



CABARET ROUGE IS CAPTURED BY GERMAN STORM

Germany Advance 600 Yards Beyond Souchez Cemetery, Which Was Captured Yesterday, After Big Struggle.

FRENCH ASSAULT FROM SUGAR REFINERY FAILS

French Repulse Attack Upon Labyrinth, However, With Heavy Cross-Fire.

Berlin, via Wireless to London, July 12.—(U. P.)—The capture of 600 yards of French trenches in fierce fighting around the Souchez cemetery was reported in the official statement from the war office today.

The Cabaret Rouge, south of Souchez, about which much desperate fighting has raged, was also occupied.

The "red cabaret" was taken by storm, the official statement said. "Its capture follows three weeks of bitter fighting during which the losses on both sides were extremely heavy. Both the French and Germans suffered severely in the final engagement, it was stated.

The French attempted to divert the German attack about the Souchez cemetery by delivering an assault from the sugar refinery, the statement declared. Heavy artillery was turned upon the enemy forces there, however, and they retired.

Four French attacks in Lepretre forest were broken down before German artillery fire and the enemy suffered heavy losses.

There has been no change on the Russian front during the past 24 hours, it was stated.

GERMAN ATTEMPT ON FAMOUS LABYRINTH POSITION REPULSED

Paris, July 12.—(U. P.)—Directing a frightful fire of heavy explosives against their positions, the French attempted to blow the French forces out of the "labyrinth" region last night. The attempt failed, and preceded by a hail of asphyxiating bombs, the enemy delivered a general onslaught against the French positions.

New onslaughts were made in the Apremont forest following a heavy artillery bombardment. The German infantry attacked with rifles and hand grenades, but were successfully repulsed.

Thirty-five French aeroplanes participating in a raid, and upon the important German airfield at Vigneville les Hattonchot, started several fires and are believed to have destroyed quantities of munitions awaiting transportation to the battle front, it was officially announced today.

The French armistice killed 111 bombs upon the German station, accomplishing their raid despite a heavy wind which threatened destruction of their aeroplanes, it was reported. The wind made it necessary for the aviators to drop down within range of the German anti-aircraft guns so as to make certain that their bombs would not be blown back into the hands of the enemy, none of the French machines were hit. They returned safely to their own lines.

Germany Inquires Into the Nebraskan

Full investigation will be made as to explosion which damaged American vessel, Gerard is informed.

Berlin, via The Hague, July 12.—In a note handed to Ambassador Gerard by the foreign office last night Germany gave assurance that full investigation would be made as to the explosion which damaged the American ship Nebraskan on May 25.

If it should be found that the Nebraskan was torpedoed by a submarine full compensation will be made, the note said.

The Nebraskan, which was the first vessel to pass through the Panama canal with freight from San Francisco, was badly damaged by an explosion while in British waters but was able to make port.

U. S. Did Not Protest.

New York, July 12.—(U. P.)—No official protest was ever made to Germany regarding the explosion which damaged the steamer Nebraskan, as the impression here has been that the vessel positively struck a mine.

The note handed to Ambassador Gerard in Berlin in response to a request from Washington for such information as the German authorities might have.

"It's in Belgium."

London, July 12.—(U. P.)—A British "Tommy" raised his left hand to be sworn in at a secret trial. The judge told him to put his right hand. "It's in Belgium," the witness replied. He was immediately sworn.

Turk Minister Ready to Open Negotiations

Hassam Effendi, Minister of Justice, Has Left for Switzerland to Treat with the Allies.

Rome, July 12.—(U. P.)—A Sofia dispatch to the Agenzia Nazionale this afternoon declares that Hassam Effendi, the Turkish minister of justice, has left Constantinople for Switzerland to open negotiations for a separate peace with the allies.

Turks Talking Peace.

London, July 12.—(L. N. S.)—Exchange Telegraph dispatches from Chicago this afternoon state that a message from Bucharest reports the Turkish minister of justice and other Turkish delegates are passing through Bulgaria on their way to the capital to open up negotiations with the allies for peace from that city.

DEFENSE ATTORNEYS MAKE NO MENTION OF BRIBERY CHARGE

Cross Examination of Witness Completed in Bankruptcy Case Today.

Attorneys for the defense in the \$14,000 suit of Parker Stennick, trustee in bankruptcy for the E. H. Dodge properties, against E. A. Krebs, W. N. Jones and the J. K. Lumber company, this morning finished their cross-examination of Dodge, principal witness against their clients, without asking him a single question as to the bribery charges he made on direct examination against William S. Nash, one of the defense attorneys.

Dodge testified a week ago that Nash offered him a bribe of \$25,000 in J. K. Lumber company bonds if he would testify favorably to the defendants in the case now on trial, or leave the state and not testify at all. Dodge said he refused the alleged bribe.

Mr. Nash, at the time, indignantly denied the bribery charge.

Dodge testified this morning that Nash, now an attorney against him, was his attorney until January, 1914, when he O. K'd a bill for Nash for \$750. Immediately after, he said, Nash presented him with a certificate of incorporation of the J. K. Lumber company.

(Concluded on Page Fifteen, Column Four)

Says Public Best Judge of Pictures

Motion Picture Exhibitors in Session at San Francisco Take Firm Stand Against Boards of Censorship.

San Francisco, July 12.—(U. P.)—Hostility toward any form of legal censorship of motion pictures was evident at the opening of the fifth annual convention and exposition of the Motion Picture Exhibitors' League of America here today. Delegates to the convention intend to bring up the question during the convention.

"The public should judge pictures," declared Peter J. Jupp of Detroit, national treasurer. "We object to any censorship board. If the public objects to any picture it can show its disapproval by refusing to patronize the theatre showing that picture. It is impossible to imagine a more effective censorship."

Speakers at the convention hold that motion picture manufacturers are entitled to all the privileges of the press and that the public must act as judge.

A TORPEDO IN PORTLAND WATERS!



ALIENIST SAYS THAW TRIED TO HYPNOTIZE HIM

Dr. Austin Flint, State's Witness, Causes Loud Laughter in Court by Declaring Defendant Eyed Him.

INSISTS IT IS ONE OF PRISONER'S DELUSIONS

Specialist Falls Into Tangle and Answers Favor Thaw During Examination.

New York, July 12.—(U. P.)—When the cross examination of Dr. Austin Flint, alienist for the state, was completed in the sanity trial of Harry K. Thaw today, the general verdict was that Flint had proved to be Thaw's own best witness.

John B. Stanchfield, counsel for the defendant, bombarded Flint with questions which proved to be embarrassing to the witness. The alienist was worsted repeatedly in tilts with the attorney while Thaw listened with glee as Flint was led from one tangle into another.

"Thaw is now and always has been a hopeless and incurable paranoiac," was the statement to which Dr. Flint clung steadfastly throughout the cross examination, despite the labyrinth of questions through which he was led.

These declarations did not bother Thaw in the least. Apparently satisfied that most of Flint's testimony was going in his favor he busied himself with books and maps, continuing the planning of the motor trip he intends to take to the Panama-Pacific Exposition at San Francisco.

"You have been paid upwards of \$15,000 for your work in the Thaw case, haven't you?" Stanchfield asked Flint.

"I have not," the alienist snapped in reply.

Stanchfield then pressed him for an accurate estimate of the amount he had received. Flint said he could not say just what he had been paid, but admitted that he was paid \$15 an hour and realized more than \$5,000 out of Thaw's first trial on the charge of having murdered his wife.

Dr. Flint was also one of the alienists at the second trial.

"That is one of his delusions," he questioned as to how much Dr. Flint had been paid for his various appearances in the case. The alienist replied: "I am here to do my duty by telling the truth."

Even Thaw Laughs.

Dr. Flint caused a mild sensation while discussing Thaw's mental state when he suddenly said:

"I would not call his efforts to hypnotize me there those of a normal man."

Amidst the general laughter which swept the courtroom could be heard that of Thaw, who apparently enjoyed the alienist's remarks thoroughly.

"Do you mean to say that Thaw has tried to hypnotize you?" asked Justice Hendrick.

"Yes, he has sat and looked at me for 15 minutes straight," Dr. Flint replied. "That is one of his delusions."

The state this afternoon closed its case in the jury proceedings to determine Harry K. Thaw's present mental condition. The case was then adjourned until tomorrow when the attorneys will sum up their cases. The case is expected to be in the jury's hands before noon.

Many Cars Offered Thaw.

New York, July 12.—(U. P.)—Harry K. Thaw has determined to get an automobile whether his lawyers leave him enough money or not. Astute dealers, with an eye for advertising, are plying Thaw with offers of free cars for the trip to San Francisco which Thaw plans if he is set at liberty.

Army Officers Retire to Take Munitions Jobs

Resignation of Lieut.-Col. Horney and Major Phillips Accepted; Will Work for Private Firms.

Washington, July 12.—(L. N. S.)—The resignation of Lieutenant Colonel Otis C. Horney and Major William A. Phillips from service in the United States army were accepted today. They will go with big munition companies to aid in the manufacture of ammunition which, it is believed, is for the allies.

Acceptance by the government of the resignations of the two officers was the first definite acceptance of the principle that officers trained in the ordnance department of the United States army might resign in such circumstances. It has been reported in Washington for some time that the army heads would arrest any officer who attempted to leave the service of the country for private employment, especially if his future work contemplated the manufacture of munitions of war.

The acquiescence of the administration in the resignations was regarded as highly significant in view of the present international situation. In announcing that he had accepted the resignations of Colonel Horney and Major Phillips, Secretary of War Garrison said:

"The question of developing more factories may mean the difference between safety and disaster to the country. These men are expert in the installation of machinery to make guns and ammunition. The mere superintendence of plants already equipped can be done by less expert men."

CHAMBER CONTENDS PORT CHARGES MUST BE STANDARDIZED

Portland's Shipping Said to Suffer From High Water-front Rates.

Realizing that the inroads being made by competing ports upon the shipping business of Portland are largely due to the high freight handling charges prevailing here, the executive committee of the Chamber of Commerce today met and the chamber on record as determined to combat them.

A resolution was unanimously adopted declaring that the chamber, with the business interests behind it, commit itself immediately and absolutely to the proposition of creating and maintaining here an equalization of charges and freight handling conditions with Seattle and San Francisco.

A committee composed entirely of large shippers has been investigating these water front conditions and submitted a tentative report to the directors. The report itself was not made public, but it was said to show that gross discriminations do exist.

The report is said to have pointed out the reasons for the discriminations.

Steel Mills Run At Full Capacity

Pittsburg, Pa., July 12.—(U. P.)—Steel mills in Pittsburg and the steel district in general are now running at full capacity, and the industrial situation is brighter than at any time in more than a year, it was declared here today. The export bookings of the United States Steel Corporation are mostly for war materials.

General Alfred Machuca, at the head of 4000 men took possession of the national palace. He immediately assured newspaper men that his troops would treat the populace with consideration and that he would personally prosecute any officers or soldiers guilty of offenses toward civilians.

General Gonzales is now at Guadalupe, four miles from the city, with the main forces. He is preparing to take formal possession within a few hours. On behalf of General Carranza, General Gonzales proclaimed amnesty to all except those directly concerned with the assassination of President Madero. This created a good impression among the inhabitants.

General Francisco Coss, entering the capital via Texaco, advanced through Kechmilco, Churubus and Coyocaco. He encountered and defeated 3000 retreating Zapatistas, inflicting heavy losses upon them, and sending them further from the city in disorder. General Coss also cut off and captured a great number of Zapatistas retreating along the Tlapala road, plundering houses and carrying portable guns.

One body of Zapatistas was captured while looting the country club, a few miles from Mexico City. The capital is now entirely calm, however, awaiting a decree from General Gonzales as to the validity of the banknotes which they have been circulating for weeks.

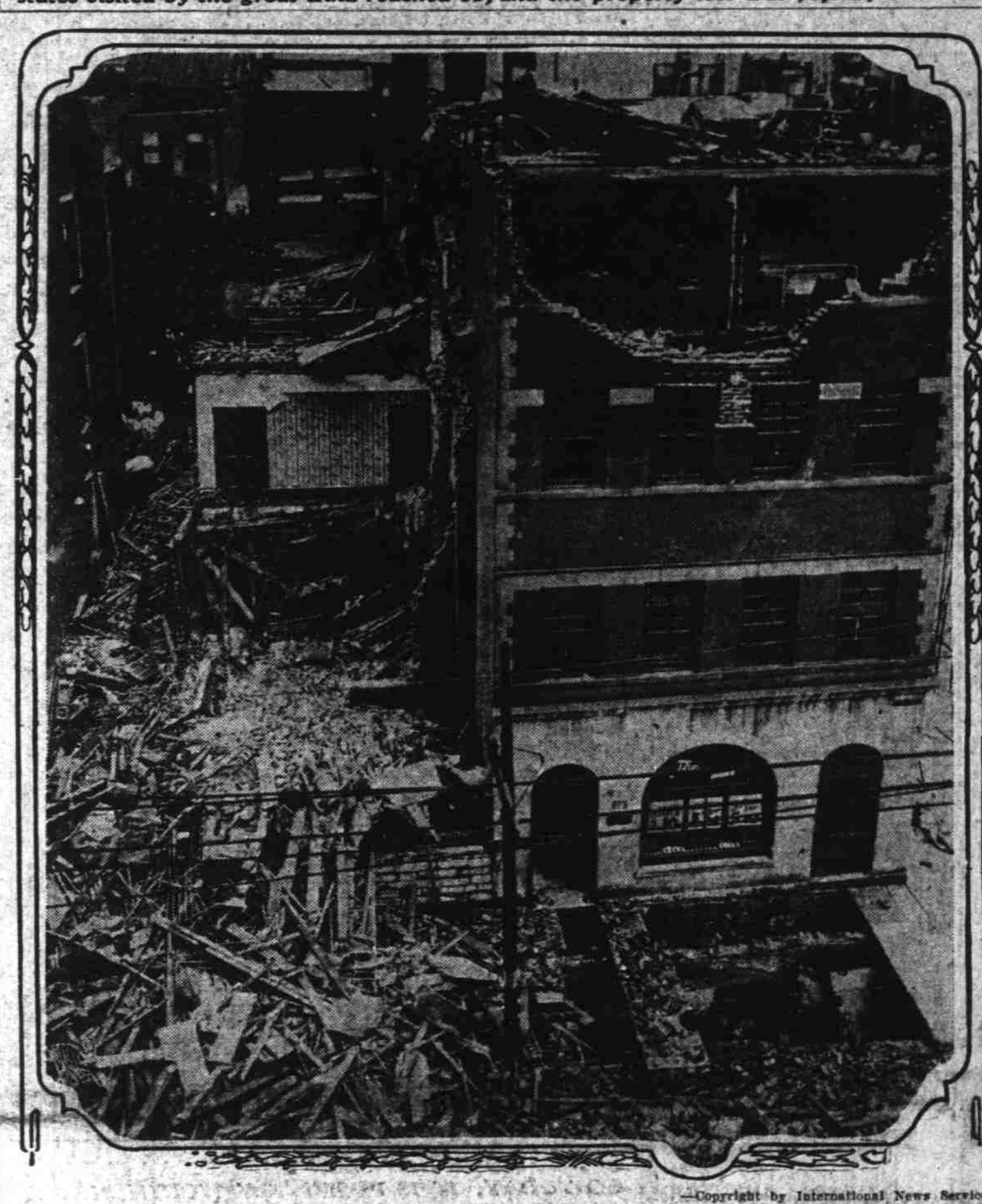
Russians Come to Spend Millions

San Francisco, July 12.—(P. N. S.)—Three Russians, commissioned to the United States by their government to purchase railroad supplies, arrived here today aboard the Pacific Mail liner City.

They are A. Borodouline, P. Janoushevsky and N. Vinogradoff. They announced that they intended spending several million dollars in equipment. They say they will buy several locomotives, a number of cars and two entire roadbridges which are to span the River Don in southern Russia. The supplies will be used for the Vladivostok railroad.

For additional late news see page 8.

R UIN WROUGHT BY TORNADO in Cincinnati the night of July 7. Two women and three little girls perished in the ruins of the residence of Moyer Tannebaum, 643 West Eighth street, shown in the picture. The total death toll in the five states visited by the great wind reached 31, and the property loss was \$3,000,000.



MEXICO CITY TURNED OVER TO CARRANZA'S FORCES BY COUNCIL

Formal Possession Taken on Sunday Afternoon; General Amnesty Proclaimed.

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LIBERTY BELL STOPS AT SPOKANE WHERE 80,000 SEE THE RELIC

Governor Lister, Senator Poindexter and Others Participate in Program.

Spokane, Wash., July 12.—(U. P.)—It is estimated that 80,000 persons saw the Liberty Bell here during the hours of 8 and 11:30 this morning. Governor Lister, Senator Miles Poindexter, and a number of other state and city officials made brief patriotic speeches before the almost unending lines began to pass over the platform erected on each side of the car on which the bell rested.

Thousands of school children carrying American flags and singing patriotic songs participated in a parade which was witnessed by the Philadelphia officials accompanying the bell.

The next stop of the bell special (Concluded on Page Five, Column Five)

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REV. DWIGHT HILLIS, LECTURER, SUED FOR \$12,000 ON NOTES

Timber Dealers of Chicago Bring the Action Against Noted Minister.

Suit to recover about \$12,000 on two notes alleged to have been given on January 1, 1913, was brought in the state circuit court here this afternoon by attorneys Platt & Platt against Dr. Newell Dwight Hillis, the prominent Congregational minister of Brooklyn, N. Y., who is now in this state on a chautauqua lecturing tour.

The suit was brought for Bayton & Lawbaugh, timber dealers, of Chicago, and it is alleged in the complaint that one note for \$5000 fell due July 1, this year, while another for \$5000, became due December 31, 1914. Dr. Hillis is on the program to deliver a lecture at the Gladstone chautauqua.

POET IS WAR CHAUFFEUR

London, July 12.—(U. P.)—Canada's Kipling, Robert W. Service, poet and novelist, is serving as a chauffeur for the Anglo-American ambulance corps in southern France.

C. A. Dickey Sentenced.

Corvallis, Or., July 12.—C. A. Dickey, indicted by the grand jury on charge of embezzlement of funds from the Corvallis State bank, who appeared before the court and pleaded guilty to the charge, was sentenced to the penitentiary for from one to 10 years and will be taken to Salem within a short time to begin serving his term. Dickey was once prominent in college and social life.

British Officers Stayed In; Spies Rode—49 Are Shot

Chicago, July 12.—(I. N. S.)—Forty-nine German spies have been trapped and executed in London, according to a letter received here today from Dr. Sydney Walker of Chicago, who is engaged in England in Red Cross work. Walker's letter says that on June 20 a secret order was issued to British army and navy officers not to ride in an automobile next day.

On the following day detectives arrested 52 men in automobiles who were clad in the uniforms of British officers. Three of them were found to be real British officers and the other 49 were German spies. All were shot without trial.

German Triplane To Carry 24 Men

London, July 12.—A new German triplane, heavily armored, and carrying a revolutionary four machine gun and 24 men, is said to be the latest development of air craft with which Germany expects to overcome everything that flies.

It is stated that the new triplane will be equipped with eight Maybach engines, coupled in pairs, each pair driving one set of propellers. Reports received here today say that the craft is virtually completed, and soon will make an appearance in large numbers.

SMALL BANKERS WERE PAID TO RAISE SELLER

Witness in Cashier Case Relates How Farmers Were Induced to Invest in Stocks of Concern.

HIGH COMMISSIONS SHOWN BY RECORDS

Investors From Montana Testify as to Means Employed by Agents.

The hint frequently made that small town bankers and prominent residents of rural communities were employed on secret commissions to aid stock salesmen in disposing of U. S. Cashier stock to farmers was definitely brought out at this forenoon session of the trial of the seven officials and salesmen of the concern in the federal court, on the charge of fraud.

Evidence, based on the company's records, was also disclosed tending to show that as high as 53 1-2% of money received at stock sales were paid commissions to Frank Menefee, president, F. M. LeMann, sales manager, and the selling salesman.

In addition, the government introduced testimony tending to prove that stock sold in Montana by B. F. Honnwell and M. Todd to a number of people under the alleged representation that it was company's stock was in reality stock privately owned by Menefee, and in one case at least was sold to a bank.

(Concluded on Page Ten, Column One)

BULLETINS

Swoboda to Be Freed.

Paris, July 12.—(U. P.)—The court-martial which tried Raymond Swoboda, following his arrest on suspicion of having fired the liner la Touraine at sea, will dismiss the espionage charges against him within a few days. Recommendation for a separate peace with Germany was made by the court, on the charges against Swoboda was filed by the presiding military judge today.

Three Trawlers Blown Up.

Lowenthal, July 12.—(I. N. S.)—The British trawlers Woodbine, Purple Heather and Speedwell were blown up by a bomb in the Bay of Biscay, it was received here. The crews were saved.

Germany Would Placate Russia.

Amsterdam, July 12.—(U. P.)—Germany is encouraging discussions as to the possibility of a separate peace with Russia, according to Berlin advices here today.

"An understanding with Russia is not impossible since only a few political questions separate us," a government circular to the newspapers declared. "Our only quarrel with France arises from the war, not from the Russian war. But England is our most dangerous and foulest enemy. The mission of the submarine is to break the principle: 'Britannia rules the waves.'"

Saxonia Makes Port Safe.

Liverpool, July 12.—(U. P.)—The liner Saxonia was won from the day after thrilling voyage, owing to the message received from the United States navy department, warning the commanding officer to search for a bomb in the hold.

Resultate Defeats Vanille.

Sandy Hook, N. Y., July 12.—(I. N. S.)—The yacht Resultate won from the Vanille today over the international cup course. This was the first test of the season for the candidates for the honor of defending the America's cup.

Mexican Move Considered.

Washington, July 12.—(U. P.)—Recognition of some Mexican faction—probably the Constitutionalists—is being given vital consideration from the state department. It is learned this afternoon. Secretary Lansing declined to state what sort of administration would apply before granting recognition.

Germans Are Attacking.

Petrograd, July 12.—(I. N. S.)—Incessant attacks along a 140 mile front from the Vistula northwest of Plock to the Boho near Osmowicz, feature the latest German attempt to break down the Russian resistance and force through to Warsaw.

Gibbs Heads "Dokes."

San Francisco, July 12.—(P. N. S.)—Herbert Hartwell Gibbs, president of the New York Chamber of Commerce, was elected president of the Delta Gamma Epistolarity at the opening session of the convention here this afternoon. James Anderson Hawaii was re-elected general fraternity secretary. Officers of the undergraduate body chosen to preside over the convention are R. J. Foster Jr., Cornell; president; Frederick A. Booth, McGill; vice president; Paul W. Fremont, Minnesota; second vice president; and Arvo Behnke, Dartmouth, secretary.