SECOND SECTION

Twenty-Four Pages

The Relation of the Northern Commission House to the Southern Cotton Mill

Written for The Observer

economy to avert threatened longes to their investments and property, the yet save employment to those who has absolutely dependent upon such employment for a living, the time means propilious to discuss an econ-omy in the cotton mill industry more to be desired than the reduction of the sweat-earned wages of the mill operatives or the curtailment of pro-duction.

To the Southern manufacturer, and specially to those around whose facespecially to those around whose fac-tories, in country communities, thous-ands and thousands of families are living in dependence and confidence, the welfare of this people is a mat-ter of warm, personal and even af-fectionate regard. In such commu-

while our cotton spinners are ex-sumding every practical means of conomy to avert threatened losses their investments and property, ind yet save employment to those who means propilitous to discuss an econ-

The vicious feature of the "3 per cent discount, cash in ten days" clause, contained in every sales con-tract, lies in the fact that these "ten tract. Hes in the fact that these "ten days" are construed to mean any pe-rised of time which will suit the con-venience of the commission house— especially when business is done on an insufficient capital and one mill account is paid from the proceeds of another. And, please remember, this 3 per cent. Is retained whether remittance is made in the ten days or in forty days.

<text>

at short range the particular needs of his customers, and in this way establish a surer and steadler market and a uniformity in price, much less likely to be disturbed in periods of speculation or the inevitable after-math of reaction and liquidation. Every commission man is vehement appear in what Mr. Watson wrote on in asserting that his house does not the temperance and prohibition quesbuy yarn for speculative purposes, though he never fails to make the inference fairly plain that other houses are to be shunned on this account. Yet what would be more natural, when yarns are active and there is an upward tendency in price, than for the commission man to outbid his rival in order to hold the ac-counts of milia who have been regu-lar patrons, as well as to secure new business? It is this competition, the business? It is this competition, the commission men virtuously acclaim, which enables the spinner to secure a higher price for his product. It really does nothing of the sort, but, on the contrary, it creates a fictitious and speculative market; and, if such competition is carried far enough, large accumulations of stock are left in the warehouses of the commission to see large accumulations of stock are left in the warehouses of the commission houses. Then follows the reaction and depression in prices until these stocks are closed out. It is only fair to state that the commission man's contention is that their commission and discount charges are earned by the higher prices which they are able to obtain than the spinner could secure if he sold his yarns direct; so that, he asserts, these charges are really paid by the consumer and not by the spinner at all. See how ridiculous their argument is when framed up in this way: Would the consumer be willing to pay the commission men anywhere from one to ten cents a anywhere from one to ten cents pound extra, according to different kind of yarns, for the privilege of making his purchases through the commission house? No, Mr. Manufacturer, you pay these charges and you pay them whether you are oper-ating your mill at a profit or at a loss; and don't imagine that the consumer would close down his factory out of sympathy if the co were to lose his job. ifficient tal in-It is it such mission greater ether! direct direct direct mission state of the solution of the so force the contract at the price named in it; and, of course, is intolerant of any suggestion of cancellation by the mill. It really don't make much difference whether the specified quan-titles are made upon the specified dates or not, or if a few bales should not strictly average up to the sample. A contract, when prices are advanc-ing, is a contract, and if the spinner has made a bad trade, he must recog-nize his legal obligation to live up to his contract. In such cases the commission house is a party to the contract and has the legal right to enforce it. Bight!

prices were advancing, are now at-tempting to show that they are not real parties to such contracts, having acted merely as agents, upon a com-mission basis, in the interest of the spinner in selling his product, and this product is now being thrown back on the spinner with the bit-off statement that the customer of the commission man says the yarn "is not eatisfactory." Or, if deliveries had not been begun, that his custom-er does not need the yarn and, there-fore, the order is cancelled. How many mills in North Carolina have been fortunate enough to escape such experiences during the past six experiences during the past six months? Mr. Manufacturer, your contracts are all right when prices are going up, but do not place much re-liance in them when prices take a

Charlotte

alump Listen to the following statement contained in a recent letter from a well-known commission house as showing the attitude of these houses showing the athrude of these houses in the matter of cancellation of con-tracts, which argument is always put into use after the market has declin-ed under the price at which a con-tract has been accepted: "The manufacture's (consumers of

which does not consume a pound of your yara—a parasile which is kept alive upon the commission and dis-count fed to it by the "mills South" —now advocating repudiation of con-tracts when, less than tweive months ago, it was scrambling for the "same quality of yarns that the mills South have been furnishing them for the last few years" and insisted upon the delivery of every pound of such yarns at prices from 25 per cent to 40 per cent. higher than present quotations. If the "mills South" are under the accusation of sacrificing the quality of their production for quantity, what incentive is there, it may be asked, for one mill to strive for superior

Daily

incentive is there, it may be asked, for one mill to strive for superior quality when the commission house can and will substitute, with an un-known customer, the inferior yarn of a rival mill because you will not meet his competitive price? It may be that your yarn is in demand in this unknown source—but you don't know it! All that you are likely to be advised is that unless you meet a cer-tain price you lose the order. Sup-pose you could have a straight face-to-face talk with this unknown cus-tomer, do you think that you would to-face talk with this unknown cus-tomer, do you think that you would be asked to meet the competitive price of some rival mill when you could demonstrate the inferior qual-ity of his yarn? Yet, under the present selling system, yarns good, bad and indifferent all take "pot-luck," and no wonder the consumer becomes disgusted with the lack of uniform yarn furnished him by the "mills South." And all because with the commission house it is not a "The manufacturers (consumers of yarns) as you undoubtedly know have formed a large association and one and all are insisting that the quality of yarns furnished them must be first class in every respect, and that they will not accept the quality of yarns that the mills South have been fur-nishing them for the last few years." This from a concern which has not a dollar invested in your business—

question of a permanent and estab-lished trade for the years to come, but simply a matter of the present pending sale—à question of his abil-ity to secure yarn to fill orders—if not from one mill then from some other mill. His interest is not as to quality of yarn, but solely in the quantity—in the amount and number of sales, for on the volume of his business, with 5 per cent. commission and 5 per cent. discount, the profits of that business are make and meas-ured. ured.

Observer.

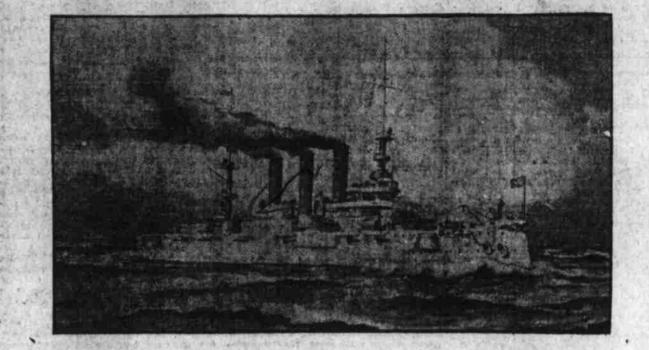
We are apt to be somewhat face-tious over the attempts to organize the farmers with the view of putting a fixed and arbitrary price on cotton, but here are a few points we may learn from our farmer friends which could be applied with much profit in

our own business:

First: He sells his cotton without paying a commission to anyone; sec-ond, he pays nobody a discount for handing his money back to him, and, third, when he sells his cotton it stays

The remedy, whatever will be most specific and effective, lies entirely with the spinners. But there should he no half-way measures, no compro-mises as to the end in view, and that is, the total extinction of the prohibi-tive expense and dominating influence of a foreign institution which is both an irritant and menace to the cotton

SPINNER. Statesville, March 17th, 1908.



BATTLESHIP NEW HAMPSHIRE, Latest Addition to the Navy.

REPLY TO MR. C.R. WATSON my brother's keeper?"

SOME PROHIBITION ARGUMENT

dr. L. B. Weitmore, of Lincolnton, Thinks'Mr. Walson is on the Wrong Side of This Question and He Be-lieves That Religion Should Be In-jected Into Politics and Disputes Mr. Watson on the Question of Self-Government—Never Could See the Justice of a High License Law,

To the Editor of The Observer: While I cannot hope to equal Hon.

true legal doctrine of local self-gov One word on self-government (except in the minds of rnment" have been the cause of more trouble and mose misunder-standings in the legal and political word them inds of set of men the right to debauch the eltizens of that particular com-munity in which they live or the citworld than almost any other two izens of any other community. I suppose (leaving the moral ques-

Under our form of government tion aside) the primitive man had a these words mean the will of the ma-jority or else they mean nothing. But right to get drunk and his brother rejoicings of a steerage voyager had a right to take any advantage of his infirmities and weaknesses that the success of his jest drew upon him attentions that he had not included in shrewd politicians can so handle these two words as to play upon the fears and prejudices, the ignorances and was possible under any given state of his plan of celebration. circumstances. passions of men, as to distort their

The will of the stronger was

Practical Jokes and Jokers

The joke as a candidate for cur-rent comment, is rapidly emerging from the pent up Utica of the comic weeklies. Numerous instances in the

SECOND SECTION.

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news attent the importance of this form of pleasantry in the history of the period. Everything is grist that comes to the mill of the practical jokist of to-day. news attest the importance of this

er's face, suddenly asked Wheeler to Controller Metz, of New York, on opening bids for the \$5,000,000 of ten year assessment bonds found one offer wear assessment bonds found one offer check. Both gentlemen enjoyed hugely the merry jest. In a few months, however, a cancerous growth of 105.5 for \$30,000 of the bonds. As this figure was within one of be-ing the highest received, the official appeared on the spot where the fiesh had been burned, and, growing rap-idly, caused Mr. Wheeler's death. was not unnaturally elated and open-ed at once a correspondence with the bidder, one "Dorsey Foultz, of Wash-

ington, D. C." Some one, with an exquisite sense of humor, had entered this bid in the name of a character said Henry Keemen, of Allen street, who for eleven years has been a by-word for the jokers of the national being the middle of the night and capital. Dorsey Foults, a negro des-perado, murdered another freeman, and in August, 1906, when pursued by the police, disappeared in a sewer and has not since been seen. When-ever the Washingtonians seek to ex-the shop of a neighboring butcher the shop of a neighboring butcher the septimation was unsatisfactory and the section of the Meaning Solution of the Meaning Solution the section of the Solution of the Meaning Solution of the Solution the section of the Solution o press the mysterious the name of and the arrest of the Keemens fol-Dorsey Foultz is employed. He has lowed. "The check is a joke on taken the place of the imaginary "Cinders" of a score of years ago. put their perpetrators right in line Jovial cut-ups, determined to make

for the house with the little door and the incident was declared closed. the bridal trip of Mr. and Mrs. James Jenkins memorable, attached 'to the

Henry Dominyl, of Buffalo, an-swered a matrimonial "ad" and recarriage which was to convey them to the station a quantity of old shoes, ceived a letter and a photograph of a comely young woman of Caldwell, N. J., Sophie Ellis by name. Henry's unfilled bottles and tin cans that had outlived their original usefulness. These attentions, it was confidently These attentions, it was confidently N. J. Sophie Eilis by name. Henry's predicted, would result in experiences caluculated to throw the jokers into paroxysms of mirth. The plan did not miscarry. Everybody saw the not miscarry. Everybody saw the joke except the horses attached to the carriage. When the cans began to of Miss Ellis' abode. On that charmer's appearance he kissed her repett-edly and with fine enthusiasm, then rattle against the wheels and the glass bottles to break from contact with bade her prepare for the minister, and the trip to Buffalo. Miss Eills, averring that Mr. Dominyi was a stranger to her, both in the matter of name and face, refused all his offers. the sides of the vehicle the flery, untamed steeds forgot all about the requirements of the occasion and bolted It developed that the photograph and letters had been sent Dominyi by Miss Sophie's friend, Rose Galasch, and They ran away with such vigor and enthusiasm as to bring about a collision with an English avenue trolley Mr. Dominyi got off at Buffalo alone. them down, wrecked the carriage and the bride and bridegroom ' were

Dr. Julius Adolphi Gottlieb, just for the fun of the thing, prepared an imitation infernal machine and sent: thrown with much force many feet it off to his respected father-in-law, Morris Glucksman, a wealthy resident gist did all he could to undo the work

of the Yorkville section. That the bomb did not explode and cause the A merry passenger aboard the death of the resident abated nothing Amerika, of the Hamburg-American line, on a recent trip to this port of the wrath of that gentleman, and he had his son-in-law incarcerated threw his hat over-board and raised with neatness and dispatch. Dr. Gottlieb, languishing in durance for the alarm that a human being was in the grasp of the relentless sea. The ship was behind her schedule, but quite a while gave voice to many bitthe captain promptly gave orders to stop and a small boat and life pre-servers were put out. For the pre-ing.

utes the search was kept up, and then, feeling further effort would be Several roystering young blades visited a Williamsburg pakery where useless, the captain gave orders for the abandoning of the hunt, and the William Schrenk was employed and determined to have fun if it killed them-or him. So, while one of the party held the bazer's attention entire passenger list of the liner gave way to the sadness that must ever be felt at so sudden a death. Later the another placed a lighted candle in Schnerk's pocket. Then they retired to await developments. These came at when Schrenk, discovering he was on fire, made futile attempts to put out

the blaze. / He was so seriously burn-

a half million dollars were paid by the cotton spinners of the State of North Carolina alone to the commission houses in Philadelphia, New York, Boston and Providence, to cover this 5 per cent. commision; and, on top of that, another million dollars tribute under the 3 per cent. discount charge.

The profits made by the commis sion men plus all the expenses inci-dent to their busines represents the cost to the spinners of selling their yarns-a cost estimated to be, ac-cording to the different kind of yarns made, from one to ten cents upon every pound manufactured by them. And then talk about economy in cutting wages, which would not reduce the cost more than one-half to one cent per pound even if a cut as high as 25 per cent. were made upon the entire pay roll of the Southern mills.

Again, note the proportionate increase in the cost per pound as you ourtail production! The more you like Tennyson's brook, runs on for-ever-at the rate of one to ten cents per pound.

The spinner is thoroughly conver-sant with his cost table of produc-tion, but as to the detailed expense of selling that production his infor-mation is nil. Answering the commation is nil. Answering the com-plaint of a mill man on this point the representative of a commission house once made the ingenious sug-gestion "to include the commission and discount in as part of the cost of production and let it go at that."

The expense to a commission house The expense to a commission house in selling a bale of yarn may possible amount to 5 per cent. of the pro-ceeds realized from that sale, when it is considered that such expenses in part include city office and spa-cious warerooms at high rentals, large forces of competent and well padd forces of competent and well paid clerks and stenographers, insurance, storage, charges and telegraph bills, hauling to and from said warehouses, the salaries and expenses of traveling men--not in selling yarns-but in visiting the spinner to secure his product; and lastly, that the remnants of the said 5 per cent. be sufficient to show a profit on the capital in-vested to conduct the business. It is vested to conduct the business. It is not controverted that to meet such expenses, the 5 per cent, commission is reasonable. It could be greater --no argument on that point, either! But, the point presented to the spin-ner is, all the sources of expense referred to would be eliminated, save the traveling expense and malary of a he traveling expense and salary of a alesman, by selling his yaras direct

while this 5 per cent. commission be a reasonable charge-from commission man's standpoint, it the commission man's standpoint, it is hard to see where there can be any justified defense of the levy of 3 per cent, mode by the commission houses as "discount for cash in ten days"—a system by which the com-mission men use the proceeds from the sales of one mill fo meet the ma-turing account of another mill and charge the latter 3 per cent. on the amount so paid; and then, when the account of the first mill matures he is charged 3 per cent. on the money charged 3 per cent. on the money hich is used to pay his account hich is realized from the sales of a ird mill, and so on ad infinitum. educed to an explanation in as few educed to an explanation in as few ords as possible, it is a plan of one ill paying the account of another ill, with 3 per cent. on each and very, payment to the commission an. In full corroboration of this atement a commission house, upon blob a draft draft was recently drawn ishonoring the dmft with

enforce it. Right! But-what is the position taken by these same houses toward the epinners who had the foresight to place orders at good prices before the heavy decline set in during the past six months? Not only have these contracts, in many, many cases been cancelled upon every conceivable pre-text and technically, but some of these same fellows who wars loudest in clamoring for the enforcement of their contracts last summer when

C. B. Watson in my choice of lan-guage, and while I know that his ex tended reputation as being a great lawyer will induce many people to read his article in last Sunday's Ob-server who will pass mine by, yet I deem it not presumptious to point out a few of the inconsistencies that appear in what Mr. Watson wrote on the temperance and prohibition gues-the temperance and prohibition gues-

words,

the temperance and prohibition ques-tion. escape this logical conclusion. Hence it would follow if you laid this down as the law to govern human actions there would be no law and no gov-ernment at all, for self control (that Without trying to take his state-ments in the order in which they were made I call attention to the fol-

is each man making laws for himself) lowing, viz: He says that a few years would soon degenerate into the utter ago when distilleries began to disappear in this State churches and school houses sprang up everywhere where distilleries had been before. I am not giving his exact language, but the substance. And then he argues in lack of all law and the absence of all control. Every lawyer knows (as indeed does almost every intelligent man) that when society was formed the infavor of the still house and the sa-loon. I must confess I am not able dividual gave up many of the rights the force of such an argument.

He speaks of the Anglo-Saxon race as a people who has always induiged in strong drink, and argues from that fact that strong drink builds up a race. If this be so why does Mr. Watson proposes to limit the output at all. Why does he propose to put a license tax upon the production and the sale of an article that is such a

the sale of an article that is such a great "builder up" of the human race. If the manufacture and sale of whis-key be a good thing for us, why not let us have more and more of the good thing? Why not let its manu-facture and sale be as free and open If the manufacture and sale of whis-key be a good thing for us, why not let us have more and more of the good thing? Why not let its manu-facture and sale of bread. Does he think it possible that we can have too much of a good thing? If strong drink is an upbuilder of the human race either mentally, physi-tigt under the law to take advantage alle; civilization a farce and Christian f acture and sale of bread. Does he think it possible that we can have too much of a good thing? If strong drink is an upbuilder of the human race either mentally, physi-tigt and charge him what he pleases for the use of him is noncy. Yat to chain the demon "strong drink" is nuch laws simply because they in-the solut vice, right of the man is nuch laws simply because they in-to chain the demon "strong drink". The thave have a sury law, We have laws is nuch laws simply because they in-the take strong drink is an upbuilder of the use of the of the use of the nuce of the man is nuch laws simply because they in-the to chain the demon "strong drink". The take awas organized

to mixing politics and Church, and that by the bringing of this great question before the people politicians have an opportunity to use the pul-pit to further their own ends. This

mainuation is unworthy of so great a man as Mr. Watson. The ministers of God's Church throughout this great State are (or the overwhelming ma-jority of them are) among the bright-est and best men we have. They are the men who have help-d, more than all others, to make

North Carolina the great State she nows is, and they are the men who have worked without "fear, favor or affection, reward or hope of reward so far as this world is concerned, they are the men who have gotten less praise and who have deserved more praise than all of the rest of us

ut together. I speak whereof I know. And when these men of God come out solidly for a cortain thing you may be very sure that fact instead of proving that par-ticular thing wrong proves just the contrary and makes their acts and their opinions on this subject the very bighest activity the subject the very

their opinions on this subject the very highest criterion to guide others. I agree with Mr. Watson that poll-tics should not be injected into re-ligion—it might "leven the whole hump"—but on the other hand I think it will be a bright day for this State (or any other State for that matter) when more religion is injected unto of falsehood, slander and backbling and pollticians might then guit acting on the principle that Cain acted on One word on article

very nature effect any others than those in a given community: Such, for instance as the right of a State to any what taxes shall be put on its citizens for purely State purposes, or the right of a county (through its commissioners or otherwise) to say what taxes shall be put upon the cit-izens of that particular county for rule will apply to a town or city purely local purposes. And this same which taxes its citizens for municipal purposes. d on self-government which fantly proclaimed "Am 1 purpo

the brute creation. But any student knows that the very first principle of organized society was to pass laws to protect the weak against the strong. Now this strength to be be protected against may not, and does not, consist of physical (or even mental) strength alone, nor does the weakness to be protected consist merely of bodily or mental weakness-65.

law; just as it is

The application is obvious. Walle The application is obvious. Walle primarily a man may have the right to convert the fruits of the earth in-to a soul-and-body-destroying bever-age (the moral question aside) or the right to get drunk, yet it is a well-known and settied principle of law that whenever a man's right to do a certain thing conflicts with or inter-feres with the superior rights of an-other man the lesser right must give way to the greater, and (if need be) be annihilated. So a man's right to self "W. H. Clark, an Idaho horse-

that he had in a state of nature for the good and protection he de-rived from being a member of the human society. Mr. Watson and others who are op-1.100 posed to prohibition by law contend that such a law would take away from the individual his right to sell stuff that makes others weak and worthless, and would also take away the right of the children to get an from others the proud right of mak-ing themselves weak and worthless. Yes, that is so. It will tend to take (mentally and physically) to defend Yes, that is so. It will tend to take just those proud rights from the indi-vidual. And yet the laws we have and that the civilized world has have for centuries take away from the in-

desire, more liquor and better liquor. You may as well argue that the law against gambling should be reman say these laws should be done away with on the ground that when two or more men gamble each one pealed because some men will gamble anyhow; or that the law against us-ury should be repealed for the same knows he is risking loss and elects to take the risk? Or would Mr. Watson may that each town in the State should have nothing to do with it? The laws of decency require that human beings shall wear clothes, while no doubt in a state of nature the primitive man not only had a right to and the ministers put at some other work.

As for myself (and my opinion primitive man not only had a right to so naked but did so without clothes. We have sanitary laws to prevent the generation and spread of disease; and yet you will not hear any one con-tend that a man should be allowed to keep even his own house or his own yard full of dith. Under our State form of govern-ment the will of the majority rules; and that is as it should be—or, at least the mind of man has not yet conceived of a better form of govern-ment. the because many of our people had got-ten a wrong start on the temperance question years and years ago but now that they have been educated up to a The true doctrine of local self-government applies only in those instan-ces when the act to be done or left undone does not and cannot in its very nature effect any others than

higher plane lets have the higher (or better) law. I know Mr. Watson and I admire him personally and as a lawyer, but I think he has got on the wrong side

think he has got on the wrong side of this question. It remains to be seen what the peo-ple think on this matter. I am glad that it is not being made a political issue, and, whatever be the will of the people as expressed at the soils. Mr. Watson as well as myself will ac-quiese. L. B. WETMORE. Lincolnion, March 19th, 1908.

with wit of certain jokers has a worthy

just like ordinary non-bridal horses,

car. The car hit the horses, knocked

along the readway. A prosaic drug-

servers were put out. For ten min-

of the jokers.

Fletcher received by telephone the close his place of business his life sad tidings that William was no more —had, in fact, dropped dead in the street. Other relatives were notified,

be annihilated. So a man's right to self "W. H. Clark, an Idaho horse-make and sell liquor, or a man's right man," lightly turned to thoughts of

suggested to his friend within braw sel. O'Connell did so. After the ex-Eastman that it would be a braw plosion he and three members of his thing to figure in a runaway match plosion he and three members of his thing to figure in a runaway match family had to be cared for by the ner. So Mr. Eastman and the young hospital staff. peared at the rectory door, but on consideration went no further. Com ing away they met Mr. Barnett Bar-nett-Powers and next morning his His Job Since 1849. nott-Powers and next morning his paper printed an article saying Mr. Eastman and the young woman had intended a sudden marriage, but that

tale of robbery and subsequent desti-tution Sanza started a subscription list. When he had collected \$12 he propared to turn, it over to Luight of the these First, however, he would make a small joke, which he did in this lang-trage: "The poor are always with ua" Luigi held a different view as or the these of the these to what constituted a proper jest, and in emphasizing his opinion, he had occasion to shoot Michael twice in the based as that the lower died forthe the head, so that the joker died forth-

The birth rate as a subject for the ed his life was despaired of for time.

companion in the death list, as anown by the recent near percavement in the family of William Fletcher, of Lawrence street, New York. The ing if the maker of sweets did not

A volatile bartender of Rochester, noting that a patron, Edward Barand the repining was general. The noting that a patron. Edward Bar-aid of the police was asked in order rett, slept soundly in the saloon, heatthat the deceased be located and the ed a copper coin until it had reach-

The fancy of a person styling him-self "W. H. Clark, an Idaho horse-man," lightly turned to thoughts of railroads, and he presented himself before the agent of the Chicago and Northwestern at Framewick of the Chicago and before the agent of the Chicago and Northwestern at Fremont and gave in order that made that official gasp. He spoke of shipping a string of horses to Maine, and to carry out this design gave orders for seventeen of the best equipped palace stock

UNDER EIGHT PRESIDENTS.

A Little But Costly Error. Philadelphia Record.

Eastman and the young woman had intended a sudden marriage, but that at the parsonage door Mr. Eastman's courage failed him and no induce-ment on the part of the lady availed The parents of the siri asked for an explanation and the young men said it was all a joke. The parents couldn't see it that way. Neither could the big brother of the victim of publicity. Michael Sanza, of Brooklyn, had a tale of robbery and subsequent desti-tution Sanza started a subscription the when he had collected \$12 he

band. "Here's your tale swored the wife, and ther large as life, just as the had made it. "Have got t

Girl friends of young Josephine Hochardel, of Lockport, N. Y., enter-tained her during her illness with an account of the rare jokes they had played on some of their sequent-