South Plainfield, N. J., employing 2200; and at the Vanadium corporation, Bridgeville, P. A., employing 400.

The CIO Harvester workers meet tomorrow to decide whether to go back to work as requested by the board and whether to meet with the board and company officials in Washington Monday. The union seeks higher wages and other concessions.

A strike at the Midland Steel Products company, Detroit, important to the automotive in-

dustry, was tentatively settled yesterday after 18 uncertain days. CIO union members act today on a proposal including a five-cent hourly pay raise.

End in Sight
CIO and management also reached an agreement affecting 1400 workers at the plant of the Universal Cycles Steel corporation, Bridgeville, Pa. The five-weeks' strike had been turned over to the mediation board for settlement. Reopening of the plant, vital to defense, was forecast today. The agreement was said to involve a wage increase.

(Threats of strikes at three Bethlehem Steel shipyards in New York waned after union workers in two Brooklyn yards turned thumbs down on walkout proposals. Workers at a third yard authorized a strike but instructed their leaders to submit the dispute first to a federal conciliator on Monday. Wage increases and organizing privileges inside the yards were asked.

Surveys show the average speed of automobiles in Times Square, New York City, is six miles an hour.

Through the United States every 24 hours, 170 cars are stolen, according to police records.

White pepper is well-ripened black pepper.

Boredom

LONDON, March 29 (AP)—The Church of England Temperance society today blamed boredom in air raid shelters for increased drinking among girls and boys. A report, based on a survey of 150 shelters, said that "where social life is active and the community spirit strong, gambling, drinking and immorality are almost entirely absent."

Blockade Runners

RIO DE JANEIRO, Brazil, March 29 (AP)—Three axis merchantmen left Brazilian port last night and early today in an apparently coordinated effort to penetrate the British blockade.

Crash at Phoenix

PHOENIX, Ore., March 29 (UP)—An automobile driven by Ernest W. Mapes of Ashland to-night struck and killed Russell S. Weir, 21, Phoenix, as he attempted to cross a street.

Police released Mapes after questioning him.

KLAMATH HEATING WELLS IN MOVIES

Klamath Falls makes the movies!

Starting Sunday and continuing for four days, this city and its natural hot water heat holds a spot in the short, "Strange As It Seems," at the Esquire theatre. A little over a year ago photographers came to Klamath Falls to investigate the heating of homes by natural hot water and as a result produced an interesting film to be included in the "Strange As It Seems" program.

Well drillers with familiar faces, homes well known to Klamathites, scenes which include Modoc field, a panorama of the city, Klamath Union high school and Lightfoot hospital, are included in the short.

ation of the United States. Basic liberties of man, he said, could not long survive in a "world organized or ruled by the gestapo" or in a "nazi-dominated world."

For the "propagandists, defecists and dupes" of the foreign enemies of democracy, Mr. Roosevelt cited the record of communism and nazism in their own domain.

Approximately 600 volcanic craters exist today which were active in late historical times.

World consumption of nickel in 1939 amounted to approximately 256,000,000 pounds.

"The devil's coach horse" is the name of a European species of beetle.

Superstitious persons regard the letter "W" on the wings of 17-year cicadas as a sign of impending war.

HERE IS THE PICTURE
YOU WILL SEE WITH YOUR HEART!

SO ENDS OUR NIGHT

From the Book by
ARTHUR MARGARET

FREDRIC MARCH · MARGARET SULLIVAN · FRANCES DEE

By the Author of
"All Quiet on the Western Front"

ESQUIRE Starts Saturday

MRS. SISEMORE DIES SATURDAY

(Continued from Page One)

August 26, 1910. She attended Monmouth college, in Illinois, and came here with her parents, Dr. and Mrs. A. Theodore Smith of the First Presbyterian church. She began her work as a member of the chamber of commerce staff in June, 1931.

On May 3, 1937, she and Attorney L. Orth Sismore were married.

Late last summer she discontinued her work at the chamber of commerce and later the district attorney and his wife moved into their new home on Lakeshore drive.

Mrs. Sismore was a member of chapter AU of the PEO Sisterhood. She was active in various civic affairs and the church of which her father is pastor.

The remains were taken to the Holman and Lutz funeral home in Portland, and will be brought early in the week to Klamath Falls, where services will be held.

The shocking news of Mrs. Sismore's death was received by friends and relatives here Saturday evening. Linsy Sismore, father of the district attorney, and Emmett Sismore, his brother, left for Portland Saturday night.

CONSULATE HIT

PLYMOUTH, England, March 29 (AP)—The government permitted publication today of information that the United States consulate here was damaged in the recent air raids on this port. The United States embassy in London said the consulate was hit by fire bombs and completely burned out. There were no casualties.

FUNERAL

ABNER McNAIR
Funeral service for the late Abner McNair, who passed away near Bly, Ore., on Wednesday, March 26, will take place from the Methodist church on Monday, March 31, at 1 p. m.

The Rev. B. V. Bradshaw officiating. Commitment service and vault entombment in the Chief Schonchin cemetery. A morning service will be observed commencing at 10 a. m. Friends are respectfully invited to attend. Ward's Klamath Funeral home is in charge of the arrangements.

Pacific Coast's top surf rider is Mrs. Ethel Makinson, who retained her casting crown in an annual championship meet at Long Beach, Calif. Her mark was 223.1 feet, bettering by 23 feet her 1940 record.

LOOK, FELLERS, IT'S CAGNEY...
giving the bird to the gilded age!

that good old two-fisted jimmy in those good old two-step days! it's unheard of! it's history-wrecking! it's hilarious!

JAMES CAGNEY
Olivia
DE HAVILLAND

Strawberry Blonde

RITA HAYWORTH
ALAN HALE · JACK CARSON · GEORGE TOBIAS
Directed by RAOUIL WALSH · A WARNER BROS. Production

Starting Times of Features: 12:30-2:50-5:05-7:25-9:50 P.M.

SPECIAL ADDED ATTRACTIONS
"STRANGER THAN FICTION"
See Actual Scenes and Story of Natural Hot Water Wells Found in Klamath Falls and Vicinity in "Stranger Than Fiction"

"THE GREEKS RIGHT BACK"
See How the Greeks Are Defending Their Country From Invasion!

"Quiet Pieces" — Popeye Cartoon — Latest Universal News

NOW PLAYING -- ENDS WED. NITE

ESQUIRE PHONE 4417

Transportation News

BUSINESS SOARS, SAYS BATCHELDER

PORTLAND, Ore., March 28 (AP)—The Pacific northwest advisory board today heard K. C. Batchelder of Seattle report soaring business indices, most of the reflecting armament contracts.

The traffic manager of the West Coast Lumberman's association told the board that \$853,000,000 had been allocated for defense projects in Washington, Oregon and Idaho and predicted the total would soon pass the billion mark. Shipping volume has increased tremendously, he said, predicting a 15 per cent increase for the second quarter of 1941.

Other reports to the board contained the following:
Unsold canned salmon stocks dropped from 1,490,000 cases at the close of February, 1940, to 458,000 last Feb. 28.

A 15 per cent increase in the hatch of baby chicks is in sight. The number of dairy cows has increased and a 3 per cent boost in dairy and poultry carloadings is assured for the second quarter of the year.

Prospects for an early range and a favorable winter for the lamb crop indicate a 10 per cent increase in sheep carloadings for the three states. Lack of ocean cargo space probably will increase rail shipment of wool to the east coast by 25 per cent.

A total of 17,000 more cattle were on feed Jan. 1 than at the start of 1940 and the meat demand is increasing. Farmers are curtailing the sale of female stock. Beef supply should be normal for the next three months. The bulk of fat lamb supplies for April and May will come from California, but northwest supplies will be sufficient to meet June demands. Hog supplies will be below normal. A heavy movement of hogs from the mid-west is anticipated.

Truck line tonnage probably will increase the rail movement of hay 17 per cent. Rail movement of fertilizer is expected to jump 20 per cent.

Advertising is credited with selling out the entire northwest winter pear crop. Prices have stiffened lately but earlier returns did not net the growers much over production costs.

Apple movements have been satisfactory but despite an increase in consumption due to advertising campaigns of the Washington state apple advertising commission, large quantities of the Winesaps and Newtowns—a large portion of the crop—remain unsold. It is estimated that 5000 acres of trees will be pulled because of unfavorable returns.

The pine industry predicts an increase of 25 per cent in loadings with a prospect of 18,720 cars of lumber and 17,910 cars of logs. Fir estimates show 57,000 cars of lumber and 55,000 cars of logs to be loaded in the next three months, an increase of 15 per cent over the same quarter of 1940. Retail stocks are low. Unshipped orders March 1 came to 701,394,000 board feet, gross stocks to 839.

172,000. Lumber had 30 per cent less intercoastal ship space for the first 10 weeks of 1941 compared with 1940.

Plywood mills are operating to capacity and production will increase April 15 with completion of a new plant at Albany, Ore. Adverse eastern and mid-west weather conditions have slowed the shingle market.

The pulp and paper industry anticipates a 1.9 per cent increase in paper and 17.8 per cent increase in pulp carloadings. European pulp importations are small.

Iron and steel operators expect a 28 per cent increase in demand for castings, machinery and boilers, a 37 per cent lift in iron and steel shipments.

The second quarter will bring a 9 per cent increase in canned foods movement. A heavy movement of sugar was noted the week of March 10.

Loss of foreign markets have hit grain and fowl, and heavy storage has resulted. The problem of storage of the new crop will be difficult. The movement for the next quarter is expected to be about the same as in 1940.

An estimated demand for 2817 cars during the next quarter for shipment of ore concentrates and smelter products represent an increase over the 2473 required in the second quarter of 1940.

Petroleum loadings are expected to go up 15 per cent.

TRANSPORT PERSONALITIES

Passing Through—Mr. and Mrs. J. B. Clapp of Seattle stopped in Klamath Falls Friday on their way south. Clapp is a retired roadmaster of the Great Northern Railway.

Promoted—Bob Johnson, for the past year and one-half a deliveryman in Klamath Falls for the Consolidated freightways, has been transferred to Oakland. Johnson has been promoted to platform work in the bay city.

Called Home—Mrs. Neal Gibson of the Great Northern office this week was called to Whitefish, Mont., by the serious illness of her father.

IC Agent Here—H. J. Nelson, general agent for the Illinois Central railroad in Portland was a visitor in Klamath Falls Friday.

Freight Loss by Damage Claims Shows Big Drop

PORTLAND, March 29 (AP) Through collaboration between shipper and transportation lines, freight loss and damage claims that used to aggregate \$121,000,000 a year 20 years ago now are down to around \$21,000,000, J. T. Gallapay, Chicago, said Thursday night.

The Association of American Railroads representative told the Pacific northwest advisory board on shipping and 100 northwest shippers and transportation men that still greater saving was possible.