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Tobacco Warehousemen Watching Danville Litigation Over Selling Time

All over the Tobaccoland, U. S. A. those men who own and operate tobacco sales warehouses are keeping a close eye on the Danville, Virginia law suit that is now on appeal from a ruling of the federal district judge.

Largely on the strength of the adoption of a complex plan for allocating sales time by the Virginia federal judge a number of Tobacco Boards of Trade in other communities have adopted the same formula.

Despite the fact that the Fourth District Court of Appeals will not hand down its opinion in the Danville case until October, there are many in the tobacco warehouse business, and perhaps a few more outside who want to get in this business who are guessing which way the court will rule.

The "Danville Plan" is really the plan of North Carolinian Fred Royster, who is president of the Bright Belt Warehousemen's Association. This long-time executive of the tobacco selling association was appointed special master in the Danville case and charged with the difficult task of coming up with an equitable answer to the question of how much selling time on a given tobacco market.

Royster came up with a formula that was acceptable, at least to the federal judge who had appointed him a special master. But the Royster plan was not acceptable to the plaintiff in Danville, who felt strongly enough about the plan to appeal it to a higher court.

Under the Royster plan a newcomer to the Danville market would be allocated a percentage of the total market selling time that is based on a complex formula.

The total amount of floor space in a market — including the newly built floor space would be divided into "units." The old warehouses would get 100 per cent selling time for each unit of that total floor space it owned.

But the newcomer would be allocated 75 per cent of selling time for his first unit, 50 per cent for his second unit and 25 per cent for all other units of the total floor space he owned.

That would be the rule for the first year of operation.

Then the newcomer could theoretically increase his percentage in each category by a maximum of eight per cent per year. But that increase would have to be based on performance and would not become an automatic increase.

Also if his performance — that is per cent of the market's tobacco that he sold — fell, his share of the total market selling time could be decreased by as much as eight per cent per year.

Both the increase and decrease of selling time under the Royster plan are problems ONLY of the newcomer to the market.

Last month under cross examination by counsel for North Carolina litigants in a similar suit Royster found it difficult to find logical answers to support his plan.

Asked if it were fair for two men to come to a given tobacco market; one of whom bought an existing warehouse and the selling time that went with it and the other built a brand new warehouse and got only about one half the selling time that his floor space would demand on a pro rata basis, Royster floundered and never found a coherent answer.

Many warehousemen are reluctantly admitting that some changes will have to be made to prevent utter chaos coming to their business if the court of appeals rules the Danville plan a restraint on trade.

Few warehousemen are anxious to accept utility status for their business, but they will admit that the public cannot be best served on a market that has been bankrupted by over-building and endless litigation over sales time.

That a warehouse IS a public utility seems to be the reluctant consensus of a considerable segment of the business.

All agree that it would be absurd to have 50 tobacco warehouses on a small market as it would be to have 50 bus lines serving one small town.

Already the tobacco warehouse operates under controls of the State Department of Agriculture insofar as weights and measures are concerned and under controls of the United States Department of Agriculture insofar as grading and actual selling of tobacco is concerned.

The only step left to classify tobacco sales warehouses as public utilities is legislation that would make it necessary for newcomers to any given tobacco market to show that there was a need for additional space on that particular market.

Warehousemen admit that a tobacco warehouse without selling time is in the same position as a tobacco farm without a tobacco allotment; but a majority of them balk at classifying that selling time as a property right, although it is bought and sold, and cannot logically escape that classification.

Each tobacco marketing town and each group of tobacco warehousemen must take one of three courses: 1. Accept utility status, 2. Expect perpetual litigation or, 3. Find, and find quickly another more equitable answer that will also stand the test of legality under anti-trust provisions of the federal law.

Lenoir And Duplin Officers Get Big Load of 'Herbs'

Last week officers from the Lenoir and Duplin County Sheriff departments caught a truck between Deep Run and Liddell in lower Lenoir County that was heavily loaded with stumphole whisky.

The driver of the truck fled into the woods shortly before midnight and left behind 606 jars of the backwoods brew as well as the truck.

So far efforts to trace ownership of the truck have proven unsuccessful, but Sheriff Clay Broadway says he'd be happy for the owner to come in and claim it; but he adds that he's not expecting him to show up.

HEAVY FINE

Odell White of Kinston route 2 was fined \$500 by Recorder Emmett Wooten who found White guilty of a third drunken driving offense.

Step-Papa or Welfare? That Is Judge Noble's Difficult Court Poser

Last Friday Jones County Recorder's Court Judge Nick Noble ran afoul of at least one kind of legal problem that even Solomon was never asked to solve.

Hubert Bonnam was before the court charged with non-support in an action brought by his wife, Thelma.

Testimony taken during the trial indicated that only one of his wife's children was sired by the defendant, and the other four were born out of wedlock and had been supported through a monthly check from the welfare department.

Judge Noble first ordered that Bonnam pay \$40 per month for support of his child and added that the judgment would be discontinued at anytime the Welfare Department was giving assistance to his wife.

At that point Mrs. Bonnam, faced with losing a much larger welfare check in order to get \$40 from her husband, let up a wail.

Then Judge Noble added a further "if" to his judgment, permitting the welfare department to still issue a monthly check to Mrs. Bonnam for the four children she had borne illegitimately, and providing that the judgment only pertained to her one legitimately born child, of which Bonnam admitted being the father.

Welfare Department Superintendent Mrs. Zeta Burt says Mrs. Bonnam did get a check for \$75 per month from the welfare department but this was cancelled at the end of June and she is not currently getting any money from that department.

Pollocksville paid the costs for making an improper turn.

Edna Mallard Doster of Trenton route 1 paid the costs for failing to stop at a stop sign.

Kenneth Lee Best of New Bern route 2 paid the costs for driving an improperly equipped vehicle.

Carlton Melvin Burton of Maysville had a charge of driving without a license dropped when he presented a valid license to the clerk.

Deputy Shot Monday

Craven County Deputy Sheriff William Griffin of Dover suffered a painful but not serious pistol wound at 8:45 Monday morning when a 12 year-old negro youth grabbed his pistol and fired it while it was still in the holster. The youth was Larry Williams of James City, who was being taken to a reform school where he had been committed for breaking into several New Bern area markets.

Branch Bank Getting New President Jan. 1

Last week Jack Satchwell of Wilson was elected president of the Branch Banking and Trust Company, effective January 1, 1964.

Satchwell replaces J. E. Paschall, who is retiring after having served as head of the bank since October, 1952.

Divorce Suit Filed

Superior Court Clerk Walter Henderson reports filing one civil action in the past week in which Lawrence Amon Green Jr. asks for a divorce from Linda Swain Green on grounds of two years separation. The suit alleges their marriage on June 14, 1960 and their separation on August 28, 1961.

ZIP GUN ASSAULT

Lee Koonce of Kinston route 4 was placed under \$1,000 bond over the weekend on charges of assaulting Evelyn Harris and Carolyn Jones with a zip gun.

Recorder's Court Has Twenty Traffic Cases

In addition to the hearing of a rather complicated support case, covered in another story on this page, Jones County's Recorder's Court cleared from its docket in the past week a total of 20 traffic cases — including one of "reckless walking."

The "reckless walker" was Roosevelt Samuels of Trenton route 2 who was charged with public drunkenness and ordered to pay the court costs.

Included among the others were many submissions or pleas of guilty in absentia.

Roy Hughes Buck of New Bern route 1, David Michael Lucarelli of the Navy, Jesse Darius Banks of Maysville, Thomas Elliott Hemingway of Camp Lejeune, Henry Bryan of New Bern route 3, Myrtice Miller of Columbia, S. C., Nicholas Winslow of Camp Lejeune, George E. Junsky of Camp Lejeune and Jobie Harrell of Edenton were each fined \$10 for speeding.

Marshall Lee Hargett of Deep Run route 1 was fined \$25 for driving without a license.

Arthur Richard Eubanks of Pollocksville route 1 paid the costs for making an improper turn.

Aaron Simmons of Pollocksville route 1 paid a \$10 fine for driving without a license.

Barth Taylor of Pollocksville route 1 was fined \$10 for reckless driving.

James Michael Poole of Pollocksville paid \$25 for reckless driving.

Esley Sutton Quinn of Trenton route 2 was fined \$100 for drunken driving but he appealed to superior court.

Christabelle Hill Coleman of



Janice Kathryn Lowery, daughter of Mr. and Mrs. W. W. Lowery of Route 1, Trenton, received honors in the annual 4-H Electric Congress held in Charlotte August 12-14. She is shown receiving the certificate and gold wrist watch from Russell Lee, agricultural development engineer (left), and J. S. Howell, Carolina Power and Light Company's New Bern manager (right), for placing second in the territory in 4-H farm and home electric projects.