### INVITE BUSINESS.

Business Doesn't Go Where It Isn't Invited. The printed page is the invitation de luxe for the up-to-date busi-

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# GERMANY RECOGNIZES PRINCIPLE FOR WHICH WILSON HAS CONTENDED

That Passenger Liners Should [V be Warned Before Attack by Submarines.

STATEMENT IN WRITING

Bernstorff Informs Lansing Policy Was Adopted Before Arabic was Sunk.

Strained Relations Now a Mat- Feels He Would be Taking Advantage ter of "History."

Washington, September 1. Count Bernstorff, the German amhassador, on instructions from Berlin, informed Secretary Lansing today that Germany had acliners should be warned before atcommunicated this information in

Department, Ambassador Bernstorff sent Secretary Lansing this

Bernstorff's Letter. 'My dear Mr. Secretary:

"With reference to our conver- | ment was made. sation of this morning, I beg to inform you that my instructions cancerning our answer to your last Lusitania note contains the follow-

"Liners will not be sunk by our submarines without warning and without safety of the lives of noncombatants, provided that the lin-

"Although I know that you do not wish to discuss the Lusitania question until the Arabic incident has been definitely and satisfactorily settled. I desire to inform you of the above, because this policy of my government was decided on before the Arabic incident occur-

"I have no objection of your above information.

"I am, my dear Mr. Lansing, "Sincerely yours,

"J. BERNSTORFF." End to Strained Relations.

Strained relations between the Unitd States and Germany over the submarine warfare apparently passed into history today when Count Bernstorff that prior to the sinking of the Arabic, his government has decided its submaines should sink no more liners with-

storff, after a call at the State Department today, returned to the embassy and sent the letter to Mr. Lansing quotng instructions from Berlin concern-Imerican note on the sinking of the usitania, that officials frankly admitd their gratification over the changed position of the imperial government. ecretary Lansing said in a formal statement that the letter "appears to rinciple for which we have contend-He immediately sent the communication to the White House and discussed it in cheerful vein with his allers, who included Chief Justice White, Secretary McAdoo and Senator fillman, of South Carolina. Everythere in administration circles there as a visible relaxation of the tensions which had existed ever since the Lusiania tragedy, though lessened by the ind advices from Ambassador Gerard s to the attitude of officials in Berlin.

Formal Disavowal Expected. from the German government disavowtendering regret and offering repara- particular nation. don for American lives in the disaster. d send its disavowal as soon as a heasonable time has passed without a teport from its commander.

once the situation growing out of the Arabic incident has been disposed son and Daniels. the response to the long answered American note on the Lusitania will (Continued on Page Eight.)

President's Friends Laying BUT Plans for 1916 Campaign.

HE IS TAKING NO PART

of the "Extraordinary Situation" of the Country to Gain Personal Advantage.

Washington, Sept. 1 .- Indications were apparent here tonight that President Wilson's closest friends expect him to be re-nominated in 1916 and are laying their plans accordingly. The President himself, it was said authoricepted the principle that passenger tatively, however, is taking no part in

Gratification felt by the President over the action of Democrats in the tack by submarines. He formally over the action of Democrats in the Tenth Congressional District of Wisconsin, in endorsing his administration, was expressed in a letter from Secretary Tumulty which became public here tonight. A telegram to the After a conference at the State President announcing the endorsement stated that it was voted "unanimously" at a mass meeting called "for the purpose of arranging for the campaign

> nomination also was welcome news at the White House, but no formal com-

Senator James, author of the resolution adopted in Kentucky, is one of the President's political advisers. Last September Secretary Tumulty

sent a letter to a New Jersey Democratic leader asking that no steps be taken to indorse the President for another term, and saying "the President feels that it might seem as if he were taking advantage of the extraordinary situation now existing to gain a personal advantage through such an expression of confidence."

As far as the President himself is concerned, he is understood to take the same position at present, but many of ers do not try to escape or offer his friends are declared to believe that no further efforts should be made to stop political endorsements which may

> GERMAN TROOPS ON BOTH FRONTS HAVE GOOD HEALTH Surgeon General of the Army Gives

Out Published Interview. Berlin, (via London), Sept. 1 .- "The health of the German troops on both fronts is excellent," says Dr. Otto Von

Typhus cases on the western front soldiers with sterilized water, more than three hundred portable appara- ing it. making any use you please of the tuses for boiling, cooling and filtering drinking water being employed. Antityphus vaccination also was generally

Many cholera cases were found bevond the Vistula as the occupied area extended, but it nowhere assumed the character of an epidemic.

Spotted fever no longer gives the rmy physicians concern. Disinfection plants, of which about four hundred now are in use, have been employed, and thus the disease has been checked. The soldiers have also been provided with facilities for personal cleanliness, nformed Secretary Lansing in writing bath tubs being hauled everywhere by army teams. It is understood that scientic investigators have discovered a specific against spotted fever.

### Oral assurances to that effect had been given by the Ambassador last ON PLANS FOR DEFENSE

President Believes He Can Proceed Without Suspicion.

His Idea, it Was Said, is to Prepare Programme for Several Years in Advance-Keep Expenses Low as Possible.

Washington, Sept. 1 .- With danger of serious trouble with Germany appararlier assurances of Count Bernstorff ently removed, President Wilson, it was settled it for approximately \$12,000, said authoritatively tonight, believes 000, pocketing a round million dollars' he can proceed with more freedom in profit. The next step, it is stated authorita- development of his national defense ported during July articles valued at tively, will be a formal communication plans because there can be no suspi- \$4,000,000 through the port of New Congressman H. L. Godwin to Colonel to the south of the city," says the news er, Rev. J. W. Potter, of the Methodist

Even if the submarine which torpe- to prepare a programme for several doed the liner subsequently was sunk years in advance and in doing so to a British man-of-war, as has been secure the expert epinion of army and desested both from Berlin and Lon- navy officers who have been watching the Berlin foreign office is expect- military edevelopments in Europe. Expenditures for the army and navy are to be kept as low as the President

thinks consistent with the plans to be

presented to him by Secretaries Garri-Chairman Tillman, of the Senate naval affairs committee, discussed the knowledge that the banks have taken dispatched, and if Germany's expla- defense question today with the Pres- teps for relief. hat one and proposals in this case are ident. Later the senator said he fav-(Continued on Page Eight.)

English Pound Leads in the Slump, Being Worth Only \$4.54 at Day's Close.

LITTLE SELLING

Entire Market Was in Convulsions for a Time, but Grew Calmer Toward Close.

checker board moves over the lowest plentiful. plane of values ever reached in this day's end to \$4.54.

approximately 26 per cent. below nor- ern tobacco markets have opened at mal. Reichsmarcks zigzagged between satisfactory prices. 80 3-8 and 80 5-8. The entire market was on convulsions, although the tendency toward hysteria lessened toward industry around Birmingham. The

tonight he doubted if 10,000 pounds of the district or to take care of it tations at the opening and the close he that their business is about to improve. ascribed purely to speculators. That view, however, was generally

accepted and there were indications small amounts after sterling had strengthened to 4.52.

Relief Reported in Sight. For reasons not seen on the surface, optimism was more apparent tonight than analysis of the situation seemed to warrant. A persistent report prevailed that relief was in sight. It was said the delegation of British financiers sent to mend England's battered credits were almost within sight of The censor has suppressed all news of their sailing for New York, but it is thought they may be aboard the St. Paul, due to dock here tomor-

The censor, according to mail reports to newspapers here, recently has held up and edited press cables to eliminate references to weakness and in some inreported, high British officials are but poorly informed of the situation.

There was less talk today of the possibility that rates would fall so low as to result in curtailment of American exports. Discussion centered on Great Britain's remedial plans, none of which, New York bankers profess,

is known here. In the absence of these plans it was assumed the contemplated credit loan to be established here would be of now are very rare. The disease was such proportions that bankers from all successfully combated by providing the the reserve centers of the country would be invited to share in establish

Financiers Study Conditions. From the betterment in foreign exchange rates, attributed by some authorities to the fact that the decline of yesterday and today's early market had study of the abnormal and unusual conditions created by the situation. Investigation showed that it teemed with unusual developments.

Not the least of these was the discovery that of all the American institutions, in sending money to foreign the United States government alone could not profit by the low rates, at least, so far as international money orders, issued by the Postoffice Department, are concerned. While the English pound was selling in Wall Street at \$4.50, the postoffice several blocks away was paying the standard, normal rate of \$4.87. Senders of money orders to England had to pay \$4.87 to the The same situation prevailed at the postoffice so far as other for-

ign moneys were concerned. This was due, it was said, to ancient reaties which fixed in rigid terms the

Enormous Profits for Importers. Enormous profits to American importers owing bills abroad appeared to e in sight with the prevailing low exchange rates of today and not a little of the bills bought, it was said, was to discount foreign bills. America's bill for July to Great Britain for goods received at the port of New York totalled, in round figures \$13,000,000. The chief items of this bill were crude India rubber, cotton and woolen cloths, inens, laces, tins, furs, feathers and diamonds. These items, bought in Great Britain, are to be paid for in English pounds. On account of the depreciation in sterlin, American importers paying this bill today could have

From France, the United States imlars but francs.

LONDON MARKETS PERTURBED. Sterling Dropped as Low as \$4.48-Importers Seeking Credits.

have created some alarm but for the to the congressman.

(Continued on Page Eight.)

Reserve Agents Report on Conditions of Country

FAVORABLE IN SOUTH

No Fears Felt as to Ability to Warehouse and Finance the Cotton Crop-Tobacco Bringing Satisfactory Prices.

Washington, Sept. 1 .- Business conditions throughout the United States have changed but little in the last month, according to reports from the 12 Federal Reserve agents made public today by the Federal Reserve Board. The reports indicate slight improve-New York, Sept. 1 .- Foreign exchange ment with large crops in sight, manurates, led by the English pound ster- facturing in special lines stimulated by ling, played fast and loose today in foreign orders and money easy and

way by leaps and falls to \$4.55 1-2 in experience of last fall. Knowledge Francs dropped at a single stroke crop has had a steadying influence, and from 6.03 to 6.09, reaching their low- is expected to insure a neutral price est value. Lires hovered around 654, subject to supply and demand. South-

The feature of the month in the At-The big bankers, however, were in- naces and a demand for labor had a clined to be calm, rather than hyster | good effect. No fear is felt as to the | threatened. ical. One foreign exchange expert said ability to warehouse the cotton crop

iness conditions have been improving steadily, but much depends on the cot-Boston reported increased emergency sition of Grodno fortress.

orders with effect in all lines of trade. but retail dealers and department troubling manufacturers. From New York it is reported that

industry, particularly in iron, steel, machinery, wool and leather is more ac-

There has been little change in the

Emergency business continues in the and 2,300 cannon. iron and steel trade. Railroad freight still are working only half time. Cleveland reports that gains shown

there has been no decided new advance. mal. Crops are suffering somewhat in the center, and from 600,000 to 700,from wet weather. The Chicago report says that gust developments show general busi-

age crops in sight, and iron and steel mobile cities report unusual demand. Changes in conditions in the St. Louis district are for the better with a ly general offensive is looked for. still more clearly defined feeling of confidence. There is increased activity British and French report successes

in general business. The Northwest is harvesting its big from other battle fronts. grain crop, Minneapolis reports, and wholesale and retail business is responding promptly to that influence. No important changes are noted in the Kansas City district, except an increased demand for money to move the

The unsettled condition of the exchange market has affected the San Francisco district. Lumber is more in cially announced today by the Austrian demand. Railroads are busy.

## JOE UNDERWOOD WILL GET POSTMASTERSHIP

Simmons Selects Man For Fayetteville Postoffice

Congressman Godwin Recommends Senator's Choice to Fill Vacancy Caused by Death of Mr. Louis Hale-Simmons' Manager.

(Special Star Telegram.) Fayetteville, N. C., Sept. 1.-J. B. Underwood will be Fayetteville's next postmaster. This information was con- aster off the coast of Asia minor. The German government disavow- cion that they are directed against any this bill or about \$900,000 could be the destruction of the Arabic and confession," in which he admits of postage stamps, believed to be part this bill or about \$900,000 could be deducted today, due to exchange rates, ment no particulars as to when the rescue, but was prevented by Turkish practically all of the statement he of the loot from the robbery of the The President's idea, it was said, is because the sum is payable, not in dol- nomination will be made or the ap- artillery." pointment become effective are known

> was Senator Simmons' choice for the position. It is generally understood

(Continued on Page Eight.)

Lutsk, Which Forms Corner of Fortified Triangle, is Captured by Austrians.

IS IMPORTANT VICTORY

Autumn Rains May Give Russians Chance to Re-Form and Re-Equip Armies.

London, Sept. 1 .- The minor fortress of Lutsk, which with those of Dubno and Rovno forms a fortified triangle on Richmond reported that it is realized lician frontier, was captured by the mand." Speaking of North and South the "recent lynching in this county" country. From \$4.50, registered at the in the cotton territory there can be no Austrians today, according to the offi- Carolina, the bulletin says: opening, sterling made its faltering excuse this year for a repetition of the cial report from Vienna. It is in this direction that the Austro-German ofthe late afternoon and fell back at the that well-organized agencies are at fensive has been the most aggressive experiences of last fall. The knowledge of Leo M. Frank. At the rate the withand to assist in taking care of the during the past few days, the object that there are now at hand well organfrom that in Galicia.

blowing in of several additional fur- licia still held by them; otherwise

Along the rest of the front, except in the center, where the Teutons continsterling had been bought in this mar- financially through the Atlanta reserve ue a slow advance, the Russians apfrom crossing the Dvina at Friedrichstadt, where a battle has been in progare holding their ground between Kin- cotton section. vo and Vilna and Kovno, although the

> Rains May Check Advance. In the opinion of military writers stores also with business below normal here, the Russians now stand a good figures. Unsettled labor conditions are chance of winning the race for time. Within a few weeks the autumn rains will begin, and it is pointed out, unless expected in view of a very generous commission were at the state prison they can succeed in gaining a decisive result between that time, the Austrotive with foreign orders the principal Germans can hardly hope to smath the Russian armies before, under cover of the long winter, they are reformed and transactions were notably larger in re-equipped.

The Russians, according to Berlin, Philadelphia district and the report May 2, the date on which the drive bement has not appeared and the outlook August alone the captures included more than a quarter of a million men

been heavy in killed and wounded, ter return for their labor than was the Domestic trade has not reached nor- in the Riga region, more than 1,000,000

French Fighting Hard. pouring an avalanche of shells into the German lines in the west. It is not beplants running to capacity. The auto- lieved this ammunition would be used Except from Kamerun, where the

over the Germans, there is no news

OFFICIAL ANNOUNCEMENT Austrian War Office Tells of Capture of Russian Fortress.

Vienna, Sept. 1, (via London) .- The Russian fortress of Lutsk has been captured by Teutonic forces, it was offi-

Lutsk is in the Province of Volhynia, sixty miles east of the Bug, on a branch of the main line railway from Southern Russia porthward to Brest-Litovsk. It is one of the triangle of fortresses which lie about fifty miles from each omer in thi sregion, the other two being Dubno and Rovno. It has a pop-

ulation of more than 20,000. Austro-German forces recently have been reported operating near Lutsk in Litovsk line and the Bug. So far as official reports have indicated that is the most easterly point on Russian territory reached by the Teutons. Its capture marks the fall of the tenth fortress within a month under Austro-German attacks, beginning with the taking of Warsaw August 3.

CRUISER OF ALLIES SUNK

ville) .- A report was given out by the Overseas News Agency today that a cruiser of the Allies had met with disveyed to this city this afternoon by two hostile cruisers bombarded the city lotte, has made to his spiritual advismeans of a telephone message from of Smyrna and the coast of the gulf

MORALE BADLY SHAKEN

Reports Pessimism Among Allies. Berlin, Sept .1 (by Wireless to Saythat it was Godwin's intention all the vine).—"Telegrams from the Dardan-London, Sept. 1 .- Sterling dropped to time to leave the selection to Senator elles report that the morale of the ex- that: \$4.48 in the exchange markets here to- Simmons, on account of his having peditionary force is badly shaken," day. The sensational decline would yielded several appointments recently says an Overseas Agency bulletin. "A any part or knowledge of the robbery." ed by secret service men to be guilty. French soldier who was taken prisoner Mr. Underwood is a member of the declared that the Germans would be in charged in the statement for the Gov- far without clue, for burglars who en-State Democratic Executive Committee Paris before the Allies got to Constan- ernor with having planned the robbery tered the office of Evans carriage fac-(Continued on Page Eight.)

No Excuse for Repetition of Last Fall's Experiences.

SAYS RESERVE BOARD

Takes Most Optimistic View of Situation in North and South Carolina. Banking Facilities Better. Crops Diversified.

(Special Star Telegram.) Washington, D. C., Sept. 1. - The Federal Reserve Board in its monthly bulletin, which was made public today, takes a very optimistic view of business

conditions in North and South Carolina.

With reference to cotton, the board believes there is not a chance for the depressed conditions that existed last year and predicts that this year's price will Russian territory just north of the Ga- be controlled "only by supply and de-"In the Carolinas it seems to be very widely appreciated that this year there

ized agencies competent to assist in the treating through the Pripet marshes gradual liquidation of cotton, free from undue pressure upon the farmers, has had a most steadying influence and The capture of Lutsk, however, is will make for the marketing of the staconsidered likely to compel the Rus- ple at prices subject only to the univerlanta district was the revival of iron sians, despite their recent victory in sal law of supply and demand, and Galicia, to evacuate that part of Ga- freed from artificial or hysterical con-

matter of routine will, in permitting the generous use of cotton as collateral not only of the banks and merchants ress for several days, they have arrest\_ immediately identified with the farmthat there had been large dealings in port says if frost does not interfere ed the German offensive between that ers, but in turn with distributors of all there may be a fall crop. General bus- point and the Gulf of Riga and still kinds who have done business with the

> "Cotton milling has been somewhat Germans have approached the outer po- uneven in that, while many properties have been doing well, the minority have not fully met its expectations. tobacco markets have opened at prices which seem to be satisfactory to all

> > quality is better than was the case last Greater Diversification. "From both the Carolinas come re-

than heretofore practiced. Well dis- stated, but you are the regularly oradds: "The expected general improve- gan in Western Galicia, while during tributed rains insure the promise of a generous corn crop of excellent quality, while for the same reason abundant grass and hay crops will insure to press, the facts have been deviated those raising live stock very much bet-

"Lumber is least responsive to change last month are being held, although Petrograd estimates, about 2.000,000 for the better in all of the larger lines. men on the eastern front, 300,000 being The trade is still in a depressed condition, which, while no worse than has they could and the result has been that been the case for some time in the past, does not show any improvement. Build- for it. ing trades and woodworkers generally, such as furniture manufacturers, show

no special improvement. not met expectations." P. R. A.

REQUIRE SCHOOL ATTENDANCE.

Bill is Passed by the Lower House of

Alabama Legislature. Montgomery, Ala., Sept. 1 .- The lower house of the Alabama legislature attendance of all children between 8 for at least 160 days a year. Children whose parents are poor would be granted exemptions providing county

### TRULL MAKES "DYING AND TRUE" CONFESSION

their drive eastward from the Brest Says He Alone is Responsible for Murder of Swain.

> Charlotte Man to Die Tomorrow in Electric Chair Makes Statement to His Spiritual Adviser-That Last Week False.

(Special Star Telegram.) Raleigh, N. C., Sept. 1 .- Charles E. during the spring." Trull, who is to die in the electric chair Friday morning for the murder "A telegram from Smyrna states that and robbery of Sidney Swain in Charmade to Governor Craig's stenographer | West Raleigh postoffice a year ago, last week, in effort to induce the Gov- were found at Pullen Park this afterernor to reconsider his refusal to ex- noon. One package contained \$18 in tend executive clemency, was false, and two-cent stamps and the other 60 Mr. Godwin said that Mr. Underwood Telegrams to Berlin From Dardanelles says only he is responsible for the books of one-cent stamps. The find was

> Barton was his companion who he watched.

Is Not Special Grand Jury, But the One Drawn for Regular July Term of Court.

CHARGE OF THE JUDGE

Tells Men to Do Duty Fairly and Fearlessly; Several Witnesses Are Heard.

Marietta, Ga., Sept. 1.-The Cobb county grand jury drawn for the July term of court was charged today by Judge H. J. Patterson to investigate and before the day was ended had examined several witnesses for information they might have on the hanging nesses were handled it would seem that the jurors could finish with the 35 or more called in time to report to-

Judge Patterson was emphatic on three points in his brief and extem-

poraneous charge: "That the crime should be thoroughy investigated; that this was not a special grand jury as had been reported, and that the jurors were not "secret service men," and "were not expected to do detective work to perform their duties."

that the Frank lynching was not the sole cause of reconvening the jury that The killing of a negro soon after the July term was adjourned, was mentioned. Within a short time after the jury

ed a special grand jury and inferred

retired witnesses called in the Frank case went before the jurors but the majority of them remained only a few minutes. Tomorrow it is expected members of

the Georgia prison commission will be concerned, and better than have been quizzed. The three members of the stock carried over from last year. The the night Frank was taken away.

terson said in part: Not a Special Jury. "I want to say that you are not a ports of satisfaction with the result of special grand jury, drawn by the judge experiment in greater diversification of the Blue Ridge Circuit, as has been ganized grand jury of Cobb county. Not only in this, but in a great deal that the press generally has done Cobb county a great injustice. that in a great deal of the matter that has been published some newspaper

Cobb county has been made to suffer

"I have been informed that a murder was committed here in the county the "Sections largely given over to white adjourned. Of that I do not know, but otatoes and vegetable truck have been the information has come to me. It disappointed in prices, and, in conse- has been published broadcast over the quence, liquidation in such sections has world that a lynching has recently occurred in Cobb county. It is your duty to make a thorough and complete investigation of that as it is of all charges of the crime when brought to your attention. Your oaths bind you to honestly, fairly and impartially make an investigation of it, but it is not your duty to assume the role of secret sertoday passed a bill which requires the vice men; the role of detectives. You were not selected in the capacity of and 15 years in institutions of learning private detectives, but as grand jurors of grand jurors and not the work of secret service men. And yet, it is your duty to do what you can to ferret out any crime alleged to have been committed within your county; to do it fairly, fearlessly and without hope of

> reward, or the reverse." RUSSIA WILL DEMAND "FAIR

The Larger Part of Her Nine Million Spindles Rumning Regularly.

Washington, Sept. 1.-Indications that Russian spinning mills will demand a "fair amount" of the current American cotton crop were reported to the Commerce Department today by Commercial Attache Baker at Petrograd. He cabled that out of the nine million spindles in Russia 7,500,000 outhours shifts a day and each is consuming at the rate of 108 pounds of cotton annually as against 72 pounds

before the war. "It is anticipated in Moscow," the message added, "that, about January, Russia will import from the United States a fair amount of cotton to arrive

POSTAGE STAMPS FOUND. Believed to be Part of Loot From West

(Special Star Telegram.)

murder and robbery of old man Swain. by W. D. Brown, who operates a re-The confession is very rambling and freshment stand, under which the disconnected, but makes the statement stamps were hidden. He was a witness against suspects several months ago "Barton did not kill Swain or have who were released, but are still believ-The Raleigh police are looking, thus tory here Monday night, broke open the safe and secured \$90 in cash.