

## TOBACCO GRADING IS EFFECTIVE FIRST IN BORDER MARTS

First Tests of Compulsory  
Grading To Be At Lake  
City, Darlington,  
Pamplico

OXFORD REFERENDUM  
WEEK OF AUGUST 3-8

18 Others Have Already  
Voted for It, With Smith-  
field Only Market Reject-  
ing It and Majority of  
Growers Favored There,  
but Two-Thirds Required

Washington, July 28.—(AP)—Mandatory government grading of tobacco to be inaugurated this year on these leaf auction markets will have its first trial next month at three South Carolina centers, Lake City, Darlington and Pamplico in that State are three of the 18 markets which so far have voted for mandatory government grading, and with the South Carolina market opening August 13, earlier than other bolls where there will be government grading markets, they will be the first to give it a test.

Other markets which have approved compulsory grading are Hopkinsville, Paducah, Mayfield, Henderson and Madisonville, Ky.; Clarksville, and Springfield, Tenn.; Farmville and Goldsboro, N. C.; Lynchburg, Farmville, Blackstone, Bedford and Drakes Branch, Va.

A referendum will be held at Oxford, N. C., August 3 through 8.

Under the plan, all tobacco brought to such markets must be graded by government experts before being offered for sale. These experts will identify on the warehouse tickets the grade of each lot of tobacco.

The idea back of the grading plan, as announced by its sponsor, Representative Flannagan, Democrat, Virginia, is to furnish the farmer with information on which to decide whether to accept the bid made for his tobacco. In addition to grading the leaf, the government will furnish daily sales information on prices paid for various grades, giving the farmer an opportunity to check the bid for his tobacco with that for the general average for the same grade.

A requisite for the service this year was that two-thirds of the farmers in a designated market area vote in a referendum for the compulsory grading. Of 19 referendums held to date, compulsory grading was favored in all but one. At Smithfield, N. C., a majority favored compulsory grading, but it failed to receive a two-thirds vote.

## Buys Coal For School Uses 1936

Daily Dispatch Bureau,  
In The Sir Walter Hotel,  
By J. C. BASKERVILLE

Raleigh, July 28.—"In times of heat prepare for cold" is the motto of the Division of Purchase and Contracts which buys coal in the summer time and calls for bids on refrigerating equipment and ice machines in the winter. At the present time the department is busy placing orders for coal for the schools to be used to keep some 900,000 school children warm this winter when temperatures slide towards zero, even though the thermometer sizzles up around 100 degrees now.

Between 50,000 and 60,000 tons of coal have already been delivered to the various school systems over the state or are now in process of delivery, out of a total of between 80,000 and 90,000 tons needed for the schools for the coming school year, Director

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## Business Bounding Upward Against All Rules Of Game

Despite Summer Season, Drought, Labor Disputes, Unemployment and Ordinary Election Year Drawbacks, Tide Is Still Running in At Full Flood

By CHARLES P. STEWART  
Central Press Staff Writer  
Washington, July 28.—Business is peculiar.

By all rules of the game it ought to be at least as flat as ever; even more so, maybe.

It is traditional that trade and industry always are below par in a national election year. It also stands to reason that a serious crop failure makes times hard. The threat of large scale labor trouble by rights should be a depressing influence. Of course, widespread unemployment is, theoretically, bad for all classes.

AND BUSINESS IMPROVES!

Well!

This is an action year. The drought,

with its natural effect upon agriculture, is officially declared to have been the worst in the country's history. Bugs have eaten much of the crops that survived the dry weather. A big fight appears to be impending between steel employers and employees. It is likely to spread, too, as the vertical unionization campaign progresses in all lines of mass production. Unemployment has not been greatly reduced, either.

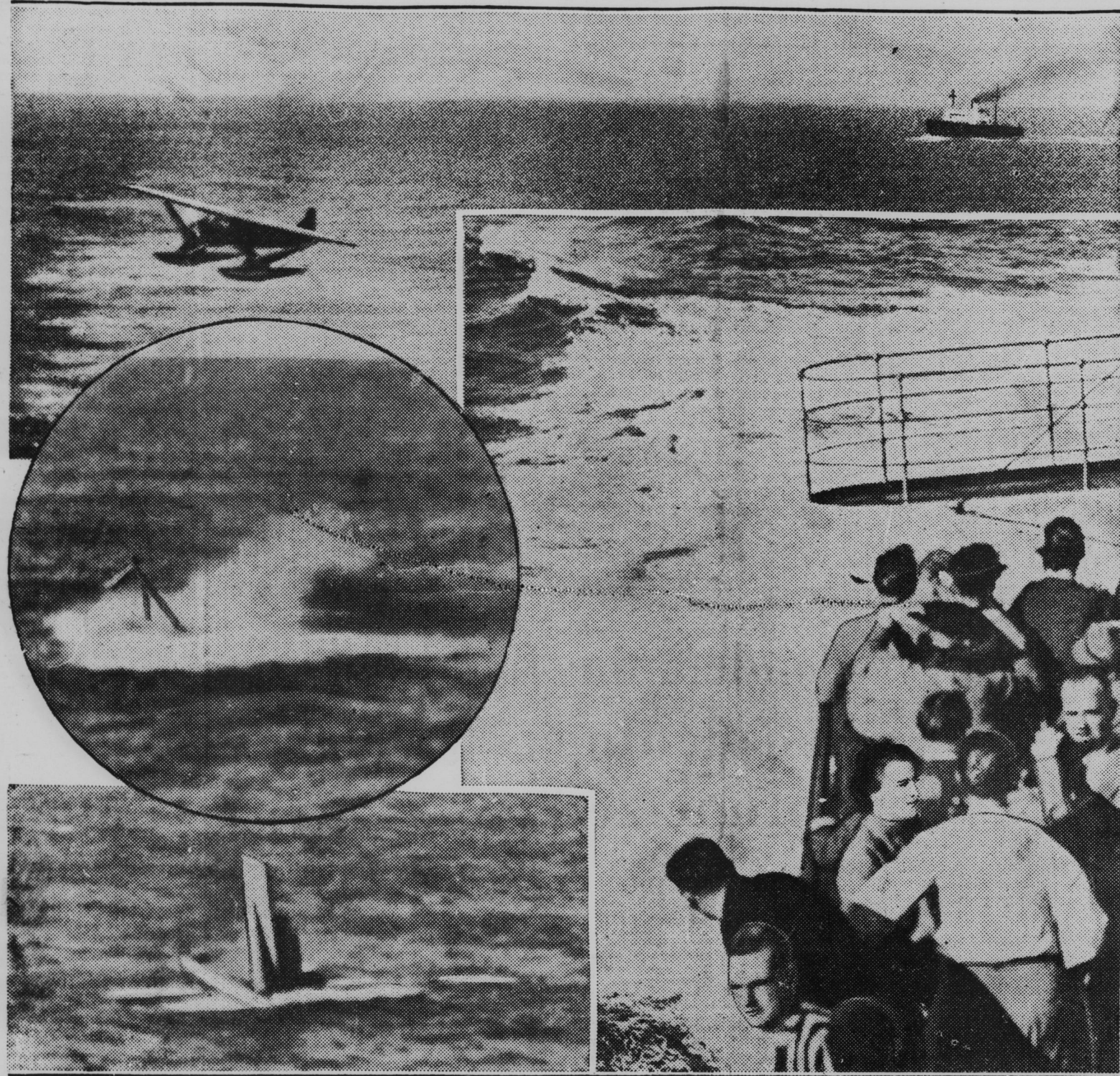
And business is improving like everything.

TREMEMOUS IMPROVEMENT

Real estate is moving. Building is picking up. Manufacturing generally

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## When Death Met the Queen Mary Off Nantucket Light



These remarkable and exclusive action pictures show the crash of the country's largest single-motored airplane, a Bellanca airbus, into the sea off Nantucket. The plane, nine aboard, left Boston to welcome the Queen Mary. As the circled steamer a sudden wind current hurled her into the sea. Edwin T. Ramsdell, Boston newspaper photographer, was fatally injured. At top, the plane is shown as she greeted the liner. with the freighter Exermont, which rescued the air passengers after the crash, in the right background. In the circle (left) the plane is shown as she struck the water with terrific force. At lower left the tail surface of the ship reappears after the impact. At the lower right the passengers of the Queen Mary are shown, crowded aft, to witness the rescue by the Exermont. Note the liner's wake as she came about to offer assistance. (Central Press)

## WITNESS DECLARES SEC IS UNLAWFUL

Securities Probe Unconstitutional, Financier Says From Stand

Washington, July 28.—(AP)—A witness at the Securities Commission investigation of investment trusts and companies told the commission today it was violating the Constitution of the United States in proceeding with this hearing.

The witness, Wallace Groves, New York and Baltimore financier, was called to elaborate upon testimony yesterday regarding a series of million dollar deals in the stocks of two investment companies of which he was a director.

David Schenker, commission counsel, contended Groves marked up a \$300,000 profit through the transactions, but the witness contended his profit was not that large.

As he took the stand today, Groves filed a prepared statement saying he had consulted with counsel regarding a suit brought in Federal District Court here yesterday seeking to prevent the commission from compelling attendance of certain witnesses or obtaining certain records.

"I'm advised by such counsel,"

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## To Rid WPA Of Politics, Chief Says

Williams Declares Irregularities In Oklahoma Will Be Prosecuted There

Washington, July 28.—(AP)—Aubrey Williams, deputy works progress administrator, said today that information concerning political activities of Oklahoma WPA workers would be turned over to Oklahoma prosecutors.

Williams said the WPA would give this information "on our own initiative."

"If any of these people are guilty of violating the statutes, there are going to be criminal prosecutions," he asserted. "We will turn the evidence over to the proper authorities. However, we don't have to find a man guilty of a criminal act to dismiss him. Evidence of indirect intimidation is enough."

Williams' statement came immediately after he had discussed with W. S. Key, Oklahoma WPA director, the dismissals last week of seven of Keys' district workers after an investigation of charges that they had been active politically.

The deputy WPA administrator said

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## HEAVY PURCHASES OF ROAD SUPPLIES

Included in Contracts of August 1 Will Be Orders for Snow Plows

Daily Dispatch Bureau,  
In The Sir Walter Hotel,  
By J. C. BASKERVILLE

Raleigh, July 28.—Bids on one of the largest batches of equipment for the State Highway and Public Works Commission called for in many months and totalling approximately \$250,000, will be opened Saturday, August 1, by the Division of Purchase and Contract, Director A. S. Brower announced today. And in spite of the present heat, snow plows are some of the equipment which will be purchased at this letting.

Included in the equipment on which

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## Two Children Die When Home Burns

Fayetteville, July 28.—(AP)—Two children died early today in flames which swept the home of Mrs. Pennie Sutton, between here and Fort Bragg.

Gentry Sutton, 16, first saved himself, then raced back into the blazing building in a fruitless search for his six-year-old niece, Adele Phillips. Flames beat back the attempts of several soldiers to reach the children and their bodies were recovered from the embers several hours later.

## FARM BUREAU WILL TAKE PERMANENCY

Organization To Be Perfected at Farm and Home Week In Raleigh

Raleigh, July 28.—(AP)—E. F. Arnold, secretary of the North Carolina Farm Bureau Federation, said today a permanent State organization would be effected here Thursday evening. J. E. Winslow, of Pitt county, is temporary president.

Thursday, Arnold said, the Farm Bureau Federation is sponsoring what he hopes will be a monster mass meeting of tobacco growers in connection with farm and Home Week at State College.

Three delegates from each tobacco growing county in which the federation has organized are supposed to be here, Arnold said, to hear an address by J. B. Hutson, of the soil conservation set-up and to name an advisory committee to work with State and Federal officials on tobacco legislation.

Clyde R. Hoey, Democratic gubernatorial candidate, said

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## OUR WEATHER MAN



FOR NORTH CAROLINA.  
Fair and continued farm tonight and Wednesday, followed by local thundershowers and slightly cooler late Wednesday afternoon and night in north and west portions.

## New Angles Add Mystery For Slaying

Chambermaid Says Helen Clevenger's Hotel Door Was Locked at 8:20 a. m.

Asheville, July 28.—(AP)—A newly-revealed bit of evidence threw the baffling Helen Clevenger murder case open to more mystifying questions today.

A hotel chambermaid's chart, officers said, showed the door to the slain co-ed's room was locked from inside at 8:20 a. m. on July 16.

That was a little more than seven hours after the 18-year-old New York University student was ravished, shot and her face disfigured with a sharp instrument.

If Miss Clevenger's room was locked from the inside, as the chart indicated, was the murderer in there at 8:20?

Was he there from 1 a. m., when several guests at the hotel heard a woman's agonizing scream, until 8:20?

Or was the murderer a man a bellboy saw scurrying from the mezzanine to the outside in a raging thunderstorm at 1 a. m.?

If this so-called mystery man of the case was the murderer, did he

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## CLASSIFICATION OF PRISONERS STARTS

New Criminologist Begins Duties With State Prison Department

Daily Dispatch Bureau,  
In The Sir Walter Hotel,  
By J. C. BASKERVILLE

Raleigh, July 28.—Classification and segregation of all prisoners in the State Prison system who have been convicted of felonies has already been begun under the direction of George K. Brown, psychiatrist and criminologist, recently added to the staff of the prison division, Oscar T. Pitts, acting executive director of the prison division of the State Highway and Public Works Commission, announced today. Mr. Brown is a

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## MORE BOMBS RAINED UPON REBEL FORTS

Mounting Prices  
For Cotton Seen

Boston, Mass., July 28.—(AP)—Frank I. Neild, president of the National Association of Cotton Manufacturers, says a lack of staple cotton to be carried over this year will be a direct cause of higher cotton goods prices.

"Government-induced scarcity, plus drought conditions, has already reduced the prospects of a carry-over of staple cotton almost to the vanishing point," Neild said. "For the first time in the experience of the present generation of cotton manufacturers, the almost complete lack of cotton carry-over will be the direct cause of higher prices for the new crop."

## WILEY M. PICKENS NEW COMMANDER AMERICAN LEGION

Lincolnton Man Chosen As Asheville Meet Ends; To Gather In Durham Next Year

ADMIRAL STANDLEY  
URGES LARGE NAVY

Says Fleet Had Become Dangerously Small But Is Emerging from State of National Neglect; Lauds Roosevelt Friendship For The Navy

Asheville, July 28.—(AP)—Wiley M. Pickens, of Lincolnton, was elected commander of the North Carolina Department of the American Legion and Durham was chosen the 1937 convention city as the Legionnaires ended their 1936 convention here today.

This morning Admiral W. H. Standley, chief United States naval operations, told the Legionnaires that to allow the navy's strength to fall below accepted standards is to compromise national security.

The speaker, after recounting the part the navy played in the World War, described the country's naval policy as follows:

"It is to maintain a navy strong enough to protect our coasts and insular possessions and to safeguard our sea-borne commerce."

"Our naval strength is relative to other naval strengths. It is computed in terms of the obstacles it must overcome to carry out our naval policy."

Standley said the navy is now emerging from a period of national neglect, "which dangerously lowered its strength and potential usefulness."

"In 1916, under the leadership of President Woodrow Wilson and Secretary Daniels, a naval building program was adopted which would have given us by 1937 the strongest navy in the world," he said.

"In 1933, instead of having a navy, second to none—as our agreements provided—we were dangerously deficient."

"If we have, as we should have, the support of all the patriotic and sincere citizenship of the United States in our efforts to carry through with this program, we will have an adequate navy. Of all the measures that make for national security there is none more important than this."

Leftist Spain Strikes Back With Gloves Off at 11-Day-Old Stubborn Rebellion

DEADLY PUNISHMENT  
DROPPED FROM AIR

Even This Offensive Meets Conflicting Rebel Claims of Successes and Prediction of Entering Madrid in Three Days; Loyalists Reported Retreating

Madrid, Spain, July 28.—(AP)—Leftist Spain struck at a stubborn eleven-day rebellion with gloves off today, sending new fleets of bombing planes to blast out the insurgent garrisons and exploding rebel ammunition dumps in the Guadarrama mountains which guard this beleaguered capital.

Intensified, the terrible punishment from the air was ordered in a new attempt to sound the knell of the Fascist revolt in outlying cities.

In the Guadarrama area, however, government claims of successes contrasted with rebel announcements of the capture of the defended villages and the prediction of the insurgent general that his men would reach Madrid within three days.

A leftist committee in Madrid was named to take over "necessary industry" and the government continued widespread enlistment of both men and women. Rebels at Toledo were reported to have marched out of the famous Alcazar to surrender after government troops had made plans to mine the structure. But advances through non-official channels through Malaga said loyalists were retreating after taking heavy losses in yesterday's battle.

## CROATAN NATIONAL FOREST SEPARATED

Washington, July 28.—(AP)—The Forest Service reported today that it has recommended establishment of the Croatan National Forest in North Carolina as an individual unit. A proclamation from President Roosevelt is necessary to transfer the forest, now a purchase unit of the Sumter National Forest, to a separate status.

The Croatan forest is in Craven, Carteret and Jones Counties.

## Americans Face Trip To The Sea

Washington, July 28.—(AP)—Reports to the State Department indicated today that Americans who have been sheltered from Spain's civil strife in the embassy at Madrid still face the ordeal of flight to the sea.

Press dispatches yesterday said that Americans were being evacuated by train. Eric Wendelin, third secretary advised the State Department today he planned to take out the refugees Thursday. He said the Americans would be sent to Alicante or Valencia, on Spain's eastern coast, presumably by train.

Standing by at Alicante was the American heavy cruiser Quincy, which already had on board two Americans and one Argentine national. Wendelin's message was dispatched as Ambassador Claude G. Bowers was believed to have established a floating American Embassy aboard the American coat guard cutter Cayuga in northern Spanish waters.

The Navy was notified today that

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## Tropical Storm Is Moving On Florida

Jacksonville, Fla., July 28.—(AP)—A tropical disturbance of moderate but mounting intensity moved on the Bahamas today and storm warnings flew from Fort Pierce to Key West on the southeastern Florida coast.

At 2:30 a. m. (eastern time) the Weather Bureau here reported the storm was centered in the Bahamas, some 225 miles east-southeast of Miami, and moving in a west-northwesterly direction at about eight miles an hour.

The bureau said the disturbance was attended by strong winds near the center and fresh winds over a considerable area, but added that it slowly was gaining in intensity.

"The next 12 hours will tell just how intense the storm is to become,"

Meteorologist Grady Norton said. "Its effect will be felt in south Florida in the afternoon, although the center still will be far out to sea."

WPA WORKERS ORDERED TO HURRY BACK TO MAINLAND

Washington, July 28.—(AP)—Aubrey Williams, deputy works progress administrator, said today he had ordered WPA workers to the mainland from projects in the Florida Keys and Cape Hatteras in the path of a gulf hurricane.

"I have ordered our people to move the workers out of the areas that might be affected," Williams said. "We have projects on the keys and at Key West. I have also told our men to get our workers out of the Cape Hatteras area."