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ONLY DAILY NEWSPAPER PUBLISHED IN THIS SECTION OF NORTH CAROLINA AND VIRGINIA

TWENTY-NINTH YEAR

LEASED WIRE SERVICE OF THE ASSOCIATED PRESS.

HENDERSON, N. C., THURSDAY AFTERNOON, JUNE 18, 1942

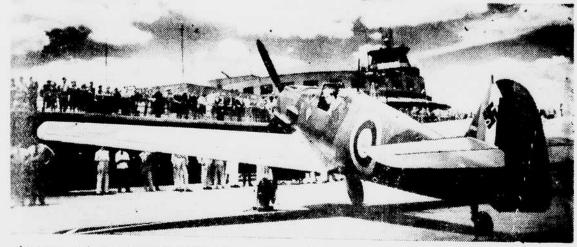
PUBLISHED EVERY AFTERNOON EXCEPT SUNDAY.

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## Nazis Threaten On Two Fronts

## Sales Tax Unlikely To Pass

Messerschmitt Lands at La Guardia Airport



In a new and strange setting is this German Messerschmitt-109 fighting plane. It is shown at LaGuardia Field in New York City after arriving from Washington. It is part of the air cavalcade that is to tour the country to encourage bond sales. The plane, flown by Capt. Elmer McKessen, of Richmond, Va., was shot down over England and rebuilt. It has a swastika on its tail, and the British emblem on its fuselage to avoid mistakes in identification.

## U. S. Is Stronger In Pacific

### Mexico Aids Firing Heard In Sub Hunt

to Sea' Searching for States destr submarines. Raiders.

By The Associated Press.) News of aid to the United States in the war on axis submarines came from Mexico City today with the announcement that Mexican patrol planes are scouring the Guif of Mexico and the Pacific under orders to "sink sight" all prowling undersea

the officially announced appointing sinkings since Pearl Harined at 275 in the Atlantic ent waters, General Robert chief of Mexico's military

pilots are winging far out searching for the enemy here. We have no news of any yet, but our fliers hope not be long before they have ctunity to fire their machine nd loose their bombs against

declared war on the axis three weeks ago. Lierro said twelve modern pa-

trol planes have reached Mexico in recent days and already are in Acknowledging difficulty in obtaining more ships speedily from the United States, he said Mexico was expanding its own manufacturing and repair facilities.

Washington, Rear Admiral Robert W. Waesche, commandant of netic mine. S. Coast Guard, stressed the twelve-mile ocean limit for sport and

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#### Balkan Axis Allies Dispute Over Frontier

Istanbul, June 18.—(AP)— Ru- comet. mania and Hungary together are Withholding about 600,000 troops on the Russian front and most of them are facing each other across the disputed Translylvania border, a neutral traveler reported today after visiting both countries.

Relations are so strained that anything can happen any time," he said, "Nothing will prevent the Rus-Stans from attacking the Hungarians to win back Transylvania."

The informant said that both nations had agreed at German behest mid-May to withdraw their Transylvania troops but that neither had kept the pledge. (Only part of Transylvania remained under Russian sovereignty after a territorial settlement which Germany forced Rumania to make.)

gary nevertheless has increased her crat, Missouri, of the special Senate ntribution of men to Germany's defense investigating committee. Russian front to 186,000 as compared with 100,000 last year, whereas clined to comment on Truman's de-Rumania had sent on y 155,000 com-Freed care occupied a pour age

# In Caribbean

Bogota, Colombia, June 18.—(AP) Newspapers here printed reports Planes of Latest Bel- today that cannonading was heard night off the Colombia coast and ligerent 'Winging Far they expressed belief that - United states destroyers were battling axis

> Advices from Riohacha, on Colombia's Caribbean coast, about 500 miles east-northeast of the Panama Canal, said that the shellfire seemed to have originated about 40 miles off-

The reverberations came about 8 p. m. (9 p. m. EWT) yesterday.

## Axis Uses New Bomb

Rocket Type Weapon Makes First Appearance in Sea-Air Mediterranean Battle.

London, June 18.—(AP)—Axis planes participating in the great seaair battle in the Mediterranean this week were reported today to have employed a new type rocket bomb characterized by technical authorities as the most important innovation since the introduction of the mag- Chiang Kai-Shek's hard driven be used at any time up to July 26.

Some experts went so far as to for sacrifices of coastal fisher- say that because of its terrific p-ne- V. Haynes of Mt. Airy, N. C. vet-Replying to a protest from the trating power and high potential ac- eran of the battle of Burma, had Atlantic City Tuna club against the curacy the new weapon might result been appointed chief of the U. S. in development of a technique that bomber command in China indicated would supersede dive bombing.

The rocket bomb reported used by soon go into action. the axis planes, described as the aerial equivalent of a high caliber front again was dark. artillery shell, apparently is similar to bombs which Russian aircraft re- edged that Japan's invasion armies cently have been reported employ- now had seized all but 50 miles of ing with great effect against nazi the 450-mile Chekiang-Kiangsi railtanks on the eastern front.

Self-propelled, the new bombs are heart of China. Self-propelled, the new bombs are attached to the under side of the attached to the under side of the they believed Japan might attack wings and are aimed by pointing the plane's nose directly at the target. When discharged they leave a trail of sparks like the tail of a

#### WPB Shakeup Is Predicted

Washington, June 18.—(AP)—A war production board spokesman today predicted an "extensive organizational realignment" of WPB within a month, which "inevitably will bring the abolition of some jobs.' At the same time, he emphasized that the changes probably would not be based on the latest congressional criticism of \$1-a-year men, released The traveler estimated that Hun- today by Chairman Truman, Demo-WPB Chairman Donald Nelson de-

(Continued on Page Seven)

# Nimitz Hints

Ten-to-One Toll Already Exacted In Japanese Men and Planes, Admiral Says.

Of New Blow

(By The Associated Press)

A picture of tremendously floor as soon as possible even if that growing American strength in meant a sales tax would be deferred the battle of the Pacific, where for later consideration. ese men and planes, was drawn unforeseen eventualities. by Admiral Chester W. Nimitz today along with a hint that new sledge hammer blows against Japan are in the offing.

'We are greatly increasing our battle strength." Admiral Nimitz declared.

"Our ships, planes and pilots are being added in constantly increasing numbers. "We can take satisfaction in

the knowledge that in every meeting with the enemy since December 1, his losses have greatly exceeded ours. In the Coral sea and Midway actions, his personnel losses were at least ten times greater than ours. and his plane losses in almost the same ratio." Meantime, American bombers

were preparing to help Generalissimo armies in China. Announcement that Colonel Caleb til August 22.

that the new American force would The news of the China fighting

Chinese headquarters acknowl-

way which feeds supplies into the

Rus ian Siberia before the summer is over, but declared that at the moment the Japanese were concentrating on reinforcing their air strength in the China and Burma theatres. Chinese army intelligence reports indicated that the Japanese had now nassed 500 planes in Burma—peraps for an attack on India or on far southwest China-and had increased the number actually in China to

#### NAZIS CLAIM SINKING OF 19 MORE VESSELS

Berlin (From German Broadcast), June 18 .- (AP) -- German submarines have sunk 19 more ships totaling 109,000 tons in the Atlantic and Caribbean, the high command announced in a special communique today.

ARTHUR PRYOR DIES West Long Beach, N. J., June 18.—(AP)—Arthur Pryor, 71, noted bandmaster and composer. to whose martial air millions of Americans march, died at 5 a. m. today at his home.

## Revenue Bill Almost Completed

Administration Reported Exerting Terrific Pressure Against What Sales Tax Sentiment Remains in Committee.

Washington, June 18.—(AP) A sales tax was conceded by its advocates today to have only in out, ide chance of approval as House ways and means committee began putting the finishing touches or a tax bill which probably will produce about \$6.650,000,000 in new

Hoping to end its work in a week, the committee still has to vote formally on a sales tax and two other subjects-a postwar credit for corporations which pay high excess profits taxes, and withholding of individual income taxes at the source.

The administration was reported o be exerting terrific pressure against what sales tax sentiment reained in the committee, and one o ose who have been advocating it to make up the difference between the present bill and the Treasury'. revised \$8,700,000,000 tax goal observed "it looks like we're licked." Informed sources said that Democratic congressional chieftains had

U. S. airmen have already ex- It was learned that the committee acted a ten-to-one toll in Japan-

### Sugar Stamp ValueChanged

Washington, June 18.—(AP)—The value of sugar stamps 5 and 6 ha been increased to two pounds each but each stamp will cover four week instead of two, so the weekly ration for each consumer will remain at a half-pound. Stamp number 4, now valid for

the purchase of a pound, will expire at midnight June 25, the office of price administration announced. Number 5, good for two pounds, may and number 6 will then be valid un-Under the new plan grocers will have fewer stamps to handle.

### Ava Says It Isn't True

Raleigh, June 18.—(AF)—It isn't true, says Mrs. Mickey Rooney, that she and her husband, the movie star, have sep-

"It's so silly," she said concerning a rumor of the separation. "There isn't a bit of truth

Mrs. Rooney, who is spending some time here with her sister, Mrs. J. A. Grimes, announced that she plans to return Sunday to Hollywood and Mickey.

She is the former Ava Gard-ner, daughter of Mrs. J. B. Gardner of Rock Ridge. She said she had planned to visit Wilson on her trip to North Carolina but now wasn't sure she'd be able to make it before returning home.

The rumor that she and Mickey had decided to go ditferent ways "began the day I left Hollywood," Mrs. Rooney said. At least one movie columnist has telephoned to inquire if the rumor had foundation.

#### WEATHER

FOR NORTH CAROLINA Little change in temperature tenight.

#### They Fought For Freedom



Nazis in occupied France called these five Frenchmen saboteurs; their own people call them patriots. They are pictured as they waited for a firing squad to do its work. One of the accused men lifts his hands in a plea of innocence. The others, though they kneel, show no terror to their captors. Defiance is their only emotion as they await death.

## War Expenditures Near Billion Daily

#### Miller Heads AP Bureau

New York, June 18.-(AP) - Announcement that Paul Miller will become chief of bureau in Washington was made by Kent Cooper, general manager of the Associated Pres

Miller, who succeeds the late Bryan Bell, has had experience in arrous departments of the organizaion and has headed three bureaus, terview, "how we are going into ac-He goes to Washington from a posi-tion as executive assistant to the

## Watch Your Investments

general manager.

Babson Discusses Outlook for Leading Inustries, Advises Some Readjustments.

By ROGER W. BABSON Copyright—1942—Publishers Financial Bureau, Inc.

dustries. I am arranging these, however, alphabetically rather than in levels. accordance with their immediate importance, as they are changing their relative position each month. Fellowing are my condensed ana

Industries for Consideration. AGRICULTURAL EQUIPMENT: An essential industry. Profits satisfactory, dividends liberal. Farm prosperity should maintain post-

AUTOMOTIVE: Practically entirely converted to war production. Profit margin down. Taxes up. Warend outlook favor ble. AVIATION: Outlook for manufac-

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## Joe Louis's Fights

oleted his basic training.

tary aid.

#### Budget Director Reveals Accelerated Production in Nation's Arms Factories.

Washington, June 18 .- (AP)-Budget Director Harold D. Smith revealed today that America's arms factories are rolling so fast now that government war expenditures have climbed to approximately \$1,000,000.000 pc-

"That shows," he said in an intion against the axis The accelerated pace of war pro- perimeter of Tobruk's defenses had

duction. Smith continued, "assure our hitting on the nose our estimate Sidi Rezegh is of \$28,000,000,000 of war expendi-tures for the fiscal year which ends | Gyptian frontier; El Adem is 18 He said the pace also made more

Treasury expenditures for war

purposes alone. Smith explained, have climbed steadily from \$109,400,000 in the week before Pearl Harbor to 8944,100,000 . last week. The \$1,000,000,000-a-week pace not only is the biggest spending figure in American history, but it also

overshadows every other belligerent's costs. Sir Kingsley Wood, Chancellor of the British exchequer, and yesterday that his country was spending \$337,000,000 a week. German, Russian and other totals are Financial Bureau, Inc.

New York, June 18.—Once a year not available. Foreign money totals I like to give readers a brief resume however, are not necessarily com-of some of the various leading in- parable to American rigures because

#### Edgar Bergen Paid \$282,000

Philadelphia, June 18.—(AP)— Edgar Bergen, whose lively "dummy" triend, Charlie McCarthy, has been ese thus far had made only a "very pleading for an increase in a 75-centa-week allowance, was paid \$282,000 | lands off Alaska but he stressed that for his radio work in 1941 by Stand- | fog and unfavorable weather obscurard Brands, Inc.

Bergen's income was almost four cific times the payment made by the company to its former president and present chairman, Thomas L. Smith, who received \$75,000, additional annual reports filed with the securi-To Be In Uniform ties and exchange commission revealed today.

Many of the late reports showed Washington, June 18 .- (AP)-Sec- executives of firms now engages in etary of War Stimson said today war production were given substanthat heavyweight Champion Joe tial increases last year, Included in Louis would make no more public this group were Charles Balough, appearances, except those strictly for president, treasurer, general manthe armed services, until he com- ager of the Hercules Motor Corp., Canton, Ohio, who received \$60,000. Louis, who is Corporal Joe Louis including \$36,000 as bonus or share able to keep up with the Army's president of the Pittsburgh Steel military training program, the scre-tary said. Foundry Corp., who joined d from side and in the Coral sea near Australy said.

## Sevastopol Fort Gorky Is Captured

British Armies in Libya Reported Split Into Two Parts, With British Withdrawing to Near Egyptian Frontier.

(By The Associated Press) Grave new threats to the British armies in north Africa and the Russian defenders of Sevastopol were reported today as the German high command asserted that nazi troops had driven into Sevastopol's immediate defense ring and had split the Gritish Libyan armies into

A bulletin from Adolf Hitler's field headquarters said the German siege armies storming Sevastopol, the last big Soviet stronghola in the Crimea, had captured Fort Maxim Gorky and had driven within two miles of the harbor entrance.

The communique described Fort Gorky as "the most modern and trongest bastion of the whole fort-

Be ides capturing Fort Gorky in ne main fortifications north of the ty, the axis assault forces also ove back stubborn Red army ops on the southern fortifications, ne Hitler command said.

The nazi claim of having knifed Sevastopol's ring of fortificawas unconfirmed elsewhere, the sians declaring they had beaten

a series of savage new attacks. In the Libyan desert struggle, British imperial headquarters acknowledged that British troops had withdrawn to fortified positions near the Egyptian frontier, quitting Sidi Rezgah and El Adem and leaving Tobruk practically surrounded.

unique said strong German and Italian tank formations were pursuing the eastbound Britsh column, which was described as "fleeing" toward Bardia, 15 miles from the Egyptian frontier. The communique asserted that several desert forts on the southern

Sidi Rezegh is 25 miles southeast

miles due south of Tobruk. An Italian war bulletin asser**ted** probable his estimate that \$70,000,- that aerial reconnaissance disclosed 000,000 would be spent for war in the the British were beginning a general

(Continued on Page Seven)

## Jap Threat Less Grave

Stimson Says Losses in Recent Battles Have Reduced Danger of West Coast Attack.

Washington, June 18.—(AP)— Secretary of War Stimson said today the losses inflicted on the Japanese in the Pacific had temperarily but substantially reduced the threat of an attack on the Pacific coast which he has repeatedly said might be expected. War and Navy department infornation is, he said, that the Japansmall landing" in the Aleutian is-

Information is still incomplete, the secretary also told his press conference, on the earlier air and

ed developments in the north Pa-

sea engagement off Midway. "But after three days of fighting the enemy fleet was scattered over the Pacific ocean, hustling away as fast as it could in the opposite direction, with-

out air protection." he added. In the Aleutians, Stimson said, the American and Japanese forces thus had only fleeting glimpses of ich other through the eyes of air-

He promised that the government would make available "every bit of Barrow in the Army, now stationed in profits, a \$21,000 increase over his information we can," about the Aleuat Fort Devens, Mass., has been un- 1940 income, and Park F. Williams, tians as well as the earlier engagement off Midway island in the Pa-