

GERMANY WARNED TO WATCH AMERICA

Press Begins to Take Seriously Preparations for Prosecuting War.

ENTENTE IS ENCOURAGED

'Enemy Countries Know Better Than to Try to Bring Decision This Year,' Says the Cologne Gazette.

AMSTERDAM, Aug. 22.—(Special)—The Cologne Gazette, which is the first German newspaper to take seriously the American war preparations, in a leading article warns that after all it might be worth while to watch the United States.

It is possible that the Cologne newspaper is acting on instructions from Berlin, for it is felt in the German capital that it would be foolish to allow the newspapers to publish derivative reports of Uncle Sam's war preparations. The authorities know that American aid will decide the war against Germany.

American Army Stronger. 'America's Army,' says the Cologne Gazette, 'becomes stronger daily. The country's factories are doing all they can to turn out air machines and other material, ships are being built at all the yards—everything is being done to increase the military value of the army to the highest possible point.'

'No wonder a new hopefulness is noticeable in the souls of our enemies, who are encouraged to hold out another winter, after which, with the new troops from America, they will defeat the central powers and bring the war to a triumphant end.'

The enemy countries know better than to try to bring about a decision this year, but their people have sweet hopes. Small detachments of American troops are paraded in the streets of Paris and London, and are welcomed there as a symbol of the better days which will take the place of these sad present.

America Looks to Future. 'We cannot doubt that the Americans will fight, not only because the great financial and industrial powers in that country do not wish to drop the golden fruit of war orders, but because they look forward to the days of peace when battered Europe will have to be rebuilt with American help.'

'The American government does not know whether next year the entente with the help of American soldiers will win, but it knows that it will need an army to enforce its position in Central and South America, in the Pacific and the Far East. This is why Washington does not wish to do anything about the peace proposal.'

BERNE, Switzerland, Aug. 22.—(British Admiralty, per Wireless Press.)—In diplomatic circles the passage in the speech of Dr. George Michaelis, the German Chancellor, in which he said: 'Notwithstanding efforts to hasten a decision, it has not yet become possible for Germany to agree with her allies concerning a joint reply to the papal note,' is interpreted as indicating a difference of opinion between Berlin and Vienna and also between Vienna and Sofia.

Austria, according to reports, desires complete acceptance of the papal note, whereas Germany wishes only conditional acceptance, and Bulgaria demands full assurance by her allies that she may annex the territories now occupied by her.

ROAD WORK INCREASES STATE HAS \$1,600,000 WORTH OF CONTRACTS UNDER WAY.

ROAD WORK INCREASES

Word Is Received by Highway Engineer Nunn That Mile of Pendleton Paving Is Done.

SALEM, Or., Aug. 22.—(Special)—Despite the discourages experienced in obtaining cars for either contractors or material men, State Highway Engineer Nunn announced today that there is now under way, including bridge construction, practically \$1,600,000 worth of state highway work.

When contracts are signed in connection with the force account work, it is expected that the highway work will represent nearly \$2,000,000 this fall.

The commission will return to Salem soon and then approximately \$150,000 worth of contracts between the commission and the Warren Construction Company, in connection with force account work, will be considered.

The first mile of pavement to be laid under the new commission has been finished out of Pendleton, and M. O. Bennett, district engineer on that work, has resigned and gone to Montana to act as manager of a big wheat ranch. Mr. Nunn may merge two divisions and may merge with one of the division engineers. Word also was received today that work is under way on the macadamizing of the Dallas-California road between Pine and Lakeview, this being a \$15,000 job. Work also has started on a road in Deschutes County.

BUTTERFAT BRINGS 44C

Estacada Co-operative Cheese Association Makes Excellent Showing.

ESTACADA, Or., Aug. 22.—(Special)—The Estacada Co-operative Cheese Association, after its first month of operation, paid out this week to the producers of milk over \$300, being based on a price of 44 cents per pound for butterfat.

Hereafter the price paid for milk should be much higher, as many expenses were met during the first month of operation, which later will not be current. All stockholders and contributors are well pleased with the showing of the organization to date.

Progress of the War.

THE offensive of the Italians, from Tolmino to the Adriatic, is going on, despite stubborn resistance of the Austrians and the difficulty of the terrain. Meanwhile the British and French forces in Belgium and on the sectors of Lens and Verdun in France have made progress against the Germans, and have held, notwithstanding violent

COUNTER ATTACKS, ALL THE GROUND THEY WON IN RECENT FIGHTING.

On the eastern front near Riga the Germans have started what may turn out to be another big offensive, and also are attacking in Prussian Poles in the vicinity of Dvinsk and near Brody and Tarnopol, in Northern East Galicia.

The Italian offensive has resulted in the capture of more than 13,000 prisoners and 30 guns, and gains of great importance have been made all along the line. Italian warships which are aiding in the attack at the head of the Adriatic have switched their guns from the battle line and showered shells on Trieste, the big Austrian port which is the objective of the Italians.

Not alone have the Canadians repulsed all German counter attacks before Lens, but they have taken additional positions from the enemy in front of the important coal center. As regards the British line it is asserted that the offensive, especially at Selo, cost the Italians thousands of men killed or wounded, in addition to more than 4500 prisoners.

On the Alsace front, Crown Prince William still continues his attacks at various points along the Chemin des Dames and adjacent territory, but nowhere has he been able to dent the French line.

East of Riga, between the Tirul marshes and the river Aa, the German advance guards from one to two miles. They also have begun bombardments to the southeast near Dvinsk and in Northern Galicia, near Brody and Tarnopol.

Aerial bombing raids of great intensity are being carried out by British and French aviators over German positions in Belgium, and intensive air fighting also is taking place at Zebrugge, the German submarine base in Northern Belgium, is reported to have been heavily bombed again. In flights in the air the British today accounted for 17 German airplanes, but 12 of their own airships failed to return to their bases.

The loss of British shipping by mines or submarines continues at the low point of last week's only 6 vessels of more than 1600 tons and three of less tonnage were sunk.

SPRUCE CONTRACTS LET OREGON MILLS TO FURNISH MATERIAL FOR AIRPLANES.

Apportions Made by Air Craft Production Board to Prevent Allies Getting Undue Share.

OREGONIAN NEWS BUREAU, Washington, Aug. 22.—

The air craft production board today advised Senator McNary that it had awarded contracts to the Multnomah Lumber & Cox Company, North Bend Mill & Lumber Company, Astoria Box Company and the Brighton Mills (Tillamook County) to furnish spruce to the government for airplane manufacture. The amount to be furnished is not to be made public, but the price is the standard \$105 per thousand feet, to be cut to be according to new specifications. The board advised the Senator that all contracts for spruce will be awarded through the board whether for the United States or for the allies.

This arrangement has been made to insure an equitable distribution of the spruce and to prevent the allies from being furnished to American airplane factories to meet our own army and navy plans. The tendency will be to pervade and hold down the price of orders which it is believed have been placed in excess of the actual needs of the allied governments. The board found that if the allies were given all the spruce they asked for there would be none left to manufacture airplanes in the United States.

MAYOR MARRIES SOLDIER Oregon City Executive Performs His First Wedding Ceremony.

OREGON CITY, Or., Aug. 22.—(Special)—Mayor E. C. Hackett performed his first marriage ceremony today in the County Court room. County Judge Anderson was absent and Mr. Hackett, who is both Deputy Sheriff and County Engineer, officiated.

Both bride and bridegroom were from Multnomah County. They were Miss Kathryn McGuire and Peter Sabatza. Mrs. Sabatza is a war bride, and her husband is stationed at Camp Withycombe. The bridesmaid was Helen Carroll, an attendant in the hospital, and the officiating minister was James Inkster, both of Portland. The license was obtained in Portland.

IRON WORKERS TO STRIKE Sympathy Expressed for Employees of United Railroads.

SAN FRANCISCO, Aug. 22.—The Iron Trades Council, representing 25,000 men, voted to call a strike labor day sympathy with today striking men of the United Railroads unless the differences between men and the company are settled before that date. It was announced here late yesterday.

CAREY LIST 20 CANCELED Bend Club Petitions for Action Upon Failure of Company.

OREGONIAN NEWS BUREAU, Washington, Aug. 22.—The Interior Department yesterday notified Representative Bennett it had ordered the cancellation of Carey act list No. 20 in Crook County and ordered the lands restored to the public domain.

The Bend Commercial Club had petitioned for this action, the Carey act company having failed to make good on its contract in the legal period.

George J. Gould, Jr., Unfit. TOMS RIVER, N. J., Aug. 22.—George J. Gould, Jr., of Lakewood, N. J., appeared before the draft exemption board here yesterday and was rejected as being physically unfit.

ENGLISH CAPTURE STRATEGIC POINTS Fighting Near Ypres and Verdun Is Desperate, but Allies' Lines Hold.

AIRMAN ATTACK HOSPITAL Dropping of Incendiary Bombs Followed by Machine Gun Fire on Nurses and Wounded.

LONDON, Aug. 22.—

The British troops, attacking fiercely again today, captured important strategic positions for a mile along Ypres-Merits road to a depth of nearly a third of a mile, and further to the north carried forward their front lines a mile over an extent of two and one-half miles.

The fighting, according to the official report from British headquarters tonight, was of the most desperate nature, the prisoners taken bearing a small ratio of the losses inflicted on the Germans.

PARIS, Aug. 22.—The second day of the new battle was taken up, as was to be expected, by the desperate efforts of the Germans to recover their lost positions.

The long artillery preparation of the French, interrupted as it was by bad weather, had given the Germans time to mass reserves for counter attacks. No less than eight of these counter attacks were made in the evening and repulsed. The gains of the French were maintained entirely, further advances were made and a large number of prisoners were added to the previous total.

It is known that the Germans had five divisions of reserves in readiness for this battle and more than 400 batteries. They began to weaken before the bombardment ceased, and many of them surrendered. One complete platoon, in charge of non-commissioned officers, gave itself up in a group.

A new batch followed the next day, and they thoughtfully brought along the letters of the first platoon. The Germans headed the rear with gas but the French charged wearing their masks and carried nearly two miles of positions in an hour. Hill 544 also was stormed by masked troops.

Hospitals Repeatedly Bombed. About 10 o'clock Sunday evening two German aviators flew over two hospitals behind Verdun which are joined by a wooden bridge over a road separating the buildings. Four incendiary bombs which were dropped set fire to the wooden wings, which were filled with wounded.

When the personnel were making an effort to save the survivors who had not been killed by the projectiles or the fire the German airmen returned and from a low altitude turned their machine guns on the men and nurses who were cutting the bridge to prevent the fire from spreading, killing seven and wounding 15.

The British Cross markers on the building could be plainly seen in the light made by the blazing fire, but the raiders returned for a second time and dropped bombs on and fired their machine guns at the hospitals.

Wounded Killed in Beds. Seven wounded soldiers were killed in their beds. Two Red Cross nurses in the wards were killed. The other hospital was similarly bombed, making a number of victims. One camp where German prisoners were contained also was bombed and many Germans were injured.

(By the Associated Press.) THE BRITISH FRONT IN FRANCE AND BELGIUM, Aug. 22.—In the Langer-marek-Frenenberg sector of the Belgian front the British have forced their way on a considerable distance in the defenses and have been fighting in the neighborhood of Hill 55, the ridge where the Irish recently were forced back.

Southeast of Ypres, in a distinct local operation near Inverness Copse, the British are meeting with determined enemy resistance.

The conflict continued all day about Lens, though apparently diminished in intensity.

BERLIN, via London, Aug. 22.—French troops have gained a footing in the southeastern part of Avocou wood and on the knolls to the east of that position on the Verdun front, says the official statement issued today by the German War Office.

The German statement also says that the French forced their way into the German positions in the southern part of the village of Semouret, on the east bank of the Meuse. The losses of the French infantry, the German report says, were heavy, and the French command had to replace several of the ten attacking divisions.

After the battle around Lens yesterday the German command had the cancellation of the coal depot southwest of the French mining center remained in the hands of the British.

13,000 CAPTURED BY ITALIANS Vienna Admits Reverses Suffered at Hands of Enemy.

ROME, Aug. 22.—More than 13,000 Austro-Hungarian prisoners have been captured by the Italians in their offensive on the Isonzo front, the Italian War Department announces today. The Italians also have taken 20 guns.

General Cadorna reports that the Italians have gained new successes along the whole battle line. North of Gorizia the operations are proceeding regularly. To the south the struggle is localizing, especially on the Carso front.

The present Italian offensive is on a vaster scale than any previous one. New features were the shortening of the usual period of military preparation, which lasted only 24 hours, but was so arranged that beginning lightly it increased steadily and rapidly until a hurricane of shells was falling.

Then when it suddenly ceased a squadron of airplanes flew in advance of the assaulting troops forming the first line, using their machine guns on the Austrians at short range.

Many prisoners were made deaf by the violence of the detonations. They had believed their positions quite impregnable.

VIENNA, Tuesday, Aug. 21, via London, Aug. 22.—The new attack of the Italians has forced back the Austrian line at some points, the War Office announces, and the village of Selo, on the Carso plateau, has been lost. It is said the Austrians have taken more than 5600 prisoners.

AGENTS AT GRANTS PASS PORTLAND AUTO DEALERS ARE NEAR DESTINATION.

Members of "Business Acquaintance" Party Entertained at Picnic and Dinner by Representatives.

GRANTS PASS, Or., Aug. 22.—(Special)—Automobile dealers from the state's metropolis invaded Grants Pass today for the annual business convention, demonstrating their cars to prospective buyers.

REGRADE CUT PLANNED MR. BARBUR CONTENDS COST TO CITY IS TOO HIGH.

Commissioner Proposes Big Saving by Eliminating \$40,000 Viaduct at East Seventy-fourth Street.

Commissioner Barbur contends that plans for the O-W. R. & C. regrade far exceed the necessary cost and that something should be done to cut the expense to the city.

He suggests the elimination of the proposed viaduct over the tracks at East Seventy-fourth street, which, he says, should not have been included in the regrade.

Mr. Barbur's elimination would save \$40,000, and, in addition, the cost of a grade leading up to the viaduct. He declares that there will be no need for such improvement for 25 years, as it is proposed for a community of trees, underbrush and two unpainted shacks.

Legal tangles will be involved in following the suggestion, he admits, but he hopes to overcome them. In view of the demand for minimizing expenditures, he points out, there may be a way around the technicality.

Mr. Barbur inspected the regrade work and found it progressing rapidly. Concrete is being poured at three points and no difficulty is anticipated in finishing the work. He complimented R. E. Kremers, chief engineer in charge for the city.

AUTO AND WHISKY LEFT CAR HITS TELEGRAPH POLE AND OCCUPANTS DISAPPEAR.

Sheriff of Lane County Identifies Machine as One Registered by F. M. Southard, of Portland.

EUGENE, Or., Aug. 22.—(Special)—A large motorcar, apparently on its way from California to Portland, carrying a 50-gallon barrel of whisky, collided with a telegraph pole on the Pacific Highway between Eugene and Springfield last night. The car's doors were inscribed with the monogram "F. M. S."

The license number had been removed, but Sheriff Parker identified the machine by the initial engine No. 14,223 as one registered in the name of F. M. Southard, of 123 North Twenty-third street, Portland.

No one put their appearance tonight to claim either the automobile or the whisky.

Nothing but a cement foundation exists at 123 North Twenty-third street, and F. M. Southard is not known in the neighborhood. The city directory does not contain his name.

Canada Quits Munition Industry. OTTAWA, Aug. 22.—The imperial munitions board today announced that the production of munitions in Canada would be discontinued, as no longer necessary, except in some lines, which will be produced in lessened quantities.

Crater Lake Nature created but one Crater Lake. It stands by itself, unique among the natural world wonders. The Crater Lake season is open. Ample accommodations at Crater Lake Lodge on the rim of the lake.

Low Round-Trip Summer Excursion Fares.

Breitenbush Hot Springs Tucked away in the heart of the Cascade Mountains, a delightful place to spend a vacation. Good hunting and fishing.

Round-Trip Fare to Detroit \$5.75

Josephine County Caves Also called the Marble Halls of Oregon. These marvelous natural caves are 37 miles from Grants Pass. Beautifully located, they offer unusual diversion.

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August Outdoors in Oregon Oregon outdoors beckons the vacationist to seashore, to mountain glade, to rushing trout streams, to trackless wilderness. Nature smiles and the elements are favorable in August:

Newport by the Sea

A very pleasant place to go for a vacation. Situated, as it is, on the shore of the Pacific and Yaquina Bay, one can enjoy beach bathing and boating.

Newport offers many Summer attractions, ample and varied accommodations.

Season Round-Trip Fare \$6.25 Week End \$4.00.

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Madame Richet's class in practical dressmaking—September 4

Lipman Wolfe & Co. "Merchandise of Merit Only"

Durable, but light to carry, matting SUITCASES \$3.50

—Extra large, roomy and good to look at, with leather-bound edges and corners and heavy leather straps. Cretonne lined.

18-inch genuine Cowhide bag \$6.50

—The kind of a bag you'll be proud to go traveling with; with good stout corners, good lock and washable lining!

Sub-Basement—Lipman, Wolfe & Co.

Mr. Lipschutz of our Custom Tailoring Department

has returned from New York and will be pleased to meet his patrons. He brings with him a host of new ideas, new designs and new fabrics.

Seventh Floor—Lipman, Wolfe & Co.



100 new Hand-painted imported Chocolate pots. Samples, just one of a kind! Very finest, clearest, translucent china. Divided in three groups. 95c, \$1.45, \$1.95. Because of the limited number we advise an early selection. Sixth Floor—Lipman, Wolfe & Co.

Comparative prices are misleading and very often untrue. This store uses no comparative prices in its advertising.

Have you profited by the LINEN SALE? Still three days to take advantage of sale prices. There are savings on every hand! Here are just a few of them!

Irish damask, 89c yard. Pure linen napkins. Size 20x20 inches, \$4.75 dozen. These are napkins with no table cloths to match, that's why they're marked so low!

Mercerized napkins. Size 20x20 inches, \$1.60 dozen. Imported English satin bedspreads. All full size, with hemmed or scalloped edges—\$6.00 and \$6.50.

New fancy White goods, 35c a yard. A wide variety of really exquisite fabrics, distinctly usable for waists and frocks. Second Floor—Lipman, Wolfe & Co.

Linen table cloths. There's a world of good service in these pure Irish linen table cloths! For nowhere but in Erin do they weave them so even and firm.

Size 2x2 yards.....\$4.39. Size 2x2 1/2 yards.....\$5.50. Size 2x3 yards.....\$6.59.

Featuring New Fall models in SPORTS SUITS \$30—\$35—\$38.50

—They're of tailored silvertone and heather-wool jersey in the finest of weaves, and there are no end of different models in the selection. You'll notice chiefly that the jackets are longer, that, in general, collars may be buttoned up to the chin, and that pockets still prevail. Such colors as navy blue, Joffe blue, Oxford, brown and green.

Third Floor—Lipman, Wolfe & Co.

—Burnt goose feathers, coque feathers and singed ostrich are rivals for first place among hat trimmings! This fact and many more have come to light with the opening of hundreds of hat boxes that have just come from New York. And the hats are more bewitchingly different and distinctive than any that we have ever seen. New trimmed models priced from \$7.50 to \$15. Third Floor—Lipman, Wolfe & Co.

—The elimination of the proposed viaduct over the tracks at East Seventy-fourth street, which, he says, should not have been included in the regrade.

Mr. Barbur's elimination would save \$40,000, and, in addition, the cost of a grade leading up to the viaduct. He declares that there will be no need for such improvement for 25 years, as it is proposed for a community of trees, underbrush and two unpainted shacks.

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