

WILSON'S REPLY TO KAISER'S NOTE READY TO SEND

President Lays New Note to Germany Before Cabinet—Firm in Demanding Reply Upon Submarine Warfare—Meyer Gerhard Bears Letter From Bernstorff to Emperor.

WASHINGTON, June 4.—President Wilson's second note to Germany was approved in principle at today's cabinet meeting and will be forwarded to Berlin as soon as the president has had opportunity to make certain changes in phraseology.

The note, a rough draft of which had been completed by the president before the meeting was subjected to careful analysis by members of the cabinet, and afterward agreed on its basic principle.

WASHINGTON, June 4.—President Wilson finished the new note to Germany today and laid it before the cabinet. It probably will be dispatched to Berlin late tonight or tomorrow.

White house officials said today that while the president had penned the note himself, he had consulted with Secretary Bryan over the principles and the details.

The government is convinced there is no ground for that contention, and the note will so inform Germany.

Cabinet Meeting Held Counselor Lansing, as the president's chief adviser on questions of international law, sat in today's cabinet meeting.

All the cabinet members uniformly refused to discuss the subject as they entered the meeting.

While the president and cabinet were discussing the note, a German agent was on his way to Berlin to present a first-hand report of the interview which Count Von Bernstorff, the German ambassador, had Wednesday with President Wilson.

Officials at the German embassy refused to discuss that development, but it became known authoritatively that Meyer Gerhard, who sailed from New York yesterday for Copenhagen on the steamer United States with a German guarantee of security signed by the government, from the allies, is the man. He is an attaché of the

CZAR CONSENTS TO INSPECTION OF SIBERIAN CAMPS

WASHINGTON, June 4.—Emperor Nicholas of Russia has responded favorably to President Wilson's personal letter conveying a request by Austria that provision be made for inspecting Siberian camps where Austrian prisoners are held.

Following unsuccess-ful negotiations through usual diplomatic channels, Dr. Constantin Dumba, the Austrian ambassador here, asked President Wilson about two months ago to send a personal letter to Emperor Nicholas. The request was the result of reports that Austrian civilians and prisoners of war were not getting proper treatment.

The answer, delayed because of the absence of the emperor from Petrograd, was brought here today by Ray Baker, private secretary to Ambassador Marze.

PORTUGUESE STEAMER FIRES ON PERISCOPE SINKING SUBMARINE

LISBON, June 4.—News-papers of this city state that the steamer Demarara, from Lisbon for Liverpool, fired on the periscope of a submarine which was following her. It is said the submarine disappeared and that soon thereafter large quantities of oil were seen floating on the surface of the sea.

RUSSIANS LEFT PRZEMYSL AFTER FALL OF FORTS

AUSTRO-HUNGARIAN ARMY HEADQUARTERS, June 4.—Przemysl's recapture by Austrian and Bavarian troops, according to details received from the front, resulted from the capture of five forts in the northern sector, and the simultaneous threatening of the forts on the south and west fronts.

With the forts on the north side in the possession of the besiegers, with a Bavarian corps pressing impetuously through the breach against the city, and with the Austrian tenth army corps within storming distance of the southern and western fronts, which artillery fire already had reduced sufficiently for an attack, the Russians decided to evacuate the town and all the forts except those on the eastern and southeastern sectors.

The Bavarians resumed their attack at dawn on Thursday and entered Przemysl upon the heels of the retreating Russians.

The Austrian tenth army corps simultaneously started toward the west and south fronts, but found the forts there had been evacuated. An attack now is in progress against the forts still held by the Russians, those positions being defended apparently with the object of covering the retirement of the Russians.

FORD AUTOMOBILE STOCK WATERED \$48,000,000

DETROIT, June 4.—The Ford Motor company announced today it has increased its authorized capital stock from \$2,000,000 to \$100,000,000 and has declared a stock dividend of \$45,000,000 payable July 1st.

A cash dividend was declared on the original authorized stock of \$2,000,000, but the amount was not made public. The stock dividend increases the holdings of Henry Ford, president of the company by \$27,840,000. James Couzens, vice president, receives \$5,000,000.

The stock increase brings the capital stock of the concern to a valuation of \$50,000,000. The remaining \$50,000,000. It was announced will remain in the company's treasury to be used as conditions demand in the future.

TRY TO STOP THAW'S TRIAL FOR SANITY

ALBANY, N. Y., June 4.—Deputy Attorney General Albert Becker appeared before the court of appeals today to ask for a writ of prohibition to prevent the empanelling of a jury to test the sanity of Harry K. Thaw. Attacking the order of Supreme Court Justice Hendrick, granting Thaw a jury trial, Mr. Becker declared that such a step would pervert the original purpose of a habeas corpus writ.

AUSTRIAN DRIVE FORCING SLAVS OUT OF GALICIA

Fighting Now in Progress Along Entire Galician Front—Russian Rear Guards' Fighting Delaying Actions—North of Przemysl Series of Desperate Attacks by New Reserves.

LONDON, June 4.—According to information given out by the Austro-Hungarian military authorities to representatives of the press at field headquarters, heavy fighting is now in progress along virtually the entire Galician front, and the general situation is very favorable to the Austro-Germans. A decisive conclusion to the entire Russian campaign in Galicia is in sight.

"The Russian rearguards," the statement says to the press, "are fighting delaying actions south of the Dnieper river against the Austro-German forces advancing from Stry, to cover the passage of the river. The Russians north of Przemysl are launching a series of the most desperate attacks against General von Mackensen's army. Here they are making use of new reserves, and at the same time are exerting heavy pressure against the troops commanded by Arch Duke Joseph Ferdinand in the triangle between the River San and the Vistula.

"The Russian offensive in southeastern Galicia designed to relieve this situation, has been a complete failure." Having captured Przemysl the Austro-German forces are maintaining their offensive with unusual speed. The troops which broke through the Russian line at Stry are pushing northward rapidly. A statement from the Russian war office contains the admission that in the region beyond the Dnieper river the Austro-German army has advanced along the Tsimenitz-Stry front.

Germans Isolated A Petrograd dispatch states that the German forces which captured Libau in Russia on the Baltic some time ago has been isolated.

Russian force were said to have cut off the Germans from their base at Memel, East Prussia, while other Russian troops have approached from the north and south so that the only communication with Libau is by the sea.

Fed details are available of the development of the Italian campaign. A statement from General Cadorna, Italian chief of staff, says the preliminary movements are continuing all along the frontier, developing to the advantage of the Italians. The Vienna war office states that the Italians had bombarded Austrian fortifications at several points without success.

Quiet on West Front Conditions are virtually stationary along the western front, so far as known by the official communications. Slight gains in the district north of Arras are reported by the French.

The Swedish steamer Lapland was sunk yesterday off the coast of Scotland. Although no submarine was sighted the captain expressed the opinion that the vessel was torpedoed. All on board were rescued.

PRUSSIAN LOSSES TOTAL 1,388,000

AMSTERDAM, June 4.—The Telegraph states that according to German casualty lists, Prussian losses alone have reached a total of 1,388,000.

Recent casualty lists contain the names of 6 airmen, of whom 11 were killed and 35 wounded, the remaining 10 being missing.

BRIEF SESSION OF BRITISH PARLIAMENT

LONDON, June 4.—Both houses of parliament held brief sessions today. The lords passed through its remaining stages the bill making unconstitutional the re-election of ministers promoted in the new cabinet and the royal assent to the measure was duly received.

The house of commons was in session for only a few minutes.

SIR T. SHAUGHNESSY TO PURCHASE MUNITIONS OF WAR FOR BRITAIN

VANCOUVER, B. C., June 4.—It is reported here on excellent authority that Sir Thomas Shaughnessy, president of the Canadian Pacific railroad, who arrived in London today, was summoned by Lord Kitchener, who has asked Sir Thomas to take charge of the purchase and transportation of munitions of war for Great Britain in the United States and Canada. He is to be given large authority, lightening the labors of Lloyd George and Kitchener. Headquarters for Sir Thomas will be opened in New York.

FALL OF PRZEMYSL CAUSES JUBILATION IN DUAL EMPIRE

BERLIN, June 4.—The jubilation throughout Germany and Austria-Hungary over the fall of Przemysl is mingled with surprise at the speed with which the campaign against this stronghold was brought to a successful end.

Vienna, Prague and Budapest all have witnessed scenes of the wildest rejoicing over this latest victory in Galicia. Like Berlin, these three cities are bedecked with flags. Thousands of persons fill the streets, alternately singing the German and Austrian national anthems.

Almost all the expert observers in Berlin expected a stubborn resistance on the part of the Russian forces in Przemysl. Furthermore, conditions within the stronghold show that the Russians were looking forward to a long siege and that they had endeavored to prepare for it.

A correspondent of the Vossische Zeitung says the Russians had brought reinforcements into Przemysl from Lemberg and heavy artillery and ammunition from Lublin over the new strategic railroad. Lvangorod and Beest-Litovsk also were called on to supply needed materials and everything was rushed in and set up with feverish haste.

The middle forts were used to this end and the Jewish population was compelled to evacuate the city. Siege operations on the part of the Austrian and German forces were necessary because the Russians during their two months' occupation had in a measure restored the fortifications.

HURST, FAMOUS UMPIRE DEAD

POTTSVILLE, Pa., June 4.—Tim Hurst, the former major league baseball umpire, died in his home in Minersville today from indigestion. He was 54 years old.

Hurst was one of the best-known sporting characters in the country. He entered baseball in one of the cities of the southern league thirty-three years ago, it was said, when he was a spectator at a game which was to decide the pennant. The regular umpire quit under fire and Hurst volunteered to take his place. In the final inning he called a home-player out at the plate with what would have been the tying run, at the same time drawing a pistol. Not a move was made toward him. Later he was appointed umpire in the National league. Hurst was known as a wit and for an over-readiness to protect himself against attack. In his younger days he was an all-round athlete and star sprinter. Recently he was engaged in the real estate business in Rockaway, N. Y.

PORTUGAL PROTESTS SINKING OF STEAMERS

LISBON, June 4.—Protesting vehemently against the sinking of two Portuguese ships by German submarines, the press of Portugal demands that the government sever diplomatic relations with Germany.

PRZEMYSL LOSS STRATEGIC MOVE SAYS PETROGRAD

Russians Explain Evacuation of Fortress—Holding Involved Use of Great Army Needed Elsewhere and Was of No Value—Fortifications Ruined by Austrians.

PETROGRAD, June 4.—News of the fall of Przemysl has awakened no apprehension here. It is conceded the Germans have won a "moral victory," but the strategic importance of the fortress, according to the opinion expressed here, had been nullified before the Russians relinquished it. A leading Russian military expert, analyzing the situation, says:

"Having crossed the river San with two armies which were to begin operations against the fortress, the Germans found themselves in an extremely dangerous and unstable position, being attacked on their left flank they were compelled to shorten the strip of ground they occupied on the right of the San. Any reverse of these armies would have turned the German movement into a catastrophe, since retreat to the rear would have been cut off by the river San and the pressure of the Russian forces at Sienawa on the German left. Accordingly the Germans were forced to hurl their attack against the fortress, throwing forward enormous forces.

"The indefensibility of the fortress was due to the fact that the Austrians had blown up the most important forts on their evacuation of Przemysl, coupled with the configuration of the land. This was unsuitable to a stubborn defense, for the reason that its undulations made it possible for the enemy to hide his approaches.

"The primary idea in the construction of the Przemysl fortress had been to meet attack from the eastward. There had not been sufficient time to reconstruct the damaged fortress on the west and on the north and to adapt the position to defense against attacks from these directions.

"Russian long range guns," the expert says, "shooting to the last shell into the thick masses of advancing Austro-Germans caused them severe losses. Eventually, however, the Russian military authorities reached the decision to remove the army from the fortifications.

"Strategic conditions," the expert concludes, "led to this same decision since the Russian Przemysl army constituted a sharp wedge cutting into the German lines and subject to being attacked from every side. To defend this crescent-shaped front required tremendous forces, and it was clearly the desire of the Germans that numerous forces be diverted to this front for defensive purposes."

45,000 Men Needed

It is estimated that the proper defense of the Przemysl fortress would have required the concentrating there of forces equal to those of the former Austrian garrison, namely, 45,000 men. It would have been necessary also to develop to their fullest capacity no less than 1500 guns and to re-establish all the destroyed forts which in the short time available was impossible. The abandoning of this blood-conquered fortress certainly is a sad blow, but it is necessary to remember that Przemysl twice annihilated, once by the Austrians and once by us, today has no more importance than any other city in Galicia. The German occupation had little influence on our maneuvering; in the future it will play no role at all. Like Jaroslaw and Tarnov, Przemysl will

ASQUITH INSPECTS TROOPS AT FRONT

BRITISH HEADQUARTERS IN FRANCE, June 4.—Premier Asquith has just brought to a conclusion a personal visit to the British front, most of which he visited in a motor car.

During the tour of four days the premier investigated all phases of the army in the field, hospitals, baths, flying corps, etc. On a certain hill he viewed the trenches and saw shells bursting. Everywhere the British received him with enthusiasm.

SUBMARINE SINKS DANISH STEAMER; CREW IS RESCUED

STAVANGER, Norway, June 4.—The Danish steamer Cyrus, with a cargo of coal, from Burntisland, Scotland, for Copenhagen, was torpedoed yesterday afternoon. The crew, none of whose members were injured, were landed today by a Norwegian steamer at Stavanger. The men state that the Cyrus was torpedoed without warning.

BOOM IN STOCKS FOLLOWS DECISION ON STEEL TRUST

NEW YORK, June 4.—The victory of the United States Steel corporation in the government's dissolution suit caused an outburst of bullish enthusiasm at the opening of today's stock market.

Steel was the outstanding feature, although its initial quotation was somewhat belated. The first transaction consisted of one lot of 28,000 shares at 61 to 62, compared with yesterday's close of 59 3/4.

United States Steel preferred rose 2 3/4 points and throughout the list there were gains ranging from 2 to 4 points.

Trading slackened toward the end of the first hour, but the turnover in that time exceeded 400,000 shares. Profit-taking continued, with the result that some early gains were altogether lost, while others were reduced to minor fractions. Steel held better than other leaders, yielding less than half its gain. Harvester, American Can and Distillers fell 11, 5 and 3 1/2 points, respectively, from their high prices.

GERMANY OFFERS TO PAY INDEMNITY FOR STR. GULFLIGHT

WASHINGTON, June 4.—Ambassador Gerard called the state department today a note from the German government agreeing to pay an indemnity for the damage done by a German submarine to the American steamer Gulflight, torpedoed off the Seilly islands.

The note was brief and stated that the ship had been torpedoed by mistake, in the belief that being accompanied by British patrol boats she was a belligerent vessel, and adding that the commander did not see the American flag until after the torpedo was fired. The communication agreed to the principle of indemnity, asking the American government to present on behalf of the owners the usual claim. In the note was also an expression of regret of the occurrence. That is in conformity with the procedure which Germany announced in a circular on May 11, would be followed in the case of neutral vessels attacked by mistake.

GERMAN SPY IS SENTENCED TO DEATH

LONDON, June 4.—Official announcement was made here tonight that a German spy named Muller had been sentenced to death.

The statement follows: "The trial of two alleged spies, Muller and Hahn, held in Camera at Old Bailey before the Lord Chief Justice and Justices Avory and Lush, was concluded this afternoon. The jury found both prisoners guilty. Muller was sentenced to death by shooting and is to be handed over to a competent military authority for execution, subject to his right of appeal to the court of criminal appeal. Prisoner Hahn was sentenced to seven years of penal servitude."

RECEIVERSHIP FOR ROCK ISLAND STOCK JOBBERY

Inquiry by Interstate Commerce Commission Forces Road's Attorney to Admit Deal Manipulated to Force Stock Price From 29 to 39 in Ten Days and Back to 21.

WASHINGTON, June 4.—Appointment of a receiver last April for the Chicago, Rock Island and Pacific Railroad company, was taken up today before the Interstate Commerce commission and the investigation into the road's financial affairs.

Robert P. Lamont, president of the American Steel Foundries company of Chicago, testified his company petitioned for the Rock Island receiver not for fear it could not collect \$15,000 due it, but because Silas H. Strawn a Chicago attorney, whom Mr. Lamont presumed was acting for Rock Island attorneys, requested him to do so.

Company Back of Deal Robert Walker of New York, connected with the Rock Island in various legal capacities, testified he asked Strawn to get some creditors to sign the petition which he himself had drafted at the direction of W. H. Moore, T. M. Schumacher and F. L. Hine, other directors of the company.

Counsel Folk for the commission, asked if the board had authorized Walker, as counsel, to file the petition. Mr. Walker responded that he did not consider that necessary because a majority of the directors individually approved the action. Mr. Walker denied that he had consulted Daniel M. Reid.

Questionable Stock Deal Samuel Untermeyer, representing N. M. Amster of Boston, a director, led Walker to tell how the Rock Island on March 31 borrowed \$1,500,000 of the Bankers' Trust company on collateral, plus the personal guaranty of Daniel G. Reid, Ogden Mills, William H. Moore, James McLean and Arthur C. James. Walker said the money was borrowed in hope of carrying the road along until after the directors meeting. He prepared a petition for receivership on March 29, so as to have it ready, if the loan did not go through.

"Why did you take that collateral away from the receiver if it was not to 'rig' up the stock market and take up the stock from 29 to 39 in ten days, and then let it drop to 21 in a single day?" asked Mr. Untermeyer.

(Continued on page two.)

BRITISH AIDING FOREIGNERS TO LEAVE MEXICAN CAPITAL

WASHINGTON, June 4.—British authorities in Mexico City are arrang-

for transmission to Generals Garza and Zapata. Department officials believe it has by this time been delivered to General Villa and therefore is in the hands of all the Mexican leaders.

Dispatches to the Carranza agency here from Vera Cruz indicate that Carranza has begun taking steps to distribute food. General Angeles, telegraphing from field headquarters near Leon, reported to the Villa agency here today that Obregon's army after defeat now is in its last entrenchments at Trinidad and that Villa, in command of the left wing, is leading an enveloping movement, which has thrown the Carranza forces out of Silao and toward Irapuato and La Piedad.