

The Asheville Gazette News.

Weather Forecast
CONTINUED COLD.

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ASHEVILLE, N. C., MONDAY AFTERNOON, FEBRUARY 9, 1914

PRICE FIVE CENTS

MEMPHIS BANK HEAD ACCUSED

Bench Warrant Is Sworn Out For President Raine of the Mercantile Bank Charging Embezzlement.

ALLEGED SHORTAGE OF \$700,000 TO \$1,000,000

Petition For Receiver Recites C. H. Raine Obtained Money by System Which Deceived Directors.

Memphis, Feb. 9.—As a result of the closing of the Mercantile bank, one of the leading institutions of the city, today, following the discovery of the alleged defalcation of its President C. H. Raine, a bench warrant charging embezzlement was sworn out against Mr. Raine by Z. N. Estes, county attorney general. The amount of the alleged shortage is variously estimated from \$700,000 to \$1,000,000. G. C. Hutton, state superintendent of banking, arrived here today from Nashville and was at once appointed receiver for the bank in accordance with a chancery bill filed by attorneys representing the bank's directors.

There was little excitement in the financial circles today over the difficulties of the Mercantile bank.

J. C. Ottinger, president of the Memphis Clearing house association issued a statement declaring other banks would not be affected.

Memphis, Tenn., Feb. 9.—Ten directors of the Mercantile bank, one of the most important financial institutions in the city, today filed a petition in court charging that the bank was insolvent as the result of the alleged misappropriation of more than \$750,000 by C. Hunter Raine, president of the institution.

In the petition Raine was held solely responsible for the apparent shortage, approximately \$788,805, which it is charged he obtained "by a system of handling its drafts, property and exchange in such a way as to deceive the directors and to conceal his manipulations," the total amount of which it was alleged he lost in speculation.

The petition places the liabilities of the bank at approximately \$2,196,884, with assets of \$1,468,089. In a published statement January 9, liabilities were given as \$2,436,197. At that time the total deposits were \$1,861,109, of which \$344,233 were savings accounts. The bank is capitalized at \$200,000 and has a surplus of \$100,000.

Resources, loans and discounts at the time of the statement amounted to \$1,130,496; actual cash on hand was \$424,784; sums due from other banks amounted to \$489,165; cash items in transit amounted to \$137,778. These amounts with other items balanced the amount given as liabilities.

The alleged discrepancy was discovered by a representative of a New York correspondent of the bank who was sent to Memphis to audit the Mercantile's books, when loans requested were found to be out of proportion to the amounts usually asked for at this season of the year. His report to the directors yesterday which brought the situation to a climax was the first intimation that the bank was not in a prosperous condition, according to the directors.

It is stated that President Raine, who attended yesterday's meeting absolved all of the officers and directors of the bank of implication in the alleged shortage and tendered his personal estate, which he valued at \$350,000 to the bank.

REQUEST PERMISSION TO RETAIN S. S. LINES

U. S. Commission May Permit Retention of Ownership In Its Discretion.

Washington, Feb. 9.—The Pennsylvania, Lehigh Valley and Northern Central railroads have asked the interstate commerce commission to permit them to retain their steamship lines after July 1, the date upon which the Panama canal decrees all rail lines shall dissociate themselves from competitive water lines.

TRYING TO UNITE N. Y. DEMOCRACY

President Wilson, Gov. Glynn And Mr. McCombs Hold Conference to Consider Problem of Assembling Various Party Elements in Empire State.

Washington, Feb. 9.—How various elements in the New York state democracy are to be assembled into a new organization with progressive leadership was the problem before President Wilson, Governor Glynn of New York and William F. McCombs, national chairman, in conference today. The president recently has been giving deep consideration to the autumn campaign when he realizes the democratic administration to some extent will be before the country for approval or disapproval in the elections for members of the house and senate.

VILLA GIVES ASSURANCE OF PROPER TREATMENT

But Will Not Ignore Active Aid of Gen. Huerta by Foreigners.

Washington, Feb. 9.—Indirectly assurances for proper treatment of foreigners have been received at the White House from General Villa. Representations by American consular officers on the necessity of extending to Spaniards as well as all foreign subjects equal protection has met with compliance.

At the same time General Villa, it is understood, will not be disposed to ignore active participation by foreigners in the cause of General Huerta, but will extend to any foreign combatants, however, the right of trial. Friendly to Huerta.

Berlin, Feb. 9.—An interpellation as to whether Provisional President Huerta has made representations to Germany in regard to President Wilson's raising of the embargo on arms was addressed to the chancellor in the imperial parliament today. The question was put by two of the national liberal leaders, Ernst Bassermann and Baron Hartmann von Riehthofen.

DESIGNS PREPARED FOR NEW FASHIONS IN MONEY

There Will Be Three Kinds of New Currency Size of Present Bills.

Washington, Feb. 9.—Designs for new fashions in paper money to be issued under the currency act have been prepared by experts of the bureau of engraving and printing. As soon as Comptroller Williams has secured the approval of Secretary McAdoo the plates will be made and a few hundred millions will be turned out by the bureau's big presses.

NO INFORMATION OF NAVAL TUG POTOMAC

Washington, Feb. 9.—Not having heard from the naval tug Potomac since last Thursday after it had been obliged to abandon efforts to relieve two Maine fishing vessels in the ice in the Bay of Islands, the navy department today telegraphed authorities at Sydney, N. S., for information of the missing vessel.

It is supposed the Potomac may be somewhere beset by ice and unable to make port, though it is regarded as singular that she has not been able to report by wireless.

The fact that ice in the Bay of Islands was too heavy for the powerful tug to penetrate is regarded by naval officers as proof that it afforded the crews of the fishing vessels a safe way to retreat to the mainland.

Oreste Forms Cabinet.

Port Au Prince, Haiti, Feb. 9.—General Oreste Zabor, who was elected president of Haiti by congress yesterday in succession to Michel Oreste, who died on the outbreak of the revolution, formed his cabinet today. His minister of foreign affairs is J. N. Lager.

CAMP SECURED FOR ASHEVILLE

News Received from Washington That Federal Military Training Camp Is To Come Here.

SWANANOA RIVER SITE RECOMMENDED

Will Bring Three Companies of Regulars and About 1000 Students Here Annually.

According to special messages received here from Washington, Secretary of War Garrison has ordered that one of the four federal military camps for the training of young military students be located near Asheville, on the Swannanoa river site recently inspected by Capt. Robert Van Horn of the Seventeenth United States Infantry and chief of staff to Gen. Leonard Wood. This camp will be for the benefit of the southeastern section of the United States. Capt. Van Horn inspected a number of possible sites throughout the southeastern section last month and his report was only recently filed with his chief, Gen. Wood. In this report he recommended that the site near Asheville as the most suitable and it was on the strength of this recommendation, it is understood, that the final selection was made.

The movement to secure this camp for western North Carolina was started early last fall by Division Passenger Agent James H. Wood of the Southern railway and was immediately taken up by other officials of the company, by the Greater Western North Carolina association and by the various boards of trade of the section. (Col. S. H. Cohen, manager of the association, went to Washington the latter part of November for a conference with war department officials relative to the matter and extended an invitation on behalf of the people of the section to have a representative come here and examine the offerings of western North Carolina.

Capt. Van Horn came here on January 21 and remained for three days. During this time he examined two sites in the vicinity of Asheville and several around Waynesville and Hendersonville. He gave no intimation then as to what his final recommendation would be but expressed his enthusiasm over the climate, scenery and general adaptability of the section for manoeuvres. It was felt then by those in touch with the situation that he would recommend one of the sites in this section and it was so stated in the columns of The Gazette-News. The news, therefore, that the camp is to be located here did not come as a complete surprise.

It is generally conceded that the establishment of this military camp will mean a great deal to Asheville and western North Carolina since it will bring three companies of the regular army and approximately 1000 military students here for six weeks during the summer months. The camp site is offered free for the first year and if it proves satisfactory the lands will be purchased by the government, permanent buildings will be erected and the camp perpetuated. There is little doubt felt but that the camp will be made permanent. The fact that it has been secured here in the face of strong competition is all the more gratifying to the people of the section.

The lands selected for the establishment of the camp are situated on the Swannanoa river, about two miles east of the Biltmore station, and are owned by Mark Reed and others. It is stated that army officers will be sent here at an early date to make arrangements for the camp so that everything may be in readiness for its opening this summer. The date of the opening has not yet been announced.

CONTINUED WEAKNESS IN ROCK ISLAND STOCKS

New York, Feb. 9.—The stock market was again unsettled soon after the strong opening today because of rather weakness in the Rock Island securities, all of which fell to lower records. Dealings in Rock Island common and preferred, as well as in Chicago, Rock Island and Pacific collateral trust 4 per cent bonds, were fairly extensive and suggested liquidation by holders. There was recurrent weakness in New Haven and New York Central because of developments which indicated further federal inquiry.

On the curb the oil shares were also very weak. Atlantic Refining, a standard oil subsidiary fell from 82 1/2, last Saturday's closing price, to 74 1/2 in the first hour's trading.

ITALIANS TO PARTICIPATE IN PANAMA NAVAL GATHERING

Naples, Feb. 9.—Orders were received today from the Italian minister of marine for the preparation of a squadron of Italian war vessels to participate in the international naval gathering in connection with the opening of the Panama canal.

Famous Sculptors Hire Work Done Is Charge

Gutson Borglum Says That "Sixty Per Cent of Monuments and Statues in U. S. Were Not Made by Those Whose Names They Bear."

New York, Feb. 9.—Art circles were interested here today in a statement by Gutson Borglum, sculptor, that nearly 60 per cent of all the monuments and statues in the United States including those in statutory hall, Washington, were not made by those whose names they bear.

CONTAGIOUS DISEASE ON STRANDED STEAMSHIP

Feared That Crew of Queen Louise Are Afflicted With Smallpox.

Manasquin, N. J., Feb. 9.—A contagious disease, the nature of which has not been made known, broke out today among the crew of the stranded steamship Queen Louise, which came ashore here early Saturday morning. Her captain signalled this information to the life savers but did not indicate that he needed medical assistance. Fears that the disease may be smallpox led the health authorities of the township to station an officer on the beach with orders to quarantine anybody who might come ashore.

If sufficient cargo is removed from the steamer today it was expected that she would be floated at high water this evening.

DEPOSITS GUARANTEES CAUSE BANK TO CLOSE

President of Savings Bank Says He Will Not Submit To Such Law.

Winona, Minn., Feb. 9.—"We wish to close up the Winona Savings bank before the legislature puts us all in the penitentiary; therefore we wish all depositors to come and draw their money. We also wish all parties owing us to pay us immediately."

ONE KILLED AND 14 INJURED IN WRECK FROM BROKEN RAIL

Sioux City, Ia., Feb. 9.—One person was killed and fourteen were injured when Chicago, St. Paul, Minneapolis and Omaha train No. 2 was wrecked by a broken rail at Bigelow, Minn., early today. None of the injured was believed to be fatally hurt. All the cars except one left the track.

CONFERENCE RESULTED TO ADVANTAGE OF U. S.

Washington, Feb. 9.—The work of the international conference for safety at sea, recently held at London resulted in every way to the advantage of the United States, in the opinion of Senator Lewis, who was delegated by President Wilson as the senate representative to the conference and who returned here today.

According to the senator, the United States will have full control of the patrolling of the seas and will pay only 15 per cent of the cost.

Tango Replaces Oratory.

New York, Feb. 9.—The Indiana society of New York and the Daughters of Indiana are to replace oratory with the "tango" at their banquet on February 15. After their dinner they will dance and play auction bridge instead of listening to a program of speaking, according to an announcement made today by their secretary.

TOLLS PROBLEM WORLD MATTER

President From First Regarded as Unwise Insertion of Plank Favoring Exemption of U. S. Vessels.

WHOLE INTERNATIONAL SITUATION INVOLVED

Thinks Only The Elements Which United States Can Control Should Be Binding.

Washington, Feb. 9.—President Wilson let it be known today that from the first he regarded as an unwise policy the insertion in the democratic national platform of the plank favoring the exemption of American coastwise ships from payment of Panama canal tolls.

The president feels that a platform declaration on such a subject is relayed to circumstances that arise all over the world and that only the element which the United States can control in the situation ought to be binding. He feels that a change of circumstances that has arisen in the international aspect of the situation which necessarily would change the attitude of the government and the country on the subject.

Mr. Wilson told callers today that the whole international situation and the viewpoint of foreign governments was to some extent involved in the settlement of the controversy.

It was made clear, however, that only England had protested. The president told callers that Great Britain through her representations had not approached the American government on the question in any way since Viscount Bryce left here a year ago.

The president told callers he did not intend to send a message to congress on the subject of Panama tolls; that he felt his attitude had been sufficiently made clear in a recent letter to William L. Marbury of Baltimore. He expects congress to repeal the tolls provision at this session.

Binns to Marry.

New York, Feb. 9.—Jack Binns, a wireless operator hero of the last steamer Republic, is to be married in June, according to an announcement today. His fiancée is Miss Alice A. Macniff of Flatbush, whom he met when he was wireless man aboard the Atlantic.

Binns is now a ship news reporter here.

Heard about that gun that throws a ton of steel 21 miles?

COUPON

Save it for a Copy of

THE PANAMA CANAL

By Frederic J. Haskin

Author of "The American Government"

Gazette-News, Monday Feb. 9

Colonel Goethals says: "Accurate and Dependable"

HOW TO GET THIS BOOK

On account of the education value and patriotic appeal of this book, The Gazette-News has arranged with Mr. Haskin to distribute a limited edition among its readers for the mere cost of production and handling.

It is bound in a heavy cloth. It contains 400 pages, 100 illustrations and diagrams, an index, and two maps (one of them beautiful bird's-eye view of the Canal Zone in four colors). IT IS ACTUALLY A \$2.50 VALUE.

Cut the above coupon from six consecutive issues of the paper, present them with 50 cents at our office, and a copy of the book is yours. Fifteen cents extra if sent by mail.

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