

President's Special

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The anti-trust act is the expression of the effort of a freedom loving people to preserve equality of opportunity.

Mere size is no sin against the law.

Much is said of the repeal of this statute and of constructive legislation to accomplish the purpose of the law.

The attempt to find a line within which monopolies and illegal combinations might exercise moderate power is not supported by the courts.

The purpose of the statute is to confiscate the property and capital of the offending trusts.

Other messages on various subjects to the president have been sent to Congress from time to time before the usual holiday recess.

In May last the supreme court handed down decisions in the suits in equity brought by the United States to enjoin the further maintenance of the Standard Oil Trust and of the American Tobacco Trust.

The decisions do not depart in any substantial way from the previous decisions of the court in previous cases.

No change in the rule of decision is merely in its form of expression.

The statute in its first section declares to be illegal every contract, combination in the form of trust or otherwise, or conspiracy, in restraint of trade or commerce among the several states or with foreign nations.

In two early cases, where the statute was invoked to enjoin a transportation rate agreement between interstate railroad companies, it was held that it was no defense to show that the agreement as to rates complained of was reasonable at common law.

These cases of restraint of trade that the court excepted from the operation of the statute where instances which, at common law would have been held reasonable, in the Standard Oil and Tobacco cases, therefore, the court merely adopted the tests of the common law, and in defining exceptions to the literal application of the statute, only substituted for the test of being incidental or indirect, that of being reasonable, and this, without varying in the slightest the actual scope and effect of the statute.

In other words, all the cases under the statute which have now been decided would have been decided the same way if the court had originally accepted in its construction the rule of common law.

It has been said that the court, by introducing into the construction of the statute common-law distinctions, has unenacted it. This is obviously untrue. By its judgment every contract and combination in restraint of trade or commerce among the several states or with foreign nations, or of establishing in whole or in part a monopoly of such trade, is condemned by the statute which is not brought within its terms as construed.

The suggestion is also made that the supreme court by its decision in the last two cases has committed to its discretion the undefined and unlimited power to determine whether a case of restraint of trade is within the terms of the statute. This is highly untrue. A reasonable restraint of trade at common law is well understood and is clearly defined. It does not rest in the discretion of the court, because of a lawful main contract to be made in order that it shall be enforceable at all it must be incidental to the needs of that contract.

The test of reasonableness was never applied by the court at common law in contracts or combinations or in restraint of trade which would be to stifle competition,

to control prices, or establish monopolies. The courts never assumed power to say that such contracts or combinations or conspiracies might be lawful if the parties to them were only moderate in the use of the power thus secured and did not exact from the public too great and exorbitant prices. It is true that many theorists, and others engaged in business violating the statute, have hoped that some such line could be drawn by courts; but no court of authority has ever attempted it. Certainly there is nothing in the decisions of the latest two cases from which such a dangerous theory of judicial discretion in enforcing this statute can derive the slightest sanction.

Force and Effectiveness of Statute a Matter of Growth.

We have been twenty-one years making this statute effective for the purposes for which it was enacted. The Knights' case and the exorbitant prices seemed to remit to the states the whole available power to attack and suppress the evils of trusts. Slowly, however, the error of that judgment was corrected, and only in the last three or four years has the heavy hand of the law been laid upon the great illegal combinations that have exercised such an absolute dominion over many of our industries.

Criminal prosecutions have been brought and a number are pending, but juries have felt averse to convicting for jail sentences, and judges have been most reluctant to impose such sentences on men of respectable standing in society whose offense has been regarded as merely statutory. Still, as the offense becomes better understood and the committing of it partakes more of studied and deliberate defiance of the law, we can be confident that juries will convict individuals and that jail sentences will be imposed.

The remedy in equity by dissolution, in the Standard Oil case, the Supreme Circuit Courts found the combination to be a monopoly of the interstate business of refining, transporting, and marketing petroleum and its products, effected and maintained through thirty-seven different corporations, the stock of which was held by a New Jersey company. It effected the dissolution of the combination, directed the transfer and pro rata distribution by the New Jersey company of the stock held by it in the thirty-seven corporations, and among its stockholders; and the corporations and individual defendants were enjoined from conspiring to combine to restore such monopoly; and all agreements between the subsidiary corporations tending to produce or bring about further violations of the act were enjoined.

In the Tobacco case, the court found that the individual defendants, twenty-nine in number, had been engaged in the business of manufacturing, selling, and distributing of tobacco in this country and abroad, and that this had been done by combinations made with a purpose and effect to stifle competition, control prices, and establish a monopoly, not only in the manufacture of tobacco, but also of tin-foil and licorice used in its manufacture and of its products of cigars, cigarettes, and snuffs. The tobacco suit presented a far more complicated and difficult case than the Standard Oil suit for a decree which would effectuate the will of the court and end the violation of the statute. There was here no single holding company as in the case of the Standard Oil Trust. The main company was the American Tobacco Company, a manufacturing, selling, and holding company. The plan adopted to destroy the combination and restore competition involved the redistribution of the capital and plants of the whole trust between some of the companies constituting the trust and new companies organized for the purposes of the decree and made parties to it, and numbering, new and old, fourteen.

Situation After Readjustment. The American Tobacco Company (old), reconstituted capital, \$92,000,000; the Liggett & Myers Tobacco Company (new), capital, \$67,000,000; the P. Lorillard Company (new), capital, \$47,000,000; and the R. J. Reynolds Tobacco Company (old), capital, \$7,525,000, are chiefly engaged in the manufacture and sale of chewing and smoking tobacco and cigars. The former, one tin-foil company is divided into two, one of \$325,000 capital and the other of \$400,000. The one snuff company is divided into three companies, one with a capital of \$15,000,000, another with a capital of \$8,000,000, and a third with a capital of \$5,000,000. The licorice companies are two, one with a capital of \$5,733,000 and another with a capital of \$2,000,000. There is, also, the British-American Tobacco Company, a British corporation, doing business abroad with a capital of \$26,000,000, the Porto Rican Tobacco Company, with a capital of \$1,800,000, and the corporation of United Cigar Stores, with a capital of \$9,000,000.

Under this arrangement, each of the different kinds of business will be distributed between two or more companies with a division of the prominent brands in the same tobacco products,

so as to make competition not only possible but necessary.

All covenants restricting competition have been declared null and further performance of them has been enjoined. The preferred stock of the different companies has now been given voting power which was denied it under the old organization. The ratio of the preferred stock to the common was 75 to 25. This constitutes a very decided change in the character of the ownership and control of each company.

In the original suit there were twenty-nine defendants who were charged with being the conspirators through whom the illegal combination acquired and exercised its unlawful dominion. Under the decree these defendants will hold amounts of stock in the various distributee companies ranging from 41 per cent as a maximum to 28 1/2 per cent as a minimum, except in the case of one small company, the Porto Rican Tobacco Company, in which they will hold 45 per cent. The twenty-nine individual defendants are enjoined for three years from buying any stock except from each other, and the group is thus prevented from extending its control during that period. All parties to the suit, and the new companies who are made parties, are enjoined perpetually from in any way effecting any combination between any of the companies in violation of the statute by way of resumption of the old trust. Each of the fourteen companies is enjoined from acquiring stock in any of the others. All these companies are enjoined from having common directors or officers, or common selling agents, or common offices, or lending money to each other.

WORK WILL SOON START after you take Dr. King's New Life Pills, and you'll quickly enjoy their fine results. Constipation and indigestion vanish and fine appetite returns. They regulate stomach, liver and bowels and impart new strength and energy to the whole system. Try them. Only 25c at W. L. Hand & Co's.

CASTORIA For Infants and Children. The Kind You Have Always Bought Bears the Signature of J. C. Watson.

FRIENDS OF RUSSELL ARE CONFIDENT. Special to The News. Atlanta, Ga., Dec. 5.—There are certain hotel lobbies in Atlanta, certain cigar stores, certain pool rooms where people always go when they want to bet money on a gubernatorial election. These places are common ground for all factions. No matter whether you are for Russell or Pope Brown, you go there, as a usual thing, to see what odds you can get on your money.

A significant fact which has been observed since Monday morning at these places is that the friends of Judge Richard B. Russell are more confident than the friends of either of the other two candidates. They are betting that Russell will carry the state, or betting that he will carry Richmond county—some of them are betting even money against the field on Fulton county, and all of them are willing to back Russell with even money against either one of the other candidates in the state election.

FEAR OF GALLOWES DROVE MAN CRAZY. Special to The News. Atlanta, Ga., Dec. 5.—Governor Slaton will send a physician to Quitman tomorrow to inquire into the sanity of Andrew Simmons, who is sentenced to hang December 15th. It is declared that fear of the gallows has driven the man crazy.

"That hen has laid an egg every day for the past six months," said the farmer. "Do you suppose she is trying to break a record," his city cousin asked, "or has it merely become a habit with her?"—Judge.

The hunter who had been mistaken for a deer and shot, roused up and beckoned to the hospital nurse. "Understand," he said, "I don't care so much about being killed, but it's this being made game of that hurts my feelings."—Denver Republican.

LILES-NIX COMPANY Lowest possible prices prevail on our Christmas Novelties as well as our regular stock of Merchandise. Handsome Velvet and Satin Pillows... \$1.50 to \$2.50 each. 50 pieces fine Linen and Renaissance pieces, square, round, and 54 inches long, at just... \$1.00 each. Special values in Ladies' Embroidered Handkerchiefs, at... 15, 25, 35 and 50 cents each. Extra values in Men's All-Linen Hemstitched Handkerchiefs, at... 15, 25, 35 and 50 cents each. Ladies' Dainty Neckwear in great variety, one special lot at... 50 cents today. Large Express shipment of Ladies Holiday Handbags in Navy and Blacks, by reasonable prices in Tans, Browns, the latest shapes, ve. Men's and Ladies' Bath-Robe Blankets in rich designs.

Letters To Santa Claus Charlotte, N. C., Dec. 4th, 1911. Dear Sandy:— I am a little boy 5 years old; I want you send me a hammer, a saw, some candy, an apple, a grate big ring. Please come, you did not find my house last year for you did not come. I live at the Southern Cotton Oil Co. Good bye, SANDY. JENNINGS BAILEY. Charlotte, N. C., Dec. 4, 1911. Dear Good Old Sandy:— I am a bright-eyed little boy. I want you to send me a hammer, a saw, some candy, an apple, a grate big ring. Please come, you did not find my house last year for you did not come. I live at the Southern Cotton Oil Co. in the last house. CADE BAILEY. Charlotte, N. C., Dec. 4th, 1911. Dear Sandy:— I am a little good years old girl. I help mama and go to school. I want a doll and carriage, and a little bed for dolls, some candy and apples, negro toys, a grate big ring. I live at the Southern Cotton Oil Mill in the last house. By-Bye Sandy. ISABELL BAILEY. Charlotte, N. C., Dec. 4th, 1911. Dear Sandy:— I am a smart little girl. I go to school and I help my mama and do a lot of work. Papa has but one hand. I cut wood for him; I know you love that kind of a girl. I want a doll, a carriage, a bed for my doll and candy and nuts. I live in the last house at the Southern Cotton Oil Co. By-Bye Sandy. MAUDE BAILEY. Charlotte, N. C., Dec. 4th, 1911. Dear Sandy:— I am a brown-eyed girl. I want you to send me a locket and chain and a band bracelet, candy and nuts. I live at the Southern Cotton Oil Co. in the last house. By-Bye Sandy. ATTIE BAILEY. No Young And Foolish Bird. "Why didn't you get a younger turkey?" demanded the husband. "I told the dealer I was rather green," faltered the young wife, "so he advised me to take an old, experienced bird."—Kansas City Journal.

Literary Hed-Carriers. John H. Finley, president of the College of the City of New York, was talking to a group of librarians at the state library convention. "Too many books at the present time," he said, "are written solely to sell. Their authors try to make us think that they are producing literature, but they can't fool us. They only fool themselves. These men would just put a little more sincerity into their work, but, as it is, they remind me of Jake McMasters. 'You're working very hard today, Jake, me son,' said a friend, 'now many hods o' mortar, in the name of heaven, have ye carried up that ladder since starlin' time?' 'Hush, me lad,' said Jake, with a wink. 'I'm foolin' the boss. I've carried the same hodful up and down all day, and he thinks I'm workin'.' Washington Post. Children Cry FOR FLETCHER'S CASTORIA Children Cry FOR FLETCHER'S CASTORIA Children Cry FOR FLETCHER'S CASTORIA The World And Its Troubles The grafters go on grafting and the bribers bribe away; The bosses still grow fatter and the people have to pay; Men with schemes that are unfair, Keep on thriving everywhere, But the world goes on contriving to get better day by day. The things are busy shooting, and the gangster's arm is strong; The men we choose for office are inclined to wink at wrong; Though we do our best to drive Out the crooks and thieves, they thrive. But the world keeps bravely getting somewhat better right along. The rich lawbreakers calmly keep pursuing the old game; They are ever busy claiming what they have no right to claim; They take tribute day by day And the public has to pay, But the world, with all its troubles, keeps improving just the same. The insurance agent has more troubles than anybody else, still he is willing to offer himself, a willing sacrifice upon the altar of "More business." You can get the best insurance on the market, at insurance headquarters.

The Military Collar Overcoat The Military or Combination Collar Overcoat is the most popular Overcoat made. When chilly winds blow and whistle, button the high standing collar across the neck and you're protected from chin to your shoe tops \$15 to \$25 Yorke Bros & Rogers Read the Little Classified Ads. in Today's NEWS

CASTORIA For Infants and Children. The Kind You Have Always Bought Bears the Signature of J. C. Watson. FRIENDS OF RUSSELL ARE CONFIDENT. Special to The News. Atlanta, Ga., Dec. 5.—There are certain hotel lobbies in Atlanta, certain cigar stores, certain pool rooms where people always go when they want to bet money on a gubernatorial election. These places are common ground for all factions. No matter whether you are for Russell or Pope Brown, you go there, as a usual thing, to see what odds you can get on your money. A significant fact which has been observed since Monday morning at these places is that the friends of Judge Richard B. Russell are more confident than the friends of either of the other two candidates. They are betting that Russell will carry the state, or betting that he will carry Richmond county—some of them are betting even money against the field on Fulton county, and all of them are willing to back Russell with even money against either one of the other candidates in the state election.

COMMISSIONER'S SALE Under and by virtue of authority of the Superior Court of Mecklenburg County in the case entitled "C. H. Duls, Administrator with the will annexed of Charlotte Brewer, deceased, Plaintiffs, vs. Jossie Mickelson and husband, Ed Mickelson and others, Defendants," the undersigned Commissioner will, on Thursday, the 4th day of January, 1912, at 12 o'clock M., at the County Court House Door in Charlotte, Mecklenburg County, N. C., sell to the highest bidder at public auction, the following described real estate, lying and being in Charlotte Township, Mecklenburg County, N. C.: The certain lot of land in Square No. 3, of the City of Charlotte, located at the Northeast Intersection of South Mint and West Vance streets, bounded as follows: Beginning at an iron stake at the corner of said two streets and running with Mint street (East side), 145 feet and 1 inch Northeastwardly to Turner's corner; thence with his line, 104 feet Southeastwardly and nearly parallel with Vance street to a stake, a corner of the Old Blind Dick lot; thence with three lines of said lot, first Southwestwardly and nearly parallel with Mint Street, 50 feet to a stake; thence Southeastwardly and nearly parallel with Vance Street, 27 feet to a fence; thence Southwestwardly, 86 feet to a fence post on Vance Street, and thence with said last named street, 92.1 feet to the beginning corner, and upon which lot are located two dwelling houses and a combination store and dwelling house. Terms of Sale: One-third cash, balance on a credit of six and twelve months, deferred payments to be secured by notes or bonds bearing interest from date of confirmation of sale, with leave to purchaser to anticipate payments at any time and title reserved until purchase money is all paid. This the 4th day of December, A. D., 1911. C. H. DULS, Commissioner.

C. N. G. Butt & Co. INSURANCE HEADQUARTERS For Rent 1 brick store on Graham St. Extension. 1 seven-room house on South A. St. 1 six-room house on East Liberty St. 1 six-room house on East Stone-wall St. 1 five-room house on West 12th St., with all modern conveniences. C. Mc Nelis No. 33 East 4th St. Phone No. 504-J. Charlotte Hardware Company

President's Special Continued from Page One. The anti-trust act is the expression of the effort of a freedom loving people to preserve equality of opportunity. Mere size is no sin against the law. Much is said of the repeal of this statute and of constructive legislation to accomplish the purpose of the law. The attempt to find a line within which monopolies and illegal combinations might exercise moderate power is not supported by the courts. The purpose of the statute is to confiscate the property and capital of the offending trusts. Other messages on various subjects to the president have been sent to Congress from time to time before the usual holiday recess. In May last the supreme court handed down decisions in the suits in equity brought by the United States to enjoin the further maintenance of the Standard Oil Trust and of the American Tobacco Trust. The decisions do not depart in any substantial way from the previous decisions of the court in previous cases. No change in the rule of decision is merely in its form of expression. The statute in its first section declares to be illegal every contract, combination in the form of trust or otherwise, or conspiracy, in restraint of trade or commerce among the several states or with foreign nations. In two early cases, where the statute was invoked to enjoin a transportation rate agreement between interstate railroad companies, it was held that it was no defense to show that the agreement as to rates complained of was reasonable at common law. These cases of restraint of trade that the court excepted from the operation of the statute where instances which, at common law would have been held reasonable, in the Standard Oil and Tobacco cases, therefore, the court merely adopted the tests of the common law, and in defining exceptions to the literal application of the statute, only substituted for the test of being incidental or indirect, that of being reasonable, and this, without varying in the slightest the actual scope and effect of the statute. In other words, all the cases under the statute which have now been decided would have been decided the same way if the court had originally accepted in its construction the rule of common law. It has been said that the court, by introducing into the construction of the statute common-law distinctions, has unenacted it. This is obviously untrue. By its judgment every contract and combination in restraint of trade or commerce among the several states or with foreign nations, or of establishing in whole or in part a monopoly of such trade, is condemned by the statute which is not brought within its terms as construed. The suggestion is also made that the supreme court by its decision in the last two cases has committed to its discretion the undefined and unlimited power to determine whether a case of restraint of trade is within the terms of the statute. This is highly untrue. A reasonable restraint of trade at common law is well understood and is clearly defined. It does not rest in the discretion of the court, because of a lawful main contract to be made in order that it shall be enforceable at all it must be incidental to the needs of that contract. The test of reasonableness was never applied by the court at common law in contracts or combinations or in restraint of trade which would be to stifle competition,