

U. S. MARINES MAY BATTLE JAP SOLDIERS

HECTOR BLACKWELL NEW COMMANDER OF LEGION FOR STATE

Named Unanimously After Withdrawal of Arthur Corey, Candidate from Greenville

DR. NEWELL NAMED TO U. S. GATHERING

Winston-Salem Chosen As Place for 1938 Convention; Governor Hoey Asks Former Soldiers for Same Loyalty and Devotion in Peace as During War

Durham, July 27.—(Special)—Mrs. Hodge A. Newell, of Henderson, was elected state president of the American Legion Auxiliary at the closing session of the annual convention here this afternoon. She defeated Mrs. Herbert W. White, of Fayetteville, and will succeed Mrs. C. P. Andrew, of Charlotte. The state headquarters will be moved to Henderson, and Miss Aurelia Adams, state secretary, will move to Henderson to serve under Mrs. Newell as president.

State President of Legion Auxiliary



MRS. HODGE A. NEWELL

Durham, July 27 (AP)—Hector Blackwell, of Fayetteville, was unanimously named commander of the North Carolina Department of the American Legion here today, following the withdrawal of former State Senator Arthur B. Corey, of Greenville, from the lists.

Also elected at the closing session of the annual state convention were: Vice-Commander, Miss Alice Gray, of Winston-Salem; Bob Stevens, of Goldsboro; and Victor Johnson, of Pittsboro; chaplain, Rev. Arnold Thompson, of Durham; Judge advocate, R. L. McMillan, of Raleigh and historian A. R. Newsome, of Chapel Hill.

Winston-Salem was selected as the 1938 convention city. Delegates at large to the national convention were chosen as follows: Chester Bell, of Raleigh; Claude Ramsey, of Asheville; Tom Devane, of Fayetteville; Joseph Daniels, Jr., of Raleigh; Guthrie Madry, of Rich Square; Cutler Moore, of Lumberton; Jack Lang, of Charlotte; Wiley Pickens, of Lincolnton; J. M. Caldwell, of Lincolnton; and Commander Blackwell.

Alternates selected are: J. D. Priddy, Jr., of Durham; Ben Price, of Hendersonville; Banks Horton, of Yanceyville; John Stevenson, of Snow Hill; Bob Wingate, of Salisbury; Hubert Eason, of Gatesville; Graham Bardeen, of New Bern; Dr. D. A. Terry, of Durham; and

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PEANUT MEETING IN RALEIGH DEFERRED

Raleigh, July 27 (AP)—A meeting of representatives of peanut growers called for today at the North Carolina Farm Bureau Federation offices to adopt a plan of peanut crop control and division was postponed until Friday because of the absence of farm bureau officials, who are in Washington working on proposed Federal agriculture legislation.

Democratic Organization Faces Split

Jealousy Brewing Over Distribution of Offices in State Young Group

Daily Dispatch Bureau, In the Sir Walter Hotel, Raleigh, July 27.—In spite of efforts to keep it muffled, rumblings are being heard here of a split among the Young Democrats of the State which may blow the lid off when they gather in Winston-Salem in September for their annual convention. These rumblings are coming chiefly from the Piedmont at the present time, but there are indications that a good many Young Democrats from both the east and the west are ready to join the brewing revolt. The thing that seems to be irritating the Piedmont Young Democrats more than anything else right now is the custom that has grown up of alternating the presidency of the State Young Democratic Clubs each year

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Tax Cost Is \$100 Yearly Per Person

Hidden Levy Terrific To Support Burden of Government, Leonard Asserts

Salisbury, July 27 (AP)—Paul Leonard, secretary of the North Carolina Fair Tax Association, told the State Federation of Labor today "hidden taxes, now directly traceable from production through transportation and distribution to the ultimate consumer, show that the per capita tax load amounted to approximately \$100 a year to every man, woman and child in the United States."

"It is not so much the cost of material, the cost of labor, nor the profit taken by capital," Leonard said, "that contributes so much to the price of the necessities of life, but rather

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DENIES THAT DEAN OFTEN KISSED HER

Pretty Stenographer at Boys School Says Defendant in Trial Was Not Intimate

Greenfield, Mass., July 27.—(AP)—Red-haired Evelyn Dill, pretty stenographer, formerly employed at Mount Hermon School for Boys, and mentioned in testimony as the recipient of kisses from Thomas Elder, former dean, denied today Elder ever kissed or embraced her or "chucked" her under the chin.

Allen Norton, on whose charges Elder is being tried for assault with attempt to kill, testified earlier in the trial he once fired upon Elder and saw him embrace Miss Dill.

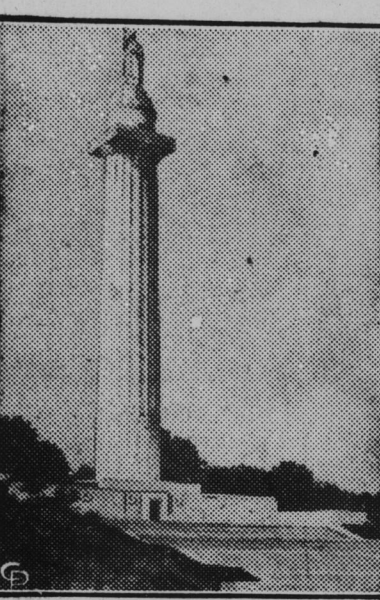
HOEY CUTS CLEAR OF REA'S DISPUTE

Governor Declines To Be Drawn Into Johnston County Muddle

Raleigh, July 27.—The action of Governor Clyde R. Hoey in politely informing John M. Carmody, of the Rural Electrification Administration in Washington, that he has no intention of attending the mass meeting to be held in Smithfield Wednesday night to protest the action of the Johnston county electric membership corporation, which recently told the REA that it does not want its proffered that it does not want its proffered loan of \$210,000, but will let the Carolina Power and Light Company build its lines for it instead, came as no surprise. Observers here immediately saw in

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For U. S. War Dead



War memorial at Montfaucon

This war memorial, designed by John Russell Pope, New York architect, and built at Montfaucon, France, by the U. S. government to the memory of America's dead in the World war, will be dedicated Aug. 1 by General John J. Pershing.

—Central Press

LOYALISTS RETAIN POSITIONS DESPITE INSURGENT BLASTS

Heavy Casualties Result From Bitter Fighting 15 Miles West of Madrid Capital

TWO GOVERNMENT'S BRIGADES ARE LOST

Completely Destroyed, Insurgents Claim, While Loyalists Say Rebels Have Lost 25,000 In Casualties in Six Days; Committee Is Stalemated

(By The Associated Press.)

Insurgent land and air forces pounded without decisive success today at Villaneuva de la Canada, nerve center of General Jose Miaja's offensive salient 15 miles west of Madrid in bitter fighting that exacted heavy casualties.

Struggling to offset the loss of Brunette, southernmost tip of the government drive to lift the almost nine months siege of Madrid, government battalions stood in new positions north of Brunette and withstood terrific aerial and artillery bombardment farther north at Villaneuva de la Canada.

Insurgent dispatches stated two government brigades were completely destroyed in yesterday's action, and the government, admitting severe losses, estimated insurgent casualties at 25,000 for the last six days.

In London the 27-nation committee trying to isolate the Spanish conflict, its efforts stalemated in arguments over procedure, asked each participating government to state whether objections to the British compromise plan of July 14 were to its substance or to method.

Italy and Germany, demanding belligerent rights be granted the combatants, were the main objectors to the British plan to begin withdrawal of foreign volunteers and re-establish international control of Spanish ports.

M'LONDON FAVORS NEW JUSTICE BODY

Chairman of Investigating Body Talks With Governor of Plans

Daily Dispatch Bureau, In the Sir Walter Hotel, Raleigh, July 27.—Major L. P. McLendon, of Greensboro, chairman of the commission to investigate the feasibility of establishing a State department of justice under the attorney general, came here Monday for a meeting of his commission. But no meeting was held because of the failure of most of the other members to be present, although he conferred at some length with Governor Clyde R. Hoey and Attorney General A. A. F. Seawell.

Since the commission has as yet held no formal meeting and has not actively started on its study of the advisability of establishing a State Department of Justice in North Carolina, it is too early to predict what direction the study will take, Major

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400 Policemen Stand Guard After Cleveland's Riotings

Strike Area Sees One of Worst Nights of Violence in Entire History of City

STEEL WORKERS IN FIGHT ON STRIKERS

One Man Killed and Over 60 Persons Sent To Hospitals and Doctors for Treatment of Injuries; CIO and AFL Unions Dispute Rights To Organize

Cleveland, Ohio, July 27 (AP)—Four hundred policemen stood guard today in Cleveland's strike area to bring peace—temporarily at least—after one of the worst nights of violence in the city's history.

Republic Steel Corporation workers clashed with strikers and sympathizers near Republic's Corigan-McKinney plant, where one man was killed yesterday.

Clubs, pick-axes, iron pipes and other weapons came crashing down on the heads of workers and pickets alike. A union headquarters was wrecked. Glass crashed in dozens of motor cars. A wave of vandalism, spasmodic for several weeks, swelled over other sections of the city. Newly-painted houses, finished without benefit of union approval, were sprayed with stain.

Windows were smashed in homes of steel workers and operatives of knit mills, where CIO and AFL unions are engaged in a jurisdictional fight.

Police forced a crowd at the Corigan-McKinney steel mill back two blocks from one of its main entrances.

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CROSSING CRASH IS FATAL TO ONE MAN

Charlotte, July 27.—(AP)—An unidentified man about 55 years old was killed when his produce-laden automobile and a Southern Railway passenger train collided at a suburban grade crossing early today.

MINE BLAST NEAR ASHEVILLE FATAL

Asheville, July 27.—(AP)—Dan Davis of Sevierville, Tenn., was killed and three other persons were hurt in an explosion at a rock quarry at Mine Hole Gap east of here early today. Details were not available in first reports.

The injured were D. J. Lambert, 25, Knoxville, Tenn.; Pat Kirkland, 52, of Mills Spring, and Eldon Burnette, 22, of Canton.

LITTLE INCLINATION TO BUY IN STOCKS

Prices Generally Drift Lower and Bonds Jog Along Unevenly; Foreign Currencies Up

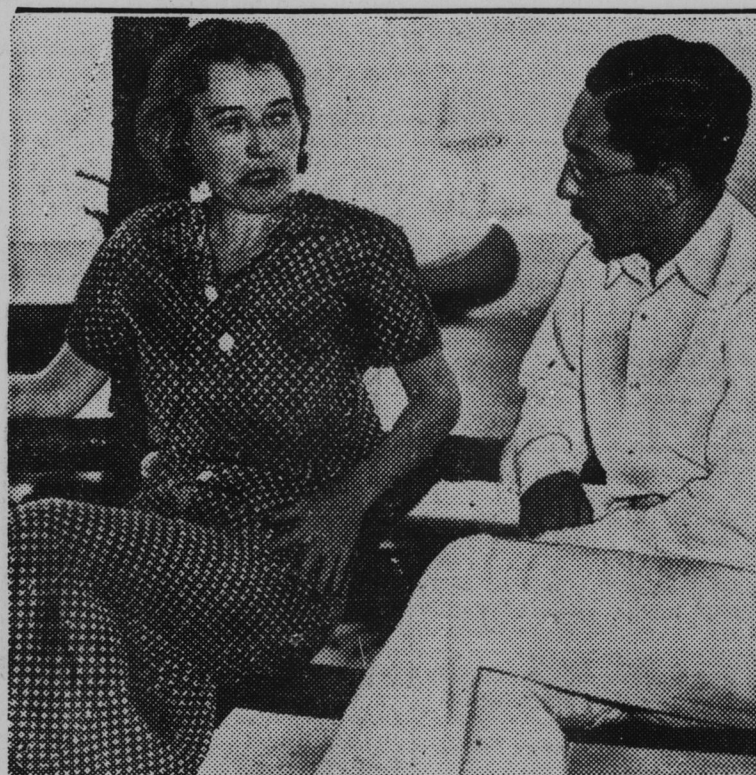
New York, July 27.—(AP)—Little buying inspiration was present in today's stock market, and prices generally drifted lower. Bonds jogged along unevenly. Wheat futures improved on reports of heavier exports and cotton came back briskly. Foreign currencies were again up in terms of the dollar. Stock trading restraints were seen in a fresh outbreak of violence in the Republic Steel strike, and another and more serious Far Eastern war flare-up.

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|------------------------|-----------------|
| Transfers approximated | 750,000 shares. |
| American Radiator | 22 3-8 |
| American Telephone | 172 |
| American Tob B | 82 3-4 |
| Anacosta | 57 3-4 |
| Atlantic Coast Line | 52 1-4 |
| Atlantic Refining | 30 |
| Bendix Aviation | 21 1-4 |
| Bethlehem Steel | 94 1-2 |
| Columbia Gas and Elec | 14 7-8 |
| Chrysler | 113 1-2 |
| Commercial | 15 1-4 |
| Continental Oil Co | 16 |
| DuPont | 162 2-4 |
| Electric Pow & Light | 22 5-8 |
| General Electric | 58 1-2 |
| General Motors | 56 1-4 |
| Liggett & Myers B | 101 |
| Montgomery Ward & Co | 63 3-4 |
| Reynolds Tob B | 52 3-4 |
| Southern Railway | 33 3-8 |
| Standard Oil N J | 71 7-8 |
| U S Steel | 116 3-4 |



FOR NORTH CAROLINA. Partly cloudy tonight and Wednesday; probably occasional showers on coast.

Attorney Calls on Mrs. Crater



Simon H. Rifkind, law partner of Senator R. F. Wagner of New York and a former close friend of the missing Judge Joseph F. Crater, is shown conferring with Mrs. Crater at her Belgrade Lakes, Me., home. Rifkind is reported to have carried on a secret search for Judge Crater when the jurist dropped from sight in 1930. Mrs. Crater is expected to ask the courts to declare her husband legally dead.

(Central Press)

Receivership Fee Bill Approved By Committee

Senate Judiciary Body, Which Is Near Completion of Hearings on New Court Bill; Adjourning August 14 Talked

Washington, July 27.—(AP)—The Senate Judiciary Committee interrupted its consideration of a new court bill today to approve unanimously a bill by Senator Borah, Republican Idaho, to regulate receivership and bankruptcy fees.

The Borah measure would prohibit interested parties in receivership, bankruptcy or reorganization proceedings from agreeing upon fees and would forbid judges to approve fees resulting from such agreement.

Violators would be subject to a fine of \$10,000 or five years in jail, or both.

Chairman Ashurst, Democrat, Arizona, said the committee was making rapid progress with the new court bill and could complete approval of the measure late today.

Talk of adjournment, meanwhile, increased. Few senators forecast an adjournment further away than August 14, but Democratic Leader Barkley said he was still not ready to talk definitely of the legislative program for closing weeks or of adjournment plans.

Judiciary committeemen forecast quick passage of the measure, which would step up the machinery in lower Federal courts.

Meanwhile, an Alabama senator, Continued on Page Two.

GARNER IN REALTY CONGRESS MANAGER

Moreover, He Has Shown He Can Win Out Even Over President

By CHARLES P. STEWART, Central Press Columnist

Washington, July 27.—"At long last," as the Duke of Windsor expressed himself, John N. Garner has proved that the vice president's office is one in which its incumbent can exercise plenty of real political influence. Hitherto the job notoriously has been considered not much more than ornamental except in cases in which

U. S. TENNIS ROUT OF BRITAIN ENDED

Davis Cup Is Returned Here for First Time Since 1927 in Triumph of Young Stars

Wimbledon, England, July 27 (AP)—Sorell-topped Don Budge, undefeated this year, whipped Henry (Bunny) Austin today 8-6, 3-6, 6-4, 6-3, as the United States ended its rout of Great Britain's Davis cup forces and regained the international tennis trophy for the first time since 1927.

Budge's victory came after 21-year-old Frankie Parker, of Milwaukee, had clinched the cup with an astonishing straight set triumph over Charles Hare, 6-2, 6-4, 6-2, thus making the final score of our victories for the United States against one for Great Britain's cupholders.

Parker, the underdog, as a result of his sad showing against Austin last Saturday, played virtually flawless tennis to score the most important triumph of his career.

JAP ULTIMATUM IS IGNORED BY CHINA AS TIME EXPIRES

Zero Hour Passes in Atmosphere of Strict Japanese Military Secrecy at Peiping

800 CHINA SOLDIERS ARE "ANNIHILATED"

Bombing Planes and Soldiers Hurlled Against Chinese Regiments 12 Miles from Peiping; Nanking Massing Huge Troop Concentrations for War

Peiping, China, July 27.—(AP)—United States Marines prepared sandbag fortifications for the legation quarter this afternoon after a Japanese ultimatum for evacuation of Chinese troops west of Peiping had expired in an atmosphere of strict Japanese military secrecy.

800 CHINESE SOLDIERS AT PEIPING ARE "ANNIHILATED"

Virtual "annihilation" of 800 Chinese soldiers east of Peiping was reported by Japanese sources today after Japan's ultimatum demanding Chinese troops withdrawn from the tense zone west of the capital expired at noon without any definite indication of China's compliance.

Bombing planes and Japanese troops hurled their force against a Chinese regiment 12 miles east of Peiping when the Chinese soldiery refused to disarm, the dispatches said. The Japanese reports could not be confirmed, however, in Nanking or other Chinese quarters.

A Chinese spokesman asserted the critical moment comes tomorrow noon when a second Japanese ultimatum expired. It demands complete evacuation of the 37th division of General Sung Cheh-Yuan's 29th Chinese army from Peiping.

Shanghai dispatches said the Nanking government was massing big troop concentrations to face Japan's demands in the Hopeh-Chahar region where Japanese and Chinese economic interests clash.

Japan's premier, Prince Koyama, in Tokyo disclaimed any territorial ambitions in North China, but said if China failed to fulfill her promises "decisive measures" would be taken by Japan.

FORD'S ATTORNEY ACCUSES EXAMINER

Colombo Tells Labor Board Chief He Was Treated Like Horse Thief

Detroit, Mich., July 27.—(AP)—Louis Colombo, Sr., attorney for the Ford Motor Company, today accused Trial Examiner John Lindsay of the National Labor Relations Board, of "treating me like a horse thief" on a hearing on a complaint charging the company with unfair labor practices.

Colombo, shouting, asserted Lindsay was "permitting Ford Company witnesses to be bulldozed and entrapped" on cross-examination.

The clash interrupted Dennis McMinney, Ford plant foreman, who was Continued on Page Two.

Krochmalny Case Rested About Noon

Defense Waits To Show Its Hand at Afternoon Session In Burgaw Court

Burgaw, July 27.—(AP)—The State rested shortly after noon today in the trial of Pete Krochmalny, his son, Paul, and his son-in-law, Irvin Williams, charged with murdering his brother, Paul Krochmalny, the elder, and burning his body in a dairy furnace in April of last year.

Court recessed until this afternoon, when the defense was expected to indicate the trend it would follow. Defense attorneys made no announcement.

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SHARP ADVANCE IN TRADING IN COTTON

Cables Are Steady and Trade Buying and Covering Help Boost Prices in Futures

New York, July 27.—(AP)—Cotton futures opened steady, up 7 to 11 points on steeper cables, trade buying and covering. Toward the end of the first half hour, December advanced from 10.95 to 11.02 with the general list selling up to net gains of 8 to 14 points. At midday December was quoted at 11.05, when prices generally were off slightly from the best, but still at net advances of 13 to 19 points.

Futures closed steady, 22 to 33 points higher. Spot quiet, middling 11.57.

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| | Open | Close |
| October | 11.00 | 11.19 |
| December | 10.98 | 11.17 |
| January | 11.00 | 11.20 |
| March | 11.03 | 11.27 |
| May | 11.11 | 11.31 |
| July | 11.14 | 11.36 |