

# Morning Oregonian

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## BERLIN TO PAY FOR FRYE, UNDER TREATY

### Prussian Compact of 1828 Fulfilled.

## CONTRABAND IS NOT ISSUE

### Owners Entitled to Indemnity in Any Event.

## FORMAL ANSWER IS GIVEN

### Case Is to Be Taken Before Prize Court, However, for Ascertainment of Ownership and Amount of Damages Due.

WASHINGTON, April 8.—Germany's intention to compensate the owners of the American ship William P. Frye, sunk on the high seas with her cargo of wheat by the commerce raider Prinz Eitel Friedrich, formally communicated today. Ambassador Girard called a note handed him by the Berlin Foreign Office in reply to the recent American communication submitting a claim for an indemnity of \$223,059.54 on behalf of the Frye's owners.

The Foreign Office upholds, without qualification, the legality under international law of the raider's action in sinking the Frye and bases the liability of the German government to pay indemnity solely on the old Prussian-American treaty of 1829 and 1828, which provides that contraband belonging to the subjects or citizens of either party cannot be confiscated by the other and may be detained or used only in consideration of payment of the full value.

## COMPENSATION MATTER OF COURSE.

In view of this stipulation, the note says, of course the American owners must be compensated for their loss. It is pointed out, however, that the case of necessity must go into a prize court, in order that questions of ownership, cargo, destination, etc., may be formally established.

The German position is that the Frye's cargo of wheat was contraband because it was consigned "for orders" to Queenstown, which is declared to be a fortified point of Great Britain. No notice is taken of the fact that since the wheat was sold en route to British citizens, the United States filed a claim for the vessel owner only, this question being left for development in the prize court.

## WASHINGTON IS SURPRISED.

Officials here were somewhat surprised at the nature of the German note because of the bearing it may have on negotiations now in progress between Washington and London over the virtual blockade of Germany and Austria declared by the allies. The United States has insisted that on the belligerent seizing a cargo consigned "for orders" the burden of proof that the goods were destined for armed forces of an enemy.

The German note was dated April 4, one day after Ambassador Gerard presented the request for indemnity.

## GERMAN COMMANDER UPHOLD.

The reply was handed by the Foreign Office at Berlin to Ambassador Gerard, who called it today to the State Department. It follows:

"The undersigned has the honor to make reply to the note of His Excellency, James W. Gerard, Acting Minister of the United States of America, dated the 1st inst., relative to claims for damages for the sinking of the American merchant vessel William P. Frye by the German auxiliary cruiser Prinz Eitel Friedrich.

"According to the reports which have reached the German government, the commander of the Prinz Eitel Friedrich, the William P. Frye on the high seas January 27, 1915, and searched her. He found on board a cargo of wheat consigned to Queenstown, Falmouth or Plymouth to order. After he had first tried to remove the cargo from the William P. Frye, he took the wheat consigned to Queenstown, Falmouth or Plymouth to order, and sank the ship.

"It results from these facts that the German commander acted in accordance with the principles of international law, as laid down in the declaration of London and the German prize ordinance.

## 160 HORSES LOSE TAILS

### Thief Denudes Animals in Spokane Yards, Injuring Value.

SPOKANE, Wash., April 8.—A robber invaded the railroad yards last night and cut the hair from the tails of 160 horses being held for shipment to Chicago. The horses were not mutilated otherwise but it is said that the destruction of their tails will make them practically unsalable.

It is estimated that the thief carried away about 39 pounds of hair valued at 5 cents a pound.

## MAMMOTH'S BONE FOUND

### California Scientists Estimate Age at 250,000 Years.

LONG BEACH, Cal., April 8.—(Special.)—Estimated by scientists to be from 250,000 to 275,000 years old, the petrified knee joint of a mammoth was unearthed today by workmen 25 feet below the surface.

The knee joint of the largest species of animals that ever roamed the earth is well preserved, despite its great age. It measures 15 inches in length and 12 inches in diameter.

## FRENCH TROOPS TO MOVE ON TURKEY

### FORCE REACHES EGYPT TO CO-OPERATE WITH FLEET.

### Operations With British Expeditionary Army Also Part of Programme, Says Paris.

PARIS, April 8.—French troops from Africa are ready to assist the allied fleets and British expeditionary forces against Turkey. The following official statement was issued by the War Office tonight.

"The expeditionary corps to the Orient, which was placed under command of General A. G. L. D'Amade and concentrated at Bizerta (a fortified seaport of Tunis, Africa), to perfect its organization and perfecting the voyage of the Levant under the best of conditions. It has been ready since March 15 to aid the allied fleets and British expeditionary corps.

"In waiting, it was deemed advisable not to prolong the stay of the troops aboard the transport, and, for this reason, the hospitalities of Egypt was accepted. The French forces have been debarked at Alexandria and are installed at Hamieh, where they are reorganizing and perfecting their organization and cohesion. They are ready to proceed without delay to any point necessary."

## ROADS OFFER 10,000 JOBS

### Railways Plan Extra Work to Meet Heavy Tourist Travel.

CHICAGO, Ill., April 8.—Employment agents in many cities between Chicago and Denver have been asked to supply 10,000 unskilled laborers for railroad work, it was said here today. The Burlington, it was said, will put 2000 men to work by May 1 and the Union Pacific 4000 by June 1. The Rock Island, Missouri Pacific and Northwestern systems are named as seeking the other 4000.

Because of expected heavy tourist traffic, hundreds of miles of track and roadbeds are to be put in the best possible condition and many miles of sidings constructed to take care of the extra number of trains.

## COMPANY OWNS ONE-SIXTH

### Portland Corporation Assessment in Clackamas \$5,219,616.

OREGON CITY, Or., April 8.—(Special.)—Totals taken from the assessment books today by County Assessor Jack show that property of the Portland Railway, Light & Power Company, in this county is assessed at \$5,219,616, or more than one-sixth of the county, including \$1,999,000 in timber lands in litigation between the Government and the Oregon & California Railway Company.

## BULL RUN GATES CLOSE

### City Bars Way to Reserve Because of Number of Autoists.

Gates leading into the Bull Run water reserve were closed yesterday by order of Superintendent Kaiser, of the Water Bureau. This action was necessary on account of the number of persons who were intruding. Usually the gates are not closed until May.

The city recently completed a new plank road from the town of Bull Run to the headworks and this has been such an attraction to autoists that it was deemed best to close the reserve a month earlier than usual.

## AVIATORS RAID FESTIVAL

### Women and Children in Montenegro City Killed by Austrians.

NISH, April 8.—(Via Paris, April 3.)—Austrian aeroplanes on Tuesday bombed the Montenegrin town of Podgoritz. A celebration was in progress and the streets were crowded. Twelve persons were killed and 60 wounded and many houses were destroyed. Most of the killed and injured were women and children.

King Nicholas and his ministers, as soon as they learned of the attack, proceeded to Podgoritz to aid the people.

## WOMAN AND 2 MEN TAKEN AS ROBBERS

### Baker Stage Holdup Brings Arrests.

## \$7000 IN BULLION IS FOUND

### Partial Confession Made by One of Male Prisoners.

## MINING MAN AIDS SHERIFF

### Revolver and Garments Belonging to Notorious Hole Are Found Near Badger Where Gold Is Located—Driver Knows Voice.

BAKER, Or., April 8.—(Special.)—Molly Burgess and Joe Carlson were arrested at Miller this afternoon, and William Halder, known as "Sour Dough Bill," was formally arrested in the Huntington jail soon afterward, charged with the holdup of the Rainbow-Durkee stage and the theft of \$7000 in gold bullion in Rye Valley Monday morning.

The bullion was found last night in a badger hole about a mile from the scene of the holdup by Sheriff Anderson. All three prisoners are in the Baker County Jail. Carlson and the woman being brought in by automobile by Price Anderson, Sheriff, and Robert Nelson, Deputy Sheriff. Halder came by train. Halder has practically confessed, it is said, and has implicated the other two.

## Mining Man Aids Sheriff

### Revolver and Garments Belonging to Notorious Hole Are Found Near Badger Where Gold Is Located—Driver Knows Voice.

The arrest at Miller was made at 4 o'clock this afternoon by Sheriff Anderson, Deputy Nelson and H. S. Lee, superintendent of the Rainbow mine, from which the gold was being shipped. Neither Carlson nor the woman resisted, although the woman loudly denied her guilt. The two lived together in a dilapidated cabin that has been notorious for being a "shady place," and the woman, known as "Old Mel," has previously been arrested for bootlegging.

## Halder Blames Carlson.

The arrests were made on the strength of articles found near the badger hole, by the tale of Halder and by the knowledge of Ralph Moorehouse, who was held up while driving the stage. Halder has told much of the story and is said to place the blame on Carlson. The plot was hatched last

## INDEX OF TODAY'S NEWS

The Weather. YESTERDAY'S—Maximum temperature, 81.0 degrees; minimum, 42.0 degrees. TODAY—Fair, winds becoming southerly.

War. French and British expeditionary armies to aid fleet against Turkey. Page 1. Germany to pay for sinking Frye, under treaty with Prussia made in 1828. Page 1. Belgium report they have routed Germans; French say their gains continue. Page 5. German officials prevented by Italy from penetrating into Abyssinia. Page 2. Russians force three Carpathian passes and cut Austrian army. Page 2. Inhabitants of Naples tranquil though shells fall in town. Page 2. Reproduction of Columbia River at San Francisco exposition is open to visitors. Page 17.

Foreign. American wish for docks in China is one cause of demands by Japan. Page 5.

National. Special reports of bank examiners show nationwide business revival. Page 1. Mexico. Carranza and Villa aerial warriors reach Matamoros. Page 17.

Domestic. Union officials dispute testimony of railway president at industrial hearing. Page 7. Young Oregon hotel man strangely missing in San Francisco. Page 4.

Sport. Returning players declare Portland team is Oregon predicted winner of approaching meet. Page 12. Willard becomes embarrassed by tremendous ovation on his trip north. Page 12.

Pacific Northwest. Woman and two men arrested for holdup of Baker County stage. Page 1. Mrs. Emma Christoffersen to keep money J. R. Perren gave her before marriage. Page 7.

Commercial and Marine. All docks needing repairs are included in instructions. Page 14. Southern Pacific proposes trade of waterfront property with Fort Commission. Page 14. Northwest may face shortage of oats before wheat advances. Page 17. Wheat declines at Chicago on account of peace rumors. Page 17. Manipulation in Bethlehem Steel produces 30-point advance. Page 17.

Portland and Vicinity. "Unholy alliance" in crime by foes in bad court. Page 11. Rose Festival to conduct contest for selecting Rose Queen and six Princesses. Page 18. Many laborers to vote for bonds despite opposition of Council. Page 11. Dwight Edwards, prominent business man, dies suddenly. Page 3.

Weather report, data and forecast. Page 17.

## BUSINESS REVIVAL COMES WITH SPRING

### Better Conditions Declared Nation Wide.

## WEST ESPECIALLY IMPROVED

### Bank Examiners Report Officially to Washington.

## TOURIST TRAVEL IS LARGE

### Deposits Show Satisfactory Increase and Money is Abundant—Hopesfulness Pronounced, Crops Good, Merchants Confident.

WASHINGTON, April 8.—Business conditions throughout the country are showing marked improvement in almost all lines, according to reports from National bank examiners, made public tonight by the Treasury Department. Eighty of the 96 examiners in the United States reported a permanent improvement in business and Maine is said to be the only state where real depression exists.

The reports are announced to be the result of careful observation and supplemental to the regular reports on business conditions made each month to the Controller of the Currency.

Commercial Lines Extending. "Pronounced hopefulness is prevalent in nearly every district," the announcement says. "Agricultural conditions are generally excellent and commercial lines, with comparatively few exceptions, are enlarging their activities, mainly through an increased demand, but in some cases preparation for activity is expected to develop with the coming of good weather. Manufacturing is on the increase and those industries having orders for supplies from foreign countries continue especially active.

"Further orders have been placed for cars and rails by the railroads and some large contracts have been made for structural iron for large buildings in different portions of the country."

Economy Acts as Stabilizer. The statement attributes depression to unusual conditions, but says that business here has been stabilized through the application of economy. "The South," it continues, "is showing marked improvement. The sale of cotton is active at advancing prices, with the result that all business in that section is feeling a steady and pronounced improvement. The prospects for large crops generally are excellent, and there will be greater diversification. The states adjoining the Missouri River and the Mississippi River above St. Louis enjoyed exceptional prosperity during the last season, and the present prospects are that the coming season will yield even better results.

"The Western states and the Pacific states are showing a general improvement."

## BETTER CONDITIONS DECLARED NATION WIDE

### WEST ESPECIALLY IMPROVED

## BANK EXAMINERS REPORT OFFICIALLY TO WASHINGTON

## TOURIST TRAVEL IS LARGE

## DEPOSITS SHOW SATISFACTORY INCREASE

### AND MONEY IS ABUNDANT—HOPEFULNESS PRONOUNCED, CROPS GOOD, MERCHANTS CONFIDENT.

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## THE DUTCH REVEALS WAR MOVES

### There were persistent rumors in London last night that Germany either had declared war on Holland, or that her troops had occupied that strip of Dutch territory which extends from the Belgian frontier on the coast to the River Scheldt. The reports lack confirmation, and are not credited by those who should know if either action had been taken.

The Dutch are strongly opposed to intervention in the war, but their army is ready to repel any invasion of Dutch territory, complete preparations with that object having been made long ago.

The fighting in the mountain passes continues as fiercely as ever, and although Austria asserts that her troops, with the assistance of Germans, have gained success on both sides of the Laborca Valley during Easter, the Russians are, on the whole, much farther advanced than they were a week ago, and have now forced the Duke Luykov and Rostock passes, and are pouring troops into the region of Usok Pass, where the heaviest battle is now in progress.

So far as the rest of the eastern front is concerned, the only battle of any importance is that in Bukovina, where the Austrians are thrusting at the Russian positions in the hope of compelling the Russians to send reinforcements from the Carpathians. In West Galicia and Poland the overflowing rivers and bottomless marshes prevent movement on a large scale.

Another diplomatic report which has created immense interest is that from Rome, to the effect that Austria is seeking a separate peace with Russia. This likewise lacks confirmation and is not credited, and it is not considered reinforcements to the Carpathians if there were any doubt of Austria's loyalty to her ally.

Italy takes the matter more seriously than the other nations, for should it prove to be true, it would end her hopes of gaining territorial acquisition in Austria. However, the stubbornness in which Austria is resisting the Russian advance in the Carpathians seems to contradict the suggestion that she is ready to seek peace at Russia's terms.

These same conditions are hindering the French advance between the Meuse and Moselle rivers; the French official report today saying heavy rains have made the ground difficult for the movement of troops and the employment of artillery. There is an important battle in progress in this region, however, and the French report making advance, which is disputed by the Germans, who declare that all the attacks have been repulsed. Whichever report is correct, there is little doubt that a sanguinary battle is being fought and that in the attacks and counter-attacks very heavy losses have been sustained.

The people of Europe are awaiting expectantly a renewal of the attack on the Dardanelles, this time with land and sea forces. But the only news from that part of the world today is that Turkey has decided to call up all men capable of bearing arms, an indication that she expects the allies to show exceedingly strong forces against her.

The German government has informed the State Department at Washington that compensation for the sinking of the American ship William P. Frye by the auxiliary cruiser Prinz Eitel Friedrich, and also for her cargo of wheat, will be given by the Germans. Germany will require, however, that the case be taken before a German prize court, that the court may consider the question of the legality of the capture and destruction of the ship and fix the amount of indemnity.

## AERIAL WARRIORS REACH MATAMOROS

### Both Villa and Carranza to Use Planes.

## STEEL DARTS TO BE WEAPONS

### American Aviator in Charge of Besieger's Aeroplane.

## BATTLE LINE IS FORMING

### Cavalry Takes Position From Which Fire Would Be in Direction of Brownsville Business District and Troops Move.

BROWNSVILLE, Tex., April 8.—The arrival of six American aviators at the Villa lines about Matamoros today with news that more aeroplanes are coming, and the whirl of a monoplane belonging to the Carranza garrison in Matamoros tonight, promised early developments in the siege of the fortified city, opposite here.

Jack Knight was the American aviator. He registered from El Paso. With him came Juan F. Garcia, a Villa aviator, from Monterey. A Villa biplane has lain idle for a week near Matamoros for lack of an aviator. Knight and Garcia said they were informed more biplanes are coming, but that they did not know when to expect them.

## Bombs to Be Used.

The little French monoplane of the Carranza garrison, carrying a 10-horsepower engine, which was taken across the bridge this morning, was in readiness for action tonight. It was said to be speedy. It carries only one person, with additional capacity for about 200 pounds of bombs, compared with a capacity for two persons in the Villa biplane, with an additional bomb-carrying weight of 400 pounds.

P. A. Chapa, aviator of the Carranza plane, said he was supplied with steel darts, which he expects to drop. The Villa aviators reported that the railroad which the Carranza troops force up, delaying arrival of the Villa artillery, has been practically repaired. They said the artillery trains should arrive within a day or two. A small portion of the artillery already is at Villa headquarters.

## Villa Cavalry Moves.

Further evidence of preparations for battle was observed today in movements of Villa cavalrymen south of the city, apparently to strengthen the lines already posted south of Matamoros, the only approach on the Mexican side not fully guarded.

This movement caused speculation here as to whether it meant an attack on Matamoros from the south. Such an attack would bring Brownsville's business section in direct line of fire, not much more than a mile away.

A squad of United States cavalrymen was placed today on duty about the Brownsville electric light plant and in the neighborhood where bullets dropped in an outlying residential section yesterday during a small action between outposts west of Matamoros.

## 3000 Hand Grenades Received.

Men who helped transfer the contents of an express car to Matamoros last night said it contained 3000 hand grenades, despite the fact that the United States Custom-House manifest gave these contents as rifle cartridges.

## VILLA'S LOSS DECLARED 3000

### Vera Cruz Celebrates and Hears Oregon Is Still Pursuing.

VERA CRUZ, April 8.—Extra editions of the local newspapers today announced that General Obregon's rapid victory at Matamoros, west of the Villa forces 3000 men killed and wounded.

It is officially announced that General Obregon's troops are continuing the pursuit of Villa forces, and that Obregon will push forward his headquarters to trapupo without loss of time.

The reports of the Carranza victory caused rejoicing at headquarters here and during the greater part of the day the ringing of church bells and the music of marching bands apprised the public of the Villa defeat.

WASHINGTON, April 8.—Assertions of a decisive Carranza victory over Villa at Celaya, 150 miles north of Mexico City, reports that martial law had been established in Tampico and that fighting continued at Ebano, where the contending forces were estimated at 2000 men, were received today in dispatches to the State Department.

Consul Stillman, at Vera Cruz, reported on the fighting at Celaya, but no word had been received from United States agents as to results of the battles in the trapupo and Queretaro districts nearby.

The department's announcement said: "Advice just received from Vera Cruz says that on the afternoon of April 7 General Carranza made a statement announcing the defeat of Villa troops by General Obregon at Celaya, after 20 hours' fighting, terminating on the morning of the seventh."

## DUCKS BAR TO DRAINAGE

### Eugene Farmers Seek Decision on Right-of-Way Proceedings.

EUGENE, Or., April 8.—(Special.)—Ducks versus farmers arose in the County Court today, when a delegation of farmers appeared, backed by the County Agriculturist and Oregon Agricultural College professors, to ask what aid can be received from the county in forcing a right-of-way for a drainage ditch if force be necessary. The farmers plan to construct several miles of drainage this summer to drain several acres, but they fear that they may meet objections from the owners of extensive duck preserves in this vicinity, owned largely by city gunmen.

The court promised to give the matter attention. The draining of the area will be undertaken this year independently of the larger project started last year to drain several hundred thousand acres in the Long Tom Valley.

## FARMER KILLS WIFE, THEN HIMSELF.

### LOS ANGELES, April 8.—Pursuing his wife into a beet field near his home in Artesia, a suburb, B. S. Brady, a wealthy farmer, shot and killed the woman, and then committed suicide. The tragedy is said to have been the outcome of a quarrel over a trivial subject. The bodies were found today lying side by side.

A CONTINUAL PERFORMANCE.

NEEDLESS  
YEARLY COST OF  
POOR ROADS  
IN MULTNOMAH CO.  
MAINTENANCE \$70,000 00  
OIL 12,000 00