

SHELL HITS IN INTERNATIONAL SETTLEMENT

Counter Proposals For Ending Sino-Jap Fight Are Offered By Japan

Will Have To Be Assured That Chinese Will Cease Menacing And Disturbing Acts

NOTE IS HANDED TO FOREIGN DELEGATION

Declaration Says Japan Has No Objections To Entering Negotiations Concerning Halting Hostilities

Tokyo, Feb. 4.—(AP)—The Japanese government in a note handed to the American, British and French ambassadors agreed to cease hostilities at Shanghai if it is assured the Chinese will immediately and completely cease their menacing and disturbing activities.

"In view of the undesirable menace of the Chinese in the past and the gravity of the present situation," the reply added, "the government finds it impossible to renounce mobilization or preparations for hostilities entirely. The government has no objections to entering into a negotiations concerning the separation of Chinese and Japanese forces and the establishment of a neutral zone in the Chapei district if necessary."

WINTER OLYMPICS OPEN IN NEW YORK

Are Officially Opened By Governor Franklin D. Roosevelt Today

Olympic Stadium, Lake Placid, N. Y., Feb. 4.—(AP)—Gov. Franklin D. Roosevelt, of New York officially opened the 1932 olympic games to 31 athletes of 17 nations today.

STATE COMMITTEE CALLED TO CONVENTION

Session Will Be Held In Raleigh To Decide On Convention Site

Raleigh, Feb. 4.—(AP)—The Democratic State executive committee will meet in Raleigh late this month or early March to select the date and meeting place for the state convention which will be held before the primary on June 4.

Odus M. Mull, of Shelby is chairman of the State committee. He is understood not to have set the date for the executive group meeting but indicated it would be held between March 1 and 10 here.

FREE TRADE COMING TO END IN BRITAIN

New Import Duties Will Become Effective On March First

London, Feb. 4.—(AP)—Neville Chamberlain, chancellor of the exchequer, today put an end to a hundred years of British free trading by announcing in the House of Commons that the government proposed to levy a ten percent duty on almost the entire range of the country's imports effective March 1.

30th Birthday Is Being Observed By Lindbergh Today

New York, Feb. 4.—(AP)—This is a day rich in aviation sentiment. It is Col. Charles A. Lindbergh's 30th birthday.

SISTER OF SLAYER AGAIN TAKES STAND

Effort To Find "Hidden Hand" In Trial Of Edward Allen Made

Morristown, Pa., Feb. 4.—(AP)—An effort to find a "hidden hand" in the trial of Edward H. B. Allen, charged with the murder of Francis Donaldson, failed today when Rose Allen, 18 year old sister of the defendant, and fiancée of the slain man again took the witness stand.

After a long argument between counsel she was permitted to take the stand and tell who employed Elmer A. Schroeder, of Philadelphia, as her private counsel. She said she had engaged him herself.

Schroeder was near her while she was on the stand yesterday. Last week when it became known she had employed counsel, Schroeder told newspapermen he had been engaged to protect her in the event of objectionable questions were asked her.

DOCTOR TESTIFIES IN PHOENIX TRIAL

Tells of Statements Made to Him By Accused Woman Regarding Murders

Phoenix, Ariz., Feb. 4.—(AP)—Dr. J. D. Mauldin, Maricopa county physician, testified at Winnie Ruth Judd's murder trial today the accused woman told him she did not and could not have dismembered the body of one of her victims.

Dr. Mauldin testified he "would say she was sane" on the night of October 16 when the state charges she killed Agnes Anne Lerol and Hedvig Samuelson, her friends. Mrs. Judd is on trial for murder of Mrs. Lerol.

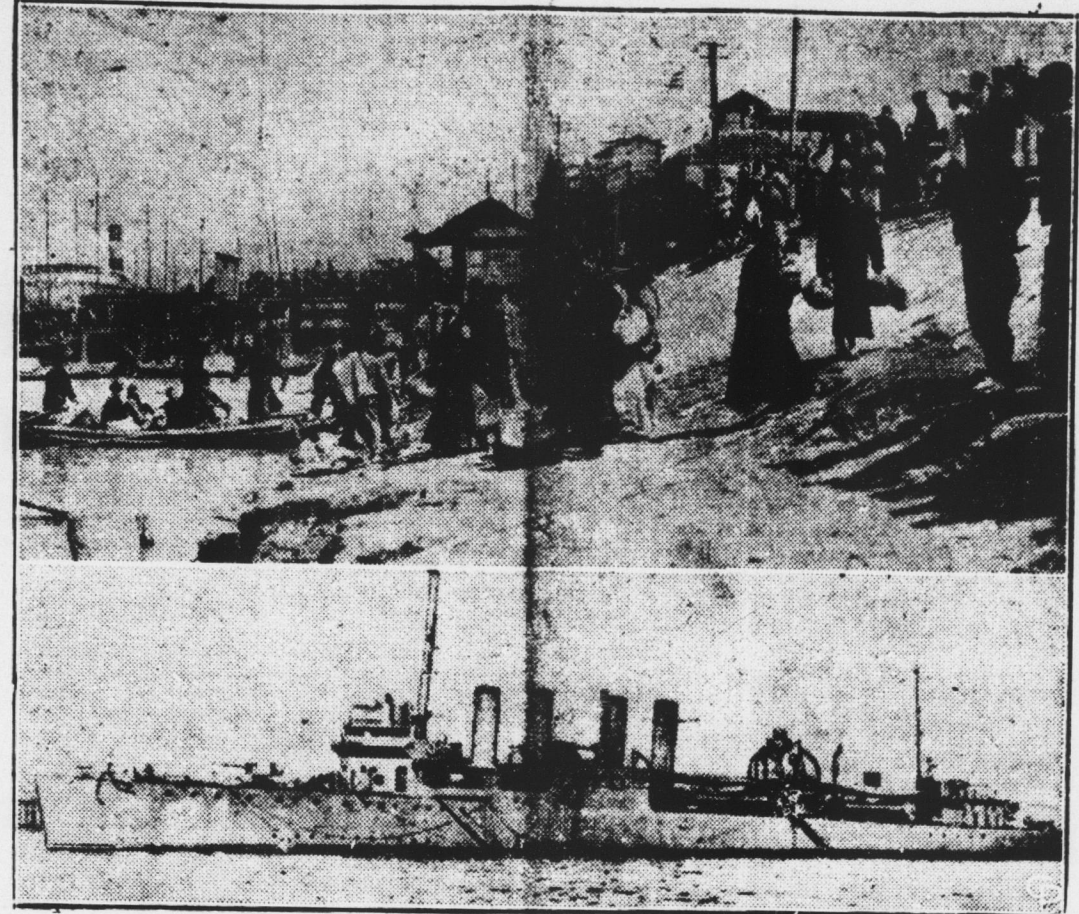
N. C. Legislators Make Appointment With Finance Body

Washington, Feb. 4.—(AP)—The two senators and three of the representatives from North Carolina made an appointment today to talk over curtailment of cotton crops with directors of the reconstruction finance corporation.

DISCHARGED WORKERS GIVEN JOBS AGAIN

Raleigh, Feb. 4.—(AP)—Two state employes in the building and grounds department who were discharged last week at the time new salary scales and work adjustments were being made, were reinstated today to hold their positions until March 1.

CHINESE FLEE AS JAPANESE SHIPS BOMBARD NANKING



With the bombardment of Nanking, recent Chinese capital, by Japanese warships in the Yangtze river, terror stricken residents along the waterfront have been evacuating the city. The above scene, made during the Chinese civil war, has been re-enacted.

MELLON IS CHOSEN FOR LONDON OFFICE TO REPLACE DAWES

Secretary Of Treasury For Eleven Years Will Go To Court of St. James

OGDEN L. MILLS TO GET MELLON'S PLACE

Hoover Announces Appointment of Veteran Cabinet Member Following Conference Held Last Night

Washington, Feb. 4.—(AP)—Ogden L. Mills, under secretary of the treasury, was chosen today by President Hoover to succeed Andrew W. Mellon at the head of the nation's financial department.

Washington, Feb. 4.—(AP)—After 11 years as secretary of the treasury under three presidents, Andrew W. Mellon is to hand over his portfolio to Undersecretary Ogden L. Mills, and become ambassador to the court of St. James.

President Hoover announced last night that the veteran cabinet officer, who has guided the nation's financial policies since the beginning of the Harding administration, has expressed his willingness to serve in the foreign field.

Under Long Consideration. For almost two weeks Mr. Mellon, who is nearly 77, has been considering undertaking the nation's most important diplomatic post, but it was not until last night that the White House formally announced his acceptance.

Earlier in the day the secretary had smilingly admitted under questioning that he had been asked by President Hoover to become ambassador, but he hesitated because of the physical strain it would impose upon him. He said also his personal affairs caused him to go slow in leaving at this time.

WEATHER FOR NORTH CAROLINA. Partly cloudy and colder to night, preceded by rain in extreme west portion; Friday fair and colder; fresh southwest shifting to fresh and possibly strong west and northwest winds.

Two House Members Claimed By Death In Less Than Hour

Washington, Feb. 4.—(AP)—Representatives Clegg Quinn, of Mississippi, and Samuel Rutherford, of Georgia died today with less than an hour of each other. Quinn, a veteran of almost 20 years service in the House, had been ill for more than a month.

Both were Democrats. Their deaths the first since Huey Long of Louisiana took his oath of office a week ago, to give Congress its full membership for the first time this session, brought the present standing in the house to Democrats 218; Republicans 213, Far. Labor one and three vacancies.

N. C. CORPORATIONS CHARTERS REVOKED

Charters Of 1,063 Corporations In State Revoked By State

Raleigh, Feb. 4.—(AP)—The State today formally notified 1,063 North Carolina corporations that their State charters have been revoked because of their failure to comply with the law requiring reports to be made to the Department of Revenue.

To renew the charters the firms must get the approval of A. J. Maxwell, commissioner of revenue and pay a \$50 fee for a renewal. There are more than 7,000 business firms chartered in the State.

Gardner Getting Blame For Reducing Salaries

Daily Dispatch News. In the Sir Walter Hotel. Raleigh, Feb. 4.—As unpopular as Governor O. Max Gardner has become with State employes, many of whom still blame him individually for the cutting of salaries, the feeling toward him among the State employes is exceedingly mild and friendly compared with the downright animosity being showed by a great many of the faculty members both at State College here and at the University of North Carolina at Chapel Hill.

THOUSANDS FLEEING FROM SANTIAGO AS RESULT OF QUAKES

Nine Persons Are Known Dead and About 1,000 Injured As Result of Tremors

TEN MILLION DOLLAR DAMAGE IS REPORTED

Quake Was Most Destructive Felt In City In 400 Years — Officials Survey Section For Damage

Santiago, Cuba, Feb. 4.—(AP)—Fleeing thousands virtually bearing their mattresses on their backs to escape a possible repetition of Wednesday's earthquake terrors left quake wrecked Santiago a dead city today.

Nine persons were known dead and approximately 1,000 of the 70,000 population were treated for major or minor injuries. The damage was officially estimated in excess of \$10,000,000 by officials who surveyed the ruins left by one of the most destructive earthquakes to strike the city in the past 400 years.

UNEMPLOYMENT BILL NOW BEFORE SENATE

Washington, Feb. 4.—(AP)—The Senate today formally made the LaFollette-Costigan \$375,000,000 unemployment relief bill the order of business and during a roll call on this controversial issue.

First Serious Damage In Concession Since Battle Started Reported Today

Group of Chinese Buildings Near Main Postoffice Damaged—Six Houses Burn In Fire Started By Shell—Chinese Troops Appear to Be Holding Their Own

Shanghai, Feb. 5 (Friday) (AP)—Guns heavier than any used heretofore shook the whole city of Shanghai early this morning as the Japanese continued efforts, thus far unsuccessful, to blast the Chinese army out of Chapei.

The flames destroyed Tse Chin College, a well known Chinese school in the Honjow district which the Japanese have occupied. Chinese said the Japanese set it afire.

About 1:30 a. m. the heavy guns fell silent but the three inch artillery and machine guns were still firing.

FIRES STARTED

Shanghai, China, Feb. 4 (AP)—Artillery blazed across the battered area of Chapei tonight and a shell screamed over the international settlement boundary bursting among a group of Chinese buildings within a block of the main postoffice.

Half a dozen Chinese were injured and fire broke out. Several houses burned before it was brought under control. This was the first serious damage in the settlement since the artillery duel between Chinese and Japanese forces began.

Tonight the Chinese appeared to be holding their own or perhaps a little better, for the Japanese guns set up in Hongkew had not succeeded in blasting them out of their positions. Three huge fires were raging inside the Chinese lines and the shells which dropped in the settlement caused consternation among Chinese and foreign residents alike.

Settlement police withdrew to the Soochow Creek and all day long Japanese women and children were being evacuated on ships in considerable numbers.

While the artillery rocked Chapei the bombardment of the Woosung fort a little way outside the city was resumed and conflicting claims made it difficult to determine just how the battle was going.

U. S. And Britain Again Protesting Actions of Japan

Washington, Feb. 4.—(AP)—America and Great Britain have again protested to Japan against the use of the international settlement at Shanghai as a base for operations.

EFFORT TO ABOLISH FARM BOARD MADE

Bill To Do Away With Organization Is Now Before Senate Committee

Washington, Feb. 4.—(AP)—A bill which would abolish the Farm Board was before the Senate Agriculture committee today but a representative of a farm organization placed emphasis on another section which would assure the farmer at least the cost of production for his commodities.

John Simpson, president of the National Farmers Union, said the provision to do away with the board was "not vital" but those which assure the farmer his production costs were of "surpassing importance."

Senator Thomas, Democrat, Oklahoma, sponsor of the measure said it was prepared by the Farmers Union.

MORE DISTURBANCES IN INDIA ARE SEEN

Nationalists Observe Gandhi Day With Additional Disorders

Bombay, India, Feb. 4.—(AP)—Today was observed as Gandhi Day throughout India.

Nationalist activities today consisted of making illicit salt, hawking homespun Indian goods, hoisting their tri-color flag and holding silent white clad street processions. Thousands of mill hands refrained from work. All big markets remained closed.

STRANGE STORY OF SHOOTING RELATED

Greensboro Case Brings Out Plans Of Two Men To Fight Formal Duel

Greensboro, Feb. 4 (AP)—A strange story of how B. B. Owens, an insurance salesman, and W. E. French, traveling salesman, one planned to fight a formal duel "to settle their differences" added a new angle today to the shooting here of French last Monday.

Earl Ballinger, a deputy sheriff, said Owens told him more than a month ago that he and French were going to shoot out some trouble; Sedgefield.

Ballinger said he and Policeman L. L. Jarvis, persuaded Owens not to keep his rendezvous and themselves went to the proposed dueling ground. They waited for more than an hour, he said, but French did not show up.

The deputy sheriff said Owens did not tell him the nature of his differences with French. Monday night French was found shot in the head and body in a lonely section of the city. He said he was riding with Mrs. French when they saw a parked automobile which she said was Owens and that upon her suggestion he stopped to see if Owens was having trouble with his car. Then he said the insurance salesman shot him in the head and fired another shot into his body as he lay pleading for his life on the ground. He said Mrs. French went off with Owens. He accused her of leading him to the spot in a murder plot.

LONG TALKS WITH PRESIDENT HOOVER

Washington, Feb. 4.—(AP)—Huey Long, Louisiana's outspoken senator, called on President Hoover today and had this to say when he left:

"For the miserable party he represents, he is about as good as any." Long was introduced to the chief executive by Assistant Secretary Janchke, of the Navy Department, the Republican National committee man for Louisiana.