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# THE MORNING STAR

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## GENERAL ASSEMBLY IS NOW ORGANIZED

North Carolina Legislature Convened and Confirms Caucus Nominees

### STANDING COMMITTEES NAMED

Charter of Orphanage at Winston Amended as Bill No. 1—Now Ready for Governor's Message—Notes of Opening.

(By W. J. Martin.)

Raleigh, N. C., Jan. 8.—The 1913 session of the North Carolina General Assembly convened at noon today, perfected organization and notified Governor Kitchin of its readiness to receive his message. This will be sent to the Senate and House very probably tomorrow noon. The Senate organized with Lieut. Gov. Newland, presiding, until the inaugural ceremonies January 15th, when Lieut. Gov. E. L. Daughtridge will become presiding officer.

Representative W. A. Devin, of Granville, placed in nomination Hon. George W. Connor, of Wilson, for speaker, predicted that Mr. Connor will fully measure up to his distinguished eight predecessors as a wise, progressive and safe leader for this vitally important legislature.

Representative H. S. Williams, of Cabarrus, nominated Representative K. L. Haymore, of Surry, for the Republican minority. The vote resulted Connor 99; Haymore 15. Speaker Connor's entrance was marked by a storm of applause. He spoke appreciatively of the honor that the speakership meant to him and his opportunity for service and appealed for the cooperation of members in dispatching business. He declared he wants the rules of the House remodeled to give greater dispatch of business.

All House officers named by the Democratic caucus last night were elected in due form.

A bill, the first introduced, and acted upon, came from the Senate and was put through its readings, amending the charter of the Methodist Orphanage at Winston-Salem.

Speaker Connor announced as the Committee on Rules: Murphy, chairman; Doughton, Justice, Majette, Koonce, Haymore.

In the Senate, H. N. Pharr, of Charlotte, was nominated by Senator O. F. Mason, of Gaston, as the Democratic choice for President pro tem. This was seconded by Senator Q. K. Nimocks, of Cumberland, and he secured the unanimous vote, the Republicans complimenting no one with a nomination. All other Democratic caucus nominees were duly elected.

The Senate passed a resolution for a joint session at 11 A. M. Wednesday, January 15th, to canvass the vote for State officers and for their induction into office, at noon that day. The resolution calls for a committee of five for the Senate and seven from the House.

The chair named Senators Weaver, Buncombe; Hook, of Cabarrus; McLeod, Ward; Woodley, Chowan, as the committee on the part of the Senate.

In the standing committee assignments announced this afternoon by Lieut. Gov. Newland for the Senate, Senator Bellamy, of New Hanover, gets the chairmanship of the Committee on Counties, Cities and Towns and assignments on Propositions and Grievances, Finance, Corporations, Constitutional Amendments, Judiciary No. 2, Institution for Deaf, Fish and Fisheries.

### The Senate.

At 12 o'clock to the minute Lieut. Gov. Newland let the gavel fall and formally called to order the Senate of North Carolina for the session of 1913, and announced that the Senate would be held in prayer by Rev. M. A. Barber, the rector of Christ Episcopal church of Raleigh, offered petitions appropriate to the occasion and closed with the Lord's Prayer, in which the Senators joined with audible voice. The roll was then called by Chief Clerk R. O. Self, of Jackson. Forty-nine Senators answered, the absent one being C. G. Peebles, of Jackson, Third district. Next the roll by districts was called, and as their names were pronounced the Senators approached the desk, subscribed to the oath administered by Chief Justice Walter Clark, of the Supreme Court, and presented their certificates of election. When this was completed, and it took about a half hour, President Newland announced as the next business the election of a President pro tem. Senator Mason, of Northampton, nominated Senator H. N. Pharr, of Mecklenburg, the caucus nominee. Senator Nimocks, of Cumberland, seconded. The roll call resulted in 49 votes for Pharr, the minority Senators voting with the majority. For chief clerk the name of R. O. Self was presented by the Senator from Haywood, and seconded by the Senator from Mecklenburg. Elected by the full vote.

For reading clerk, R. M. Phillips, of Guilford, was named by Senator Hobgood, of his county, and seconded by Senator Scott, of Alamance. Forty-nine votes again. Then Wilbur G. Hall, of Cumberland, was elected Ser-

### Broker Must Stand Trial



New York, Jan. 8.—Wall Street is speculating as to what manner of defense will be made by James A. Felt, "The Cotton King," when the Supreme Court has just decreed must stand trial under the indictment handed down by the grand jury for the Southern district of New York.

### COMBINE GRIPS COMMERCE

Testimony Before Merchant Marine Committee Shows Commerce of Sea Is in the Grasp of Giant Shipping Trust

Washington, January 8.—Testimony about a shipping combination that controlled the commerce of the seas with a stronger grasp than any combination which ever existed in the trade between the States, was presented today to the House, Merchant Marine Committee. Shippers told of being at the mercy of the combination. The former agent of one of the so-called "conference" or combination lines related the methods of keeping independent lines out of the trade, of pooling profits and of dividing territory.

W. H. Douglas, of the New York exporting firm of Arroll & Douglas, declared that a combination of German and British lines existed, controlling the ocean and that the steamship managers in London were able to direct the course of trade at their will. Allerton Hitch, secretary and treasurer of the Hagenmyer Trading Company, of New York, trading with Brazil, declared that the only independent line to South America was the Lloyd-Brazilero Line and that while his firm used it to an extent, its officers were slow, and that its officers, governmental appointees, were not trained to the desire of the trade. John Seager was the former representative of a conference line to testify. For several years he was agent for the Prince Line at New York. He stated that his line, the present Hamburg-South America Line and the Lamport & Holt Line were in a combination.

"You mean did the combination start?" inquired Representative Alexander, chairman of the committee.

"About 1896," was the reply. The witness explained that the combination had a system of deferred rebates and pooled the freight and commissions.

"You mean it pooled the profits?" inquired Representative Humphries.

"Yes, sir," Mr. Seager replied. "We frequently got instructions to put on a 'fighting boat,'" Mr. Seager further said. "That is to put in the service a boat with rates so low as to drive a competitor out of business. The loss was divided pro rata among the lines."

Mr. Seager also stated that a gentleman's agreement existed by which the Booth Line was given the trade in territory between Pernambuco and the Amazon and the conference lines, territory south of Pernambuco.

## DISCUSSES FAULTS IN BANKING LAWS

Many Defects in the National Bank Act, Says Comptroller Murray

### ON STAND AT MONEY PROBE

Mr. Murray Condemns Practice of Divertors of National Banks Accepting Personal Compensation From Borrowers

Washington, January 8.—Faults in the National banking laws were discussed today before the House Money Trust Committee by Comptroller of the Currency Lawrence O. Murray. Mr. Murray spent more than three hours under examination by Samuel Untermeyer, counsel for the committee, and agreed with many of the criticisms of the National Bank Act advanced by Mr. Untermeyer. He asserted that the act as at present constituted was ineffective and inadequate.

Mr. Murray furnished the committee such data from his office as President Taft had directed him to supply, which, however, was but a small part of the information the committee asked the comptroller to furnish.

The committee tomorrow will hear George F. Baker, of the First National Bank, of New York, who, Mr. Untermeyer says, with James Stillman and J. P. Morgan constitutes the trio of most powerful masters of finance in Wall Street. The connection between these three men, the institution in which they are interested and the funds controlled by these institutions will form the basis of Mr. Baker's examination. He arrived in Washington today with his counsel, Fisher A. Baker, former Senator John C. Spooner, and several other attorneys.

Mr. Murray condemned without reservation the practice, which he said was a growing evil, of directors or officers of National banks accepting "personal compensation from the borrowers to whom the funds of the bank are loaned." He said that legislation should be passed providing for "criminal prosecutions" of the practice. He favored a provision of law which would prevent the stockholders of banks transferring their stock on the verge of collapse of their banks and endorsed a scheme to force banks to make public the list of securities held as assets by National banks. Publicity of list of stockholders in National banks, he said, would be beneficial.

Questioned by Mr. Untermeyer, Mr. Murray outlined the method of the examination of National banks by his office, and asserted that under the present system the inspection was "ineffective."

"It is merely a superficial examination, is it not?" asked Mr. Untermeyer.

"Yes, that is about all," replied the comptroller. The comptroller said there are about 105 bank examiners to superintend the affairs of 7,500 banks.

In reply to questions he said that in New York city these inspectors worked with the bank examiners for the Clearing House Association and cooperated with them in connection with the appraisal of loans and securities held by banks.

Mr. Murray said his knowledge of clearing house associations was merely incidental.

"We have received complaints from time to time from banks who said that certain clearing house rules were detrimental to their business," he continued, "but we have always told them we had no jurisdiction."

The comptroller said that bank examiners fixed the value of securities by the price on the New York Stock Exchange when the stocks were listed there.

"Then, if the stock quotation is for a false or fictitious value the examiner accepts it?" asked Mr. Untermeyer.

"Yes," said the comptroller.

Mr. Untermeyer questioned Mr. Murray as to the points considered in connection with the granting of national bank charters in localities where banks are already operating. Mr. Murray said that in a few cases charters had been refused because he believed "the locality was already overbanked."

Do you think this committee can ascertain as to whether or not there is a concentration of money and credits without knowing the details of the management of National banks?" asked Mr. Untermeyer.

## JUDGE ARRAIGNED IN BITTER TERMS

Archbald's Conduct and Integrity Assailed in Opening Arguments

### CONGRESSMAN WEBB SPEAKS

Representative Stelling Declares Accused Jurist's System of Conduct Is So Rank That It "Smells to Heaven"

Washington, January 8.—Judge Robert W. Archbald, of the United States Commerce Court, sitting with his attorneys before the bar of the Senate today, heard his conduct and his integrity as a judge arraigned in bitter terms in the opening of the arguments that will terminate the impeachment case brought against him for alleged misconduct in office.

Representative John A. Sterling, of Illinois, his interrogator, yesterday in the cross-examination before the Senate, summing up today, declared it showed him unworthy of public office, and called for a system of conduct which he had carried on with the railroads so rank that it "smells to heaven."

The day's proceedings were devoted entirely to the opponents of Judge Archbald. It probably will be late tomorrow before his attorneys take the floor. Two days more of arguments remain. The closing speeches will be made by the House managers.

Representative Webb, of North Carolina; Howland, of Ohio, and Floyd, of Arkansas, following Mr. Sterling today, took up individual counts against Judge Archbald, reiterating in strong terms the opening charges of Mr. Sterling, that the accused jurist had been proved unfit for further service upon the bench, or positions of public trust.

"The evil of the course of conduct that has been pursued by Judge Archbald is the effect it has upon the public mind," declared Representative Sterling. "The times are now pregnant with the sentiment that there is corruption in high places; justified in some instances and not justified in others. But in the case of Judge Archbald, from the conduct which we have proven against him, it seems to me that it puts on trial that part of the constitution relating to impeachment."

"If Judge Archbald is not convicted of these offenses and removed from office, the verdict will be that the constitution is a failure, and that when a man commits offenses of the character he has, the people have no redress. If the Senate does convict Judge Archbald; if the constitution in this case is complied with, as I believe it will be, the people will again turn to the old constitution as their refuge and their harbor."

Mr. Sterling declared the specific charges against Judge Archbald, at least many of them, were not the single grounds upon which the House asked for his removal from office. Repeating Judge Archbald's correspondence with Attorney Helm Bruce, of the Louisville & Nashville Railroad, over a decision in which the Commerce Court ultimately gave the award to the railroad, he said:

"It is one fact which dovetails into this system of conduct which he has carried on with the railroads. I believe the inevitable and logical result of this conduct is the ruin of the tariff."

### OUTLINES

The loss sustained by California citrus growers from the freeze was yesterday fixed at approximately \$25,000,000.

The North Carolina General Assembly convened yesterday at noon, pending organization and will receive Gov. Kitchin's message today.

Frank Chance yesterday signed a contract to manage the New York American League team for three years, and will receive \$120,000 for his services.

Judge Archbald's conduct was bitterly denounced at the impeachment proceedings yesterday when the House managers opened arguments for the prosecution.

The Ways and Means Committee of the House yesterday opened hearings on the pottery and earthenware schedule. The pottery tariff will likely remain unchanged.

Evidence was introduced before the Merchant Marine Committee of the House yesterday showing that a giant shipping combine controls the commerce of the seas.

Governor Wilson conferred with Senators Hoke Smith and Gore yesterday to discuss the possibilities and a programme of legislation for the extra sessions of Congress.

Comptroller of the Currency Lawrence O. Murray testified at the money trust inquiry yesterday, discussing faults in the National banking laws, admitting they were many.

New York markets: Money on call easy, 2 3/4 to 3 per cent.; ruling rate 2 3/4; closing bid 2 7/8; offered at 2 3/4; spot cotton closed quiet. Flour quiet. Wheat easy; No. 2 red 1.06 to 1.07; Corn easy, 55 3/4; Turpentine steady. Rosin quiet.

### Czarina of Russia Seriously Ill.



London, Jan. 8.—Reports are heard with persistent frequency in court circles here to the effect that the Czarina of Russia is a hopeless invalid and that her ailments have become so serious that her life is in danger.

### UNCHANGED POTTERY TARIFF TAKES UP NATIONAL AFFAIRS

Hearings on Schedule B Convince Underwood That Conditions Are Keenly Competitive—Will Let the Law Stand.

Washington, Jan. 8.—Talks of trusts of domestic and foreign varieties, of low wages and women toilers in industries abroad that enabled strong foreign competition with American enterprises and of capital's great stake in tinkering, enlivened the hearing on the earthenware and glassware schedule of the Payne-Aldrich law before the House Committee on Ways and Means today. It was the first of the two days of arguments on the second schedule of the existing law. A declaration of Chairman Underwood that he was satisfied with the showing made of the keenly competitive conditions in the pottery industry, was accepted as an assurance of an undisturbed pottery tariff.

All representatives of the different window glass interests denied existence of any trust in their particular business. But running through most of the testimony, were references to trusts abroad in various lines of capital, a constant spectre that stalked on the customs border lines threatening to invade this country if the tariff bars were let down.

Former Governor William A. Stone, of Pennsylvania, insisted that the National Window Glass Association depended in its price making solely upon the law of supply and demand and that if the tariff on window glass was reduced, the loss to the association would be met either by reduction of the working men's wages or by suspension of factories.

He said there were 92 window glass factories constituting a distinctive class that did not have today enough profit to justify a single sale of less than the current prices. He said there was an attempt about five years ago to regulate prices among the window glass companies, but the government stepped in and successfully prosecuted that there had been no attempt in that direction since.

"Isn't there any arrangement among the window glass companies about fixing prices?" queried Chairman Underwood.

"No sir."

"It has been represented to me by purchasers that no matter what window glass you buy, you are buying C. H. Fore & Co. are selling a good yard wide long cloth, 10c per yard. (Advertisement.)"

## CAPITULATION OF ADRIANOPLE NEAR

Balkan Allies Expect Turkish Stronghold to Fall Within Few Days

### MAY BE CEDED TO POWERS

Should the End be Delayed Intervention Would Become Imperative. Austria Gives No Sign of Demobilization.

London, Jan. 8.—The capitulation of Adrianople will, in the opinion of the Balkan plenipotentiaries, take place within a few days either directly to the besieging forces or through European pressure. Pending some fresh development, the Balkan delegates are keeping in closest touch with the ambassadors because they are aware that some of the questions they have most at heart depend almost entirely on the will of the powers.

Meanwhile the ambassadorial conference is doing little, hoping that the Adrianople difficulty will solve itself, in some manner, and thus make interference by the powers unnecessary. Moreover, the action of the ambassadors is hampered by the previous agreement that they must be unanimous in any decision requiring active interference.

Should the fall of Adrianople still be delayed now that the conference is suspended, it might become imperative for Europe to intervene; otherwise Europe would lose the prestige entitling her to dictate her will in smaller matters, such as creating an autonomous Albania and partitioning the Aegean islands.

One suggestion is that, falling a better solution, Adrianople might be ceded to the powers, who could transfer it to the allies after permitting the Turkish garrison to depart with the honors of war, and guaranteeing other conditions, as the reservation of religious and property rights to the Turks and the creation of certain courts for the trial of civil suits arising between the Mussulmans. Some of those among the advanced section of the allied delegates are of the opinion that now that they have paved the way for the expulsion of Turkey from Europe, the powers ought to complete the work by removing Islam from Constantinople and by forming the Turkish capital into an autonomous city under European control, and that they should study some system with the object of giving a real civilized government to Asia Minor. If such steps are not taken, they declare that ere long there will be a repetition of the Turkish war of what has just occurred in the Balkans.

The allies, especially the Serbians and Montenegrins, are amused at the sensitiveness the Turks displayed at the sudden suspension of the last sitting of the peace conference by the presiding officer, M. Norkovitch, and their insistence that strict etiquette should be observed. The allies remark that Turkey seems to have forgotten the contemptuous manner in which she treated the Balkan States and their diplomatic representatives before the war.

One of the gravest aspects of the situation, as unbiased observers view it, is the failure of Austria to give any sign of demobilization in spite of Serbia's sacrifices for a peaceful solution, Servia even going so far as to evacuate the Adriatic coast. Austria's action, in the opinion of some, is explained by the fact that Emperor Francis Joseph, owing to his advanced age, has practically abdicated the direction of affairs to the crown prince. The prince is entirely in the hands of the most reactionary elements who are strongly opposed to the resurrection of the Serbians and Slav races, and, wishing to take advantage of Europe's desire to avoid a great war, are imposing unjust conditions both on Serbia and Montenegro.

Will Cling to Adrianople  
Constantinople, January 8.—Sir Edward Grey, the British foreign minister, has submitted to the powers a proposal preserving Adrianople to Turkey, according to a statement made today. The retention of the city will be subject to the dismantling of the fortifications and sundry economic restrictions. It is understood that the proposal stands a good chance of acceptance.

The state of mind both of the Turkish army and public precluded any weakness on the part of the Ottoman government in regard to this question. It has even been suggested that a naval demonstration by the powers would find the Turkish government and the people united in the firm determination to cling to Adrianople whatever might be the cost.

Officials here are convinced that Turkey would have arrived at a satisfactory understanding with the Balkan allies if some of the European powers had not stiffened their backs. They claim that the Bulgarian emissary who visited Constantinople in December practically agreed to the Turkish standpoint.

Four Great Pictures.  
See them in the Grand Theatre today. Also special music by the Grand orchestra. (Advertisement.)