Your Community Chest Gift Will Help Your Own Kin

HENDERSON GATEWAY TO CENTRAL CAROLINA

Hemderson Daily Disparth ONLY DAILY NEWSPAPER PUBLISHED IN THIS SECTION OF NORTH CAROLINA AND

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SENATE REFUSES LIMIT ON FARM CONTR

REAL WINTER COMES TO CAROLINAS AREA AND ENTIRE SOUTH

Mt. Mitchell Has 14 Below Zero. Coldest Point in Whole Nation for The Day

WEATHER IS COLD AND CLEAR MOSTLY

Snow Flurries in Many Sections Precede Frigid Drop; Florida Citrus Crop Feared Greatly Damaged; Three Deaths Caused by Intense Cold

(By The Associated Press.) Winter paid the Carolinas a visit today and sent temperatures tumbling far below freezing at some points.

Mount Mitchell recorded the coldest

weather of the area, with 15 below zero. Sub-normal marks were reported all along the line and some weather observers termed them unusual this

Although several inches of snow covered some western areas yesterday and flurries were general in the central and eastern portions, the weather for the most part was cold and clear

One of the coldest points in the area besides Mt. Mitchell, was Asheville, with a low reading of four below zero. Other temperatures ranged from ten degrees in Hickory to 20 in New Bern and 22 at Wilmington. The most severe cold wave of the season struck Florida and forecasters said some fruit and vegetable damage was inevitable. Hopes were high. however, that growers' precautions had held losses to a low figure, but fruit men said it would be ten days

(Continued on Page Three.)

MINOR RECESSIONS IN COTTON MARKET

Trading Is Quiet Under Moderate Liquidation and Hedge Selling for Day

New York, Dec. 7 .- (AF)-Cotton futures opened quiet, unchanged to three points lower under moderate liquidation and hedge selling. Prices eased a few points further under scattered liquidation, leaving quotations one to five points net lower after the first half hour. At midday March was 7.91 and prices generally were net unchanged to two points lower.

5 Men Lost In Storm In Philippines

Manila, P. I., Dec. 7.—(AP)— The United States army pilot and three which seemed destined to fail. other native army officers, the latter out toward the China Sea. Unreported for more than 24 hours,

(Continued on Page Three.)

of state, soon will be appointed am-

bassador to Germany to replace Wil-

liam E. Dodd, who is expected to re-

State Department officials decline

Wilson, a veteran career diplomat,

has been envoy to Germany since grata.

sistant secretary of state ..

to discuss the reports referring all inquiries on the subject to the White

Fights Baby Malady



Dr. Francis Dulak ... Fights mysterious malady Chief of staff at St. Elizabeth's hospital in Chicago, where a mysterious malady took the lives of 10 babies and threatened several others, Dr. Francis Dulak leads the fight to halt the spread of a baffling intestinal disease.

-Central Press

Gates of Apparently Doomed City Are Closed as Chinese Make A Last Stand

CHIANG AND WIFE DEPART BY PLANE

Government Evacuated Two Weeks Ago; Japanese War Planes Pound City With Bombs; 90 Planes Join In Greatest Bombardment of

Shanghai, Dec. 7.—(AP)—Advanced columns of Japanese troops assailed Nanking's walls tonight.

Japanese officers said & spearhead of the invaders was attempting to climb the city's massive battlements with scaling ladders. Gates of the apparently doomed city were closed. Philippine army chief of staff, a Chinese had started a final stand

Japanese asserted that their main is caused by bacteria or virus. in a bomb-laden plane, were missing forces had not yet reached the city, today as the Philippines' third devas- but added that they were "progrestating typhoon in three weeks swept sing satisfactorily and according to schedule."

(Continued on Page Three.)

RESIGNATION EFFECTIVE

Berlin, Dec. 7.—(AP)—United States

Ambassador William 'E. Dodd has

made his resignation effective in

The resignation was presented dur-

last summer, and it occasioned no

The spokesman did not say how

Wm. E. Dodd Quits

U. S. To Germany

Washington, Dec. 7 .- (AP)-It was June, 1933. It was understood in dip-

reported today in diplomatic circles lomatic circles that he expects to re-

that Hugh Wilson, assistant secretary turn to the university sometime next

House. Wilson also declined to discuss January, 1938, it was ascertained here

has served only four months as as-

and a former professor of American for Nazis in authority have said open-

history at the University of Chicago, ly they considered him persona non

Dodd, a native of Clayton, N. C., surprise to the American colony here, surprise to the American colony here,

tonight.

year.

ON MELLON ESTATE SLASHED BY BOARD Tax Assessment Reduced from \$3,075,103 to \$700,-000, but Appeal Is Noted

Executor of Estate Says Charge of Fraud Was Important Issue; Some Parts of Decision on Corporate Reorganization Declared

VICTORY IN ORDER

RELATIVES CLAIM

"Surprising"

GOVERNMENT CLAIM

Washington, Dec. 7. —(AP)—The Inited States Board of Tax Appeals oday cut a government tax claim ngainst the late Andrew W. Mellon rom \$3,078,103 to approximately \$700-

Shortly after the decision was an counced, Donald Shepard, executor of he Mellon estate, said "on behalf of Mr. Mellon's family and other executors and trustees of his charitable trust, I may say that the decision of the board is a victory for Mr. Mellon

"The Treasury Department's charge of fraud was the important issue. The board, in unanimously rejecting this charge, confirmed the decision of Pittsburgh grand jury in May, 1934. on the same charge, first raised by the attorney general."

Shepard said some points of the decision relating to corporate reorganizations were "surprising", and that attorneys have been asked to study it immediately "looking toward an appeal to the circuit court of appeals at Philadelphia."

Mellon's attorneys won a deduction for the cost of five priceless paint ings, which Mellon gave to his charitable and educational trusts, and which have since been donated to the Federal government.

Most of the other issues in the dispute about Mellon's 1931 taxes deal with securities transactions for which Mellon claimed exemptions.

Big Chicago Doctors Join

Chicago, Dec. 7 .- (AP)-Twelve of the city's most prominent experts on children's diseases were summoned to storing trade: a conference today to map a camwhich killed eleven infants at St. fair to producers and consumers alike,

They were called by Dr. Herman Bundensen, president of the Chicago Board of Health. He said the board wanted "to enlist the best brains of the Chicago medical profession to combat the infection."

Autopsies upon two of the babies provided clues which medical authorities hoped would lead to identification of the disease. Experiments were keing made to determine whether it

Party Factions Not Being business will lose the things it has to sell," Reconciled by Governor's As Ambassador Of **Appointments**

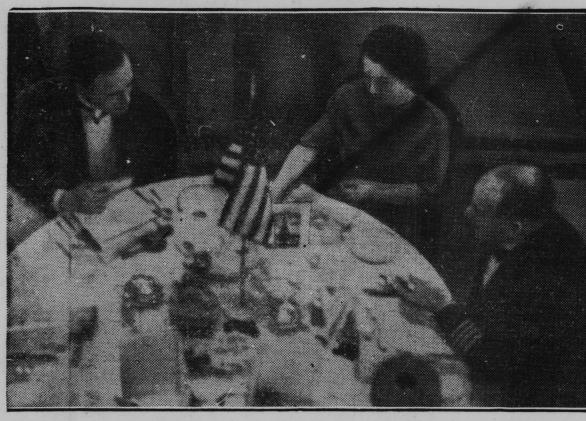
Daily Dispatch Bureau.
In the Sir Walter Hotel.
Raleigh, Dec. 7. — Adeherents of
Sandy Graham are scoffing loudly at the claim, so frequently made, that Governor Clyde R. Hoey is "recon ciling" diverse factions of the Demo cratic party and drawing them close together in one big happy family.

The scoffing has reached a cres cendo with the report that Leroy Martin, vice-president of the Wachovia Bank and Trust Company, and one of Sandy's most vigorous supporters, may be named director of the division SOME TIME IN JANUARY of purchase and contract to succeed

(Continued on Page Three.)

FOR NORTH CAROLINA. Generally fair, not quite so cold in extreme west portion tonight; Wednesday increasing cloudiness slightly warmer, probably follow-

The Lindberghs Return to America



With the same unannounced suddenness that marked their departure for England, Col. and Mrs. Charles A. Lindbergh returned to the United States aboard the liner President Harding. News of their arrival in America "leaked out" only after their ship had docked. This picture, made during the voyage, shows the world-famous flier and his wife at the captain's table with the ship's skipper, Capt. James E. Roberts.

Wallace Predicts Industry Pick-Up Under Cooperation

Home Construction, Equitable Taxes, Fair Farm Legislation and Other Plans

WANTS WAGE-HOUR MEASURE INCLUDED

Would Have Healthy Securities Market and Continued Government Spending; Agriculture Head Says All Factions Must Give Their Cooperation

Washington, Dec. 7.—(AP)—Secretary Wallace introduced into business discussions today the prediction that Malady Fight industrial production can be increased "at least forty percent" within three years if farmers workers busindustrial production can be increas three years if farmers, workers, business men and government cooperate. He proposed in a radio speech seven "common sense" ways of re-

1. Home construction, equitable tax law revision, farm legislation that is Elizabeth's hospital in the last two hour bill maintenance of a "healthy securities market, continued govern ment spending until private capital takes up the slack and continuance

of reciprocal trade treaties." Wallace's address was made almost simultaneously with the launching of a two-phase program by the committee for Industrial Organization "to cope with the rising wave of unem-

ployment.' Wallace also discussed the labor situation, saying "if farmers block the level of labor to maintain fair wages, they themselves will be the losers when the workers have less money to spend for farm products. If workers carry on strikes against their prices for food, then they will be the losers when farmers have less money to

spend for industrial products.

"If business is to thrive, above all, to pay smaller taxes and to keep wages and farm prices down, then business will lose the market for the Members of the Senate committee

(Continued on Page Three.)

Find Man Lost In **Coal Mines Since** Early on Sunday

Pinckneyville, Ill., Dec. 7.—(AP) —Lawrence Lee, 28, mine book-keeper, lost in the Briar Hill workings since Sunday morning, was found today at the bottom of the air shaft of an adjoining mine into which he had wandered in the darkness.

State Mine Inspector Leonard Forester said Lee was "pretty fagged out, and had been put to bed at his home. Lee had roved about in the mine since Sunday afternoon. He was crawling away from the Briar Hill shaft all the time toward the other shaft. Apparently, he kept working away from us as we were working to-ward him, and kept just out of hearing distance."

Roosevelt Tooth Ailment Better Washington, Dec. 7 (AP)-White

House officials said today examina-tion of X-Ray photographs had disclosed "no bone involvement" in tooth socket.

Secretary Early told reporters this meant it would be unnecessary

to scrape the jawbone. He added that the infection was confined solely to the soft tissue of the gum, and that another treatment involving cleansing of the socket from which a tooth recently was extracted, was given this morning. Shortly afterwards, the President returned to his office and arranged his appointments

Yet Roads Must Have Money or Go Broke; **Building Approved**

By CHARLES P. STEWART Central Press Columnist Washington, Dec. 7 .- President Roosevelt's housing campaign is starting to the accompaniment of a general chorus of expressions of good-

It has an excellent press. In Congress even anti-New Dealers, including Republicans, with few exceptions, are friendly to the plan. Business and industry mostly like

Still, a discordant note is audible here and there. Higher Rail Costs.

For example: The railroads are screeching loudly for higher rates, which must add to the cost of construction material, delivered on the vacant lot, for trans

(Continued on Page Three.)



DuPont Has **Schemes For**

Says Stabilization Is tion was deferred, would modify the Necessity for Suc-Proposal

New York, Dec. 7.—(AP)—A two to ten-year plan to create 3,000,000 new jobs through investment of \$25,000. 000,000 by private industry was pro posed today by Lammot DuPont, president of E. I. DuPont de Nemour & Company, in an address at the Na-tional Association of Manufacturers Convention.

DuFont pictured bringing about a new era with eventual elimination of

(Continued on Page Three.)

FOUR CONVICTS IN **ESCAPE ARE TAKEN**

Five Still at Large, However, of Group Fleeing State Camp at Sanford Sunday

Raleigh, Dec. 7 (AP)-Three men who escaped from the Lee county prison camp at Sanford Sunday night were caught at Kinston and Windson today, Oscar Pitts, superintendent of

prisons, announced. Joe Smith, convicted in Lenoir county, and Marvin McLamb, sentenced in Harnett county, were taken at Kinston and Tom Rhodes, sent up from Bertie county, was caught at indsor,

Last night Monroe Hendrick, con-victed in Mecklenburg, surrendered leaving five men still free as a result of the break.

MOVIE MEN ELECT

Carolinas Group Meeting at Pinehurst Honor Henderson Exhibitor

Pinehurst, Dec. 7.—(AP—The theatre owners of North and South Carolina, incorporated, elected S. S Stevenson, of Henderson, president today to succeed Charles Pioquet, of Pinehurst, who declined to continue H. Thompson, attorney for the Alain the office after 14 years.

The election capped a session of the silver jubilee convention, at which the theatre owners adopted a resolution objecting to appearance of white persons and Negroes in movie scenes on an equal social basis

REPUBLICANS SEEK THREE-YEAR TERM FOR NEW MEASURE

McNary, Minority Leader, Says That Will Allow Time To Try Emergency Proposal

DEMOCRATS BLOCK AMENDMENT, 51-25

Opponents of Compulsory Cotton Control Continue Fight in House; Section for Farmer-Approved Wheat Quotas Eliminated by House Vote

Washington, Dec. 7.—(AP) - The Senate rejected today by a vote of 51 to 21 an amendment by Senator Mc-Nary, Oregon, the Republican leader. to limit operation of the farm bill to three years, 1938 through 1940. McNary argued that a three-year

period "will give us some time to try out this measure, which is an emergency, after all." Senator Pope, Democrat, Idaho, and co-author of the measure, answered

that McNary's proposal would "seriously injure" the program. The House, meanwhile, resumed debate on compulsory control of cotton through marketing quotas after rejecting a proposal by Representa-tive Hobbs, Democrat, Alabama, to make controlled planting effective in 1938. The bill provides for delaying operations of that feature until 1939. Opponents of compulsory crop control sought other modifications of the pending measure, with hopes a-roused by tentative House approval of elimination of a section imposing far-mer-approved marketing quotas for wheat whenever surpluses might low-

er prices. Making Jobs Representative Confee, Democracy, Nebraska, who suggested the change, said he would attempt the same procedure when the compulsory control Representative Coffee, Democrat, cedure when the compulsory control

section is discussed. Another amendment, on which ac-

cess of Elaborate New York's Kidnap Yet Is Mystery

White Plains, N. Y., Dec. 7.—(AP)— The disappearance of Arthur Fried, New York business man, from his suburban Westchester county home, still mystified authorities today as they pushed investigation into reports he had been kidnaped.

Fried, office manager of the Colonial Sand & Stone Company, vanished Saturday night. A few hours later his car was found abandoned in a lonely section and it was reported he had been abducted and was being held for ransom, the amount varying from \$100,000 to \$200,000.

His family, meanwhile, repeated

(Continued on Page Three.)

PowerFunds GrantArgued BeforeCourt

Duke Power Case from Buzzard Roost Next on List Before High Tribunal

Washington, Dec. 7.—(AP)—Government attorneys argued before the Supreme Court today that public works loans and grants for publiclyowned utility plants constituted a lawful attempt to relief unemploy-

Jeremone Frank, special assistant to the attorney general, disputed tama Power Company, that the government was engaged in a 'campaign against the power companies."

"In view of the limited number of competitive power plants," he said,

(Continued on Page Three.)