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ISSUED TUESDAYS AND FRIDAYS

RECEIVER NAMED FOR AMERICAN WAREHOUSE COMPANY AT SPRAY

The Big Corporation Formed After A. T. Co.

Stupendous Litigation Involves J. P. Morgan, Marshall Field Co., Duke Interests Robert Ogden and Other Stockholders and Creditors of the American Warehouse Company.—Judge Allen Named J. L. Clement as Receiver.—The Suit Involves Millions of Dollars.

A stupendous litigation was precipitated here yesterday when the American Warehouse Company, of Spray, Rockingham county, was placed in the hands of a receiver by Superior Court Judge Oliver H. Allen. The action was the result of a complaint filed by unsecured creditors of the American Warehouse Company in a creditors' bill filed in Rockingham Superior Court, and in making his decision Judge Allen appointed W. L. Clement of the South Atlantic Lumber Company, temporary receiver under \$5,000 bond. This bond was given and Mr. Clement left immediately for Spray to take charge of the properties, and, if necessary, continue operations until January 2, at which time the matter is to be heard before Judge Daniels, as to whether the receivership should be made permanent. The petitioning creditors were represented in the preliminary action by David P. Stern and Justice and Broadhurst.

Looks Like Bankruptcy Court. That the suit will precipitate enormous litigation unless the creditors therein represented are paid is generally conceded by parties interested in the matter, though the general opinion is that the outcome of Judge Allen's appointment of a receiver will result in having the affairs of the Company placed in the hands of the United States bankruptcy court.

War Between Stockholders. The complaint on which the receivership was obtained, alleges that the American Warehouse Company, a North Carolina company, a finishing mill of cotton goods, and the holder and dealer in bonds, stock and other property and securities, has for a long time had war between factions of majority and minority stockholders, until their differences are such as to interfere with the proper management of the affairs of the corporation, and to jeopardize the interests of creditors by the fact that on account of the interneine fight the corporation's affairs and the solvency of the said corporation is growing more desperate each day.

Morgan Against Field. The factions at war, it is said, are headed on one side by the J. Pierpont Morgan interests and the other men prominent in the financial affairs of the nation and the Marshall Field Company, of Chicago, on the other hand, the Field Company being the majority stockholder. The prominence of the stockholders involved, coupled with the magnitude of the litigation makes the case one of the most important that has been brought in the State courts here.

Litigation Involves Millions. The Marshall Field Co. claims house Company to the extent of

\$415,000 and a total investment of \$3,000,000, the latter amount having been advanced for various reasons and purposes. The other indebtedness of the company is said to be about \$200,000, but the real indebtedness and liabilities of the firm are of such nature that no authoritative or definite estimate can be given. That the litigation will involve millions of dollars, however, is admitted.

Prominent Lawyers Engaged. Among the North Carolina attorneys engaged in the momentous legal struggle are: Judges Bynum and Strudwick, and Cansler and Burwell, of Charlotte; the Marshall Field Company; Frank Fuller, of Durham, for the American Warehouse Company, and King and Kimball, of Greensboro, and E. S. Parker, of Graham, for the minority stockholders, who are named as J. Pierpont Morgan, Seth Low, Robert C. Ogden, Garrison Oswald Villard and B. Frank Mebane. The creditors asking for the appointment of a receiver were represented by David P. Stern and Justice and Broadhurst, of Greensboro.

Say It is Not a War. Attorneys in the present suit, however, declare that it is absolutely disconnected with the war between the factions of the company, and that unsecured creditors have simply grown tired of waiting for their money, and are seeking to collect debts before a financial wreck, professionally secured, would deprive them of collection. In the suit brought the South Atlantic Lumber Company alleges that it has a bill for \$3,165, due December 4, with interest from November 4, by contract, and that the company's note, when sent on for collection, was returned protested, and no pay had ever been obtainable.

Modeled After the Tobacco Trust. The American Warehouse Co. is a corporation modeled, it is said, on the plan of the American Tobacco Company, its charter having been drafted by Frank Fuller, after the W. W. Fuller American Tobacco Co. charter. It is, beside a finishing mill for cotton goods, made a holding company for the group of cotton mills around Spray, Draper, Leaksville, and has as stockholders and incorporators many prominent financiers, among them being Marshall Field Company, Chicago, the Duke interests of the American Tobacco Company, J. Pierpont Morgan, Seth Low, Robert C. Ogden, Garrison Oswald Villard, editor of the New York Post, B. Frank Mebane, and other national characters. For some months there has been going on a big fight between these stockholders, known as the majority and minority factions, Marshall Field and Company, of Chicago, own a majority of stock and claim to be large creditors, and as such is alleged to have assigned to itself as creditor, a very large part of the stocks and securities held by the American Warehouse Company and in this way, it is understood, claims preference over other creditors. It is said also to have guaranteed some unsecured debts of the American Warehouse Company, and is in this way controlling some claims that appear to be unsecured but which are secured by it.

The Other Side. Another faction of stockholders represented by B. Frank Mebane, of North Carolina, which includes the Dukes, Morgan, Villard, Ogden and others, are said to claim that Marshall Field and Company got their stock by reason of an agreement that Marshall Field and Company would advance the money to pay all the debts of the American Warehouse

Company and furnish money to operate the plant.

Marshall Field and Company reply that the other faction was to furnish goods from other mills at Spray and Leaksville for the American Warehouse Company to finish that would make its business profitable. Each faction claims that the other has broken its contract and thereby wrecked the company, and the unsecured creditors say they are trying to save something from the impending wreckage.

The German-American Company, a big cotton mill of Draper, Rockingham county, and one of the allied mills of this group of industries, was recently sold under decree of the United States court to secure a bonded debt of nearly half a million dollars. It was purchased by an Indiana company said to be allied with Marshall Field and Company, and the sale was only last Saturday confirmed by the court, the mills never having stopped for a day during the period of litigation.

It is also predicted that the present litigation, while very aggravating to the big moneyed interests involved, will not have the effect of closing down the industries of the big mill center at Spray.—Greensboro News, 16th.

WALK TEST FOR OFFICERS.

Ten Miles Once a Month is Order of War Secretary.

Secretary of the Navy Meyer has decided that, beginning with the new year, every officer in the navy except midshipmen at Annapolis must take a ten mile walk once a month. The order in which the new physical test is prescribed states that only those who are disabled in the line of duty or who have only one year to serve before the legal retirement age is reached shall be exempt, whether afloat or ashore. The walk must be completed within four consecutive hours.

Before taking the first monthly walk in each year hereafter the officers will be examined by a board of naval medical officers, who will determine whether or not the officer may take the exercise without danger to himself. If the officer is physically fit he will start on the walk, and within three hours, if practicable, after the walk is completed the same medical board shall again examine him to determine what effect the exercise has had.

The order is divided into twelve paragraphs. Nos. 7 and 8 have attracted most attention in the service, for those paragraphs may indicate the reasons that are behind the order. They read:

7. In every case in which an officer is found by this medical examining board to be unfit to take the exercise or fails to complete the exercise for physical reasons he shall be ordered before a retiring board in case the physical disability developed be of a permanent nature. If the retiring board finds such officer fitted to perform his regular duties it shall recommend whether he shall be permanently excused from taking the physical exercise or whether he shall be excused only for a limited period and, if the latter, for what length of time. Should the officer be found disqualified to perform his duties the retiring board shall proceed as is customary in such cases.

8. In the case of a disability of a temporary character in which there is expectation of recovery within a reasonable time the officer may be excused from taking the exercise during such period as the department may deem advisable, but he will be required to take the necessary steps to promote the removal of his disability. In case of refusal or neglect to submit to operation or undergo treatment as prescribed the case will be considered on its merits.

Section B of paragraph 1 states that officers serving in the tropics or climates where the temperature is unusually high will be required while in those climates to take a walk of only two-thirds the distance prescribed for officers in other climates.

Officers of the Atlantic fleet in talking of the "ten mile" order said they would probably be in Cuban waters when the order goes into effect, and if so they wondered whether or not those waters would be considered tropical and they would be required to go only two-thirds of the way, instead of doing the full ten miles, as will all of the officers who will remain in the United States.

Distributing Pension Warrants.

Mr. James T. Smith, clerk of Rockingham Superior court, has been distributing the State pension warrants during the past few days. There are no first class pensioners in Rockingham county. Of the second class there were three who received \$60, but Mr. R. M. Miller has died and this leaves just two. Of the third class who get \$48 there are only nine. The fourth class includes all others and widows. These get \$30. There are 143 soldiers of this class, with three dead and one in Soldiers' Home and 104 widows.

Roy Keever, of Stony Point, N. C., accidentally shot himself and died as a result thirty minutes thereafter. The young man was in the wood chopping when the accident occurred. He had laid his gun against a log and when he attempted to move it, it was discharged by the hammer coming in contact with a knot on the log. The entire load entered his side.

THE NATION'S NEWS

Items Taken From a Great Many Sources.

Condensed News Items Concerning Matters of Interest Occuring Since Our Last Issue.—News of the World at Large.

The Standard Oil Co. announces an advance of a quarter of a cent a gallon in the price of benzine and gasoline.

A new cotton mill to make fine specialty cloth is definitely assured for Charlotte, and work is to be started soon after the first of the new year. The concern will be capitalized at \$500,000.

Thomas Watts, head of the Briceville, Tenn., mine disaster relief committee, was electrocuted Friday while leading a fight on a fire in the town of Coal Creek, of which he is mayor. He came in contact with a live wire.

Exactly \$80,000,000 is proposed to be appropriated by Congress during the next five years under a bill introduced last week by Representative Prouty, of Iowa, who advocates national and State co-operation in road construction and maintenance.

Although appealed to by Judge Harvey M. Trimble, commander-in-chief of the Grand Army of the Republic, and other officers of that organization to do all in his power to provide increased pensions for Civil War Veterans, President Taft, it is thought, will not sign any act providing such an increase as the Sherwood dollar-a-day bill which recently passed the House.

Ten models have been submitted in competition for the monument to be erected on the battlefield at Guilford Court House, N. C., to commemorate the great victory won by the American troops commanded by Major General Nathaniel Greene at that place March 15, 1781. The models have been put on exhibition at the War Department. Congress appropriated \$30,000 for monument and directed its disbursement by the Secretary of War.

The Russian treaty situation has cleared materially and the administration plans for the abrogation of the 1832 treaty with the St. Petersburg becomes more definitely known. The President, it is said, has indicated emphatically that he would veto the Sifzer resolution instantly if it should be forced through the Senate today without modification. Nothing that can be construed as an offense to Russia will be permitted if the President can help it.

There was a falling of more than a million dollars in breadstuffs exports from the United States during the month of November this year as compared with the same time last year. There was also a decrease in cattle, sheep and hogs exported. But cotton, mineral oils and dairy products showed a marked increase. For the eleven months ending December 1 there was an increase of eighty-two million dollars in value of exports of all the above named products over the similar period of 1910.

Charley Murphy, sentenced in Yancey county for murder in the first degree, will not be electrocuted in the State prison, the Supreme Court finding error in the trial and conviction of the prisoner. Murphy killed John Simmons while under the influence of liquor. He was tried and convicted, but the jury failed to specify first or second degree murder. The Supreme Court is granting a new trial because, it says, "a person who kills another when so drunk as not to be able to plan and deliberate is not guilty of murder in the first degree."

President Taft and his Cabinet were given a demonstration in the Cabinet room of the White House the other day just how the battleship Maine was blown up in Havana harbor. Rear Admiral Vreeland and Chief Constructor Watt, of the navy, both members of the Maine investigating board, staged the show. A model of the Maine, constructed in Havana and brought to this country by the board, was placed on a big mahogany table in the Cabinet room and Mr. Taft and his advisers watched closely while the navy officers explained. First the Maine was shown riding at anchor in Havana harbor. Suddenly Admiral Vreeland pulled a string or two and the model battleship was a ruin in an exact reproduction of the Maine after she lay on the bottom after the explosion.

Mr. R. W. Scott, a popular young farmer on Route 3, sold tobacco on the market here yesterday and was well pleased with prices. He also called around to see if The Review's Christmas stocking was filling up any.

DISINTEGRATION OF OIL TRUST.

Two Hundred Thousand Certificates Shares Sent Out to Stockholders.

The disintegration of the oil trust has been carried out in accordance with the decree of the supreme court, and the stockholders have received their proportionate shares in the thirty-three subsidiaries which the Standard Oil Company of New Jersey controlled.

There are more than 6,000 of these stockholders, and consequently the number of new certificates distributed aggregates more than 200,000. The signing of these certificates was in itself a monumental job. It had been in progress for two or three months, or ever since the accountants finished figuring out the complicated fractional shares belonging to the various stockholders under the new dispensation.

Each certificate had to be signed by two officials of the issuing company, but the work was reduced materially by the use of a signing machine. This is an apparatus equipped with eighteen fountain pens. The signer writes his name with one of the pens, and the other pens form the same signature in somewhat the same way that a pantograph reproduces a picture when the operator traces over the original picture with it. Although John D. Rockefeller is president of a number of subsidiaries as well as of the Standard Oil Company of New Jersey, matters were so arranged as to make it unnecessary for him to take any part in the signing operation.

Dates of Annual Meetings. With the certificates was sent out a certain amount of information concerning the thirty-three subsidiaries, now to embark on the sea of competition on their own account. Ordinary stockholders in the parent company have never known much about these subsidiaries, and apparently they have never cared much about their affairs, as profits and losses alike went into the pot, and good big dividends on the total operations came out. Now, however, with separate holdings of stock in the various companies it is expected that the stockholders will want to know a great deal more about them.

The dates for the annual meetings of the thirty-four companies, including the Standard Oil Company of New Jersey, run all the way from January to May, so that the stockholders will have five months in which to obtain detailed information as to their distributed holdings unless special meetings should be called sooner. It is not expected that the people who have been in control of the combination will make any arrangements for special meetings, as their policy all along has been a literal compliance with the decree of the supreme court, neither more nor less. Whether other stockholders may take steps for an earlier satisfaction of their curiosity cannot be foretold, but the prospects are that until the regular meeting times they will have to depend for any estimate they may wish to make as to the value of their holdings on the report of the commissioner of corporations, the figures in which represent conditions in 1906. Since then no official statement has been made as to any of the subsidiaries.

Record Example in Fractions.

There has never been before so aggravated a case of fractional shares as that arising from the dissolution of the oil trust. They are usually due to stock dividends or the issue of rights to subscribe to new stock—say on a 10 per cent basis—so that the owner of a single share would receive a tenth of a share and the other fractions would be in tenths. The denominator of the Standard Oil fractions is not only very much larger, but it is quite remote from any connection with the decimal system. That denominator is 983,383, which is the number of \$100 shares of stock of the Standard Oil Company of New Jersey outstanding. The numerator in the case of each company is the same as the number of shares in it owned by the parent corporation.

In order to make sure that there was no mistake in any allotment, each division of fractional shares allotted to any particular stockholder was checked over six times.

When it comes to the distribution of dividends on the fractional shares by the thirty-three former subsidiaries the arithmetic involved in figuring out the amount of each of the thirty-three checks to each of the holders of so many 983,383ds shares is likely to make the recent operation seem simple, but the labor will now be divided among the accounting departments of the different companies, and there is little doubt that eventually, by one means or another, the fractional shares will be eliminated or consolidated.

Honor Roll For Carmel School. Misses Mary and Lora Walker, Teachers—Elmer Jarrett, Anita Jarrett, Joe Strader, Sam Strader, William Strader, Van Buren Strader, Edna Wood Smith, Johanne Stone, Edna Ellington, Mae French, Clara Hudson, Phoney Jarrett, Beulah Strader, Pearl Strader, Jennie Strader, Myrtle Strader, Lillian Smith, Bessie Smith, Edith Smith, Callie Watkins, Dollie Watkins.

Our business firms need not go outside of Reidsville to secure competent stenographers, bookkeepers and accountants, for the Seminary can supply them.

The Graded Schools have closed for the holidays. The Seminary and the South Side school will close the latter part of this week.

Old papers for sale at this office.

CONFESS TO SHERIFF

Trio Rushed to Charlotte For Safe Keeping.

Three Negroes Confessed to Killing Mr. and Mrs. John Dixon, a Prominent and Wealthy Couple of Cleveland County.

An Associated Press dispatch from Charlotte says: Charged with the murder of Mr. and Mrs. John Dixon, a prominent and wealthy young couple of Cleveland county, Wednesday morning, John and Hack Ross, brothers, and Will Ross, their cousin, negroes, were formally committed by the coroner's jury this morning, and tonight were hurried to jail here to prevent lynching, which has been imminent all day.

Hundreds of quiet, but determined farmers flocked to Shelby, the county seat this morning to attend the inquest. After some delay it became whispered around that the hearing had been postponed and the impatient citizens began to wend their way toward the jail. Realizing the gravity of the situation the sheriff rang the court house bell and the crowd retraced its steps. There Judge Webb, the solicitor of the district, and others harangued them, pleading for law and order.

The coroner, who had been conducting a star chamber inquest in the meantime, then appeared and read the report of his jury, assuring the spectators that the right men were in custody and would have speedy trials. Governor Kitchen had been apprised of the seriousness of the situation and early this afternoon wired the county authorities to remove the prisoners to the Charlotte jail, stating also that he would call a special term of Cleveland court to try them. The negroes were spirited away under cover of dusk and landed in jail here tonight.

The murder of the Dixons was one of the most atrocious in the State's annals. He was called from his bed Wednesday night and knocked in the head with an axe, and with the same weapon the murderers slew his wife who lay asleep by the side of her tiny infant. One of the negroes has made confession to the sheriff, giving as the motive for the double crime the fact that Dixon held a mortgage on his mule. Dixon was 30 and his wife 23 years old.

MEETING WITH FINE SUCCESS.

Commercial Department of the Reidsville Seminary. It may not be generally known to the readers of The Review that the Seminary has as fully equipped and up-to-date business department as can be found in any school in the State.

The growth of this department during the present session has been remarkable. The new Visible Type-writers No. 10, of latest model, have been purchased and thus far eighteen pupils have been enrolled. Several new pupils will enter after the holidays, and the outlook is most encouraging.

The Commercial Department of the Reidsville Seminary has been made a Southern branch of Eastman Business College, of Poughkeepsie, N. Y., and President Clement C. Gaines has officially announced that all work done in the Commercial Department of the Seminary will be accepted and full credit given students who may enter Eastman from this institution.

The text books used in Eastman Business College have been adopted here and are being used.

The same course of study has been adopted and will be followed as far as possible so that pupils going from Seminary to Eastman need not be required to change text books or course of study. This will be of great assistance.

So far as is known the Seminary is the only Southern school that has been made a branch of Eastman, and has been officially endorsed by President Gaines.

It is gratifying to know that the Seminary offers a commercial course endorsed by Eastman and that hereafter our young men and young women may receive a full course of instruction here and at very much less expense than that required elsewhere.

We are informed that several good positions are already open as soon as the students are prepared to take them.

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Do you know that you can get your laundry work done here in a manner that will prove satisfactory and you will be inclined to intrust your laundry elsewhere. The most delicate fabrics are laundered in such a manner that they will not be injured or marred in the slightest way. If you have any such apparel, that requires attention, don't hesitate about entrusting its laundering with us.

HENRY HUBBARD, Agent

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