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SHIFTS BURDEN TO J. P. MORGAN

Mellen Stands Firm Under And Insists Morgan Dictated Ruinous New Haven Policies.

PROUD TO BE CALLED

"MR. MORGAN'S MAN"

Plunges Into Details of Placing \$12,000,000 Bonds of Boston & Maine, Westchester Deal.

Washington, May 19.—Charles S. Mellen, former president of the New York, New Haven and Hartford railroad, resumed his testimony today before the interstate commerce commission. He was questioned regarding details of the financial transactions of the New Haven and its subsidiaries. From his home in New Haven, Mr. Mellen brought a large box of papers requested by the commission in connection with its investigation. To save time, Mr. Mellen took time to time during his testimony. The room in which the hearing was held was crowded to its capacity in anticipation of important revelations by the former New Haven head, who promised to describe the whole series of deals by which the road acquired its various subsidiaries, giving all details the commission might request as to persons and amounts involved.

In response to inquiries of Mr. Folk, Mr. Mellen told how he had become president of the Northern Pacific, Mr. Morgan (J. Pierpont Morgan), he said, was responsible for his selection for the office.

"How long were you president of the Northern Pacific railroad?" asked Chief Counsel Folk for the commission.

"Five years."

"How did you become president?"

"I was asked by J. P. Morgan to become president," said Mr. Mellen.

Mr. Mellen then testified that Mr. Morgan called him on the telephone and that the conversation was about as follows:

"That you, Mr. Mellen?"

"Yes."

"Can anybody hear?"

"No."

"Will you take the Northern Pacific presidency?"

"Yes."

"Leave all the details to me."

"Yes."

About two or three weeks later, Mr. Mellen testified, he became president. He did not know what his salary would be, he said, but he knew it "would be all right."

"While you were president of the Northern Pacific was the matter of the New Haven presidency taken up?" Mr. Folk asked.

"Yes. Mr. Morgan told me he would make me president of the New Haven."

Relations With Morgan.

"As president of the New Haven that were your relations with Mr. Morgan?"

"That is difficult to answer."

"Were you Morgan's man?"

"I was proud of his confidence and proud to be called his man. I thought great deal of Mr. Morgan."

"What was the relative importance of the directors as related to Morgan?"

"We regarded Morgan as a man of ability, experience and capacity. I recall no case in which he did not have his way."

"How many directors shaped the New Haven financial policy?"

"There was a committee of three—Mr. Morgan, Rockefeller, Brooks, and I think, at one time Lybrand. Placing of \$12,000,000 of bonds issued by the Boston and Maine then taken up, Mr. Mellen said, Mr. Kuhn, the company were given no opportunity to bid on these securities because "it was considered the bonds were satisfactorily elsewhere."

"What would have happened had you turned over these bonds to Kuhn, Lehman and company?" Mr. Folk asked.

"I should have felt that I properly should have been dissatisfied," was Mr. Mellen's emphatic reply.

Concerning a later bond transaction Mr. Mellen said:

"Kuhn, Lehman and company bought a large issue of our bonds—four per cent—a 5 per cent issue. I don't know whether they made money on that transaction or not. I hope they did, as they were taking some money."

"Was that arrangement made with the consent of the board of directors?" asked Mr. Folk.

"Oh, yes," said Mr. Mellen.

"Who was the real power in the board?"

"All the directors had the same authority."

"Paid down bills."

"How," said Mr. Mellen, "did you go to get the \$100 shares of the New Haven stock which were given to you for the bond sale?"

might not have to deal with a corporation. I think I gave due bills aggregating about \$20,000, totalling about two dozen due bills.

"I don't think any cash was paid in the Westchester transaction except for such due bills as I gave. In such circumstances, I paid my own cash and took the stock."

A check for \$10,450 issued by Mr. Mellen to his own order on February 2, 1909, was offered by Mr. Folk, who asked what it was for.

"That amount was paid to me in cash and with the cash I took up certain due bills and paid also dividends on the stock which had accumulated. I frequently paid dividends to the holders of the stock."

"Did the financial committee know of your holding the New Haven stock and about the Westchester transaction?"

"Yes."

"The financial changes that the New Haven wanted in the Westchester franchise related to an extension of time in which the road was to be completed, a change of route and consolidation with the New York and Port Chester, did they not?" asked Mr. Folk.

"As I remember, those were the financial changes," said Mr. Mellen.

"Did you talk with Rockefeller, Morgan or Miller about these matters?"

"I think not. I carried the whole transaction through to completion and then reported."

"Was the Westchester stock of any value?" asked Mr. Folk.

"Well, I did not think it had any actual value but it did have a potential value. It runs through a good territory."

"Is the New York, Westchester and Boston not operated now at a loss of \$1,250,000 a year?"

"Well, you have the figures as to that and I have not," said Mr. Mellen.

Mr. Mellen testified that the question of the New England acquiring the New York, Westchester and Boston, or the New York and Port Chester was first brought to his attention in a letter from E. M. Herr, president of the Westinghouse company. This was about 1905, the witness said.

"Federal" Approach.

"Federal" came to me at various times," continued the witness, "to ascertain if I would be interested in acquiring the Westchester. I paid no attention to all this until Oakleigh Thorne came along."

"Mr. Thorne told me, as I recall, that he had acquired control of both the Westchester and New York and Port Chester, or else he said he could acquire them. He wanted me to take the matter up with the directors."

Mr. Mellen testified he laid the proposition before the board in the summer of 1906 and that Mr. Morgan moved that a committee be named to look into the matter and that he, as president of the New Haven, named Messrs. Morgan, Rockefeller and Miller as the committee. Mr. Mellen himself was a member ex-officio.

Morgan Humiliated Him.

Mr. Mellen said that when the committee reported about a year later that the sum of \$1,155,000 had been expended, he objected that the report did not go into details.

"I saw Mr. Morgan," he said, "and told him that all details of the matter should have been set down and that the report should have told how each separate sum was spent. Mr. Morgan was very abrupt in his answer to me."

"What did Mr. Morgan say?"

Mr. Mellen objected to telling this, declaring that the conversation was personal.

The witness said, however, he left Mr. Morgan's office very much humiliated.

Commissioner McChord, who was presiding, ruled that Mr. Mellen should answer the question and the witness then said:

"I told Mr. Morgan," said Mr. Mellen, "that the matter was not in shape it should be."

"Do you think you know more about how it ought to be drawn than I?" Mr. Morgan said. I allowed I didn't and dropped it."

"I thought that I was entitled to know more about the transaction than I did know. I thought I was entitled to know why we were paying \$11,000,000 for a great big basketful of stuff that we did not know the value of."

"I never did know what the real motive for the deal was. I do not mean to convey the idea that anybody got away with money he was not entitled to."

Mr. Mellen explained that in an effort to obtain information about the report he was subjected to further humiliation. Mr. Morgan, he testified, treated him brusquely and refused to give him any more information than the report contained.

"I felt," said Mr. Mellen, "that in disagreeing with Mr. Morgan I would be wrong nine times out of ten."

WILL RECONSIDER VANDERBILT CASE

Discovered That Methodists Hold Substantial Instead Of "Negligible" Rights.

Oklahoma City, May 19.—Just before adjournment, yesterday the Methodist Episcopal church, South, in session here, voted to re-consider the entire Vanderbilt university case. The vote upon the motion to re-commit the report to the committee of 15 was reached shortly before noon.

It instructs the committee to follow the spirit of the majority report and the supplementary legislation submitted at today's session by Judge N. E. Harris of the Georgia conference. It has developed that the signers of the majority report which was adopted by the conference late Saturday night had discovered that the church held substantial instead of "negligible" rights in Vanderbilt despite the rulings of the Tennessee Supreme court.

This was brought out in a proposed amendment to the report, providing for continuance of relations for the interim between the adjournment of the general conference and the completion of the re-conveying of Vanderbilt to the patronizing conferences; giving the board of education authority to confirm or reject trustees, and calling on the commission provided for in the majority report to safeguard the interests of the church.

GAMBLER'S WAR BECKER CLAIM

Counsel For Defense Contends That It Was Rose Who Instigated Rosenthal Murder.

New York, May 19.—A motion to dismiss the indictment charging Chas. Becker with the murder of Herman Rosenthal on the ground of insufficient evidence was presented at the opening of today's session of Becker's trial. The motion was denied.

Chief Counsel Manton for Becker then began his opening address. He said it was conceded that Rosenthal had been murdered and that four gunmen had murdered him. He intended to prove, however, that Rosenthal was murdered in a gambler's war because Jack Rose or some other person was afraid of Rosenthal.

Manton said it was probably true that Rose visited "Lefty Louise" and the other gunmen and urged them to kill Rosenthal, telling them Becker wanted them to do so. "But, he added, "It does not follow that he told the truth to the gunmen. I will show that Rose said: 'It's my life or Becker's and I'm not going to commit suicide.'"

The defense called as its first witness Joseph Welch, alias Jack Sullivan, "king of the Newsboys." Whether Becker will take the stand still was uncertain today.

Sullivan told of two alleged conversations with Rose in prison in which he wore Rose had said: "Whitman wants Becker and I am going to give him to him. Self preservation is the first law of nature."

The witness said he also talked with Bridget Webber. "He told me," Sullivan said, "his lawyer had advised him to get on the band wagon and corroborate Rose. Then I went back to Rose and advised him to kill himself before he 'framed up' Becker. He laughed and said Vallon was with him and that they would do all he wanted of the next day."

New York, N. Y., May 19.—District Attorney Whitman yesterday completed his case against former Police Lieutenant Becker, by placing on the stand two men, Charles B. Pitt, Jr., the former policeman's friend, companion and press agent, and James Marshall, a negro youth, who said he saw Becker and Jack Rose talking at the "Harlem conference," which was declared by the court of appeals to have been the "heart of the conspiracy to murder Herman Rosenthal."

The gambler's widow and several other persons also testified before the prosecutor declared his case ended.

PRIMARY ELECTION IN PENNSYLVANIA

Candidates For Senate, Congress, Governor, Judges, Etc., to Be Selected.

Philadelphia, May 19.—Fine weather greeted the voters today in the state-wide primary election in Pennsylvania. The several parties are selecting candidates who will come up for election in November for United States senator, governor, lieutenant governor, secretary of internal affairs, associate justice of the Supreme court, judge of the Superior court and four congressmen at large. Candidates for congress in all of the 32 districts in the state, half the membership of the state senate and a full membership of the lower house of the legislature will also be nominated.

In the republican ranks Senator Boies Penrose is opposed for the senatorial nomination by J. Benjamin Dinnick, former mayor of Scranton, Representative A. Mitchell Palmer has Henry Budd, of Philadelphia, as an opponent for the democratic senatorial nomination, while Gifford Pinchot is unopposed for the Washington progressive party nomination for senator.

There is a hard fight for the democratic nomination for governor between Vance C. McCormick, former mayor of Harrisburg, who has the support of the national administration, and Michael J. Ryan, city solicitor of Philadelphia. The republican organization is backing Martin G. Brumbaugh, superintendent of public schools of Philadelphia, for the republican gubernatorial nomination against Joseph Cauffiel, mayor of Johnstown.

U. S. DELEGATES ARE INSTRUCTED

President Regards Settlement Of Entire Mexican Problem Necessary To Withdrawal Of Troops.

AMERICAN SPOKESMEN LEAVE FOR NIAGARA FALLS FOR OPENING OF CONFERENCE TOMORROW.

Washington, May 19.—As spokesman for the United States in the mediation conference which will seek to settle the differences between this government and Huerta and to establish peace in Mexico, Associate Justice Lamar, former Secretary General Lehmann and H. Percival Dodge, secretary to the commission, left Washington early today for Niagara Falls, Ont.

The departure of the American commissioners was without any formalities beyond the presence of several officials to bid them good-bye and success to their mission. Justice Lamar and Mr. Lehmann chatted with their friends expressing a hopeful view of the outlook and then boarded their private car attached to the regular Lehigh Valley train due at Niagara Falls about midnight tonight. With them in the car is their staff of secretaries and stenographers and several press representatives.

Before leaving the commissioners completed arrangements to keep in close touch with the White House and state departments on the various stages of development at the conference. They declined, however, to discuss their own or the instructions they had received in their conference with President Wilson last night.

With the departure of the American delegates all of the various elements which will make up the conference on the troubled Mexican situation either were at Niagara or en route. Minister Suarez, of Chile, one of the mediators, leaving during the morning.

Outlines Views.

President Wilson is determinedly hopeful that the Mexican mediation conference to begin tomorrow at Niagara Falls will find a satisfactory solution of the whole distressing Mexican imbroglio. To the members of the American mission, who departed for the meeting early today, he outlined the Mexican equation as he viewed it, with the emphasis that it was the task of the United States unflinchingly to attempt to help Mexico set up a government that would attract world recognition, based on capacity to maintain domestic peace and to meet international duties.

He told the delegates that the American government would regard the definite settlement of Mexico's problems as necessary to the withdrawal of American military forces from Vera Cruz. Instructions to members of the mission were not specific but the president reiterated that peace in Mexico, to him, appeared to be conditioned on the elimination of the Huerta administration and the creation of a government that could guarantee untrammelled elections, a solution of the land problem and other dissonances that have led to an internal strife of nearly four years. Comprehensive settlement, the president said.

(Continued on page 11)

ALIENISTS TO FIGURE CASE OF GEO. TIDWELL

Temporary Insanity Plea For Slayer of R. Emmett Walker of Greenville.

Greenville, S. C., May 19.—Cross-examination of George W. Tidwell, charged with the murder of R. Emmett Walker, paymaster for a local milling company, was resumed when the second day of the trial opened here this morning. Attorneys for the defense yesterday admitted the killing but advanced the plea that Tidwell at the time was temporarily insane because he believed that Walker had invaded the sanctity of his home. Introduction of this phase was expected to result in the presentation of evidence by alienists for both prosecution and defense.

SIX PLAYERS OF U. S. IN SECOND ROUND

Rule For Debate of 32 Hours On Trust Bills Unlimited Discussion Under Five-Minute Rule Will Be Allowed.

Washington, May 19.—The house rules committee today reported a special rule providing for a total of 32 hours general debate on the anti-trust program with unlimited discussion under the five-minute rule, the house to hold night sessions until the three bills are disposed of.

The resolution provides that this program shall not interfere with consideration of the urgent deficiency bill, which is pending with an appropriation of \$6,000,000 on account of Mexican activity, nor with the consideration of conference reports on appropriation bills to conference.

Six hours of general debate is allowed on the interstate trade commission bill, the first of the trio of measures to be taken up, 18 hours on the Clayton anti-trust bill and 10 hours on the Reburn bill regulating stock and bond issues of railroads.

PRESIDENT REGARDS SETTLEMENT OF ENTIRE MEXICAN PROBLEM NECESSARY TO WITHDRAWAL OF TROOPS.

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REPORT ON MONEY FOR EDUCATION OF NEGRO

Effort Made to Restrict Distribution of Finances for This Purpose.

Oklahoma City, May 19.—Bishop A. W. Wilson, senior member of the college of bishops, today presided over the twelfth day's session of the general conference of the M. E. church, South, here.

With a discussion of the question of parity rights for women as the special order of the day the opening hours were devoted to routine business, including presentation of reports from standing committees.

In an effort to place certain restriction on the distribution of money for negro education the committee on education presented a report which was adopted, urging that the educational board be given discretionary powers in distributing the assessment of \$95,000 for educational work. It was pointed out in the report that in past years \$20,000 of this fund had been applied to negro education without restrictions.

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RALPH HARKINS KILLED MONSTER RATTLESNAKE

Reptile Measured Over Four And A Half Feet and Had 12 Rattles.

While taking a party in his automobile for the trip to Pisgah Sunday Ralph W. Harkins succeeded in killing one of the largest rattlesnakes which has been seen here in some time. He has the skin which measures four feet and seven inches and has 12 rattles, denoting the age of the reptile.

Mr. Harkins states that he was driving along the road when he noticed something in the middle of the road, but could not tell at first what it was. Finally, on getting closer, it was discovered to be a huge rattler. One wheel of the big automobile was driven directly over the body and then the party all got out and Mr. Harkins completed the job of killing the snake. He plans to have the skin tanned and to keep it, although several people who have seen it have expressed a desire to buy it.

Mr. Harkins has had some very thrilling experiences on his trips over Western North Carolina in a motor. He makes a specialty of taking parties on scenic trips and almost always, he states, some little incident turns up that causes one to remember the trip far more than an ordinary automobile trip would.

ASHEVILLE BOYS SCOUTS ARRANGED ANOTHER HIKE

At a meeting of the Asheville Troop No. 1, Boy Scouts of America, of which Rev. J. B. Thrall is scoutmaster, it was decided to go on an overnight hike to Swannanoa. The scouts will leave Friday afternoon and stay until Sunday morning, spending two night in a cabin near the Woodward farm. This is expected to be one of the best hikes the scouts have gone on and about 20 boys will accompany their scoutmaster to Swannanoa.

The next meeting will be held on Monday, May 25th, at 8 p. m. at the home of Henry Harris, of College street.

Dr. Frost will continue his instructions in first aid.

David Kimberly, Verne Johnson, Gay Smith, Felix Howell and William Reynolds were admitted to the troop as waiting members. Robert Guynon, formerly of Pittsburgh, was a visitor and will accompany the troop on the hike.

Mr. Thrall announced the meeting of the "Flying Eagle" patrol at 8 o'clock, Thursday night at 77 College street.

SCHOLARSHIP OFFERED BY JUDGE J. D. MURPHY

Will Give Annual Scholarships in Buncombe to Girl And Boy.

Judge J. D. Murphy, chairman of the board of county education, has announced that he will offer for the next two years a scholarship to a young woman and a young man of Buncombe county to the state normal college at Greensboro and the university of North Carolina, the appointments to be made by the superintendents of county and city schools in competitive examinations.

It is expected that this announcement will be received with interest in all sections of the county and that many young men and women will participate in the contest to win the scholarships.

DEBATE COMMISSION MEETS

Richmond, Va., May 19.—The Virginia debt commission is in executive session here today, at the call of Attorney General Pollard, considering the move made by attorneys for New York holders of West Virginia certificates to have a receiver appointed to handle the funds to meet the United States Supreme court renders a final decree in favor of Virginia.

LINDSEY OPPOSED TO N WITHDRAWAL TROOPS

Chicago, May 19.—Judge Ben B. Lindsey of Denver and five women from Colorado passed through Chicago today on their way to Washington to beg President Wilson not to withdraw the federal troops from the strike zone.

Judge Lindsey declared, "I would regard it as a tragedy if the strike zone were replaced by peace."

For Inciting Disorders.

London, May 19.—Sidney Drew, printer and publisher of the Suffragette, the newspaper representing the militant suffragettes, today was committed to trial at his old home, charged with inciting members of the Women's Social and Political Union to commit an offence against the law.

BLOCKADE RAISED BY DOMINICAN FEDERALS

Washington, May 19.—Captain Blier of the gunboat Wheeling in Dominican waters today reported that the federal blockade of the port of Monte Cristi had been raised. From the north coast of San Domingo Captain Eberle of the Washington reported desultory firing at Puerto Plata between a fort held by the federalists under General Bordas and entrenched rebels. Captain Eberle said conditions were comparatively quiet for the past seven days.

V. PRES. MARSHALL TO SPEAK IN CHARLOTTE

Washington, May 19.—Vice President Marshall will leave Washington tonight for Charlotte, N. C., to deliver an address tomorrow. He will be accompanied by Mrs. Marshall and on their return trip they will stop at Richmond, Va., returning here Friday. On Saturday Mr. and Mrs. Marshall will leave for Atlanta, Ga., where the vice president will speak before Agnes Scott college.

FREE COUPON

IDEAL ART PATTERN OUTFIT TO-DAY'S MAGAZINE

PRESENTATION BY

Gazette-News Tuesday May 19

SIX OF THE ABOVE COUPONS ENTITLE EVERY READER TO THESE TWO GREAT GIFTS

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The Great New Women's Magazine—giving you each month for 12 months the most up-to-date "Woman's Journal," mailed direct to your home by the publisher of the "Coupon."

Bring 6 of these Coupons and 25 Cents in this office and receive complete GIFT No. 1, and write name and address to which you wish Today's Magazine sent, at 12 cents each, regular retail value, for one year on the blank below. The 25 Cents is to cover the expense of freight from the factory and cost of handling the Patterns (gift) and the cost of mailing to you each month for a year the content issue of Today's Magazine.

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