

Federal Court Begins Hearing of Bailey Brothers Case

48 Under Prosecution, Including Officers of Defunct Concern and Stock Salesmen. Five Defendants Absent.

Greensboro, Jan. 28.—Ground was cleared today in federal district court here for trial of 48 defendants in the Bailey Bros. Tobacco company stock selling case, with the defense losing its request that indictments be quashed. Noting exceptions to overruling by Judge Webb of defense motions, attorneys began selection of a jury, exercising painstaking care and settled back to a long legal battle.

In addition to selection of a jury this afternoon presentation of evidence was started, with introduction of the company charter and what purported to be minutes of a meeting of Bailey Brothers directors prior to the stock selling campaign, with plans discussed at it, the government contends, for issuance of stock to the amount of over \$2,000,000 of which \$85,000 would be common stock and \$1,255,000 worth of preferred.

Swearing in of attorneys produced a spectacle unprecedented in federal court here, 114 being sworn in at one time, in blocks of about a score.

Selection of a jury was accomplished with great care, each side exercising its quota of peremptory challenges, 25 men in all being excused. Over three hours was required to get the jury. As constituted it consists of: T. W. Kirkman, B. B. Phillips; L. T. Sechrest, all of Guilford county; G. D. Richardson, of Stokes; D. A. Walker, Jonas Gunn and J. O. Ragsdale, all of Rockingham; C. A. Byrd and N. E. Brown, both of Randolph; W. W. Howe and J. W. Carr, of Orange.

Action was quick in today's proceedings, three motions of the defense being overruled by Judge Webb, with exceptions noted.

Defendants are represented by different attorneys, but motions and exceptions cover all according to understanding reached.

The motions to quash indictments were on grounds that a second bill of indictment does not state postage was placed on matter sent out promoting stock sales; that there is allegation of conspiracy to commit a conspiracy, putting defendants in double jeopardy, and so contrary to constitution, and that two members of grand jury which returned original indictments were purchasers of stock. All of the motions failed.

Death and disease have stricken the ranks of the defendants since the return of the indictments, Jule Young having died. A certificate was read to the effect that J. M. Richardson, another defendant, is ill in a hospital at Raleigh, subject to epilepsy.

Counsel for Mumford Bailey, of Winston-Salem said his physician considers it unwise for him in his physical condition to stay in the courtroom, and he was allowed to retire, to be ready, however, for orders of the court.

F. J. Hackett is ill, some other defendants were not in court, the missing ones being M. L. Crews, Glenn Harris, F. G. Middlebrook and H. G. Larsen, papers not having been served on the last named.

Conditions of the prosecution, as made in the bill of indictment, are that officers and stock salesmen of the Bailey Brothers Tobacco company, of Winston-Salem, now defunct, waged an energetic stock-selling campaign while they knew the company was insolvent; that misrepresentation was made through the mails as to a fund for guarantee of dividends as to cost of the campaign and as to the worth of the stock.

The company went to the wall and was sold to satisfy creditors through bankruptcy orders.

Appearing as counsel for the defense are: A. L. Brooks, W. P. Bynum, F. P. Hobgood, John N. Wilson, Andrew Joyner, Jr., and E. S. Parker, all of Greensboro; W. G. Bramham, Durham; J. H. Whicker, Winston-Salem; J. P. Parker, Charlotte; S. C. Brawley, Durham; E. J. Hastings, Winston-Salem; G. A. Newlin, Lenoir; Hoyle Sink, Lexington; J. C. Stroupe, Hickory, F. M. Parrish, Winston-Salem.

District Attorney Frank A. Linney, of Boone, is chief prosecutor, assisted by Frank Patton, of Charlotte, and Thomas J. Harkins, of Asheville, assistant district attorneys.

With the exception of Frank A. Bailey, former official of Bailey Brothers, Inc., all the defendants will be tried under the indictment returned

last December. Bailey will be tried under an indictment made a year previous although this indictment is identical with the other.

There are 16 separate counts in the indictment, including fraudulent use of the mails in promoting sale of stock, false claims as to bank deposits, payment of dividends when the concern was making no money, misrepresentation in regard to the stock selling campaign. It also is charged that the defendant salesmen sold stock when they knew that Bailey brothers were insolvent.

The trial will probably last for three weeks, according to court officials. A large number of witnesses will be heard on both sides and there is a great array of lawyers.

FIRE AT RALEIGH DESTROYS 130 AUTOS

Transfer Company's Building Completely Burns—Loss Estimated at \$250,000.

Raleigh, Jan. 22.—One hundred and thirty automobiles, 11 horses and considerable valuable automobile equipment was destroyed by fire here early today when the Raleigh Transfer company's building was completely destroyed and the Raleigh Corncorn and Roofing company's plant adjacent badly damaged. The second floor of the transfer company's building was occupied by Motor Service branch number two, where most of the automobiles were stored.

Early today, Perrin Gower, manager of the motor service company and W. F. Smith, of the transfer company, estimated that the total loss would run between \$225,000 and \$250,000 partially covered by insurance.

The fire is said to have originated shortly after 4:30 o'clock in the motor service company, but the cause of the blaze is as yet undetermined.

The fire which was practically out this morning, after the entire building and its contents had been consumed, was the most spectacular in Raleigh in many years. The explosions of the gasoline tanks of the many automobiles rendered the work of control more difficult and the proximity of two gasoline filling stations constantly endangered the fire fighters.

The automobiles in the building were, for the most part, the property of individuals who had stored them there for the night. An accurate list of the owners was unavailable early today.

About 175 cars were in the place when the fire began but 40 of them were removed from the building before the flames got to them.

Tobacco Average is Higher in State Than During 1923

Raleigh, Jan. 24.—Tobacco sold in North Carolina during the past season, which ended December 19, in the 88 warehouses reporting, is placed at 208,335,430 pounds, according to a report compiled by the United States and North Carolina departments of agriculture.

The tobacco sold for an average of \$23.60 per hundred pounds, as compared with \$20.28 for 262,233,695 pounds sold in 1923. The total crop produced last year, according to the report is 278,320,000 pounds, as compared with 409,500,000 pounds produced in 1923.

Catawba Profiting From Walnut Trees

Hickory, Jan. 23.—Two thousand pounds of black walnut kernels were shipped to Philadelphia Wednesday by the Catawba Creamery Company, consigned to a Philadelphia ice cream factory for the manufacture of walnut cream. The walnut kernels were extracted from walnuts grown on the farms in Catawba county and were mostly a by-product in which the children received compensation. The kernels were brought to the local creamery and weighed ready for shipment. From one tree J. E. Stephens, of near Hickory, sold kernels amounting to \$41.62. The trees were prolific this year and brought in ready cash to a number of persons.

Bill Would Repeal Bowie Railroad Act

Senator Carter, of Surry, Sponsors New Garnishment Law—Another Bill Would Make Divorce Easier

Raleigh, Jan. 26.—Introduction in the senate of bill to repeal the Bowie railroad act of the 1923 session, to provide for a system of workmen's compensation similar to the Virginia system and to amend the constitution relative to homesteads and exemptions featured tonight's session of the general assembly. The constitutional amendment bill, introduced by Senator Carter, of Surry would permit garnishment under certain limitations.

In the house of representatives the principal new bills were one by Representative Gann to change the date of the state-wide primary from the first Saturday in June to the first Tuesday after the first Monday in August and one by Representative Turlington to allow towns and cities of over 3,000 population to enact their own traffic regulations. The Turlington measure would overcome the ruling the supreme court handed down Saturday, nullifying city ordinances requiring automobiles to stop at certain street intersections.

Bowie Railroad

Representatives Moss and Tapp launched the bill to repeal Representative Bowie's act, adopted by the last general assembly, providing for construction of a railroad to the "Lost Provinces" of the western part of the state. Former Attorney General James S. Manning and the present attorney general, D. G. Brummitt, have declared the act unconstitutional and no work has been started on the "Lost Province" line since preliminary surveys were made about a year ago. Authors of the repealer bill have explained that the measure is designed chiefly to clarify the situation and to protect the state's credit against any effect the Bowie bill might have upon it.

The Bowie bill, declared Representative Moss tonight, places "absolutely no limitation upon expenditures for the proposed railroad outlets through the west, although it specifies a bond issue of \$10,000,000 for the purpose.

Many Local Bills

The introduction of a big batch of local bills featured tonight's session of the house. Besides, there were two outstanding bills of statewide importance, being Turlington's measure designed to enable towns of over 3,000 to regulate traffic with reference to stop ordinances, and Gann's measure to change the date of the state-wide primary.

Matthews Divorce Bill

Another state-wide bill introduced tonight was that by Matthews which would make two years of separation grounds for divorce, instead of five years.

The house voted to defer action on the bill which would require horse-drawn vehicles traveling on public roads to display lights at night. Representative Massenburg offered an amendment which would make the bill apply only to state highways.

Representative Turlington explained that in the hilly country the country roads were the ones where this bill, if passed, would do most good. The only public bill passed was that styled "for the relief of the sheriffs and tax collectors" which provides that the heirs may collect settlements for the period of 1919-1924.

Constitutional Amendment

Senator Carter's constitutional amendment would reduce the homestead exemption to \$200 for a married citizen and \$100 for a single person and would permit garnishment beyond \$25 a week for a married person and \$15 a week for an unmarried person. The bill provides for a referendum on the question at the 1926 general election and states that it shall become effective if a majority of the voters cast favorable ballots. In other words the voting would not be against the registration.

The state merchants association has endorsed the bill, declared Senator Carter.

In case a debt is incurred for property or money obtained under false pretense or fraud the person or the debtor would not be allowed the salary exemption. The bill also includes a provision for waiving exemptions.

Stork Brings Mixed Quartet to Couple

Young Father "Doing-or-Fairly Well" After Rapid Succession of Interesting Events

New York, Jan. 24th.—Mr. and Mrs. John Kelly, Brooklyn, had been expecting an interesting event. They had not bargained for a succession of events. But today Mr. and Mrs. Kelly are the proud parents of the Misses Catherine and Sarah Kelly and the Messrs. Edward and Joseph Kelly born early yesterday morning.

Three of the quadruplets are now doing quite well in the Jewish Hospital. The fourth is not so strong, but the doctors hope to pull it through. Mrs. Kelly is at home, also doing well. Mr. Kelly, a smallish young man, was doing—fairly well. He is a mechanic working for the Brooklyn Gas Company and earns \$30 a week.

It might be stated here that Mr. and Mrs. Kelly have been, in addition for some time the parents of Miss Margaret, five, and the Messrs. John, seven; Thomas, four; and Joseph, two.

One Case in 400,000

Mr. and Mrs. Kelly were taken somewhat by surprise by the unusual sequence of events, which according to medical experts, occurs once in 400,000 cases. It was at 5 o'clock yesterday morning. The family doctor is ill. Mr. Kelly was at his wife's side. He rushed downstairs out into the cold, and observing Patrolman Charlie Rogers of the Grant Avenue Station, besought Mr. Rogers for aid.

Mr. Rogers summoned an ambulance from the Jewish Hospital, on Prospect Place, and it clanged up with Dr. Saul Schapiro. Meanwhile a neighbor, qualified to assist by the possession of thirteen children herself, had come to the rescue and she and the doctor took charge of Mrs. Kelly.

Mr. Kelly was gently but firmly placed in an adjoining room and told to stay there. Charlie Rogers, the cop, acted as master of ceremonies.

Bulletins Frequent

He emerged from Mrs. Kelly's chamber with the first bulletin.

"It's a boy," he told Kelly. Kelly beamed. A few minutes later Rogers reappeared.

"Twins!" he announced. "Congratulations!" Kelly beamed again. Rogers reappeared a few minutes later.

"My goodness, Kelly!" he said. "What do you think? It's triplets—two boys and a girl!" Kelly's jaw dropped one-third of an inch.

Then, a few minutes later, Charlie Rogers appeared for the fourth and last time. In a voice hoarse with respect he told Kelly that another little girl had arrived.

"You can't draw four of a kind," he added softly. "You drew two pair—queens and jacks."

But Mr. Kelly did not hear him. He was lost in thought.

AGED HILLSVILLE CITIZEN PASSES AWAY

John Wilkinson, 96 Years Old, Succumbs—Was Born in Surry County

Squire John Wilkinson as he was known was born Dec. 27, 1828 and died at Hillsville, January 16, 1925. He was 96 years and 19 days old. The funeral was held Saturday January 17th.

Mr. Wilkinson was born in Surry County, N. C., from where he moved to Cripple Creek, Virginia, and later from there to Hillsville, where he made his future home. In 1856 he married Miss Elizabeth Anderson and to this marriage was born six children, only two of which are living, R. G. and S. E. Wilkinson.

Shortly after coming to Hillsville he engaged in the mercantile business with Jas. B. Johnson but sold out within a few years and bought the Wilkinson Mill property with some 400 acres of land adjoining it. In addition to running the mill he kept a store at the forks of the road. All this property was willed to R. G. and S. E. Wilkinson and to Chas. Jennings' heirs before his death.

The large number of relatives and friends who attended the funeral services at the Methodist church was a mark of the esteem and respect in which he was held.

The service was conducted by Eld. D. Smith Webb assisted by Rev. R. L. Payne and burial was made in the family cemetery in the south end of town.—Hillsville News.

S. Glenn Young Killed in Pistol Duel at Herrin, Ill.

Dies With Bullet Through Heart But Kills Assailant in the Battle—Young Hunted Draft Evaders Around Mount Airy During The War.

Herrin, Ill., Jan. 24.—Glenn Young "stormy petrel" of Williamson county, his chief lieutenant George Forbes and another man whose name was said to have been Warren, were shot and killed tonight in a gun battle with Ora Thomas, deputy sheriff, who himself was fatally wounded. Thomas is said to have died in an undertaking parlor where he was taken unconscious.

A crowd which had been in the streets all afternoon in anticipation of trouble scattered when the shooting started, but again congregated soon afterwards. The crowd is reported to have dispersed, however, without difficulty.

The shooting is said to have occurred when Young and about 12 followers, met Thomas, who was alone, in front of the European hotel.

Reports said that Young, who was living at the Lyman hotel here and who was engaged in writing an autobiography, had been parading the streets all day, having heard that Thomas his bitter enemy, was back in Williamson county.

The two met in front of the hotel. Young, reports said, immediately drew his weapon and opened fire. Thomas is said to have returned the fire and then the shooting became general, Young, Forbes and Thomas dropping to the ground with fatal wounds.

Young died from a bullet through the heart, although he was wounded also in the right breast. These shots according to reports, came from the two revolvers used by Thomas.

Thomas Killed

When citizens entered the shop a few minutes after an exchange of 40 or 50 shots they found Young dead and Warner unconscious. Thomas slumped to the floor and died on the way to the city hospital.

Forbes lay dead on the sidewalk outside, shot through the base of the skull. Warner died in the hospital two hours later.

Versions of the battle vary. It is known however, that it occurred in the Canary Cigar Store and barber shop in the front of the European Hotel, a reputed rendezvous of anti-Klux Klan adherents.

Accounts agree that a shot was fired, a few minutes before the outbreak, from an alley adjacent to a restaurant operated by Young. The bullet lodged in a telephone pole. Ross Lizenby a Herrin policeman said Thomas fired the shot at him. Spectators fled and Thomas is reported to have gone to the hotel, a block distant, as a call was sent out for Young sympathizers to mobilize.

Other Version

The anti-Klan version is that Young and his companions thereupon went to the hotel to seek Thomas and "shoot it out."

The Klan account is that Young and the others were attacked as they passed by outside. Young adherents asserted Forbes was shot from above.

Thomas' body was removed to one undertaking establishments and the bodies of the others to another.

Major Davis late today issued an order stopping the long procession of curious persons passing through the undertaking establishments to view the bodies.

The body of Young was wrapped in a purple robe, said to designate a "Kleagle" of the Ku Klux Klan.

Lizenby, who said the first shot was fired at him, had been the target of bullets before. On the night of last April 15, acting as guard at the home of Sam Stearns, chairman of the county board of supervisors he was hit in the leg by a bullet fired from a speeding automobile. Previous to that shooting, Stearns and Young had broken relations over Young's methods of conducting raids.

Stearns, who as head of the Williamson county Klan, had brought Young to the county, refused to finance Young's operations any longer.

Thomas was appointed a deputy sheriff by Sheriff George Galligan five or six months ago. He was among those caught by Young in his liquor raids last winter and served a jail sentence upon his conviction in Federal Court for that offense.

Young had arranged to leave Herrin and go to Miami, Florida, with his wife, who was ill and last June was

Okawville, Illinois, by assassin's bullets intended for Young, when he heard that Thomas had been appointed deputy.

"I will stay in the county as long as Thomas," Young was quoted as having said.

Young's first appearance in Williamson county was on the night of December 23, 1923, when, in a spectacular raid, he and avowed Klansmen, all of whom claimed to be deputized by Federal prohibition officers captured seventy-five alleged bootleggers. Virtually all of the prisoners were convicted in Federal court at Danville and served sentences ranging from one month to one year.

In all a total of thirteen lives has been taken in the county's Klan and anti-Klan strife. Constable Caesar Cagle, a Klansman, was killed last February 8 when the Herrin hospital was riddled with bullets. Jack Shepherd, one of the alleged assailants of Mr. and Mrs. Young near Okawville, was killed July 1, when he resisted arrest at the Herrin city limits. Seven men, including both adherents and opponents of the Klan, were killed or fatally wounded August 30 when Sheriff Galligan, Deputy Thomas and other anti-Klansmen attempted to seize Young's bullet riddled sedan in a garage at Herrin. On each occasion one or more were wounded in addition to those killed.

Solons Suffer Loss of Autos.

Raleigh, Jan. 22.—Principal Clerk Frank Hackett had to call the North Carolina senate to order this morning in the absence of Lieutenant Governor J. Elmer Long and President Pro-Tem W. H. S. Burgwyn, both of whom were absent on "very urgent" personal business, that of discovering the fate of their automobiles which, with over a dozen others belonging to members of the legislature and state officials, were in the building destroyed by fire here early this morning.

Fortune was with Mr. Burgwyn, and he learned that his car was one of few that were removed from the building, but at noon the president pro-tem had not located the machine. President Long, however, could not boast any such luck; a new limousine of expensive make was the Durham man's contribution to the flames. He had no insurance on the car.

Senator Mark Squires, of Caldwell, also lost an automobile in the fire; but he satisfied himself early in the morning that there was nothing he could do about it and was present at the opening of the senate to take over the gavel at the request of Principal Clerk Hackett.

Secretary of State Everett lost both of his cars in the fire.

"Shorty," the negro chauffeur of R. O. Everett, of Durham, was asleep in the Durham representative's machine. The smoke and flames awakened him and he drove the car to safety.

"Providence sho' was with me," the negro remarked.

Among the members of the legislature who lost automobiles in the fire were:

H. G. Connor, Wilson; O. E. Mendenhall, High Point; O. P. Makepeace, of Sanford; W. L. Frushee, Durham; W. T. Ward, Duplin county; J. G. Roach, Avondale; J. M. Sharp, Reidsville; W. A. Foil, Concord; D. P. Delinger, Cherryville; E. P. Bacon.

State Holds First Place in Production of Four Crops

Raleigh, Jan. 24.—North Carolina ranked first in the production of four farm crops in 1924, according to a report that has just been compiled by the United States department of agriculture. In 1923 the state ranked first in the production of only two crops, peanuts and soybeans, with a production of 176,000,000 and 2,975,000 bushels, respectively.

The four crops in which the state led in production in 1924 were: Sweet potatoes, 9,292,000 bushels; peanuts, 152,945,000 bushels; soybeans, 2,580,000 bushels; cowpeas, 2,545,000 bushels. During both years the state ranked second in the production of tobacco, 409,500,000 pounds being produced in 1923 and 278,320,000 in 1924.