

# The Asheville Gazette News.

## HINTS GIVEN OF PROSECUTION

**Discrepancy in Reports of Pittsburgh Bank Interests Department of Justice Officials.**

**KUENS' SAVINGS BANK IS WEATHERING STORM**

**Run Continues but Cash Is Available for Emergency—Other Institutions There Unaffected.**

By Associated Press.  
Washington, July 8.—John Skelton Williams, assistant secretary of the treasury, who represented Secretary McAdoo at the closing of the Pittsburgh First-Second National bank, declared today that the institution had been "seriously mismanaged and the extent of the mismanagement would be determined by the department of justice."

Washington, July 8.—It developed today that the treasury department yesterday offered the solvent Pittsburgh bank \$5,000,000 of government deposits to meet any emergency, but that the offer was declined because the banks were in a position to meet the situation.

The entire capital and surplus of the First-Second, amounting to \$5,500,000 has probably been wiped out, but officers of the bank have assured the government that depositors will be paid in full or nearly in full.

Members of the clearing house committee of Pittsburgh, said Mr. Williams, "have assured the department that the banking situation is now well in hand, and that they believe that they will be able to prevent any further trouble."

Pittsburgh, Pa., July 8.—When banking began this morning there was little to indicate that there had been a day of anxiety and excitement in the financial world, because of the failure of two banks yesterday and the appointment of receivers for a large banking house and an extensive industrial enterprise.

No unusual scenes were observed about other banks of the city, with the exception of the Pittsburgh Bank for Savings, controlled by J. S. and W. S. Kuhn, who controlled the majority of stock in the two suspended banks. The run on the savings institution that was started by the failures yesterday was resumed this morning, possibly in somewhat smaller magnitude, but the same method adopted yesterday was pursued today. All the depositors were paid \$50 at once and notice of 30, 60 and 90 days for larger amounts was required.

With the assurance of several millions in cash and quick assets on hand, the run on this bank was not looked upon as likely to result seriously. In fact bankers with no immediate connection with the Kuhn institutions assert that the savings bank will weather the situation and make all payments as demanded, under the conditions imposed, with the result that at the expiration of the time of notice for withdrawal of the larger amounts the public confidence will be restored.

About the First-Second National bank this morning, large groups of foreigners were copying from the doors of the foreign banking department the notice of the closing by the government, which had been posted in 15 different languages.

A meeting of the clearing house association is called for later in the day, at which every member has been urged to be present. No intimation has been given of the purpose of the meeting, but some statement is expected regarding the closing of the First-Second bank.

**Banks Reports Differ.**

Washington, July 8.—Secretary McAdoo today still was considering the question of calling upon the department of justice to investigate the failure of the First-Second National Bank of Pittsburgh.

United States Attorney Jordan at Pittsburgh and a special agent of the department of justice probably will make the contemplated inquiry. Officials now are giving particular attention to the discrepancy between the sworn report of the bank to the comptroller of the currency on June 4 and the financial statement it published in the Pittsburgh newspapers. The report to the comptroller showed nearly \$2,000,000 in re-discounts or borrowed money, but that item was omitted from the published statement. The National Bank act requires the publication of the statement in the form submitted to the comptroller.

Treasury officials today reiterated their confidence that the general banking condition in Pittsburgh and the entire country was sound and strong and that the failure of the first second National Bank was simply the collapse of a weak spot due, as they phrased it, to "unsound banking."

McKeesport, Pa., July 8.—The First National Bank of McKeesport, controlled by J. S. and W. S. Kuhn, which was closed yesterday by its directors, was formally closed today by order of the comptroller of the currency at Washington.

## HIGHWAYMEN, AT PISTOL POINT, OBTAIN \$10,000 ROLL-OF BOGUS BILLS

**Jersey Produce Dealers, Warned by Experience, Satisfy Robbers and Save \$110.**

By Associated Press.  
Passaic, N. J., July 8.—Learning from experience when they were held up and robbed of \$150 in genuine money a year ago, Benjamin Goldberg and Julius Verban, partners in a produce business here ever since have carried a goodly quantity of bogus money around, ready to fool the next highwaymen they encountered. Their chance came yesterday when two masked men held up their wagon at the point of revolvers and forced the men to empty their pockets of \$10,000—in bogus bills. The robbers fled, with the grocermen gleeful because their real money—\$110—was safe beneath the wagon seat.

## U.S. ARMY CAMP IN TEXAS HEALTHIEST IN THE WORLD

### Transformation of Swamp on Gulf Coast into Camp Site Notable Achievement

By Associated Press.  
Texas City, Tex., July 8.—What army officers say is the best organized and healthiest military camp in the world today stretches for two miles along the shore of the Mexican gulf here. Four months ago the site of this camp was virtually a swamp. The transformation is one of several big achievements of the American soldiers sent here last February for mobilization of the second division of the United States army.

Major General William H. Carter, commanding the second division, U. S. A., said of the camp today:

"The division here and at Galveston comprises one-third of the infantry strength of the United States army and with artillery, cavalry and signal corps makes nearly 12,000 men. Bringing the division together has taught the officers and men the intimate needs of a big organization. We have now been here four months and not one case of typhoid has developed."

Major Carter said double the number of soldiers could have been trained at Texas City without an increase of officers.

## RATTLESNAKES' VENOM CAUSES TWO DEATHS

### Victims Miss Liverett and Boy Named Stepp of East Hendersonville.

Special to The Gazette-News.  
Hendersonville, July 7.—Venom from the fangs of rattlesnakes has caused two deaths in swift succession in East Hendersonville. Miss Lilly Liverett, daughter of Rev. John Liverett of East Hendersonville, the first victim, died Sunday and yesterday, the day of her funeral, Young Stepp, aged 12, died.

Miss Liverett, who was about 20 years of age, was bitten Saturday last, while walking in a woods near her home. Medical attention was promptly summoned but efforts to combat the poison failed.

The Stepp had met his end under almost similar circumstances. He was playing in the same locality Sunday, when a rattler struck him. Immediately he gave the alarm and physicians were called, but yesterday he died in agony. The funeral is set for this afternoon.

**Rockefeller 74 Today.**

(By Associated Press.)  
Cleveland, O., July 8.—John R. Rockefeller will celebrate today his seventy-fourth birthday at Forest Hill here, his summer home. With only one or two of his Cleveland friends present, the day will be passed quietly. His brother-in-law, George A. Rudd, and family, are absent from the city and there will be no family party.

## ARMY AVIATOR FALLS TO DEATH

### Lieut. L. H. Call Killed When His Aeroplane Collapses in Flight Near Texas City.

## TENTH FATALITY IN GOVERNMENT FLYING

**And 78 Victims Have Been Claimed by Aviation This Season—Call from Kansas.**

By Associated Press.  
Houston, Tex., July 8.—Lieutenant Loren H. Call of the United States aviation corps was killed early today by the collapse and fall of his aeroplane north of Texas City. He had started his flight from the aviation field in the second army division mobilization camp.

Washington, July 8.—The death of Lieutenant Call today makes a total of 10 in the interest of the government aviation work, eight fatalities being credited to the army and one to the navy, since experiments in aerial navigation was started with heavier-than-air machines at Fort Myer, Va., in 1908. The list is as follows:

Lieutenant Thomas Selfridge, dashed to death at Fort Myer, Va., Sept. 17, 1908, while flying with Orville Wright, who had a leg broken in the fall.

Lieutenant E. M. Kelly, ground to death beneath his machine when he struck ground too hard in landing at San Antonio, Tex., May 10, 1911.

Lieutenant Leighton W. Hazlehurst, plunged to death when a wing of his machine crumpled at College Park, Md., June 12, 1912.

A. L. Welsh (professional instructor) killed in fall at Chicago September 11, 1912.

Lieutenant L. C. Rockwell, killed when a plane refused to work at College Park, Md., September 28, 1912.

Corporal Frank S. Scott, killed in the fall with Lieutenant Rockwell.

Lieutenant Rex Chandler, killed when his machine suddenly became disabled at San Diego, Cal., April 8, 1913.

Lieutenant Joseph D. Park killed when his machine hit a tree at Olive, Cal., May 3, 1913.

Ensign William Billingsley, 1800 feet in the air when a gust of wind hit the machine, knocking him from his seat and out of commission, causing the machine to drop in Chesapeake Bay several miles from Annapolis on June 20, 1913.

Lieutenant John F. Towers received serious internal injuries in the fall with Ensign Billingsley and probably is the only man alive able to tell of a fall of 1,625 feet.

In aviation the world over approximately 298 persons have met death since 1908, 78 having been killed during the present year, including persons struck by falling air craft.

Lieutenant Call was 25 years old, a native of Missouri and appointed to the army from Kansas in 1909. He was attached to the coast artillery corps.

The accident occurred several miles from the troop camp. First information was that the machine was completely wrecked and that the officer was dead when found.

Lieut. Call was regarded as one of the best army aviators. Yesterday he made a 25-mile flight in 25 minutes.

The dangerous thing known to aviators as a "warm air current" is held responsible for Call's death. The young lieutenant rose from the aviation field bordering the gulf early this morning, turning his biplane northward, and flew over the level stretches near the artillery camp at an altitude of about 500 feet. He was plainly visible to several soldiers who said his biplane seemed to be running smoothly. Without warning it turned its nose downward and plunged almost straight to the earth. The impact broke nearly every bone in Call's body.

The "warm air" theory was advanced by officers at the aviation camp who were familiar with the territory over which Lieutenant Call flew.

While a board will be named to investigate, the view is expressed that nothing remains about the wreckage to show the accident's real cause.

## LEVER'S HOUSE BURNED

**Arson Squad of Suffragettes Destroys Art and Other Treasures with Mansion.**

By Associated Press.  
London, July 8.—An "arson squad" of militant suffragettes burned down the country residence of Sir William H. Lever, founder of Port Sunlight and chairman of the Liverpool School of Tropical Medicine, early this morning. The mansion, which is called "The Bungalow," is situated at Rivington, near Horwich, Lancashire. It was not occupied by the family, but contained valuable paintings and other precious objects, all of which were consumed. A message was left by the incendiaries stating that if Sir William Lever had been as loyal to the suffragettes as Lancashire was to the king, who is now paying a visit to the industrial centers of the country, the house would not have happened.

## PLOT TO TRAP THE INTERESTS

### INSISTS LAMAR WAS TO FORCE LEDYARD AND OTHERS INTO 'THE OPEN.'

**Lamar's Purpose, He Asserts, Was to Force Ledyard and Others into 'the Open.'**

**SPECTATORS LAUGH AT AGILE WITNESS**

**Another Intent Was to Bind the Morgans and the Democratic Party "to Peace."**

By Associated Press.  
Washington, July 8.—An end to the Wall street features of the lobby investigation was in sight when the senate committee resumed its hearing today. David Lamar had asked permission to make a final statement, explaining Edward Lauterbach's charges yesterday that Lamar had assured his Senator Stone and Speaker Clark were anxious for a "peaceful understanding" with Morgan and Steel corporation interests.

A half dozen men prominently identified with manufacturing industries in the United States and several connected with campaigns for a change or retention of the sugar tariff were on hand again today, prepared to be examined as to their "lobbying" activities. The wool tariff witnesses included William Whitman, Thomas O. Marvin, Winthrop L. Marvin, all of Boston, and S. W. McClure of Salt Lake City.

**Lamar's Statement.**

David Lamar took the stand at his own request to make a "statement." He showed nervousness, but as he began to talk he grew calmer, taking up the recital of the motives back of his relations with Edward Lauterbach.

"I realize perfectly that my life and character are on trial before this committee," he said. He began a personal statement as to the fairness he expected from the various members of the committee, but was interrupted after he had eulogized Senators Overman, Nelson and Cummins and had begun on Senator Reed and Walsh. Lamar called attention to the fact that his testimony and that of Edward Lauterbach had shown they were not engaged in any effort to get money from the Morgan or other interests.

It was specifically said throughout that no mention of money would be concerned," he said. "Now, you want to know what my motive was. I'll tell you what my motive was. It was to produce one or two results, either that these men should recognize the injustice of their attitude toward Mr. Lauterbach and myself, or to force them to come out into the open with the charges of blackmail, which they had circulated surreptitiously in New York for years against Mr. Lauterbach and myself."

Lamar declared they had succeeded in forcing the financial men "out into the open."

"What men?" asked Senator Nelson. "Ledyard and his associates," answered Lamar.

"They had ruined many men and I was determined they should not ruin me."

**What He Wanted to Do.**

Lamar said he knew Lewis Cass Ledyard had opened up a telephone extension on him and was trying to "trip him up" when he began telephoning in the name of Representative Palmer. He then determined, he said, to fix up a "game" on Ledyard, in order to force the financial people "out into the open." I deliberately and intentionally prepared this thing so that they would have evidence indisputable," he said, "so they would be convinced Ledyard had lied and deceived them and knew or should know all the things he talked about."

He said he had not intended to carry on the impersonation of Palmer but he believed Ledyard and his associates were trying to catch him. So he deliberately set about "fixing up a deal on them."

"You see the strong personal feeling I'm laboring under," said Lamar as the committee talked about stopping his statement.

Lamar said he told Ledyard to call up Palmer at Bethlehem and that he must have learned then that somebody had been impersonating Palmer.

Lamar went into the scheme, he had worked up in writing—to "bind the democratic party and the Morgan firm in the interests of peace."

Lamar continued to characterize the Wall street men he dealt with in terms the committee did not approve.

Every time the committee disapproval Lamar agreed, while the audience in the committee room laughed at his agility.

"You are right senator, you're right," said Lamar time after time when the committee objected to his statements. He admitted that his whole plan was "ridiculous" and that it was especially so because he was going to "betray" practically the government of the United States except the president over to Wall street.

F. J. Goertner of New York, sales manager for Seaman, Bach & Co., plate glass dealers and importers, said the removal of the tariff on glass would benefit his firm. He had called

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## CONVICT LEASE SYSTEM RAPPED

**Directors of State Prison Would Abandon Policy of Exchanging Labor for Railroad Stocks.**

**SECURITIES VALUELESS IS THEIR CONTENTION**

**State "Throwing Away \$100,000 a Year by the Practice" Say They in the Report.**

Special to the Gazette-News.  
Raleigh, July 8.—Declaring that the state is throwing away money at the rate of \$100,000 a year, directors of the state prison this afternoon made a report to the governor on its investigation of railroad projects throughout North Carolina and urged a change of policy as far as practicable in leasing convicts to persons in exchange for railroad stocks which are declared worthless. The state now holds nearly \$400,000 in stock which is not worth five cents on the dollar, they say. The Trans-continental Mattamuskeet and Stateville Air Line among roads declared to be "fakes." The matter of letting convicts continue on railroad construction is put squarely up to the governor and council of state.

Judge Connor, today signed the final order in the case of the United States against the Atlantic Coast Line, an action to recover \$9,000 damages for diamonds burned in a mail car at Lucama three years ago. The judge held the railroad was not liable. The diamonds were enroute to Havana, Cuba, and were shipped by a French firm.

## ERIE DEFIANT TO TRAINMEN

### REGULARS CLAIM LEACH'S ELECTION

**Choosing of Officers and Submission of Reports before Elks' Grand Lodge.**

By Associated Press.  
Rochester, N. Y., July 8.—With contests for nearly every office, from grand exalted ruler to grand trustee, the first business session of the 49th annual reunion of the Grand Lodge, Benevolent and Protective Order of Elks, opened this morning. Election of officers and the submission of reports were the chief business of the day. Supporters of Edward Leach of New York, candidate of the regulars, claimed a victory this morning with at least 1000 votes margin. They did not concede more than 600 to J. Cookman Boyd of Baltimore, the insurgent candidate. It was the intention of both factions to conclude the election today if possible. A hot fight for grand trustee is being waged between Samuel V. Perrott of Indianapolis and J. D. Jones of Scranton, Pa., and it may prove the closest contest in the list.

Every train entering the city brought more delegates today. The program outside of the business session included band concerts, a ball game and a fust fight. Tonight an electrical and floral parade of floats with fireworks will be held.

### Strike Then, Is Road's Challenge as Employees of the Eastern Lines Vote to Go Out.

**ASSERTS ARBITRATION MEANS WAGE RAISE**

**Withdraws from Conference, Refusing to Consider Demands of "Any Glass of Employees."**

By Associated Press.  
New York, July 8.—Ninety-four per cent of the members of the Brotherhood of Railway Trainmen and of the Order of Railway Conductors out of 76,683 participating in a strike vote in the wage dispute with the eastern railroads, are in favor of a strike. These figures were announced today at a joint meeting of union representatives and a committee of railroad managers.

When the conference convened the Erie railroad announced that it had withdrawn from the proceedings on the ground that it would be unable to meet any advance which might result. This practically invites a strike.

The Erie statement, signed by J. C. Stuart, vice president, says in part: "Similar proceedings in the past have resulted in increased wages and, while it may be possible for some roads to meet these increases, the Erie railroad is not in position to do so at present. The wage increase demand amounts to 25 per cent, or a total annual cost, on the basis of present figures, of practically \$1,200,000."

The Erie says it is willing to consider wages and conditions of individuals, but will not agree to any general increase to any class of employees at the expense of needed safety appliances and improved equipment.

New York, July 8.—The wage dispute between the Brotherhood of Railway Trainmen and the Order of Railway Conductors on one hand and 51 eastern railroads on the other took the form of a conference today at which the union leaders were to announce the result of a strike vote recently taken among the 82,000 men involved. It was conceded the vote would be overwhelmingly for a strike. This does not mean a walkout will follow, however. The unions hope to force arbitration under the Erdman act, as was the case in the firemen's demands.

To this proposal the roads violently object, and it is not known what middle ground can be reached, unless congress promptly amends the Erdman law, increasing the board of arbitrators from three to five, and endorsing such a bill as superior to the present board of three, which places heavy responsibility on the shoulders of the third, or neutral, member.

After the unions had submitted the result of the strike vote and reiterated their demand the conference adjourned. President A. B. Garretson for the conductors and W. G. Lee for the trainmen then announced a conference of union heads from all the roads involved would be held here Saturday. The strike vote then will be confirmed and a course of action adopted. The result will be reported to the railroads on Monday.

## WELL MATCHED FIELDS IN CLEVELAND RAGES

### New Records in Grand Circuit Contests Today Are Not Unexpected.

By Associated Press.  
Cleveland, O., July 8.—Several new records in the second day's races of the Grand circuit meeting today would not come as much of a surprise, with a slight rise in temperature predicted for this afternoon.

The \$2000 Forest City stake in which Braden Direct, owned by J. H. Elspass of Denver, set a new record for three year old pacers of 2:03 3/4 last year, will divide interest with the three year old trotting sweepstakes. Two class races, the 2:09 pace with a field of 13, and the 2:24 trot with nine entries, complete a full afternoon.

Branham Baughman, in Walter Cox's stables, who was second to the Denver horse last year, again is entered in the Forest City and will be favored in the betting.

Well matched fields in the class races will make the favorite hard to pick, while the three year old sweepstakes look like anybody's race.

## MRS. S. O. INGRAM

### Died Last Night at Home Near Arden—Funeral Conducted This Afternoon.

Mrs. S. O. Ingram died last night about 9 o'clock at her home near Arden, after an illness of about two weeks. The deceased was 37 years old and was the wife of S. O. Ingram, who is connected with the circulation department of the Asheville Citizen, to whom she was married in 1906. Before her marriage the deceased was a resident of Texas, Kan., Tex.

The deceased is survived by two sisters, Mrs. M. C. Bell of this city and Mrs. J. D. Freeman of Fort Worth; one brother, H. B. Ledmetter of Fort Worth; and five children, Orton, Edgar, Edwin, Blanche and Estelle. Edgar and Edwin are twins and are only two weeks old.

The funeral services were conducted this afternoon at the Avery's Creek church, and interment was made in the church burying ground.

## Haynes of Surry May Enter Congress Race.

Special to The Gazette-News.  
Mt. Airy, July 8.—The latest political talk here is to the effect that former Sheriff C. H. Haynes of Surry county, will enter the race for the democratic nomination for congress next year from the fifth district. Mr. Haynes has been frequently mentioned of late as a probable candidate, and I am reliably informed that the former sheriff is seriously considering the matter. Mr. Haynes is recognized as one of the most "true and tried" democrats in this section and a strong man with the people. He served the county well as sheriff and last year made the race on the democratic ticket for the legislature, although it was recognized a democrat had no chance of election in Surry. Mr. Haynes, however, materially reduced the republican majority. When elected democratic sheriff of the county he won by 2000 majority, although the republicans elected the remainder of their ticket by an average majority of 400. His friends claim that if he decided to enter the race for the congressional nomination he will at least make things interesting.

## RECONSTRUCTED NIAGARA BEING MADE SEAWORTHY

### Sightseers from Far and Near Come to Visit Historic Vessel.

By Associated Press.  
Erie, Pa., July 8.—Officers in charge of the reconstructed Niagara, Commodore Perry's flagship, tied to the dock here for the week given over to the observance of the centennial anniversary of the battle at Put-In-Bay, today prepared to stretch sails and add the finishing touches that will make the old brig seaworthy for the voyage around the Great Lakes, which is to begin next Saturday night when the fleet sails for Cleveland.

The rigging has been reproduced so that it is historically correct. The sails are of flax and the rope hemp. Not a particle of metal, except the armament, is about the decks and the bowsprit is lashed in position instead of being bolted down.

During all the waking hours of the celebration the gangplank has been burdened with a constant stream of curious sightseers.

**Servian Reverses Reported.**

Vienna, July 8.—After repulsing several small Servian forces, the Bulgarian troops have succeeded in penetrating to Vranja, the war commissariat station of the Servian army, according to a Sofia despatch to the Neue Presse Press. The Bulgarians it says, are now advancing along the Moravia river. If this proves correct, the Bulgarians have by their advance cut off a huge body of Servian troops from Belgrade.