

# The News and Observer

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## FREIGHT RATE VICTORY SAVES STATE \$2,000,000

### Interstate Commerce Commission Makes Ruling in Favor of Tar Heel Shippers After Long Fight—Rebukes Virginia's Obtrusion Into Fight in Which Was No Discrimination Against That State.

#### GOVERNOR CRAIG THINKS ADVANTAGES ARE GREAT

Says Business Will Be Stimulated and Readjustment Will Come From All Parts of South—Chairman Travis Pleased With Order—Saving Will Be Much Greater When the North Carolina Shippers Increase Their Business and Get Lower Rates Within North Carolina

(By W. E. FLEVERTON.)  
Washington, D. C., March 13.—North Carolina's agreement with the railroads whereby the State will save many thousands of dollars annually in decreased freight rates will become effective as soon as the railroads file their new tariffs with the Interstate Commerce Commission and the necessary time shall have elapsed according to law. The commission must first approve the tariffs, then thirty days' notice must be given. After that the rates go into effect and the controversy between North Carolina and the railroads on interstate rates will be ended for two years at least.

Last Obstacle Removed.  
The granting by the commission today of two fourth-section orders removed the last obstacle in the way of the agreement. The orders themselves affect only part of the rates named in the agreement, but they are vital in that the whole agreement would have fallen flat for this decision. Had the decision of the Interstate Commerce Commission been adverse the Southern Railway would have pulled out of the contract and would have meant a complete collapse of the whole. As it is, the Southern keeps practically all its freight business from Mississippi and Ohio river points to points east of Salisbury, N. C., and it would have the same opportunity to do so. Hence the importance of today's decision to all concerned.

Applies to 700 Stations.  
The order issued today does not merely apply to the rates to be paid to interstate points, but it applies to all freight rates on second class freight on third, fourth, fifth, sixth, seventh and fourth class of these rates. The commission says approximately 120 stations in the State of North Carolina, including most of the larger cities in that State, such as Charlotte, Greensboro, Goldsboro, Raleigh, Salisbury, Statesville, and other points, that those named were named to approximately 120 stations, and less reductions than those named are made to about 250 stations. The net result is to reduce the rates through the points of origin to practically all the stations in North Carolina approximately 10 per cent.

The Memphis Exception.  
The order of the commission allows the Atlantic Coast Line, the Chesapeake and Ohio, the Norfolk and Western, the Seaboard Air Line and the Southern to establish rates named in the petition from the Ohio river cities and St. Louis, Mo., via the Virginia cities and via routes through Atlanta, Ga., Asheville, N. C., and Johnson City, Tenn., to North Carolina points. The only exception to a complete victory for North Carolina is that the proportional rate from Memphis to North Carolina cities is agreed to be so limited in their application as not to apply to traffic originating in that city of Memphis. But as North Carolina does not get much from cities on that route on this side of Memphis this point will be no hardship. In fact that point was not pressed when the case was argued.

States Did Not Kick.  
The result of the decision in its legal aspect is that the rate to North Carolina from western points through Kentucky and Tennessee is less than the rate to points in Kentucky and Tennessee. States, through which North Carolina shipments pass. This is a clear violation of the fourth section of the act to regulate commerce, and its violation is only with the consent of the commission. Kentucky and Tennessee had the right to kick, but their kick was mild even though they were concerned. The commission points out, however, that neither Knoxville nor Knoxville loses any of its jobbing business because of the new rates and their rates are no higher than they were before, hence these cities are appeased.

Not So With Virginia.  
Not so with the Virginia cities. Their rates are still lower than those

## WALKER HILL, NOTED BANKER, MAY GO ON RESERVE BOARD



Washington, March 13.—Walker Hill, president of the Mechanics' American National Bank of St. Louis, is being considered for a place on the Federal Reserve Board, which will administer the new currency system. He is accounted one of the leading bankers of the middle West. Mr. Hill is a native Virginian and was prominent in banking circles there prior to 1902, when he went to St. Louis to become president of the American Exchange National Bank. He afterward became president of its successor, the Mechanics' American National Bank, and in 1913 he left and began working in a bank as a messenger.

## EXPRESS COMPANY QUILTS BUSINESS

### Giant Carrying Company Disintegrates and Will Pay Back Shareholders' Money

#### PARCEL POST CAUSED STEP

United States Express Company, Which at One Time Controlled Contracts Covering 32,000 Miles, Cannot Compete With Success of Parcel Post, So It Quits

(By the Associated Press.)  
New York, March 13.—Directors of the United States Express Company today announced that they will liquidate its affairs and dissolve it in the shortest possible time. The resolution under which this action was recommended reads:  
"Resolved, That pursuant to the power and authority conferred on the Board of Directors of the United States Express Company by its articles of association, the board unilaterally declares that it is for the best interests of the company that the company be dissolved and that its business and affairs be settled up and finally adjusted as promptly as may be done. The president is directed to inform the shareholders of the company of said action of the board."  
A committee on liquidation, which embraces the representatives of the leading interests in the company, including Charles A. Peabody, president of the Mutual Life Insurance Company and the chief financial adviser of the Harriman estate; William A. Reed, ex-Senator W. Murray Crane, of Massachusetts; and Halcy Fiske, vice-president of the Metropolitan Life Insurance Company, was appointed to undertake the work of liquidation.  
The precise plan for rearing on the company's affairs was not disclosed, but it is thought a syndicate will be formed to take over the company and may be disposed of to the best advantage.  
Persons familiar with the company's affairs declare that the return to the shareholders will be between \$50 and \$100 a share.  
Result Foreshadowed.  
Today's step was foreshadowed a few weeks ago when the stock, which had sold down to 38 last December, rose on very large dealings from 65 to 84, its price of 100 being taken over, so that the company was in a position, despite official denials, that disintegration was under way.  
The success of the parcel post and the recent express rate reduction by the Interstate Commerce Commission for the company's retirement from business after sixty years of continuous operations.  
Earnings for the five months of the fiscal year so far reported showed a net profit of \$1,000,000, a record for the company. The deficit of \$32,000 for November until some of the more influential interests became outspoken for liquidation.  
The late Thomas C. Platt and his family for years were dominant in the United States Express. Their control was so complete that they succeeded in warding off numerous demands and protests on the part of minority interests and for many years the public knew virtually nothing of the affairs of the company, no meeting of the stockholders having been held in more than 50 years.  
There are outstanding 100,000 shares of United States Express stock, but these are in comparatively few hands. The Harriman estate is believed to hold over one-fifth, which the late E. H. Harriman acquired at an outlay of about \$2,500,000. The Platt interests are said to be relatively small.  
The express company at one time had contracts covering 32,000 miles. In part these contracts have expired, but the remaining ones are said to be of potential value, and it is assumed they will be transferred to one of the company's competitors, probably Wells, Fargo & Company, in which the Harriman interests have large holdings.

## SENATE VIGOROUSLY AT WORK

### Getting Ready To Follow Action of House

#### WILL UPHOLD PRESIDENT

Several Senators Who Voted For Free Tolls Will Support Repeal—Others Open To Conviction—Adamson Sure That Victory In The House Will Result

(By the Associated Press.)  
Washington, D. C., March 13.—Administration leaders in the Senate and House today set themselves for a quick and decisive battle next week over the repeal of the toll exemption clause of the Panama Canal act, confident that President Wilson's plea for reversal of policy in the interest of the government's foreign relations would be heeded.  
In the Senate, after informal conferences of Democratic leaders and a talk with President Wilson, Senator Owen of Oklahoma introduced a repeal bill similar to the Sims bill pending in the House, in order to have the issue immediately placed squarely before the committee on Inter-Oceanic Canals. It also was determined to hasten consideration, in order that it may be ready to be taken up as soon as it is disposed of in the House.  
Representative Adamson, chairman of the House committee on Interstate Commerce, who is leading the fight for the President's plea, the lower body, conferred with senators during the day, giving assurance that the repeal bill would be passed by a comfortable margin by the end of next week.  
Senate leaders were moved to begin vigorous action before the House completes its work on the matter, because of a realization that, while ultimate passage of the repeal is assured, there will be a hard fight in the committee on Inter-Oceanic Canals, which has jurisdiction over the bill. Senator Owen, a majority member of that committee, took the initiative. Senator O'Gorman, the chairman, and some other Democratic members being opposed to the repeal. Senator O'Gorman who is out of the city will return Monday to find an insistent demand for taking up the Owen bill and also the compromise bill introduced by Senator Chilton, which would empower the President to assess tolls against American coastwise ships.  
Among the Democrats on the committee who voted for toll exemption in the Senate, the President has declared that there must be no compromise in settling the issue.  
Senator Walsh of Montana, who fought for toll exemption, has declared himself in opposition. Republican members of the committee also are divided. In any event, the action of the committee on the Owen bill is certain to be close.  
"No matter what action the committee may take," said Senator O'Gorman tonight, "this is a matter that must be settled, and there is no reason for delay. The House has determined upon a plan, and should there be any delay, there would be ready to proceed in the Senate."  
Much discussion prevailed in the Senate today as to the outcome of the issue, it being generally conceded that the repeal bill would pass. Claims that it would be adopted by a majority of about fifty were not accepted, however, by the conservative leaders, who predicted that the majority in favor of the repeal would not exceed ten.  
In his conference with the President Senator Owen agreed to do all he could to hasten consideration of the repeal.

## A FORTUNE IN PRIZES TO BE GIVEN AWAY

### More Than Twenty Thousand Dollars Worth of Splendid Gifts to Be Distributed Among North Carolinians By The News and Observer in Great Voting Contest

#### EVERY CONTESTANT WILL RECEIVE SOMETHING AT CLOSE OF CONTEST

### It Costs a Candidate Nothing to Enter the Contest and Nothing to Win One of the Eight Automobiles or Any Other of the Awards, Including Pianos, Diamonds, Bank Accounts, Etc.—Enter Today.

#### ASHEVILLE STORE LEGALLY BANKRUPT

Peerless-Fashion Company Is Loser in Hard-Fought Contest in The Courts

(Special to The News and Observer.)  
Asheville, March 13.—The jury which has heard the evidence in the bankruptcy proceedings against the Peerless Fashion Stores Company yesterday found the company bankrupt and brought to a close the first case of the kind in Western North Carolina.  
The case has been one of the hardest fought in the history of the civil courts here, both sides being represented by strong legal talent. Representing the Peerless Fashion Stores Company and fighting the proceedings were Wells, Swan & Campbell and Britt & Tones. The petitioning creditors were represented by Merrimon, Adams & Adams.  
Hard Fight in Court.  
The petition in bankruptcy was filed in the office of the clerk of the United States District Court December 8 by Merrimon, Adams & Adams. The petition claimed that the company was insolvent and was not able to pay claims against it being the Baltimore Bargain House, of Baltimore; the Greenville Cotton Mills, of Greenville; and the Stephen-Putney Shoe Company, of Richmond.  
Immediately after the petition was filed Receiver Hynum Sumner took charge of the affairs of the company, which operated two stores here and one at Chatsanooga, and the president, E. H. Thrash, demanded a jury trial. The case was placed on the civil docket of the District Court and was started Tuesday, March 3.  
Mr. Thrash has contended that the receiver's inventories did not place a proper valuation on the stock, that the company was amply able to meet its obligations and that he had been guilty of no act in bankruptcy.  
A ounce of pluck is better than a pound of luck when it comes to removing feathers from geese.  
(Continued on Page Seven.)

## GIVES TO STATE IMMENSE VALUE

### Freight Rate Decision Marks The Administration of Gov. Craig as Remarkable

#### PRESENT-FUTURE WORTH

### J. W. Bailey Points Out Its Effect and Pays Just Tribute To Governor Craig On His Course, To Just Freight Rate Association, To Chairman Travis and Commission

The decision of the Interstate Commerce Commission in favor of North Carolina in the matter of freight rates is of itself sufficient to make the administration of Governor Craig memorable, said Mr. J. W. Bailey to a reporter on yesterday. "When Governor Craig took the path of his office he declared that the last atom of his power should be exhausted, if necessary, in correcting the discrimination against North Carolina by the great carriers. He staked his administration on the issue. He has made a masterful fight and won a victory that will never be forgotten. He showed his mettle in two ways, first in standing up against the big carriers and second in standing up against the big mass-meeting at Raleigh and preventing an extreme course."  
"The immediate effect of the new rates will be to save about \$2,000,000 per year to North Carolina commerce. But far greater will be the effect by way of stimulating our trade. Our wholesale men and jobbers and distributors will not have to compete with Virginia merchants. This will inevitably tend to the upbuilding of our cities. Raleigh is one of the best distributing points in the South, having an immense population within a radius of fifty miles and most of it in touch with railroad facilities. Every foot of land in Raleigh has been increased in value by the Governor's victory. And this is equally true of other cities and towns."  
"Of course due credit should be given to the Just Freight Rate Association and its leaders, and to our Corporation Commission—a very great deal to the Corporation Commission, and especially to Chairman Travis. He mastered the subject in hand, gave himself to the cause with great enthusiasm, and when he gets started at anything that way he can do as much as any man I have known. He has earned the right to a unanimous re-nomination, and I believe it will not be challenged."  
"But it was Governor Craig who put the spot in the movement, at the outset, and it was he who directed it all the way with 'cool head and lion heart.'"  
"I believe that this triumph will be followed this year by the ratification of the amendments to the Constitution, the revision of our system of taxation, the establishment of a closer business methods in the management of our institutions, and the enactment of a legalized primary law. If so, President Wilson will have nothing on Governor Craig when his term has expired. We will have all the progress that the most progressive could desire."

## SCREAM WAS HEARD TWO HOURS LATER

### Affidavit Gives Lie To Conley's Story of Time Girl Was Murdered

(By the Associated Press.)  
Atlanta, Ga., March 13.—An affidavit further attacking the theory of the State as to the time and place Mary Phagan was killed was made public here today by counsel for Leo M. Frank, under death sentence for the factory girl's murder. Mrs. J. H. Simmons, the affiant, alleges that she heard a woman scream in the pencil factory here between two and three o'clock on the afternoon of April 26, 1913—two hours later than the time the State contends the murder occurred. The affidavit further declares that the scream came from the second floor of the building, where the State charged that Mary Phagan was killed.  
Mrs. Simmons' home is in Birmingham, Ala. In her affidavit she says she was visiting in Atlanta on the day of the murder, and heard the scream as she was passing the pencil factory. She further alleges that she reported the incident to local authorities on May 5, more than two weeks before the indictment of Frank, but that she was not subpoenaed to appear either before the grand jury or at the trial.  
At the trial the State sought to establish that Mary Phagan was killed on the second floor of the factory, near the office of the accused, a few minutes before noon. James Conley, negro factory worker and principal State witness, testified that between twelve-thirty and one o'clock he heard Frank take the girl's body to the factory basement and hide it. The State also contended that about one o'clock Frank went home for lunch, returning to the factory again after three o'clock. The affidavit of Mrs. Simmons, it is expected, will be included in the extraordinary motion for a new trial now to be filed by Frank's attorneys. Counsel for the convicted man would make no statement tonight as to the probable date this motion would be filed, but it is understood it will be ready early in April. It may have been filed as early as April 17, the day set for Frank's execution.

## MEMORY OF AYCOCK

### Forsyth Citizens Join Move To Erect Memorial To Educational Governor

(Special to The News and Observer.)  
Winston-Salem, March 13.—George Royal, a prominent business man of Goldsboro, addressed a meeting of the Forsyth Association this afternoon in response to the movement for the erection of a memorial to the late ex-governor Charles B. Aycock.  
The meeting was called for the purpose of perfecting the organization of a branch of the State Aycock Memorial Association for the county of Forsyth. It was decided that the local bar room & annex around which shall be gathered a strong association, composed of citizens generally, which shall have for its purpose the raising of a fund to be contributed by the friends of the late Governor toward the erection of an enduring memorial to North Carolina's Educational Governor.  
At the meeting this afternoon, A. H. Eller was chosen chairman, and Charles A. Vogler, secretary, and the chairman was instructed to call a meeting of the citizens with the members of the Bar Association for the purpose of immediately perfecting the organization of the branch.

## CONSIDERS TRADE BILL

### Senate Committee Worries Over Puzzling Features

Washington, D. C., March 13.—Deliberation on puzzling features of the proposed interstate trade commission bill today occupied the Senate sub-committee on interstate commerce for several hours. The committee did not complete its work and probably will not be ready to report to the full committee until some time next week. The House measure on the same subject still is being considered by the attorney general, but it probably will be before the interstate commerce committee early next week. The committee is expected to report it to the House, so that discussion of trust legislation soon may begin.  
It is the hope of committees of both Houses to get the trade commission measure on the way as soon as possible, it being the keystone of the administration's anti-trust legislative program. Other features of proposed trust legislation still are unsettled, and will not be centralized for many weeks.  
Lodge for Cost System.  
Senator Lodge today introduced an amendment to the pending Newlands trade commission bill, which would provide that "wherever the United States manufactures or produces articles, supplies, materials, apparatus, ordnance, vessels for its own use or carries on industrial processes or maintains establishments, shops, factories for either or both production or repair of government supplies or property, the commission shall establish and require to be maintained in such places the articles produced or

## Nomination Ballot

To enter the Contest, fill out the Coupon and send to the Contest Department. Each contestant is entitled to one nomination good for 1000 VOTES.

I hereby nominate  
MR., MRS. OR MISS \_\_\_\_\_  
Street No. \_\_\_\_\_ District No. \_\_\_\_\_  
Postoffice \_\_\_\_\_ State \_\_\_\_\_  
Signed \_\_\_\_\_  
Address \_\_\_\_\_  
Date \_\_\_\_\_

Only one nomination will be credited to each contestant. Under no circumstances will the nomination name be divulged.