

The Asheville Gazette News.

WEATHER FORECAST:

GENERALLY FAIR.

VOLUME XIX. NO. 1166

ASHEVILLE, N. C., THURSDAY AFTERNOON, JUNE 25, 1914

PRICE FIVE CENTS

RECEIVERS FOR CLAFLIN COMPANY

East Wholesale Drygoods Est-
ablishment in New York is
Involved in Financial
Difficulties.

FURRY CAUSED IN FINANCIAL DISTRICT

H. B. Claflin Co. Dominated by
Associated Drygoods Co.—
Controlled About 28
Subsidiaries.

New York, June 25.—Receivers
were named today for the vast whole-
sale drygoods establishment of the
H. B. Claflin company. The associated
companies were not involved.

The action was taken as a result of
a suit in equity filed in the district
court. Judge Learned Hand named
receivers Joseph B. Martindale,
president of the Chemical National
National bank, and Howard A. Julliard,
member of the firm of A. B. Julliard
and company, under bonds of \$500,000
each.

The H. B. Claflin company of which
John Claflin was president was orga-
nized in 1910 to conduct a wholesale
drygoods company. It is dominated
by the Associated Drygoods company,
which in turn is controlled by the
Wholesale Drygoods company. The
company was incorporated in New
Jersey in 1909 to do business in sev-
eral cities. In exchange for 9,300
shares of its stock was given an equal
amount of Associated stock, giving
the majority of stock to the latter.
Already holding the controlling in-
terest of the following companies: H.
B. Claflin company, Neal Adams com-
pany, C. G. Gunther Sons, all of New
York; J. N. Adams company of Buf-
falo and Stewart and company of Buf-
falo. The companies also bought
shares from John Claflin the stock
of several other dry goods companies
in which he was interested. In June
1910 the control of Lord and Taylor
of New York city was acquired. Jno.
Claflin is president of the company
and Louis Stewart vice president and
treasurer. The total net income for
1913 amounted to \$3,023,781, divi-
dends on preferred stock being \$754,-
833 and on common \$1,154,200, a final
surplus of \$174,698. The percentage
earned on preferred stock was 19.28
per cent and on common stock 9.21
per cent. The assets included \$8,131
shares of capital stock of the Associated
Merchants company, the combined
net tangible assets of Hahne and com-
pany, the William Hengeler company,
the Hovers mercantile company and the
Stewart Drygoods company, the cash
of the combined companies; the
securities of Lord and Taylor and
cash available for further investment.

Almost simultaneously with the filing
of the suit in equity, John Mueller,
William Worth and Albert P. Ber-
ger, all of this city filed an involuntary
petition in bankruptcy against the
firm. The company owes Mueller,
according to this petition \$731;
Worth his a creditor for \$3,131, while
Berger's claims are placed at \$28,-
750.

The receivership caused a flurry in
the financial district. It was asserted
in banking circles that the many re-
tail subsidiaries affiliated with the in-
terests would be taken care of. The
appointment of receivers is ascribed to
an over-extension on credit.

It is understood that the Claflin
company controls about twenty-eight
dry goods firms throughout the United
States, distinct and apart from those
affiliated with the United Dry Goods
company. Between 2500 and 3000
banks hold paper of these stores. The
liabilities of the firm are estimated at
about \$25,000,000; the assets at \$44,-
400,000. This statement was given out
at the office of the H. B. Claflin com-
pany.

The unprecedented shifting of
trade centers in New York has caused
great loss to many interests. In the
case of the H. B. Claflin company, the
upturn movement of business has
seriously curtailed our wholesale prof-
its from financing retail stores
throughout the country. Their rapidly
expanding business has occasioned
large capital requirements which we
have not been able to meet. A receivership
has therefore become necessary,
pending a readjustment of affairs in
the company. A plan of reorganiza-
tion for the H. B. Claflin company will
soon be presented which we hope will
prove acceptable both to creditors
and to stockholders.

The Associated Merchants com-
pany, and the United Dry Goods com-
pany are not themselves borrowers
of money. They are in exceedingly
strong financial position and the suc-
cess of their retail stores is assured.

Jacksonville, Fla., June 24.—With
all heat records for June broken, the
mercury today rushed higher at a
greater speed than yesterday. The
weather clock in a public park yes-
terday at 1 o'clock showed 118 de-
grees while the official temperature
was 101. Today the temperature for
the morning hours was from 8 to 1
degree higher. This breaks a record
of forty-three years.

MAY PROBE SALARY LISTS OF BANKERS

Federal Reserve Board May Insist on Detailed Statements
As to Salaries Paid Officials of Banks Belonging
To Federal Reserve System.

Washington, June 25.—Although
John Skelton Williams, comptroller of
the currency, refuses to confirm per-
sistent reports that the federal reserve
board will insist on detailed statements
as to the salaries paid all officials of
banks belonging to the federal reserve
system, it is believed such action will
be taken by the board after its organi-
zation. Repeated requests have been
made by stockholders of various bank-
ing institutions, for federal legislation
which will make it impossible for
banks to jump their salaries, thus pre-
venting the public and stockholders
from knowing exactly how they are
apportioned. Under the federal re-
serve act, the board undoubtedly will

have the authority to require banks to
state their salary lists in detail. Sec-
tion eleven of the federal reserve law
provides that the federal board shall
be empowered to "investigate at its
discretion" the accounts, books and
personnel of the reserve banks, each
member bank, and to use these state-
ments and reports as it may deem nec-
essary.

It is frequently charged by minority
stockholders that officials controlling
banks deprive stockholders of earnings
to which they are entitled, by voting
larger salaries to officials. Such action
would be more difficult, it is insisted
by complaining stockholders, if banks
were forced to publish their salary
lists in detail.

NOTABLE SESSION OF STATE EDITORS

Press Association Meeting from
This Year is Proving Un-
commonly Successful.

Special to The Gazette-News.
Oceanic Hotel, Wrightsville Beach,
June 25.—The North Carolina Press
association convention is proving un-
commonly successful. The attendance
is fine. District Attorney Hammer,
wife and daughter are here. Mr.
Hammer is here as publisher of the
Asheboro Courier. It was jokingly re-
marked by those who remember how
some of the officials attended the
state convention that Solicitor Ham-
mer got permission from the depart-
ment before leaving his district.

Col. Wade Harris found that some-
body had pre-empted his room when
he arrived late Tuesday night, while a
waiter poured stewed tomatoes all
over him at dinner.

The hospitality of Wilmington is
unusually and limitless. The Dutchess
was easily discerned in the Dutch sup-
per last night, and it may be said
without reservation that the occasion
left nothing to be desired.

The addresses of Poe, Rountree,
London, Butler, Graham, Beasley and
Rickett were heard with noticeable
pleasure by the full membership.
Close attention was devoted to the talk
of Mrs. Boylan, one of the five women
who have addressed the association.
The historian's paper by DePriest and
the poem by William Laurie Hill at-
tracted favorable comment.

A kindling and rejuvenated note
of militant progress was sounded in all
the addresses, this salutary note cul-
minating in the appeal of President
Graham for the "wholly practical and
necessary functioning of democratic
education," which would lead to a
newer and truer interpretation of hu-
man freedom.

The association gave serious thought
last night to the matter of the pro-
posed constitutional amendment. At-
torney General Bickett stated the case
relative to the various amendments
clearly and forcibly.

By virtue of the Bickett speech the
editors better understand the merits of
it, and likewise the necessity for the
adoption of the amendments.

Members of the association, it was
easily remarked, are thinking along
lines that have a tendency to reform
and construct. To one attending the
session it seemed natural enough
that so many of the papers should
have taken their stand recently in
behalf of a thorough going primary
law and against the way of political
machinists.

Applause instantly followed the de-
livery of Mr. Beasley's address. He
declared that one had to look behind
the little bosses to discover the big
bosses. He said the platform com-
mittee of the last state convention had
shown no more progress than did
Louis the Fourteenth and intimated
that there had been a frameup by
the machine politicians and said the
committee had left to individuals the
fight for civic and legislative re-
forms when the convention should
have blazed the way.

President Poe appointed on the
resolutions committee R. R. Clark,
Stateville; H. B. Varner, Lexington;
and James H. Cowan, Wilmington.

MICHIGAN CLAIMING B. B. CHAMPIONSHIP

Ann Arbor, Mich., June 25.—As a
result of the victory over Pennsylvania
yesterday, Coach Lundgren claims the
1914 collegiate baseball championship,
both east and west, for the University
of Michigan. Michigan has won 23
games and lost six. The Wolverines
have defeated Pennsylvania two out
of three, won three straight from Bry-
ant and shut out Cornell in two
games. Cornell and Pennsylvania have
beaten the other big teams in the east.
Michigan's claim to the western title
is based on the two games out of three
won from Notre Dame, though it did
not win Illinois, the conference cham-
pionship.

U. S.-JAPAN NOTES TO BE PUBLISHED

Correspondence Over Califor-
nia Anti-Alien Land Law to
Be Given Out.

Washington, June 25.—By mutual
arrangement between Secretary Bry-
an and Ambassador Chinda, the cor-
respondence between the United
States and Japan over the California
anti-alien land law, is to be pub-
lished in both countries simultaneously
tomorrow. The correspondence be-
gins with the Japanese protest of
May, 1913, in advance of the enact-
ment of the Webb law, and winds up
with the last American note of yes-
terday's date, making answer to a
communication from the Japanese
government, received ten months
ago. The notes are voluminous and
largely argumentative, the Japanese
government endeavoring to show that
the California law was a violation of
the existing treaty, and the American
side of the case laying great stress
on the language of the treaty which
apparently almost excludes Japanese
from the right to hold agricultural
lands.

The last American note was an af-
terthought. State department officials
had concluded that the Japanese note
of last August had brought the nego-
tiations to an impasse; that each side
had reached a radical disagreement
as to the scope of the treaty and the
California law. They felt that the
only way to clear away the differ-
ences would be through a legal test
of the constitutionality of the Cali-
fornia legislation and they inclined
to the belief that it remained for the
Japanese government to make this
test through a suit instituted by a
Japanese resident of California.

Meanwhile there was some cautious
informal exchanges between Ambassa-
dor Guthrie and the Tokio foreign
office on the subject of arbitration
but that never took form.

Now, however, a new cabinet has
come into power in Japan which is
understood to be pledged to a more
active foreign policy and it is relied
on to reach a report to the
Japanese diet of the status of the
California legislation.

COL. ROOSEVELT BEGINS POLITICAL ACTIVITIES

Says Career as Geographer Is
Ended—Politics to Be His
Chief Pursuit.

Oyster Bay, N. Y., June 25.—Theodore
Roosevelt, who returned from
Europe last night, where he had
gone to attend the wedding of his
son Kermit, permitted himself no
rest today, but got to work on his
correspondence and other work that
had accumulated in his absence. Politics
will be Mr. Roosevelt's chief
pursuit for the next four months, ac-
cording to the colonel. "My career as
a geographer ended last night," he
said last night. "For the next four
months, according to the colonel.
"My career as a geographer ended
last night," said he last night. "For
the next four months I suppose I
shall be a politician."

Colonel Roosevelt appears to be in
much better health than when he
sailed for Europe.

Discovery Confirmed.
New York, June 25.—In a cable
message made public here today, Al-
got Lange, an explorer, after an-
nouncing that he had completed Am-
erson explorations for which he went
into the Brazilian jungle in 1912,
added that he found the discovery of
a river by Theodore Roosevelt to be
authentic. Lange also stated in his
message that he was aboard the
steamship Denis, en route to New
York.

MEXICANS HOPE FORSETTLEMENT

Huerta and Carranza Repre-
sentatives More Optimistic
Since Signing of the
Peace Protocol.

THEIR TASK NOW TO SELECT PRESIDENT

Mediators and Americans Will
Lend Counsel—Provisions
Of Mediation Protocol
Are Outlined.

Niagara Falls, Ont., June 24.—Peace
between the United States and Mexico
today brings a single condition—
the establishment of a new provi-
sional government along lines which
will justify the world in according it
recognition. The Mexican factions
have given guaranty that they will
agree to the condition.

Mediation negotiations conducted
by ministers from Argentina, Brazil
and Chile have resulted in a practical
deadline over the selection of a pro-
visional president. Upon the repre-
sentatives of the two warring factions
—the constitutionalists and Huerta
government—devolves the task now
of selecting a provisional president
and his cabinet to serve while the
country is being made ready for a
general presidential election. The
mediation conference does not adjourn.
The diplomats and American dele-
gates will lend their counsel and ad-
vice wherever the delegates or the
two meet in formal conference. This
place has not been selected, but it
is likely the conference will be here.
The names of their candidates for
president have not been given the me-
diators by the constitutionalists nor
the Huerta delegates.

If the negotiations between the two
factions are successful and a provi-
sional president, acceptable to both,
is selected, the date for the constitu-
tional election will be the next point taken
up.

The plan of procedure is that first,
a provisional government shall be set
up on a certain date which shall be
recognized by the officials in Mexico;
second, the constitutional government
shall be selected by agreement of
parties to Mexico's internal struggle;
third, diplomatic relations between
the United States and Mexico shall be
resumed and recognition accorded;
fourth, no war indemnity shall be
paid to the United States, or other in-
ternational satisfaction claimed. Ab-
solute amnesty to foreigners for any
political offenses shall be proclaimed;
fifth, Argentina, Brazil and Chile all
agree to recognize the new provisional
government.

Coincident with the signing of this
protocol between the parties to the
mediation conference, the mediators
issued a statement why they had
been unable to admit the constitu-
tionalists previously, and stating that
they had decided to leave the inter-
national problems to the Mexicans
themselves to adjust.

The mediators and delegates were
happy today. They felt that a long
stride toward internal peace in Mex-
ico had been taken through the prac-
tical settlement of the international
differences. Others were skeptical, but
only because the two factions hitherto
have been irreconcilable in their ideas
of how the government shall be con-
stituted and because an armistice has
not yet been promised.

Such an agreement finally being
reached between the two factions, it
is believed an armistice will be de-
clared immediately and details of the
transition arranged without further
bloshed. That the constitutionalist
chief will assent is believed likely
here, as Villa, admittedly the strongest
military factor in the situation, is
understood to be in thorough sym-
pathy with the conference. His victory
at Zacatecas has not affected the
situation, except as it forecasts the
purpose of the constitutionalists to
obtain the large share in the control
of the new administration on account
of their military successes.

Carranza's attitude is also said to be
favorable as his contention that the
selection of a provisional president is
an internal problem is now upheld.
Three constitutionalist representatives,
now in Washington, are expected to
arrive here within a few days to rep-
resent the constitutionalists. The per-
sonnel of the delegation, however,
may be changed when Fernando Cal-
deron and his party reach Washington
from Saltillo.

More Promising.
Washington, June 25.—After a confer-
ence with Secretary Bryan, Presi-
dent Wilson authorized the state-
ment today that the outlook in the
Mexican situation was more promi-
sing than it ever had been before.
It was intimated by officials close
to the president that this feeling was
based on the signing of protocols at
Niagara Falls last night and the ex-
pectation that the internal affairs of
Mexico would be satisfactorily ad-
justed between representatives of the
Continued on page nine.

U. S. TO PURCHASE MORE N. C. LANDS

U. S. Forest Commission Reserves 13,500 Acres, Mainly in Mt.
Mitchell Region with Tracts in Virginia, W. Virginia,
Tennessee, Georgia, South Carolina.

Washington, June 25.—The national
forest reservation commission has re-
served for purchase by the govern-
ment a number of tracts in Virginia,
West Virginia, Tennessee, North Caro-
lina, South Carolina and Georgia, to-
talling over 27,000 acres. About 13,-
500 acres is in North Carolina, prin-
cipally in the Mount Mitchell region,
about 7000 acres in Tennessee, and
6000 acres in West Virginia.

This will conclude the purchases for
the fiscal year closing June 30, 1914,
during which the areas approved for
purchase have totalled nearly 400,000
acres. The lands selected for acqui-
sition by the government are the largest

purchase in the east since the pur-
chase policy was adopted in 1910.
They now total 1,105,000 acres, having
a purchase price of \$5,500,000.

One of the best tracts, from a tim-
ber standpoint, that the commission
ever has concluded to buy, is one of
over 7000 acres in the Mount Mitchell
region, North Carolina, decided on to-
day. It averages more than 6000 feet
of saw timber and other products per
acre. All the tracts adjoin or lie near
lands previously acquired, under the
general policy by which national for-
ests of good woods are being built up
in the eastern mountains through suc-
cessive purchases.

CRAIG IS INVITED TO CELEBRATION

City of Philadelphia Invites
Carolina Executive to Par-
ticipate July 4th.

Governor Locke Craig has received
from the Councils committee of the
Fourth of July celebration that is be-
ing planned for Philadelphia an
invitation to attend and take
part in that celebration. All the
governors of the thirteen origi-
nal states will be asked to at-
tend and it will be the first time that
a president of the United States has
ever spoken in Independence hall.

The invitation, which is interesting
history, contains the names of the gov-
ernors of the thirteen original states
and is as follows:
John K. Tener, Pennsylvania; Simon
E. Baldwin, Connecticut; Cole L.
Blease, South Carolina; Charles R.
Miller, Delaware; James F. Fielder,
New Jersey; David I. Walsh, Massa-
chusetts; Samuel D. Felker, New
Hampshire; Locke Craig, North Caro-
lina; Martin H. Glynn, New York;
Aram J. Potchier, Rhode Island; John
M. Slaton, Georgia; Phillips L. Golds-
borough, Maryland.

Copy of Invitation.
"The city of Philadelphia plans this
year to observe the fourth of July,
generally known as Independence day,
with a special celebration which shall
attract the attention of all to this city,
where the declaration was drafted,
and from whose Independence hall
the old Liberty bell rang out the first
news of the nation's birth.

"The president of the United States
and the governors of the thirteen origi-
nal states are invited to be the city's
special guests upon this occasion.

"President Wilson already has ac-
cepted the invitation and has an-
nounced that he will deliver an ad-
dress.

"He promises that he will take up
in his speech matters of chief im-
portance now before the nation.

"He will be the first president of
the United States to speak at Inde-
pendence hall on Independence day
since the signing of the declaration on
July fourth, 1776.

"To you, as governor of one of the
13 original states, the city of Philadel-
phia presents its compliments and re-
quests the honor of your presence at
the celebration of the 138th anniver-
sary of the signing of the declaration
of Independence, to be held July 3 and
4, 1914.

"A similar invitation has been sent
to the governor of each of the other
12 original states of this union.

"If it is impossible for you to be
present in person, then we urgently
request you to send an official repre-
sentative.

"The city of Philadelphia asks per-
mission to pay all the expenses of the
journey of yourself or your repre-
sentative and asks you to become the
guest of this city during the celebra-
tion.

"On July 3, at 10:30 a. m., the gov-
ernors of the 13 original states will
meet at Independence hall to receive
the welcome of the city of Philadel-
phia.

"A luncheon will be served at 1
o'clock and at 2 o'clock a trip in an
automobile through beautiful Chester
valley to historic Valley Forge—just
outside of the city—and from Valley
Forge the party will be taken to the
site of the battle of Germantown, a
suburb of the city.

"Dinner will be served in the his-
toric town hall of Germantown.

"On the morning of July 4 the presi-
dent of the United States will meet
the governors in Independence hall at
10:30 o'clock, after which the national
celebration will be held in Indepen-
dence square.

"This celebration is proposed be-
cause of the importance of keeping be-
fore the nation the principles and la-
bors of the founders of the republic.
We not only invite you to celebrate
this occasion with us, but we also
urge upon you the wisdom and nec-
essity of doing so for a common patri-
otism.

"To this end we further ask that a
suitable proclamation be issued in
state, calling the attention of your

ZACATECAS NOW IN REBEL HANDS

Important Stronghold Falls to
Villa—400 Federals Killed,
2000 Wounded, 5000 Cap-
tured, Is Report.

ANOTHER STAGE IN MARCH TO CAPITAL

All Northern Mexico and Over
Half of Republic Are Now
In the Hands of the
Constitutionalists.

Zacatecas, Mexico, June 25.—After
four days of preliminary fighting the
final assault on Zacatecas took place
on Tuesday, resulting in the capture of
the city by the constitutionalists at
7:30 p. m. The dead on the federal
side according to official figures num-
bered 4000 with 2000 injured, while
the loss to the other side were not
stated officially though General Villa
estimates his casualties at 500 dead
and 800 wounded. The battle was the
most hotly contested during the present
rebellion, according to leaders here.
Fourteen thousand rebels were
intrenched in seemingly impregnable
positions.

Five thousand prisoners were cap-
tured by General Villa's troops. Twelve
cannon, five military trains, twelve
thousand rifles and nine carloads of
rifle and cannon ammunition were
captured.

The federals are reported to have
dynamited many buildings before
evacuating, slaying those of Villa's
troops who had occupied the buildings,
in the street fighting.

General Villa himself gave the fol-
lowing account of the battle:
"After four days of hard attacks,
today was the decisive one. The enemy
numbering 14,000 commanded by Me-
jina Barron, and five other generals
were defeated completely by my forces
which were aided effectively by Gen-
eral Nateras's men. Up to this moment
we have 5000 prisoners, twelve can-
non, nine trains, two carloads of rifle
ammunition and nearly 6000 Mauser
rifles, besides a large quantity of pro-
visions and other munitions of war.

"The enemy who escaped, went in
the direction of Aguas Calientes after
dynamiting the postoffice, the state
treasurer's office and the stamp re-
venue office buildings. The explosions
killed many of our men and destroyed
part of the city. The dead of the
enemy number about 4000 and 2000
wounded.

"On our part we cannot tell the loss
in the battle which continued five con-
secutive days, but about 500 were
killed and 800 wounded among them
Generals Herrera and Guardo, severely
wounded. The artillery operated
splendidly. The federals destroyed
every fort, the last being El Grillo."

Effect of Battle.
El Paso, June 25.—The taking of
Zacatecas, placed all the northern part
and much more than half of the re-
public in the hands of the constitu-
tionalists. It marks another stage in
the race of three constitutionalist lead-
ers for the capital, General Villa,
from Zacatecas, will probably move
toward Aguas Calientes, almost direct-
ly south, where the remnants of the
Zacatecas garrison retreated.

General Gonzalez, the eastern divi-
sional commander, who took Tampico,
has been ordered to take San La's Po-
tosi, now weakened by an almost com-
ing summer with Mr. Clancy.

(Continued on page 9)

FREE COUPON

IDEAL ART
PATTERN OUTFIT
AND
TODAY'S MAGAZINE

PRESENTATION BY
Gazette-News, Thurs. June 25

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

GIFT No. 1—IDEAL ART PATTERN OUTFIT—Containing
168 Newest Embroidery Patterns of absolutely the latest design which,
at 10 cents each, regular retail value, would cost more than \$16.80.
Book of Complete Lessons in Handwriting Stitching by Miss De Perum,
the noted French expert.
Ideal Embroidery Hoop which cannot get out of order.

GIFT No. 2—TODAY'S MAGAZINE—FOR ONE YEAR
The Great New Woman's Magazine—giving you each month for 12
months the most up-to-date Woman's Journal, mailed direct to your
home by the publishers of the magazine.

Bring 6 of these Coupons and 25 Cents to this office and receive complete Gift
No. 1 and write name and address to which you wish Today's Magazine Gift
No. 2 mailed you each month for one year on the blank below. These Gifts
are to cover the expense of freight from the factory and cost of handling the Pattern
Outfit and the cost of mailing to you each month for a year the current issues of
Today's Magazine.

Out of Town Readers will add 2 Cents Extra for postage and mailing.

Send TODAY'S MAGAZINE for One Year to

NAME.....

STREET and No.....

CITY or TOWN.....