

WEATHER

Fair and cold today and tonight. Lowest temperatures tonight 12-18 degrees except not quite so cold on coast. Wednesday, fair and not quite so cold.

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TELEPHONES 1100

- State Theatre Today - Irene Dunne - Charles Boyer In "TOGETHER AGAIN"

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TELEMAT PICTURES

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Neck Of Enemy Salient Narrowed

Fall Of Buda Appears To Be Imminent As Reds Attack Furiously

LONDON, Jan. 2.—(AP)—Fall of Buda, western section of Danube-straddling Budapest, appeared to be only a matter of hours today as the doomed Nazi garrison crumbled before attacking Russian forces utilizing virtually every weapon known in modern warfare.

A communique broadcast early today from Moscow said the greatly outnumbered German and Hungarian defenders had lost more than 1,000 men killed yesterday in savage street fighting and had been compressed into an area less than four miles wide and a mile deep.

(A Cairo radio broadcast last night said all the Germans had been driven from Buda, but there was no confirmation from Russian or German sources.)

The communique also said Soviet forces had occupied 200 additional blocks in Buda yesterday, bringing to 600 the number now under Russian domination. The Russians knocked out 24 German tanks and 13 armored troop carriers and took 429 prisoners, the first big bag of captives since the Soviet broke through the western defenses of the capital several days ago.

Katushas, giant mortars, were brought into the capital on fleets of American-made trucks to blast street fortifications. Desperate German counterattacks with tanks and self-propelled guns were crushed in the overwhelming Red assault with flame-throwers and heavy guns that threatened to demolish the battle-scarred capital.

Other Russian forces captured 14 more places and drove within two miles of Losonc (Lucencec), Slovak communications hub on the Hungarian frontier above Budapest.

Moscow reports said a new offensive against Austria was expected to get underway as soon as the conquest of Budapest was completed. The German high command was reported to have included Vienna in the "threatened zone" and started partial evacuation and other emergency measures in the Austrian capital.

Ward Personnel May Be Reclassified

Gen. Byron Says Those Who Refuse To Cooperate In Army Operations Are Subject To Draft

CHICAGO, Jan. 2.—(AP)—Maj. Gen. Joseph W. Byron reported today that Montgomery Ward and Company personnel who refused to cooperate in army operation of seized properties in seven cities was being replaced and made subject to selective service reclassification.

Specifically, the general named Sewell Avery, chairman of the board "and other representatives" as having refused to operate the properties under his direction since the seizure under presidential order Thursday. Avery refused to recognize the seizure as constitutionally valid and said the company could not accept or obey it.

Second Mica Hearing May Be Held Here

WASHINGTON, JAN. 2.—(AP)—Attorneys for nine North Carolina mica producers are seeking to reach an agreement by tonight with the department of justice on the investigation of the industry's operations.

Unless the companies, recently ordered to show their records, can effect a satisfactory agreement with the justice department, a hearing is scheduled at Shelby, N. C., on Jan. 5.

E. P. Hodges, special assistant to the attorney general, said the department has revised subpoenas as ordered by Judge Yates Webb in U. S. District court at Shelby last month and the nine companies concerned already have viewed the new summonses.

The companies insist show of records now will hold up their war work.

The companies include the Asheville Mica Co., the Mica Fabricators' association, the Wet Ground Mica association, the National Electrical Manufacturers association, the Richmond Mica Corp., the English Mica Co., the Eugene Munsell Co., the A. O. Schoonmaker Insulation Co., Inc., and Mica Insulation Co.

The government has said other subpoenas of similar nature will be issued shortly.

Approximately 20 states have been producing mica during the war, recent congressional hearings showed.

Expected soon is a report from the U. S. Bureau of Mines on operating methods and exploratory investigations conducted for a year and a half in Alabama.

The office of Senator Mill (D-Ala) said this report may contribute new findings in regard to domestic mica.

A member of Senator Hill's staff said the bureau of mines plans to continue activities in the eastern part of Alabama where technical assistance already has been given to strategic mica producers.

Japs Boast Of Rocket

Radio Tokyo warned today that a "Japanese-manufactured rocket bomb will make its appearance in the Pacific war soon."

The broadcast was intercepted by the federal communications commission.

YANK BOMBERS ON MINDORO BATTER LUZON

However, Signs Indicate Enemy Soon To Attempt Counterattack

AERIAL SCOURGE

GENERAL MACARTHUR'S HEADQUARTERS, Philippines, Jan. 2.—(AP)—Land-based American bombers on Mindoro have opened attacks in force to the far reaches of invasion-menaced Luzon Island, bagging three enemy warships and five cargo vessels in one such strike 150 miles above Manila, but signs also are accumulating of attempted enemy counteraction against Mindoro.

Today's communique, which listed the sinking or probable sinking of three destroyers, three 8,000-ton freighter-transports and two smaller cargo vessels at Lingayen Gulf, also disclosed intense activity by Japanese ammunition trains on southwest Luzon north of Mindoro. Saturday, the same day that medium bombers, attack planes and fighter-bombers flew 150 miles northwest of Manila to Lingayen, more than 50 marine Corsairs blew up an entire ammunition train, strafed three others and attacked 20 locomotives in the Batangas area.

Batangas is 25 overwater miles north of Mindoro Island and roughly 10 miles from the New York Mindoro base at San Jose which sent the strong force of raiders to Lingayen.

The enemy is continuing to raid MacArthur's Mindoro position, established by an invasion Dec. 15 which cut west across the Central Philippines from conquered Leyte. Today's communique said 15 Nipponese aircraft attacked the San Jose sector Saturday, with three downed by anti-aircraft guns and night interceptors.

The Lingayen attack, representing the deepest penetration in strength of American bombing raids to date.

By HOWARD COWAN

LONDON, Jan. 2.—(AP)—Escorted American heavy bombers invaded western Germany before noon today primed to meet any repetition of the Nazis' sudden New Year's day show of aerial strength. It was the 11th consecutive day of heavy bomber activity.

Revised tallies showed at least 221 German planes wrecked in Monday's widespread combats, while Berlin declared 4:7 Allied planes were destroyed, most of them on the ground in morning swoops on fighter bases behind the western front.

Some 300 German planes darted in at treetop level over scattered American and British bases a few minutes after daylight yesterday, but some Allied fighters already were in the air and swirling dog-fights developed.

At least 188 raiders were knocked down, 105 by RAF fighters, 35 by American Mustangs, and 48 by British and American ground gunners.

Thirty-three other German planes were reported destroyed, 17 of them falling to American fighters escorting 800 big bombers raiding Coblenz and an old plant 20 miles east of Hannover.

The bag of gunners aboard the heavy bombers was not disclosed immediately, nor the number of bombers lost.

Allied headquarters conceded some aircraft were wrecked on ground on fighter bases, but did not confirm German claims of 323 British and American ships ruined aground, 79 in air duels, and 25 by anti-aircraft fire over Germany—a grand total of 427.

Allied announcements listed 27 fighter and two medium bombers lost during the day, and eight RAF heavy bombers during night assaults on a fuel plant near Dortmund and railyards at Veehwinkel near Dusseldorf.

British Within 86 Miles Of Mandalay

HEADQUARTERS ALLIED FORCES IN SOUTHEAST ASIA, Jan. 2.—(AP)—Advancing British troops were within 86 miles of Mandalay today and there were indications the Japanese may have decided to pull out of Burma entirely.

A British spearhead entered Kadama, 16 miles from Yeu, and the triple drive from northern Burma has reached the northern and western rim of the Burma rice bowl. The approach toward Yeu, only 70 miles northwest of Mandalay, was announced yesterday by headquarters of Admiral Lord Louis Mountbatten.



COLLISION OF TRAINS IN UTAH KILLS FIFTY—At least 50 persons were killed and about 60 were injured in this wreckage which piled up on a causeway across the Great Salt Lake near Ogden, Utah, when a speeding Southern Pacific mail-express train and a slowly moving passenger train collided in a fog. Both trains were west bound. The mail-express crashed into the passenger from the rear.

Navy Reports Loss Of Sub And Other Craft

WASHINGTON, Jan. 2.—(AP)—Loss of a submarine, a medium landing ship and two motor torpedo boats was announced today by the navy.

The 1,525-ton submarine Harder is overdue from patrol and presumed lost, a communique said. The landing ship LSM 318 and the PT 300 were lost as a result of enemy action in the Philippine area, and the PT 311 was lost to enemy action in the Mediterranean area.

The landing ship was sunk during a Japanese air attack off Ormoc Dec. 7.

The submarine Harder was of a type which carries a normal complement of 65 men. The normal crew of a landing ship medium, is 51 and of PT boats from 11 to 15.

The announcement brought to 35 the number of United States submarines lost from all causes since the start of the war and the total of miscellaneous types to 132. The total of all naval vessels lost was raised to 243.

SHORT-LIVED NAZI DRIVE IN ITALY HALTED

ROME, JAN. 2.—(AP)—Fifth Army patrols probed enemy positions today in the Serchio valley sector of the Italian front, where the short-lived Nazi thrust of last week appears definitely ended.

At the same time, Allied pressure was maintained further west in the Tyrrhenian coastal area where the Germans were last reported massing men and equipment.

The greatest activity yesterday came near the Eighth Army right flank in the Po valley. There a German raiding party supported by mortar fire crossed the Senio river southwest of Fusignano. Canadian troops broke up the raid, seized several prisoners and sent the rest fleeing back.

Nip Radio Reports Raid On Mindanao Island On Dec. 30

By The Associated Press

"About 10 B29s" raided Southern Mindanao island, Philippines, Dec. 30, Japanese time, the Tokyo radio said today in a broadcast intercepted by the Federal Communications Commission.

There was no Allied confirmation.

SIX VICTIMS UNIDENTIFIED

Search Continues For Wreck Dead; Number Injured Now 81

OGDEN, Utah, Jan. 2.—(AP)—Slowly the task of identifying dead from 1944's worst railroad accident dragged into the New Year today with bodies of six unknown civilians—four men and two women—lying in mortuaries here. Names of 11 military personnel—mostly Navy men—have not been announced.

They were part of the 28 military and 19 civilians killed when the westbound Southern Pacific Limited mail and express train dived at high speed early Sunday morning into the rear of its first section, a passenger unit, on the rock causeway crossing a shallow arm of Great Salt Lake.

Eighty-one were injured. Many of these still are under care in hospitals.

SEARCH CONTINUES

Railroad officials said the locomotive would be separated today from the tallied sleeper into which it bore and a search would be made of the sleeper's rear portion for additional dead.

Meanwhile, plans were made for an autopsy on the body of Engineer James McDonald, 64, of Ogden, who was found in the cab of his locomotive.

His fireman, M. E. Hardman of Ogden, escaped with minor injuries. One report said Hardman observed a warning signal and shouted a warning to the engineer.

Weber county attorney Blaine Peterson said his office would request an inquiry probably within two days.

The Interstate Commerce Commission also has ordered an investigation.

Six members of one family were wiped out.

P-51's Destroy 25 Jap Planes

CHUNGKING, JAN. 2.—(AP)—U. S. 14th air force P-51s have destroyed 25 Japanese planes, including fighters, bombers and transports, in a raid on the Yellow river town of Suchow, a communique announced today.

The Suchow rail yards were strafed and one locomotive was destroyed.

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Patton Pushes 2 Miles Farther Into South Side

PARIS, Jan. 2.—(AP)—The U. S. Third Army advanced two more miles into the south side of the Belgian bulge in heavy pressure attacks and there were indications today that the Germans were extricating what armor they could from the flaming cauldron.

The Ninth Air Force attacked one German troop column definitely reported moving east in the St. Vith area near the base of the German wedge and another column of 100 vehicles including tanks and other armor was bombed and strafed near Ambleve, five miles to the northeast.

Pilots claimed the destruction or damaging of 69 of these vehicles.

There was no definite report on which way the second column was moving but the size of the armored force Field Marshal Von Rundstedt had in the relatively small salient made it seem unreasonable that he was sending in more tanks and guns.

Lt. Gen. George S. Patton's main offensive thrust was north of Bastogne from the Longchamps area where the waist of the bulge last was reported only 13 miles wide. From three to five German divisions were reported earlier in the week to be west of Bastogne.

At least a half dozen towns were announced as captured. Five of these were on the perimeter of the American corridor through Bastogne, which front dispatches said was widened and strengthened. These were Hubermont, Houtmont, Chermongne, Remange and Wardin. Echnernach in Luxembourg at the German frontier also was seized.

American infantry, tanks and planes exacted a great and growing toll of Field Marshal von Rundstedt's materiel. The German had lost fully 110 tanks and armored vehicles, 208 planes and hundreds of other implements of war.

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Byrnes Asks Drastic Manpower Revision

Suggestions Must Be Acted On By A Congress Loathe To Interfere With Man's Freedom

WASHINGTON, Jan. 2.—(AP)—Drastic manpower proposals, edging closer to the "work or fight" act which lawmakers have long avoided, were thrown today into the battle on the home front.

Advanced by James F. Byrnes, the program would force 4-F men into war roles and put statutory teeth into manpower rules if present labor controls fail to spur the nation's armament output to needed levels.

The suggestions, made by Byrnes last night in his first report as director of the Office of War Mobilization and Reconstruction, are still merely threats. They are, moreover, at the mercy of a congress which has shown reluctance to interfere with a man's freedom to choose his job.

Flatly predicting that larger draft calls in the next few months would aggravate the manpower shortage, Byrnes proposed stern measures for 4-Fs not doing essential work.

He proposed that congress make it possible to induct them all, then assign them "to things they can do" despite their physical impairment.

Striking at agricultural deferments—which he said cover "the largest remaining source of young men for military service"—Byrnes said it was necessary to reconsider the standards by which youthful farmers are deferred from military duty.

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Reporter Interviews Hoey On Arrival In Washington

WASHINGTON, Jan. 2.—(AP)—Whether as senator or governor Clyde R. Hoey is a Tar Heel first—and is proud of it.

Checking into the Raleigh hotel today, he remarked: "Raleigh is the capital of North Carolina, you know. I picked the hotel deliberately for the name."

Before he had registered five Tar Heels from Winston-Salem spied him in the lobby and rushed to wish him happiness in Congress. He doesn't have an office yet but may get the suite used by the late Senator Ellison D. Cotton (Ed Smith D-SC). His secretary, Jack

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2 NAZI SPIES ARE ARRESTED

Maine Schoolboy Spotted Saboteurs As They Came Ashore

NEW YORK, Jan. 2.—(AP)—An alert 17-year-old Maine schoolboy was credited today with the spotting of two alleged Nazi saboteurs, one a native born American, who the FBI said, landed by U-boat Nov. 29 near the boy's Hancock Point home.

The men, FBI Director J. Edgar Hoover said, were arrested several days ago in the New York area. They came ashore in a rubber boat at night after the Nazi submarine had lain off the Maine coast for a week, Hoover reported.

Deputy Sheriff Dana Hodgkins, of Hancock Point, said his son, Harvard, a high school senior, was returning from a dance when he saw two strangers walking along a road in snow. He followed the pair until they disappeared into woods, then told his parents who notified the FBI.

Hoover identified the men as William Curtis Colepeugh, 26, U. S. citizen of Niantic, Conn., and Erich Gimpel, 35, native of Germany who was a radio engineer in South America. The arrests were made several days ago in the New York area.

Hoover said the men supplied a full story of their activities since landing at Hancock Point in Frenchmen's Bay, Me. They came ashore in rubber boats at night. Hoover said they carried automatic revolvers, compass, camera, secret inks, and a variety of draft papers

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