

ENORMOUS OVERHEAD KILLED TOBACCO CO-OP ASSOCIATION, REPORT REVEALS

Over 20 Per Cent. of Receipts Went For Organization Expenses—Fancy Salaries Paid To Officers—Lawyers' Fees, Redrying and Warehousing Took Most of Rest.

Raleigh, Jan. 2.—An elaborately worked out account of the financial operations handed lawyers and law firms in of the ill-fated Tobacco Growers' Virginia and the Carolinas and Co-operative Association, contained elsewhere. Most of it was paid for in a special report held in United States District Court by the receivers and released for publication. Colonel W. T. Joyner, of Raleigh, who was assistant general counsel for the association, drew sales went to overhead and kindred expenses, during the four years of the association's existence.

The account is one of enormous outlays for salaries, attorney's fees, redrying and storage charges, the purchase of warehouses and many other items.

Big Business.

From the organization in February, 1922, to the close of the first fiscal year on May 31, 1923, the association sold \$85,156,272.70 worth of tobacco gathered from farmer members in the Carolina and Virginia. It spent during that time in the conduct of the association \$29,611,285.00. When the receivers took over the charge of affairs, following the decree of United States court, 70,000,000 pounds of tobacco were left on hand.

The receivers, James H. Pou, of Raleigh, former Congressman Hallet Ward, of Washington, N. C., Merton L. Corey, of New York, make no comment on their findings in the special report, merely setting forth the figures with necessary explanations to speak for themselves.

The Solution.

But to those who saw the figures it was simple enough to read the cause of the failure of the tobacco cooperative movement in the overwhelming percentage cost of doing business.

The report disposes of the \$29,611,285.00 expenditure account by dividing it among general overhead expense, redrying charges and carrying charges. General overhead cost in four years the sum of \$8,786,767.25, and carrying charges amounted to \$2,206,912.46. In 1922, the first year of operations, the association sold \$37,519,287.88 worth of tobacco and spent \$1,255,505.54 to do business; in 1923 tobacco sales ran to \$33,209,101.59; and expenses to \$723,361.24; in 1924 sales dropped to \$17,718,212.27, while expenses stood at \$3,317,000.00; in 1925 total sales were only \$5,223,510.99, and expenses were nearly half that amount, \$3,200,123.93.

The report on officers' salaries, attorneys' fees and incidental expenses was in line with disclosures at the time the association was first brought into Wake county Superior court on a petition of grower members for a receiver. The movement failed in the State court, but when the fight was carried before Judge I. M. Mackins it was ordered.

Fancy Salaries

R. R. Patterson, against whom a considerable criticism was leveled for his management of redrying operations of the association, led the roll of officers in the compensation received, drawing in four years \$108,166.61. A. R. Breedlove was second with a four-year salary of \$87,166.59. Thence the salary account drops to \$13,540 drawn in four years by W. Scott Garrett. Several of the officers also drew a per diem as members of the board of directors and the report lists an item of \$18,874.83 on this account. The total of salaries drawn by managing officers and directors in four years was \$556,983.05.

Lawyers' Prey.

Attorneys' fees make up a particularly interesting report. A total of \$255,767.03 went for legal services in four years, of which Aaron Sapiro, the California lawyer who negotiated the organization of the association and was its general counsel during its life, drew nearly half, or \$141,354.35. Sapiro has pending an unpaid claim of \$1,000. The balance of the legal expense

R. R. Patterson, \$108,166.61; F. D. Williams, \$83,833.21; A. R. Breedlove, \$87,166.59; T. C. Watkins, Jr., \$63,700.00; M. O. Wilson, \$30,624.96; James H. Craig, \$13,041.63; C. B. Chatham, \$25,000; Joseph M. Hart, \$14,700; W. R. West, \$14,400; J. V. Joyner, \$19,999.98; C. W. Wingfield, \$14,400; W. Scott Garrett, \$13,450.

The receivers were unable to say when the affairs of the association would be closed. It was indicated that several months more will be required at the earliest. When the receivership was ordered the association had some 70,000,000 pounds of unsold tobacco on hand. The receivers have reduced that to 41,000,000. Approximately half of that now on hand is dark tobacco which, it was said, will not at the present time bring an amount approaching the market valuation on it.

When it goes by ship we call it a cargo, when it goes by car we call it a shipment.

Treat Timber

As A Crop

It is a pity that more of our farmers do not keep these three rules constantly in mind—to weed the timber crop just as we should any other crop; to thin the timber crop just as we should do any other crop; to keep fire out of the timber crop just as we should do in the case of any other crop.

My own experience with fires is perhaps not unlike that of the average farmer with a timber crop. Five years ago on Thanksgiving Day a fire evidently started by some careless hunter swept over a considerable portion of my woodlands. About Easter three years ago somebody passing along let fire get out in a 25-acre cut-over tract I had just bought, destroying not only the young growth but burning up the accumulation of many years of leaves and humus. Early this summer I caught sight of a fire, evidently started by a bootlegger, just in time to prevent its spreading. About ten nights ago a half-drunk negro set fire to a brushheap to warm himself, and only the kindness of an unknown friend who hurried news to us enabled us to check the fire a little later. And just last week a fire broke out on an adjoining farm and burned over probably 100 acres of young tree-growth and lemonsedge.

These experiences indicate how constant is the fire menace. We are seeking to prevent fire losses, not only by constant watchfulness but also by having broad strips here and there raked clear of leaves, brush, and trash, so that a fire reaching this "fire line" would have to stop there for lack of fuel to feed on.—The Progressive Farmer.

Laws are supposed to represent the will of the people, but too often they represent the will of the wrong

SOME EXTRA SPECIALS FOR JANUARY

These are Real Bargains

- One table Shoes, Pair \$2.98.
- One table Shoes, pair \$1.98.
- One table Shoes, pair 98c.
- Big lot heavy Blankets, dark color per pair \$2.50.
- Women's Silk Hose, 39c
- Men's Overalls, \$1.00.
- Boys' Overalls, 75c.
- WE HAVE A FEW SWEATERS LEFT AT REAL BARGAINS.
- SPECIAL PRICES ON BEDS AND MATTRESSES FOR NEXT FEW DAYS

The Boyles Co.

KING, N. C.

TAKE NOTICE!

On account of bad weather the fiddlers convention recently advertised had to be postponed.

The date for the convention has now been fixed for—

Friday Night, Jan. 14th

If weather should be too bad on that night the convention will be held on the following night, Saturday, January 15th.

The convention will be held in the court house at Danbury, beginning at 7:00 o'clock.

- Prizes will be given as follows:
- First violin, \$6.00; second, \$4.00; third, \$2.50.
- First Guitar, \$4.00; second, \$2.50.
- First banjo, \$4.00; second, \$2.50.
- Mandolin, \$2.00.
- Autoharp, \$2.00.
- Best clog dancer, \$2.50.
- Best Charleston dancer, \$2.00.

Nice prizes will also be given the best whistler and the best French harp player.

Don't fail to come. You will miss an evening of rare pleasure.

Parent-Teacher Association

SPECIAL PRICES

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- Chairs
- Mattresses
- Beds
- Pillows
- Dressers and
- Davenport Suites.

THE BOYLES CO. King, N. C.