PRICE-FIXING FOR COAL ENJOINED BY ORDERS OF COURT

Temporary Injunction Relates to Fuel for Locomotives from Illinois; Indiana

SEVEN COAL FIRMS JOINED IN APPEAL

Prices Fixed Termed Discriminatory, Especially Since No Allowance Is Made for Differentials in Grades Mined; Arguments Heard Last Week

Chicago, Feb. 17 (AP)-The United States Circuit Court of Appeals en-joined the National Bituminous Coal Commission today from enforcing certain parts of its price-fixing order on railroad locomotive fuel.

The temporary injunction was asked by seven coal companies claiming to have an investment of \$23,100,000 in Illinois and Indiana. They attacked the price schedules as "confiscatory," and asked that general price schedules be vacated, or that section applying to Indiana and Illinois prices locomotive fuel be set aside.

In asking relief, the six Illinois and one Indiana coal companies termed the prices discriminatory, especially since no allowance had been made for differentials in the grades of coal mined in southern Illinois and other Illinois and Indiana districts.

The injunction was issued by Judges Evan A. Evans, Will M. Sparks and J. Earl Major. The court heard arguments last week.

A memorandum of the court setting forth reasons for the order was not available immediately.

FRED BEAL TAKES **DUTIES IN PRISON**

Raleigh, Feb. 17 (AP)-Fred Beal, now No. 34722 in State's Prison, went through the regular penal routine for new prisoners today. Deputy Warden John Bray said Beal, was being treated just as any other convict since the former labor organizer surrendered yesterday to serve a 17 to 20 year prison term imposed nine years ago when Beal was a communist strike leader at

Beal was convicted of conspiracy in holt of Gastonia.

TwoRacket Chiefs Get Long Terms

New York, Feb. 17.—(AP)—William J. Graham and James C. McKay, wealthy Nevada gambling czars, today were sentenced to serve nine years in prison for mail fraud and conspiracy in a \$2,500,000 bunco ring, which operated on a nationwide scale. Each was fined \$11,000.

Justice Willis Van Devanter, presidtwo men 25 days to go to Reno and fairs, and bail was increased to \$25,- ing margin. 000 each. They had been free in \$10,-000 bail before the trial.

Boies Heed, of Phoenix, Ariz., and Allen Comer, of Sioux City, Iowa, two the January 31, 1938 balance. other defendants found guilty with McKay and Graham last Saturday,

(Continued on Page Two)

5 Trainmen **Are Victims** In 2 Wrecks

Collision in Colorado and One in Arkansas Smash

Trinidad, Col., Feb. 17 (AP)—Four SHARP ADVANCE IN trainmen were killed and seven other persons, including five passengers were injured when a Colorado and Southern freight train and passenger train collided 68 miles south of here railroad officials announced today. The accident occurred two miles north of Folsom, N. M., late last night.

All of the dead were from Trinidad. ONE TRAINMAN KILIZED IN

Continued on Page Two.)

Japanese Order Troops Not To Invade District U. S. Marines Defending

Japan Naval Parity?



Representative Hamilton Fish . . attacks naval program

Appearing as a witness before the house naval affairs committee holding a hearing on President Roosevelt's naval program, Representative Hamilton Fish (R.), of New York told the committee that it was not Japan but America and Britain that broke up the 1936 arms conference in which Japan sought naval equality. "Why can't we give Japan parity with us unless we are aiming to police the world?" Fish asked.

-Central Press

EXCEEDING INCOME

But Cash Balance in All Funds Is Still In Excess of \$21,000,000

Daily Dispatch Bureau, Raleigh, Feb. 17.-The state spent much more money than it collected in January, but at the close of the mont! still had more than \$21,000,000 in its treasury. The funded debt stood at

bigger balance at the end of January than at the beginning, as disbursements through the general fund and special funds, other than highway, exceeded collections by large margins, according to the combined statement of cash receipts and disbursements

just issued by the Auditor's and Treasury's Departments. There is no immediate danger of the State's going broke, however, as shown by its cash balances of \$5,118,-737.29 in the general fund, \$9,814,068. 46 in the highway fund and \$6,449,-306.88 in all other special funds-making a combined total of \$21,382,112.63.

The report showed that since the beginning of the current fiscal year. ing in Federal district court, gave the July 1, 1937, the State's disbursements have slightly exceeded its receipts; settle their business and family af- but not by any dangerous or threaten-

The general fund, for example, showed a balance on July 1, 1937, of \$5,231,300.10, only \$112,562.81 more than

The highway fund, on the contrary. not only increased its balance durwere sentenced to serve five years. ing January, but showed more cash Heed was fined \$800, Comer \$900. A on hand at the end of last month than was in the treasury on July 1, 1937. Figures for beginning of the fiscal year were \$8,589,866.36, or \$1,224,202.10 less than the balance as of January

The special fund balance of \$10,515 935.59 as of July 1, 1937, had dropped \$4,066.628.71 in the seven months pe-

All in all the combined statement of receipts and disbursements appeared to reflect a healthy state of finances in North Carolina, with excess of dis-bursements over receipts for January only such as can be expected from

month to month.

The actual disbursements for Jan Four Meet Death In uary were \$4,299,262.55 from the general fund, \$1,333,356.24 from the highway fund, and \$7,088,032.61 from special funds.

Receipts for the same period were \$3,027,509.70 for the general fund, \$4,766,701.02 for the highway fund and

Continued on Page Two.

COTTON AT MIDDAY

Prices 15 to 18 Points Net Higher as May Goes Above Nine Cents Figure

New York, Feb. 17.—(AP)—Cotton that Tar Heel farmers sold their futures opened six to nine points money crops for \$196,587,000 in 1937. higher on signing of the farm bill, A year earlier the same crops brought higher foreign markets, and trade and \$170,691,000. COLLISION IN ARKANSAS foreign buying. May sold up to 8.98 Roe, Ark. Feb. 17 (AP) -- The Cotton shortly after the first half hour, when tion in the Agricultural Conservation Belt railroad's fast "Lone Star" north- the list showed net gams of 9 to 11 program did a swift upswing last year bound passenger train ripped into the rear of a southbound freight train when the list was 15 to 18 points net

American Soldiers Have Turned Back Nippon Forces Four Times in Their Efforts

CHINESE RED ARMY **REPORTS ADVANCES**

Guerrilla Forces Also Join In Seizure of "Every Station" on 75-Mile Stretch of Peiping-Hankow Railway; Road Is Feeder Line for Invaders

Shanghai, Feb. 17.-(AP)-United States Marine headquarters announce ed today Japanese army authorities have forbidden Japanese patrols to encroach on the United States defense Shanghai's international

American Marines have turned back Japanese arms patrols four times when they tried to enter the sector to "supervise" Japanese there.

Meanwhile, Chinese red army troops and guerrilla units, Chinese reported, have captured every station along a 75-mile stretch of the Peiping-Hankow railway behind Japanese lines in North China

Japanese have used the line to feed reinforcements and supplies to their troops in Honan province, and trying to drive south across the Yellow river to cut China's Lunghai railway. Chinese said the communist and guerrilla troops had taken all Peip-

ing-Hankow stations between a point 150 miles north of Changte, and the capital of Hopeh province. Japanese units attempting to push south of the Yellow river were sup-

ported by war planes which bombed China's longest steel bridge north of Chenchow to cut off the retreat southward of Chinese facing powerful me-chanized forces.

Food Is Carried 400 Snowbound In Tahoe City, Cal.

Tahoe City, Cal., Feb. 17.—(AP) men, women and children feaste today on fresh vegetables and meat, flown from San Francisco to relieve a diet of canned goods and, in the case of at least one man, horse flesh.

Five hundred pounds of food-stuffs were dropped on the golf course last night from a plane after a flight sponsored by a San

Trancisco newspaper.

There was plenty of canned foods, but Carl Bechtold, inn proprietor, said a horse had been killed for its meat.

Snow 20 feet deep in some places had closed roads leading into the Tahoe district ten of the past eleven days.

SEX SLAYER KILLED BY MEXICAN TROOPS

Soldiers Take Youth From Tia-juana Jail and Execute Him In Hilltop Cemetery

Tiajuana, Mexico, Feb. 17.—(AP) A detachment of 30 soldiers was reported early today to have marched on the Tiajuana jail, seized a former comrade, Juan C. Morales, 24, accused sex slayer of little Olga Comacho, 8, taken him to a hilltop cemetery and executed him with a volley of rifle

Soldiers made the traditional Mexican explanation that Morales was shot while attempting to escape.

It was a startling climax to four days of wild excitement, rioting burn ing and bloodshed that followed the ravishing and slaying of the little girl. It forestalled further disorders.

ISUP \$26,000,000

Increase in 1937 Over 1936
Shown in State College

Judge Frizzelle Pays His Fee And Is
Without Opposition; Charlotte Man Files Shown in State College **Statistics**

College Station, Raleigh, Feb. 17 .-North Carolina farmers received nearly \$26,000,000 more from the sale of their principal farm crops in 1937 than they did in 1936, Julian Mann, extension statistician at State College revealed today.

Basing his statement on a report just issued by the Bureau of Agricultural Economics, Mann pointed out

Government payments for participa-

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Flying Fortresses Make Mass Flight to Buenos Aires



U. S. navy bombers in flight

The U. S. navy makes another interesting experiment—sending six large bombers in mass flight from Langley Field. Va.. to Buenos Aires, to par-

ticipate in inauguration of President Ortiz. It is the most spectacular flight ever attempted between

Warns Broadcasters



Senator Burton K. Wheeler ... "keep radio free"

In a speech before the National Association of Broadcasters in Washington, Senator Burton K. Wheeler of Montana, chairman of the senate interstate commerce committee, warned that radio must be kept free from prejudice, propaganda and obscenity."

HOEY WON'T SAVE **EXUM AND SMOAK**

Governor Announces He Does Not Plan To Intervene In Executions

Raleigh, Feb. 17.—(AP)—Governor Hoey announced today he did not plan to intervene to save either Milford Exum, of Wayne county, or Edgar Leroy Smoak, of New Hanover county. from execution at State's Prison tomorrow morning.

Exum will be the first white man in some years to be put to death in it should reach Lima about 2:30 p. Carolina for the murder of a Negro. He was convicted of the slaving of Jim Williams, a Negro basketmaker. Smoak was sentenced to die for the

poison killing of his daughter, Annie

Smoak was first sentenced to die April 23, 1937, with no hours being set in his judgment. An appeal to the Supreme Court, which he lost, resulted in the delay of the execution. Exum was sentenced to die between 10 and 2 o'clock November 12, 1937,

and the hours stand as a limit for to-

morrow. He also lost an appeal to the TWO CANDIDATES FOR JUDGESHIPS QUALIFY

Raleigh, Feb. 17 .- (AP)-Two candidates for superior court judgeships, William H. Bobbitt, of Charlotte, in the fourteenth, and Judge Paul Frizzelle, of Snow Hill, in the fifth, filed with the State Board of Elections to day to enter the June Democratic

A. V. Carter, of Mount Airy, filed in the five-sided race for the solicitorship of the twenty-first district. Judge Frizzelle has no announced opposition.

FOR NORTH CAROLINA. Mostly cloudy and unsettled, possibly scattered rain Friday and in east tonight; slightly warmer tonight and in east Friday.

Six Huge Army Bombers Near Lima After Flight Non-Step From Florida

Cross Canal Zone in Early Morning and Later Report Position 400 Miles South

CROSS CARIBBEAN IN ABOUT 6 HOURS

Leave Miami Shortly After Midnight and Disappear in Darkness to South; To Participate in Inauguration of Argentine President on Monday

Miami, Fla., Feb. 17.—(AP)— Six big bombers on a goodwill mission to Buenos Aires thundered across the Equator today on a non-stop flight to Lima, Peru.

Taking off here by the light of a full tropical moon, the United States Army air corps airplanes sped down to the Canal Zone at a 200-mile-an-hour clip, but later met stiff headwinds that reduced their speed one-fourth. They reached the equator at 11 a. m., eastern standard time.

Miami, Fla., Feb. 17.-(AP)- Six huge army bombers on a non-stop goodwill flight from Miami to Peru crossed the Panama Canal Zone early today and sped onward.

A radio message received at Chap man Field here said the craft were directly over the canal at 7:13 a. m. eastern standard time, and were proceeding to Lima, the Feruvian capital unless forced back by the weather. At 9 a. m., eastern standard time. the planes reported they were 430 miles south of Colon. Officials here computed the squadron's average speed at 200 miles an hour, and said m., eastern standard time.

They were about 1,165 miles from Lima at 9 a. m. The sky giants flew the 1,100 miles across the Caribbean Sea to Panama

in six hours and a half. John Bray said, probably will start at 10:30 a. m. It has not been determined which man shell discontinuous at 10:30 a. m. Shell discontinuous at 10:30 a. m. It has not been determined which man shell discontinuous at 10:30 a. m. It has not been determined which man shell discontinuous at 10:30 a. m. It has not been determined which man shell discontinuous at 10:30 a. m. It has not been determined which man shell discontinuous at 10:30 a. m. It has not been determined which man shell discontinuous at 10:30 a. m. It has not been determined which man shell discontinuous at 10:30 a. m. It has not been determined which man shell discontinuous at 10:30 a. m. It has not been determined which man shell discontinuous at 10:30 a. m. It has not been determined which man shell discontinuous at 10:30 a. m. It has not been determined which man shell discontinuous at 10:30 a. m. It has not been determined which man shell discontinuous at 10:30 a. m. It has not been determined which man shell discontinuous at 10:30 a. m. It has not been determined which man shell discontinuous at 10:30 a. m. It has not been determined which man shell discontinuous at 10:30 a. m. It has not been determined which man shell discontinuous at 10:30 a. m. It has not been determined which man shell discontinuous at 10:30 a. m. It has not been determined which man shell discontinuous at 10:30 a. m. It has not been determined which man shell discontinuous at 10:30 a. m. It has not been determined which man shell discontinuous at 10:30 a. m. It has not been determined which man shell discontinuous at 10:30 a. m. It has not been determined which man shell discontinuous at 10:30 a. m. It has not been determined which man shell discontinuous at 10:30 a. m. It has not been determined which man shell discontinuous at 10:30 a. m. It has not been determined which man shell discontinuous at 10:30 a. m. It has not been determined at 10:30 a. m. It has not been determined at 10:30 a. m. It has not been determined at 10:30 a. m. It has not been determined at 10:3 They left the municipal airport as the inauguration of President-elect Roberto Ortiz, of Argentina, Monday.

Austrians Hope Hitler Makes Good

Looking to Fuehrer To Come Up With Promises; Reports Furnished Hitler

Berlin, Feb. 17.—(AP)—Austria'. German-endorsed minister of the interior came to Berlin today to report to Fuehrer Hitler on the progress of Austro-German cooperation. Wilhelm Goering, chief Hitler aide, announced that Minister Arthur Seysz-Inquart would talk with Hitler, with Field Marshal Herman Wilhelm Goering, German economics minister, and with Foreign Minister Joachim von Rib bentrop.

There were indications that Seysz Inquart's visit would be the first of

(Continued on Page Eight)

Nine Are Injured In Texas Twister

Mertzen, Texas, Feb. 17 .- (AP)-A twister swent the business district and part of the residental sectien of this small west Texas town early today. Nine persons were in-

Officers and volunteer workers from San Angélo dug through twisted debris at daylight searching for other possible victims.

Seven of the injured were taken to San Angelo hospitals. None was

believed seriously hurt. Half a dozen buildings on the north side of main street were demolished. The windstorm was followed by a driving rain.

POLITICAL FOOTBALL On Control

So Declares Maj.-Gen. Hagood in Testimony on "Big Navy" Program

By CHARLES P. STEWART

Central Press Columnist
Washington, Feb. 17.—Maj. Gen. Johnson Hagood cannot very well be disciplined for telling the House of Representatives' Naval Affairs Committee, as he did recently, that (in his opinion) America's "national defense s being made the football of politics." The general practically is punishment proof.

In effect, he is in the position of an individual who already has been ceheaded and who then does something else that the executioner would like to behead him for; the same person's head can't be amputated more than once in succession.

Previous Punishment. Hagood is the identical general who, as a witness before an earlier congressional committee, referred WPA checks as "stage money." For having done so he was milit

Continued on Page Two.) **GOVERNMENT FORCE** GETS LOST GROUND

Spanish Loyalist Troops Claim Success Against Insurgents in Cordoba Province

Hendaye, France, Feb. 17 (AP)-The Spanish government asserted today that all positions lost to the insurgents a week ago in their drive to-ward the Almaden mercury mine in northwestern Cordoba province had been recaptured.

Dispatches from Madrid and Barcelona, reciting the results of the second day of the government's counter offensive in southern Spain, said its standards had been planted not only on the old government positions but on a dozen fortified hills long held by the insurgents.

Meanwhile, other armies were deadlocked in eastern Spain in a new struggle for mastery of the Aragon

Government communiques said the insurgents sent infantry, artillery and aviation into an attack in an effront. fort to regain positions a government offensive north of Teruel had taken yesterday.

The government said it had maintained its foothold in the fighting, which centered around a sector west of Montalban.

TO GIVE BUSINESS RIGHTS OF APPEAL

Business Advisory Council Wants Employers To Have Right To Invoke Labor Act

SEEK AMENDMENTS TO LABOR MEASURE

Peaceful Settlement of Labor Disputes Urged; Shipbuilding Yards Must Have New Facilities To Carry Out \$800,000,000 Navy **Building Plan**

Washington, Feb. 17 .- (AP)-President Roosevelt was urged by a business advisory council sub-committee today to support council recommendations for giving employers, as well as employees, the right to invoke the services of the Labor Relations Board. Other amendments to the labor relations act also were proposed in one of two reports submitted to the President on behalf of the council's industrial relations committee by Charles R. Hook and John Biggers, chairman and vice-challrman, respectively, of the committee. Both reports had the unanimous approval of the council. The first report, approved April 8, 1937, declared Federal and State legis-

lation should encourage peaceful settlement of lator disputes. It added that resort to force was "injurious" to all concerned. Meanwhile, the navy's chief con-structor told the House Naval Com-

mittee that additional facilities would have to be provided at every navy yard to permit expeditious construc-tion of the proposed \$800,000,000 naval expansion program. Rear-Admiral William DuBose explained the facilities needed would include ways and other equipment. He urged the bill be amended to give the department authority to put the yards in shape to

handle the work.

Other developments included:

President Roosevelt, having obtained enactment of two of his six legislative recommendations, will leave tomorrow afternoon for a four or five

day rest at Hyde Park. The second of his major proposals received his signature late yesterday.

Farmers To NATIONAL DEFENSE Hear Talks

Raleigh, Feb. 17 (AP)-The State Farm Bureau Federation completed plans today for a mass meeting of farmers here tomorrow to hear discussion of the new Federal farm act as work got under way for cotton and to-

bacco referenda. E. F. Arnold, Farm Bureau secretary said the general explanation of the farm act by Senator James Pope, Democrat, Idaho, would be broadcast by radio, but the talk of J. B. Hutson, assistant AAA administrator, on the tobacco and cotton programs for

North Carolina would not. E. Y. Floyd, of the North Carolina State College Extension Service, said the cotton and tobacco referenda may be completed by March 15. Floyd said this State had an allotment of 902,525 acres of cotton and 570,000 to 580,000 acres of flue-cured tobacco under the agricultural conservation program. The State's marketing quota for tobacco would be between 450,000,000 and 500,000,000 pounds, Floyd figured.

Farm Act Is **Facing Tests** WithFarmers

Cotton and Tobacco Farmers To Cast Secret Ballots On Control of Crops

Washington, Feb. 17 .- (AP)- The administration's new farm program, having reached the statute books despite stiff congressional opposition now faces its first test at the hands of farmers. Within a month 2,225,000 cotton and tobacco growers will have an opportunity to cast secret ballots on a proposal, authorized by the new law, that the Agriculture Department be given broad powers to control mar-keting of their crops this season. President Roosevelt described the bill as "historic legislation" when he

signed it yesterday. "It is not perfection," he added, although it marks "the winning of the major battle for an underlying farm policy that will