RALEIGH, N. C., WEDNESDAY MORNING, MARCH 23, 1921.

SIXTEEN PAGES TODAY.

PRICE: FIVE CENTS

SEE DAUGHERTY JOB WANTED WITH

President Not Depending On. Will Hays As Political Advisor For Administration

BUTLER MAKES HEADWAY IN RECOGNITION FIGHT

Sampson County "Farmer" Has Charlotte Manufacturer Backed Off Boards When It Comes To Talking; Postmas ter General Hays' High the grand jury finds against them. Sounding Talk Camouflage

News and Observer Bureau, 603 District National Bank Bldg. By EDWARD E. BRITTON. (By Special eLased Wires)

Washington, March 20.—Here's a straight tip to Republicans who may chance to read this. At least I think chance to read this. At least I think it's straight because it has that kind of an ear mark and is borne out by cincumstances. The tip is that if you are after a job with the government get the "okeh" of Attorney General Daugherty, who is getting to be known as the sell "who's who" in the naming of men for jobs that the President ins in his keeping.

Prinstance, if you want to be a post-master, or to get on the payroll of the Internal Revenue department, it is far, better to have Daugherty nod his head in approval than to put the mat-ter up to Will Hays of Treasury Secre-tary Mellon. President Harding has shown the faith he has in Daugherty by putting him in the cabinet in the face of a determined fight made against this politician from Ohio. And in especial is the Daugherty approval better han the Will Hays' say-so about a job.

Well, those as profess to know tell me that while Huya is in the cabinet he is there because President Harding just did not know how to say "No" when Hays, Republican National chairman and as Hays. man, was urged upon him, and so Hays got a place, while all the time the Harding pre-convention days backers looked askance at him. For there are not a few who profess to believe that Narew was profess to believe that National Chairman Hays, professing to be neutral to a degree towards all candidates for the Republican nomination for President, really worked in the Chicago convention to get things tied up in a deadlock with the ultimate view of having himself misked as the view of having himself picked as the man who would be agreeable to all the op-

posing forces.
But Hays failed to land and Harding was hand-picked by the Senatorial cligarchy, plus Colonel Harvey, and in a smoke-filled room in hours past midnight in a hotel in Chicago, with Daugherty there as the mamer of Harding, as Daugherty had given out long before it occurred as the final procedure, in the haming of the Republican nominee. So Hays gets the watchful eye and Daugherty the substantial trust of the White House, therefore:

White House, therefore:
Q. E. D. Do your-darndest to get
Daugherty's approval if you Mr. Repub-

tican, want a job.

The question that continues to agitate the North Carolina Republican mind is which is the safest bet as a political godfather, Republican Na-tional Committeeman John M. More ad, or former Senator Marion Butler. In this connection permit me to relate a bit of a conversation which one of the "inside group" whispered into my ear this morning.

Butler Making Headway.

It is that the Morehead presence and personality as against that of Butler is not a winner with the givers out of jobs in Washington. "Morehead," said my informant, "is regarded as rather thick headed, and Marion Butler runs rings around him. As I see the matter it lumbin, a position of great importance, is too rough sledding for Morehead, if He succeeds Major Clarence S. Bidley, Butler really gets into action against also of the corps of engineers, and as him. The Morehead method is the bull part of his duties will act as superinin China shop way, while Butler is smooth, suave, courteous. It is certain that President Harding, who has recently had interviews with each of the two; is far more impressed with Butler than with Morehead, and I am conficut made inreads into the Morehead slate for offices. That Butler is making headway is certain, and Republicans who think they can do things without reckoning with him will Mave a different thought coming when the comlete returns are in."

As far as I can learn former Senator Butler holds that the present More-head-Linney slate is wrong is part in so much that it does not recognize some thirty eastern counties, practically a third of North Carolina, with nothing in the job line to be given east of a line that will take in Weldon, Wilson and Smithfield. And geographically and single-like and gogstant-care as well as politically lines are in league with Butler in the matter as it hangs now. Mr. Butler was caller at Attorney General Daugherty's office today, but

Worst Outbreak of Hazing In

Score Of Freshmen Get Their Cut Early Tuesday Morning; Fusillade Of Shots Exchanged Between Hazers And Freshmen; Several Upperclassmen Summoned To Appear Before Wake County Grand Jury In April To Answer Charges: Dr. Riddick Takes Stern Measures To Suppress Department of Justice Agents

All History of State College

tion, several students of State College the Wake county grand jury when it the grand jury. meets April II to answer charges of violating the State statutes. No actual arrests have been made, it is understood, and none will be made unless

Re-appearing late in February after lying dormant since last October, the hazing spirit among a certain element in the college, described by President Riddick as belonging to no particular class, reached its climar early Tuesday impraing when the rooms of upwards of a score of freshmen were broken in to and heads of the freshmen shaved Doors Battered Down,

Considerable violence attended the outbreak, it is stated, doors having been battered down with heavy timbers, and in several instances fusilades of shots were said to have been exchanged. No serious personal injury was done either to the hazing party or to their victims insofar as can be established. Efforts to apply nitrate of silver to the scalps of several freshmen are said to have been foiled.

Rigid investigation was begun by resident Riddick immediately upon the matter's being called to his attention yesterday morning. The names of sevof Solicitor Norris and summonses were issued for their appearance before the Grand Jury. Neither Dr. Riddick nor Mr. Norris would disclose the names of the students involved in the hazing against whom papers have been issued. Solicitor Issues Summonoes.

The summonses were served late yesterday afternoon by an officer. Among the number involved are J. H. McComb and J. F. Turnage. Other summons are expected to be issued as the investigation continues. Dr. Riddick said last night that he judged there were seven or eight upper classmen involved in the hazing, and that he intended to take the sternest newsures significant any whom sufficient evidence was developed dur-ing the course of the investigation be-

ng conducted by him.

While admitting very frankly that there had been an outbreak in the in-stitution, quite the worst in the history of his connection with the college, Dr. Riddeck thought it was not quite proper for him to divulge the names of any

Following the most serious outbreak students involved. Salisitor Norris of baxing in the history of the instituit as his opinion that such situations were expected to be treated as confiden were cited yesterday to appear before tial until they had been reviewed by

Centers in Watauga.

The disturbance is said to have cen tered in the Watnuga dormitory, and spread thence to the 1911 Building, and several other structures in which stu dents were housed. Beginning about midnight, it is said to have continued until well after 3 o'clock in the morn-ing before the hazing party desisted from its raid and returned to their quarters. Masks are said to have been rorn. Dr. Riddick was apprised of the situation and immediately began

an inquiry.

Head shaving appears to have been the most extensive means of hazing. Numbers of Freshmen were on the streets yesterday afternoon and last night, shorn of their hair, and atreact considerable attention in theatres. As many as eleven were counted by an observer in one theatre. None carried any other marks save minor bruises in flicted in the struggles that sometimes preceded the barbering administered.

Pistols Into Play.

Pistol firing was said to have been rather general when the Watagua building was invaded by the hazers. One Freshman is reported to have been shot at directly when he topisted the in-vasion of his room, but the bullet went wild. Doors are said to have been fired through, and when the occupants of a room declined to open it, an improvised battering ram was brought into play and the door smashed from its hinges.

The first outbreak of hair-cutting started in October, but was without any general result. A very few members of the first-year class lost most of their hair, but the situation blew over without any public notice being attracted to it. No expulsions occurred. In February there was a restriction of the attack upon the lower classmen, and a number of head-shavings took

Dr. Riddick Is Firm. Dr. Riddick declared last night that he intended to suppress the custom of hazing at State College if it, required the full power of the State courts to do it. Considerable surprise was oc-easioned yesterday when instead of con-tinuing the formal investigation he

(Continued on Page Two.)

ON HARDING STAFF

Lieut. Col. Clarence O. Sherrill Excursion Touches On Places Named As Military Aide To President

The News and Observer Bureau,
603 District National Bank Building.

By EDWARD E BUILTON

Harding's cabinet was taken today for (By Special Leased Wire.)

Washington, March 22.-North Caro-Washington, Marca 22.—Notth Caro-lina comes again to the fore today in Washington by the announcement of the detail of Lieutenant Colonel Clar-ence O. Sherrill, corps of engineers, a native of Newton, N. C., son of the late Col. Miles O. Shgrrill, for many years State librarian of North Caro-lina, as military aide to President Harding and in charge of public buildings and grounds of the District of Co lumbia, a position of great importance tendent of the State, War and Navy

buildings.
Colonel Sherrill was an active particle pant in the world war and made an en viable record. / Lieutenant Colonel Sherrill is about

45 years of age. He was a student at Trinity College for two years and then went to West Point, being an honor graduate of the United States Military Academy, class of 1901, an honor graduate of the army school of the line, class of 1906, and a graduate of the army war college, class of 1907. His wife was formerly Miss Geraldine Taylor of Leavenworth, Kansas, and they have two children, a son, Clarence Cald-well, aged nine, and a daughter, Min-

well, aged hime, and a daughter, Min-nie, aged five.

Commanded Engineer Regiment.

He was in command of the 302d engineer regiment, which was awarded the Croix de Guerre with Palm by and Smithfield. And geographically ins well as politically lines are in league with Butler in the matter as it hangs now. Mr. Butler was caller at Attorney General Daugherty's office today, but declined to say on what business.

Takfest in Greensbore.

But there is to come a test of strength, or a harmonious plan of cooperation within the next 48 hours, for there is to be a meeting of the Republican State executive committee at Greensboro on Thursday, which former Senator Butler is to attend. He left tonight for his plantation at Elliott, and saked, before taking the train as to the Greensboro meeting, admitted that he would be in Greensboro at the meeting. Answering the question as to what in particular was taking him to the meeting he said:

"I do not care to go into the matter now further than to say that I am going to the committee meeting not in the interest of a principle. First, I want to see the principle of local self government recognized and lived up to in good faith. Under it, the county Republican committee will control all local appointments without the interfaces of any State or district boss. When suveral counties are connegred, then the zommittees of those counties should courted. The action of the last (Continued On Page Two)

Today is Race Day at Pinehurst. Second March Plat Race, 2:55 p. m.—

I described in Attorney in the content of the last scale of the Greensboro with the last scale of the second train and the proposition of the last scale of the second train and the proposition of the last scale of the second train and the proposition of the last scale of the second train and the proposition of the last had been and the proposition of the last had been done to the principle of local self government recognized and lived up to in good faith. Under it, the county Republican committe will control all local appointments without the interface of any State or district boss. When successful and at Washington barracks during the pablican accounting the proposition of the last scale and lived up t General Petain, for meritorious service

and Situations All Over The Diplomatic Map

long journey of exploration through the realm of the nation's foreign affairs.

The excursion, which absorbed the interest of the ten secretaries throughout a two-hour session around the cabinet table, touched on places and situntions scattered over the diplomatic map from Yap to Tibet and afforded several illuminating side trips into such

retary Hughes had the fole Secretary Hughes had the sole of guide, relating to the other secretaries the inside story of the big and little questions of foreign affairs to which the new administration has fallen heir. ment he had prepared a comprehensive picture of the whole foreign outlook, which he laid before the President and his advisers in response to many ques

It was said that the study was only informative in character, Mr. Hughes making no recommendations and the cabinet attempting no decisions on specific subjects. Exhaustive considcific subjects. Exhaustive considera-tion was given to no particular phase of the general picture, the purpose be-ing merely to put all the facts at the disposal of Mr. Harding's official fam-ily so that decisions to be made in the future may be reached with a com-prehension of all collateral issues.

Thus it was understood that in con-

Thus it was understood that in considering the League of Nations, and other considerations involved in the European situation the President and his cabinet made no effort to canyass details of policy but merely availed themselves of all the latest official information in preparation for the decisions yet to be mide. In the same way, Mexico is said to have been passed over with a general survey of broad

The discussion was at the suggestion of the President himself, who was represented as feeling that all the cabinet members should be afforded a glimpse of the foreign outlook now that they have familiarized themselves with the problems of more direct contern to them within their own departments.

ANGENER FIRE VISITS STONEY
POINT IN EARLY MORNING POINT IN EARLY MORNING
Statewille, March 22.—Three store
house and three dwellings were destroyed by fire at Stoney Point this
morning at 2 o'clock. Fire was distoward to receive his detoward to receive his detoward to receive his advices at the last minute
of the way on the relation of the Caristrom
at Mashington barracks during the
troyed by fire at Stoney Point this
morning at 2 o'clock. Fire was distoward to reverse on the outside of R. J. Franklin Bell
to receive his detoward to receive his advices at the last minute
of all buildings to the Rises' store,
this being saved by a bucket brigade
which kept the shingle roof saturated
with water. There is revidence teshowing the armittice he has been on

(Continued On Page Two)

Today is Race Day at Pincharst.

Today is

WALL STREET BOMB EXPLOSION HELD

Ordered Arrest of Men On Mutiny Charge

CAPTURED IN BRAZILIAN CITY, SKIPPER STATES

Heavily Guarded Prisoners Brought Ashore and Placed In New Orleans Jail To Await Further Instructions From Department of Jus.

New Orleans, March 22. Held in separate cells in the New Orleans parish prison tonight were five men who classi fied themselves as seamen, but who it was indicated through statements of Capt. J. H. B. Van Weeldern, of the New York and Cubs line freighter Rushville, and implications of Depart of Justice officials might be wanted in New York in connection with the in vestigation of the Wall street bomb plot fo September 16, last.

Shackled hand and foot, the men were taken from the steamer Bichville today, rushed to the parish prison booked under the following names: Phillip Bender, Lionel Kuebreezuff, Rudolph Rorsh, Haps Randin and Henrik Lipon, then held in conuncado.

Department of Justice officials said they were "awaiting instructions."

Last Saturday when the Rushville was approaching this port the master wire-lessed the Department of Justice requesting that they care for five "con-sular prisoners." Elaborate preparations were made for handling the captives and they were treated as desperate men from the time Federal officers took them over from the ship guard under which they were in charge. Orders issued by the master of the

Rushville were that no members of the crow should discuss the prisoners with outsiders under penalty of salary deductions. The captain, however, related the circumstances leading up to his acceptance of the men as involuntary

tain Weeldern, the United States Shipping Board steamer City of Alton, then nearing Rio de Janeiro, received a wire-less message presumably from officials of the United States government requesting arrest of the five men. A ight started and according to Captain Van Weelders, it was with extreme difficulty that the men were subdued, placed in irons and taken to Rio de Janeiro where they were imprisoned. They were to be shipped to New York where they were "wanted." The American they were wanted. The American vice consul at Rio de Janeiro, according to Captain Van Weeldern, requested the Munson line steamer Yoro to take the men to New York. Still heavily guarded the men were placed aboard the Yoro and in some manner, according to the Rushville captain, started a furious fight. The Yoro's master speedily re-turned them to the Rio de Janeiro jail.

About that time the Rushville came in to load coffee, for New Orleans, Vice Consul Thomas managed to persuade Captain Van Weeldern to attempt transportation of the prisoners. accepted and here they are."

for the most part well educated, some speaking several languages.

The officers of the Eushville spent the day and part of tonight in the offices of the tires. Zimmer denied having drawn a weapon; he said if he had he would have fired.

Neuf made a long statement detailing the nature of his activities as a detective for the American military apparently being awaited. Aside from a reporter from an after

Aside from a reporter from an attack had succeeded with the aid of the men and was able to peer to one of the men and was able to peer to one of the men and was able to peer numerous American deserters in varthrough some of the baggage before he was excluded from the Parish prison, no one outside of Federal officials has talked with the men.

NO EVIDENCE UNCOVERED CONNECTED WITH EXPLOSION

Washington, March 22.—Investiga-tion of the five men landed in chains today at New Orleans from the freighter Rushville has as yet failed to uncover any evidence connecting them with the New York bomb explesion last September, it was stated tonight by William J. Flynn, chief of the bureau of investigation of the Department of Justice. Mr. Flynn added, however, that the investigation was The men are charged specifically

The men are charged specifically with mutiny on the high seas, Mr. Flynn explained, adding that they would be tried in the Federal court of New York, Other officials of the burean after receipt of reports from New Orleans also expressed the opinion that mutiny was the cause of the men's

The detention of the five men was reported to the department only ten days ago, Mr. Flynn stated, adding that all preliminary reports to Washington had made it appear that mutiny was the reason for their being taken into custedy. The department, however, it was indicated, was not overlooking any possibility that all or some of the men might have been connected with the bomb explosion.

Shipping Board officials said they had received no reports of a mutiny on board the City of Alton on which the men shipped as seamen. It was explained, however, that such a matter would be handled by the New York office of the board before a final report was made to Washington. The detention of the five men was

FIVE SUSPECTS OF FALLING PRICES OF COAL AND OIL POINT TO NEEDED RELIEF FROM EMERGENCY GAS RATES

NORTH CAROLINA STILL LEADS IN GAS RATE DISCRIMINATION

The North Carolina Gas Association, representing North Carolina Public Utilities involved in the effort to maintain emergency gas rates authorized by the Corporation Commission in the peak of prices in August, 1920, takes exception to published gas rates for certain Southern cities and in a full page advertisement flaunts what it alleges to be correct rates.

The original rates were taken from a bulletin of the American Gas Association, Inc.

Here's the Proof

The so-called correct rates demonstrate beyond question that North Carolina is the goat, has been the goat, and will continue to be the goat until the Corporation Commission affords relief.

Out of the twenty rates quoted only three are as high as the rates under, fire in Raleigh, Winston-Salem, Durham and Wilmington. Not a one of them is as high as the rate for Elizabeth City, Goldsboro, Washington, New Bern, Oxford, or Henderson.

Compare Them Here they are, with the North Carolina rates beneath. Judge for vourself

suage for yourself.			
Montgomery, Als, 43,464	\$2.10	Hagerstown, Md., 28,029	2.1
Mobile, Ala., 60,777	1.90	Charleston, S. C.,, 67,957	1.50
Miami, Fla 29,459	1.90	Rock Hill, S C., 8,809	8.44
Gainesvile, Fla 5,286	2.20	Nashville, Tenn., 12.442 Nashville, Tenn., 118,342	2.40
Athens, Ga., 16,748	1.80	Raleigh 28,674	2.30
Augusta, Ga., 52,548		Durham 21,719	2.34
Macon, Ga., 52,995	1.85	Winston-Salem 48,395	2.30
Rome, Ga.,	2.00	Wilmington 33,372	2.35
Americus, Gs., 9,010	2.00	Elizabeth City 8,925	2.50
St. Augustine, Fla 6,192	1.90	Soldsboro 11,296	2.55
Austin, Tex., 37,876	1.85	Washington 6,166	2.50
Danville, Ky., 5,034	2.09	New Bern 12,198	2.55
Paducah, Ky., 24,735	1.70)xford 3,018	2.60
Baton Rouge, La., 21,782	2.35	lenderson 5,267	2.60
New Orleans, La., 337,219		Charlotte 46,318	2.10
Their		n Figures	

But this isn't all. The Carolina Power and Light Company yesterday morning presented as evidence before the Corporation Commission a chart showing 343 selected cities in the United States with gas rates in excess of \$2.00. An analysis of the statement shows:

185 have a lower rate than Raleigh, Durham, and Winston-Salem.

198 have a lower rate than Wilmington. 226 have a lower rate than Elizabeth City and Wash-

262 have a lower rate than Goldsboro and New Bern. 268 have a lower rate than Oxford and Henderson. 88 have a lower rate than Charlotte.

GROVER BERGDOLL TAKES | RUSSIAN SOVIET WANTS WITNESS STAND IN TRIAL

American Draft Evader Attends German Court To Testify Against Americans

Mosbach, Baden, March 22. (By The Associated Press.)-Grover C. Bergdoll, deserter from the American army, took the stand todays in the trial of Carl Neuf and Franz Zimmer, the two Americans, who, with the aid of four Germans, attempted to arrest Bergdoll at Eberbach last January. Bergdoll testified that Zimmer leaned against ontinued.

The prisoners, apparently between 25 at him. Neuf, he further testified, and 35 years of age, were said to be aimed his revolver at him and fired, for the most part well educated, some the first bullet hitting a young woman,

forces at Coblenz. He asserted that he had succeeded with the aid of the

ious sections of Germany.

He had been on Bergdoll's trail for long time, and he said he had sought a German police vise for his American passport in order to avoid complien tions at Eberbach. He had sought to kidnap the American slacker in order to forestall escape at Stuttgart, as Neuf believed that he German police at Eber-bach were disinclined to assist him despite the fact that the police authorities at Coblens had given him creden

ties were frequently called on to co-operate with the American military au-thorities and that Neuf had often made trips into unoccupied sections of Germany with their knowledge and consent in order to seize American fugitives from justice. The German police officials who worked with Neuf spoke in detectives.

Six representatives of the American forces in Coblenz are in attendance on (Continued on Page Three.)

TRIP ACROSS CONTINENT

CONEY POSTPONES HIS

Jacksonville, Pla., March 22 .- Lieut. W. D. Coney's planned one stop air flight across the country to San Diego, Cal, in 24 hours was postponed here

late tonight.

The postponement of the flight, scheduled for shortly after midnight tonight, was announced after Maj. H. B. Claggett, commander of the Carlstrom aviation field at Aradia, Fla., had re-

TO TRADE WITH AMERICA

Government Appeals To President Harding To Resume Trade Relations

London, March 22 .- (By the Associated Press.)—The Russian Soviet government has appealed to President Harding and the American government to resume trade relations with Russia, says a wireless message from Moscow today. The Soviet government pro-poses to send a delegation to the United States to negotiate a trade agreement, the message adds.

The appeal, which is made by the all-Russian central executive committee, suggests that negotiations be started mmediately for the resumption of trade. It asserts that there has been a long existing hope for friendly re-lations with "the great northern re-port," refers to the "hostility of the democratic administration," trusts that the present government will "appreciate sue to both republics by the resump-tion of trade relations," and declares that it is to the interests of both nations to remove the wall which now separates the two countries.

When many other states have con cluded treaties with Russia, the absence of normal relations with the United States, the appeal says, appears as a

Washington, March 22.-Official con firmation was lacking here tonight of information contained in Moscow wire-less advices received in London announcing that the Russian Soviet gov ernment had appealed to President Harding to resume trade relations with

Responsible officials refrained from discussing the situation specifically to-day and the most definite indication of the administration attitude on the question remained in the statement of Secretary of Commerce Hoover yesterday denominating resumption of trade with Russia as essentially a political instead of an economic question and advancing the belief that any consid-erable trade with Russia at this time was physically impossible.
Officials professed to know nothing of

the possibility of a delegation coming here from the Soviet government to negotiate a trade agreement.

PASSENGER TRAIN HELD UP BY DARING BANDITS

Muskogee, Okla., March 22.—The Missouri, Kansas and Texas Railroad's Texas special was held up and pas-sengers robbed 39 miles south of Mc-

Texas special was held up and pur-sengers robbed 30 miles south of Mc-Alester tonight.

Three masked men boarded the train at Denison, Texas, went through three coaches and took \$3,000 from passen-gers, according to travelers reaching here. The handits are said to have dropped off the train just before it reached McAlester and disappeared in the woods. An effort is being made to trail them.

PRODUCTION COSTS WILL BE LOWERED

Gas Company Official Testifies As First Witness For Public Utilities

HEARING BEGINS HERE BEFORE COMMISSION

P. A. Tillery Is First Witness For Carolina Power and Light Company In Effort To Sustain Emergency Rates Authorised By Corporation Commission Last August

Definite admissions of a material reduction in the cost of coal and oil, pro-posed reduction in the wages of cer-tain employes, and extension of service in Baleigh and Durhum, boosting revenue and cutting down the level of production costs were the outstanding features of the testimony of P. A. Tillery, general manager of the Carolina Power and Light Company, first witness for the company in the gas rate hearings which started nesterday

before the Corporation Commission. Eleven towns, Ruleigh, Durham. Winston-Salem, Wilmington, Charlotte, New Bern, Goldsboro, Oxford, Henderson, Elizabeth City, Washington and Charlotte, are involved. Although the entire day was given ever to the hearing, when adjournment came in the afternoon Mr. Tillery was still on eross-examination, having been under the fire of John Hinsdale, Jr., city attorney of Raleigh; Sidney C. Chambers, rep-resenting the city of Durham, and Frank R. McNinch, of Charlotte, selected as:

leading counsel for the cities involved. On direct examination by James H. Pou, attorney, the power company official presented carefully prepared ata-tistics comparing costs of commodities entering into the production of gas in 1915 with the cost now, but when he came to cross-examination, attorneys insisted on comparisons between con-

insisted on comparisons between conditions existing in August, 1920, and conditions now. Frequently he was compelled to admit that he did not have the information available but would look it up.

Cost Costs Reduced.

According to his direct testimony, cost that cost duitvered \$9.50 in 1920 costs \$8.50 now, but on cross examination he admitted that the reason the Carolina Power and Light Company pays such a price for coal now is that the company has a contract which will the company has a contract which will not expire until April 14. Then, he stated, in his opinion, it would be

At one point in the testimony Judge George Pell interposed with a ques

"What would you say, Mr. Tillery," he asked. "if I should tell you that a representative of a West Virginia coal mine told me the other day that gas coal can be had at \$3.25 at the mine?"
Tel say he was a liar," interposed
Z. V. Taylor, president of the Southern Public Utilities Company, of Char-

lotte, maintaining that \$4.96 was the

best quotations he had been able to get.

Then came a flourish of quotations, and they continued to bob up during the pest of the hearing, ranging from \$2.50 to \$3.00 at the mine. But Mr. Tillery was loath to discuss quotations on coal and oil, but did admit that he is buying gas oil ten per cent cheaper now than a year ago. He likewise stated that \$1.00 reduction in the price of coal or in freight rates entering into the cost of one ton will effect a saving of ten cents on the thousand

cubic feet of gas.

The Carolina Power and Light Company, secording to Mr. Tillery, during the past five years has made returns on its investment of 4.7 per cent in 1916, 5.3 per cent in 1917, 4 3-10 per cent in 1918, 2.1 per cent in 1919 and 1.2 in 1920. According to his testimony, the power company would have been compelled to make \$250,000 more than it did make in the five years in order to provide for a five per cent depreciation fund and an eight per cent

On the Durham plant, \$150,000 more revenue would have been necessary to produce this margin.

He placed the book value of the Ra-leigh plant at \$620,309 and the Durham plant at \$173,306, and on further cross examination stated that one and a half-per cent of the gross earnings of the Carolina Power and Light Company are paid to the Electric Bond and Share Company, of New York. He denied that this company is the parent of the Coroalso denied that it owns majority stock. In his opinion, the majority stock in In his opinion, the majority steet in the company is owned by no one in-dividual. The one and a half per cent, he stated, is paid to the New York con-cern for "services rendered."

"How is it, Mr. Tillery," asked City Attorney John Hinsdale, "that the Car-

Attorney John Hinsdale, "that the Car-olina Power and Light Company, with a street car system worth a million dollars, a gas plant worth a million dallars, another plant in Durham worth a million dollars can go about with two million dollars worth of bonds out-

standing, selling seven per cent pre-ferred stock and advertising that stock as gilt edge?"

Mr. Tillery stated that the common stock of the Carolina Power and Light Company has paid two per cent, \$00,000, and the preferred seven per cent,

"And yet," continued Mr. Hineli "you are losing money or all the

(Centinged on Page, Two.)