

THE GASTONIA GAZETTE.

ESTABLISHED 1880

Issued Every Afternoon in the Week Except Sunday, at 236 West Main Ave.

GAZETTE PUBLISHING CO. Publishers Office: 236 West Main Ave. Phone 50

Jas. W. Atkins... Managing Editor E. D. Atkins... Business Manager Hugh A. Query... Editor Mrs. Zoe K. Brockman... Society Editor

Admitted into the mails at the Post-office at Gastonia, N. C., at the pound rate of postage, April 28, 1902.

SUBSCRIPTION PRICE

By Carrier or Mail in the City One Year \$5.00 Six Months \$2.50 Three Months \$1.25 One Month .50

By Mail Outside of Gastonia One Year \$4.00 Six Months \$2.00 Three Months \$1.00 One Month .50 Payable Invariably in Advance

Member of The Associated Press The Associated Press is exclusively entitled to the use for republication of all news dispatches credited to it or otherwise credited in this paper and also the local news published therein. All rights of republication of special dispatches are also reserved.

TUESDAY, JANUARY 11, 1921.

Gastonia, The South's City of Spindles

THE DAWN OF A NEW DAY.

'Now is the time for all good men to come to the aid of the party!' That old typewriter exercise, designed because it takes in practically every letter of the alphabet, has no political significance but it is fraught with good common sense just the same.

Furthermore, it has peculiar and particular flavor as the new year is dawning upon us—a new year we would all have a happy one. And prosperous!

To what 'party' shall we give our aid?

That's easy: The whole party of the U. S. A.

And how? By helping to raise the country out of the Slough of Business Depression—a Depression as unnecessary as it is abnormal.

It's the old slough in Pilgrim's Progress we read about when children, brought upon us by too much imagination.

Let's begin the new year with less imaginative prophesies and more real consideration of fundamental truths.

The truth is that we are 'all wool and a yard wide' and nothing can stop us if we only realize it.—The Insurance Field.

HARDING'S SENSE.

The decision reached by President Harding to dispense with an elaborate inaugural ceremony is about the most sensible thing he has done. This move will meet with universal approval the country over, from both Democrats and Republicans. By this one act, Mr. Harding is establishing himself in the good graces of thousands. If the inauguration ceremonies as planned by Washington civilians and tradesmen had been carried out, the cost to the taxpayers would have amounted to millions of dollars. With the nation in debt, and thrift and economy being preached universally, it would indeed have been bad form to have perpetrated such a lavish outlay of money.

Mr. Harding, by this act, as well as other instances that have come to light in his selection of a cabinet, is giving evidence that he is right much of a man after all.

THE END IN SIGHT.

The interview with Mr. A. G. Myers, banker and cotton mill man, as published in Monday's Gazette is but another indication that times are beginning to improve. The wave of depression that has been spreading in gradually widening, though less severe circles, is beginning to spend itself. We may look for a gradual restoration of confidence from now on. One cotton mill man remarked to the Gazette this morning:

'We are starting our mills up this week on a five-day basis. We are not running at a great big profit, you may be sure, but we want to keep our whole force employed. The payroll that we shall give out in Gastonia from now on will stimulate trade conditions in town here 100 per cent.'

It is even so. The contagion spreads. When the payrolls in the mills begin to move through the proper channels of circulation into stores, markets and banks, the effect will be reflected instantaneously on the general business atmosphere. Merchants will begin to sell out and buy again to replenish. Jobbers will feel it, and in turn the manufacturers. Cotton will soon begin to take an upward rise, and the farmer can recoup some of his losses of the past four months.

The worst is over and the country rejoices.

A SUGGESTION.

The proposition has been advanced, and the Gazette passes it on as public information, that the jurisdiction of the recorder's court of Gastonia be extended to cover Gastonia township, and that the city policemen be authorized to act as special deputies in the township. As a matter of fact, the city police force even now does almost as much work in the township outside the city limits as it does inside. The point has been made that a great deal of the lawlessness occurring in Gastonia county takes place within Gastonia township, and that the city police force endowed with the authority of deputies could exert a far more extended influence than they do now.

Then, too, the recorder's court would be in a position to dispense instant judgment to evildoers. Much time and expense would thus be saved to the county.

THE CHAMBER OF COMMERCE.

The annual report of the secretary of the Gastonia Chamber of Commerce now in the mails is well calculated to give food for thought to even the most casual reader. A more detailed summary and analysis of the report will be made in these columns later. This is by way of notice to those who receive a copy not to lay it aside until it has been carefully read.

The opening paragraphs give an idea of the contents:

'Nation-wide publicity for Gastonia—world-wide in trade circles—especially featured the activities of the Gastonia Chamber of Commerce for the year 1920. In addition civic matters of especial importance, traffic questions affecting both passenger and freight service, state conventions, continued work in building up best co-operative effort between the people of Gastonia and of the surrounding county and trade territory in general marked the efforts of the organization. And more than ever before, the Chamber of Commerce found it possible to render personal service to members where such personal service was requested.'

'Nineteen Twenty has been a year of real achievement for Gastonia. We are willing to challenge any city of America of like size to produce a like showing for itself and its county in industrial growth. The Chamber of Commerce in mentioning these things need not be charged with claiming credit for everything. It is as the clearing house for this town's activities and progress merely chronicles the facts that history may be accurately recorded and then lays claim to doing its part wherever possible to aid in bringing these desirable things to pass.'

CAROLINA ATHLETICS.

If Carolina athletics do not make a better showing from this time on, the coaches can't be blamed. Leastways, judging from their experience of the past 12 or 13 years, they have been fairly successful. Carolina men, particularly the old grads, have in the past been too prone to condemn the coaching system. If a man fails to turn out a winning team the first year, there is a great hue and cry from over the State and an insistent demand for a new coach. That has been partly responsible for a great deal of the failure at Carolina in recent years. No one man has been given a chance to perfect a system. Then, again, it might not have been the coach's fault at all. The best coach in the world can't make football players out of those who can't play or who win places on the team by virtue of membership in a Greek letter fraternity.

Let the Beaver brothers alone, and give them the absolute say-so and if there's any football at Carolina it will come out, and it will not be two or three years in showing itself.

Major Bulwinkle's offer of three free trips to Washington next December to boys of the Ninth district is commendable. Already a good corn growing district, this offer ought to result in keen competition and resulting good among the farmer boys of the district.

FIRE IN COMMERCE BUILDING DESTROYS MANY VALUABLE CENSUS RECORDS

WASHINGTON, Jan. 11.—Government officials still were at sea today in attempting to estimate the loss resulting from a fire in the department of commerce building last night, which destroyed many of the original records of every census taken since the first in 1790, except that of 1920. In addition to the damage by fire the records today were submerged in water thrown into the basement of the building by more than twenty lines of fire hose which finally brought the conflagration under control.

There are no duplicates of the destroyed records and the loss was declared probably the worst of its kind in the government's history.

Those navy balloonists showed how far it is possible to travel on hot air.—Littellough Sun.

SOUTHERN MILL MEN MERGE FROM TRYING YEAR WITH HOPES OF PROSPERITY IN 1921

Manufacturers Faced Every Condition From High Tide of Good Business to Low Water Mark of Depression—Beginning of Year Saw Big Expansion Under Way.

The following review of the Southern textile situation recently appeared in the New York Daily News Record under a Charlotte date line:

A review of the textile industry in the South for 1920 shows that the mills have just completed what was by all means the most remarkable year in their existence, during which they faced every condition from the high tide of prosperity to the low water mark of depression. The year opened with the mills operating day and night, their books filled with orders at unheard of prices and with apparently no end in sight to the sea of remarkable prosperity. The first six months of 1920 were by all means the most profitable the mills ever experienced and their earnings for that period were greater than they have ever known in any previous twelvemonth.

Yet within the past six months conditions have changed so rapidly that as the year closed the Southern textile industry was more nearly at a standstill than has ever before been the case since the industry reached anything like its present proportions. The demand for goods had ceased, many mills are entirely idle and others on short time, and in addition they face an inventory shrinkage of tremendous proportions.

The textile boom which developed in the last half of 1919 carried well into 1920, and while market conditions began to sag shortly after the Federal Reserve Board inaugurated its policy of deflation, the mills were at that time so well supplied with orders that it was some months before the real effects of the reversal began to make themselves felt.

Big Expansions in 1919-1920.

Southern mills embarked upon a tremendous period of expansion during the latter half of 1919 and the enlargement process continued unabated for some months into 1920. Scores of existing plants were enlarged and improved, new buildings erected and old machinery and equipment replaced. New mills were organized with record-breaking rapidity, with apparently no limit to the end of new investment capital that was ready and eager to go into mill development. Mill stocks soared skyward on the strength of the continued strong demand for them and many people became rich almost overnight on their mill holdings.

Gaston county, N. C., led all other sections of the South, and incidentally of the whole country, in the promotion of new mill companies. In that county alone, 15 new mills were launched during the first six months of 1920, the combined capital of these companies being \$11,000,000. Other mill centers likewise showed a tremendous expansion.

Plans Involved \$40,000,000.

The expenditures required for buildings, machinery, equipment, operatives' houses, community houses and all other necessary features for new and enlarging mills announced during the first quarter of 1920 have been estimated at \$40,000,000. Plans announced during that period involved the installation of 490,000 spindles and 17,000 looms. In the previous year the period of greatest spindleage activity was in the third quarter, but this was greatly exceeded in the first quarter of 1920. This activity was well distributed throughout the cotton manufacturing States, although the enlargement program in North Carolina

was well ahead of that in other States. Projected plans for enlargement and new mills had reached their peak by March and by the end of April there was a perceptible slowing down in the number of such announcements.

Faith of Mill Men in Future Shown.

The great enlargement activity commented upon above furnished an interesting insight into the confidence which the mill men of the South displayed in the future of the business. Expressions from many of the leaders during that period called attention to the fact that mill owners realized that the era of large profits and capacity production could not continue indefinitely, but their determination to enlarge their holdings was based on their faith in the potential demand for cotton textiles of all descriptions. At a time when the trade was filled with predictions that a let-down was bound to come, these men went ahead with plans that were based entirely on the future possibilities of the mill business.

It is also interesting to note that quite a large number of plants were sold during the period of greatest mill activity. At least 20 mills changed hands during the early part of 1920. It appeared a good time to buy from the buyers' viewpoint and likewise a good time to sell from the sellers' standpoint. Sellers took advantage of the high prices prevailing, while buyers easily figured that their profits would soon pay for their purchases.

Mill Stock Trading Practically Ceased.

The high peak of prices for mill stocks was reached in April, when quotations based on actual sales showed that many stocks were quoted at prices four times as great as was asked soon after the armistice was signed. The fever to buy mill shares continued unabated until deflation set in, with its attendant credit restrictions. Since then, as banking accommodations became more and more limited and the slump in textile markets more pronounced, trading in mill stocks has practically ceased, and quotations generally are almost as low as they were before the boom started.

Dividends for the first quarter of 1920 were unusually large, but as the mid-year period approached, even though earnings were very large, the July dividends were in many cases curtailed because of the uncertainty of the outlook. Besides cash dividends, a very large number of stock dividends during the year furnished a rather unusual feature of the situation.

Big Stock Dividends.

Many stock dividends were paid, these being on a scale hitherto unheard of. The largest of these was paid by the Chickwick Hoskins Co., of Charlotte, which paid a stock dividend of 400 per cent. The Easley Mills, of Easley, S. C., paid a similar dividend of 300 per cent and numerous other companies paid from 10 to 200 per cent.

A decided tendency to increase capital stock was also noted in Southern mill companies during the year. Figures for the whole South are not available at this time, but in the State of South Carolina, the cotton mills increased their capital by \$19,468,500 during the first half of the year. The capital, before the increase was made, was \$28,857,500, the increase being about 67 per cent. Twenty-five mills in Gaston county, N. C.,

ROBERT QUILLEN'S PARAGRAPHS

Column of Pungent, Pithy Peptograms From the Philosopher of Fountain Inn, S. C.

By ROBERT QUILLEN. (Copyright 1920, Associate Editors.)

A people can survive any folly or disaster except loafing.

It isn't superiority that men hate, but a pose of superiority.

And they shall beat their swords into plowshares and their iron into title to real estate.

Sans alcoholic enthusiasm, the highland fling would probably calm down to a mere shimmy.

When we have repealed the excess-profits tax, let us hasten to prohibit shooting the dodo.

Lloyd George knows how a life insurance agent feels when he is unable to deliver the policy.

An open countenance is a fine thing



unless it is open to let out a sneeze.

Activity along her border suggests that Poland expects Sovietism to collapse again next spring.

Very likely John Bull has moments of depression when he suspects that Ireland means it this time.

And so New York has suppressed crime? Fine. We knew Wall Street would get it in the neck sooner or later.

When legalized, it is a moratorium;

during the same period made an increase in their capital stock which totaled \$9,025,000.

The first half of 1920, which, as has been shown above, was one of tremendous activity for the Southern mills and stands out as an even brighter period when contrasted with the conditions that have prevailed during the latter part of the year. The late summer and early fall months found the mills receiving no new orders and an ever increasing number of them found it necessary to begin curtailment of production as they completed orders on hand. Conditions rapidly became worse and by the middle of December production in the South was estimated to be as low as 50 per cent of normal. Many plants have been idle for weeks and it is the exception rather than the rule to find any of them operating on full time. Cloth mills have experienced much better times than the yarn mills, especially mills making fine combed yarns. For that reason the industry in North Carolina, which is the home of the small yarn mill, has suffered more than has been the case in other sections where the mills are largely cloth manufacturers.

There were many predictions, when the depression first set in, that wages in Southern mills would suffer little if any decline. These predictions, however, have not been fulfilled, as the mill men have found it absolutely necessary to reduce the wages of their workers. The general wage scale in effect now is approximately 20 per cent lower than that of a few months ago. In the mills which have closed down entirely for long periods, the manufacturers have done everything possible to help their employes through the idle times. House rent is given free, wood and coal supplied at cost and other aid given wherever possible.

The policy of welfare work which developed so rapidly in the South during the recent years, has made steady progress during 1920. The mills have spent thousands of dollars to improve living conditions in the mill villages. Another phase of activity in the mills during 1920 was the large amount of work done to improve mill surroundings. Landscape architects and engineers in this section state that never before have they secured as much work of this kind from the cotton mills.

As the new year opens, the Southern mill men, in spite of the very unfavorable conditions that exist now, are able to view the outlook with considerable optimism. Their attitude as a whole may be expressed by saying that they are low spirited as far as the present is concerned, but optimistic over the future. They are able to point out a number of factors that should make for an early recovery in cotton mill products. In the first place, the consumption of cotton textiles is so widespread that in anything like a normal period there is bound to be a normal and steady demand for goods. The potential demand for all kinds of fabrics and yarns is enormous and the mill men state that buying of these commodities cannot be held up much longer. Deflation has been in force for a considerable length of time, they point out, and liquidation of stocks, especially those in retail hands, has made good progress, the holiday trade being of considerable help in this respect. The consumer is showing increasing interest and it can be fairly expected that the public will soon resume buying. The purchasing power, although considerably less than it has been, when active again in a normal way is sufficient to create a strong demand for goods. With retail stock cleaned out, the retailers can buy again and thus start the cycle of manufacture and sale that will mean resumption of textile manufacturing activity. Better financial conditions are expected

but every man can have his private and unofficial tell-'em-to-waitum.

Ponzi may be a wizard with figures, but just at present he would doubtless prefer being a wizard with a file.

Boiled down, Americanism consists in getting yours and then giving the other fellow a decent chance to get his.

'The world even now is sitting on a volcano,' says an alarmist. Well, coal



is scarce, and a body must keep warm in some way.

Crooked officials having got their names in the paper, this should be a severe warning to others who contemplate graft.

Let us hope that Rzeschewski will take advantage of his opportunities and make a name for himself while in America.

The concert of nations doesn't include rag-time numbers. Dignity prevents use of the rag except for purposes of chewing.

The geography still insists that the capital of France is at Paris, but alas! The capital she needs most is in Russia.

We hope this little chess marvel Rzeschewski, will take a day off during his visit and show us how to work this income tax blank.

ed by the mill men and an easing in the credit situation will be of great assistance in helping toward a return of activity. Settlement of international problems, especially those of a financial nature and the completion of some form of credit arrangement whereby impoverished European nations can resume buying in America is expected to bring improvement that will soon be reflected in the textile lines.

There are varying predictions as to when business will revive. Many of the mill men state that the first of March should see a decided up-ge for the latter. As a whole, the manufacturers really believe improvements will come in the spring months.

A consensus of opinion from this section reflects a very general feeling that after a few months 1921 is going to be a prosperous and active year for the cotton mills and that by the middle of the year the industry will be well reestablished on a good, sound basis, but on a price level that will remain considerably below that of the high peak, but above pre-war levels.

THE SIX PER CENT TIE-DOWN.

Charlotte Observer. The editor of The Laurinburg Exchange quotes the opinion of many business men to the effect that North Carolina is suffering at this time "because of the statutory limitation of six per cent on loans" and it anticipates discussion in the legislature of a bill "making it legal to charge as much as eight per cent by special agreement or contract." That paper believes it unlikely that the present rate of six per cent will be changed or abolished, "but the exigencies of the present situation demand that there be such legislation as will make it practical and possible for the man in North Carolina who needs money and to whom a loan is worth as much as eight per cent, to borrow it either at home or away from home," paying eight per cent and at the same time staying within the law. The experience of everybody who has had financial transactions in this State during the past year is that this Commonwealth might as well quit playing the hypocrite and make the eight per cent rate lawful. Capital is afraid of the law and this State is being crippled in consequence of its operation. The Observer some weeks ago made contention for the remodeling of the State's laws on interest, and it is glad to see the weekly papers taking the sound and sensible view on the situation.

An electrically operated vacuum cleaner for the teeth has been patented.

PROHIBITION ENFORCEMENT A FARCE, SAYS WOOD

WASHINGTON, Jan. 10.—Prohibition enforcement is a "farce in every locality in the country," Representative Wood, republican, Indiana, declared today in the house in proposing that enforcement be transferred from the bureau of internal revenue to the department of justice. His proposal met with instant objection from Chairman Volstead, of the judiciary committee, and heated debate ensued.

Under the present system, Representative Wood said, there is conflict of authority between representatives of the bureau and the justice department and they are "quarrelling and quibbling with each other and in many sections representatives of the department of justice have interfered with the enforcement of the Volstead act."

Representative Volstead said it was true that enforcement was "a failure in some localities," but he was of the opinion that prohibition could be enforced if "ten states which have failed to enact state enforcement laws would only do so."



HOMER BAKER

NOTED ATHLETE NOW DIRECTOR OF ATHLETICS: Homer Baker, holder of the world's record for running 600 yards, and winner of international and national championship honors, has laid aside his spiked shoes and will race no more. He has accepted a U. S. Government position in the Panama Canal Zone. His title will be director of athletics.