

Full Leased Wire Dispatches

# The Daily Capital Journal

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PRICE TWO CENTS ON TRAINS AND NEWS STANDS—FIVE CENTS

## RUSSIANS RE-FORM LINES TO RESIST ADVANCING ARMIES

### Slavs Inflict Heavy Losses Upon Austrians Who Leave 500 Dead On Field

## ADMITTED THAT A FEW GERMANS CROSSED RIVER

### Von Linsingen's Forces Seize Railroad and Threaten Lemberg Lines

Petrograd, June 8.—Russian forces in southeast Galicia have re-formed and strengthened their lines and are inflicting heavy losses upon the Austrians and German armies. In front of the position of one division five thousand Austrians dead were abandoned by the enemy following an engagement between Kolomo and Nadvarna, an official statement announced today. In addition 700 men and 20 officers were taken prisoners. The enemy was completely repulsed and thrown back upon his original position.

Elsewhere in the southwest Galicia region the Austro-German forces have suffered similar rebuffs it is declared. While it is admitted some units of General Von Linsingen's army succeeded in crossing the Dniester, they are declared to have been engaged by the Russians on the north bank of the river and to have been halted there.

On the northern front the war office announced the Germans are continuing their efforts to maintain an offensive in the region of Lubau. Reinforcements are constantly arriving but the Russian forces are generally holding the enemy back.

## Lemberg Is Threatened.

Berlin, via wireless to London, June 8.—General Von Linsingen's forces have seized the railway running from Goniushin to Lemberg at Bukaczowca in the war office announced today. An official statement declared that the right wing of Von Linsingen's army has met and defeated the Russians in that region.

## French Press Forward

Paris, June 8.—Still pressing forward on Lens, the French have occupied another group of houses east of the city, the official statement announced. Seizure of the railway cuts the principal communications between the defenders of Lemberg and the Russians near the Bukowina frontier. The pursuit of the defeated Russians continues, it was stated.

## Submarine Claims 17 Victims.

London, June 8.—(Captain Wirth, his son and daughter, and 14 members of crew of the Belgian steamer *Manana* were drowned when the vessel was captured and sunk in the North sea by a German submarine, dispatches were received today. Five members of the crew were rescued by a passing vessel.

## Allies Lose Heavily

Washington, via Berlin, June 8.—Dispatches reaching here indicate (Continued on Page Two.)

## PRESIDENT ISSUES FORMAL STATEMENT

Washington, June 8.—President Wilson authorized Secretary Tumulty to make the following statement at 6:15 this afternoon:

"Mr. Bryan has retired from the cabinet. His retirement is the result of differences of opinion regarding the German note. The president will accept Mr. Bryan's resignation and give out the correspondence leading up to it."

The president had just returned from the golf links when he announced the retirement of his premier.

## FRUIT PRODUCTS COMPANY PREPARED TO START PLANT

### Receives First Big Order For Fruit Juices and Buys Quantity of Berries

## STOCKHOLDERS MEET AND ELECT OFFICERS

### To Purchase Fruit Exclusively Through Medium of Fruit Union—Big Ice Plant

With the purchase of 10,000 pounds of California red raspberries, through the medium of the Salem Fruit Union, its exclusive source of supply of raw materials, the Northwest fruit products company (successors to the Salem brewery association) will this morning start upon the manufacture of its first commercial product to fill its first order; that of 3500 gallons of mixed fruit juices. Also, in connection with this order the company has ordered 2 tons of strawberries and 200 gallon of red currants and will begin to reduce them to juices upon delivery.

The stockholders of this company, Salem's newest manufacturing enterprise which holds so much in promise for the upbuilding and development of the fruit industry of the Willamette valley and state, held a meeting in Salem yesterday afternoon and effected permanent organization by the election of a full staff of officers and board of directors, as follows: President, Frank M. Kinney, of Olympia, Wash.; Vice President, Salem; James A. Wilson, secretary, Portland; Frank T. Schmidt, manager, Salem; directors: Kule, Neil, F. G. Deckebach, E. M. Kinney, J. A. Wilson, Paul Schmidt, Peter Schmidt and F. T. Schmidt.

In the course of the meeting the situation was gone over thoroughly, both retrospective and prospective, and the consensus of opinion among the stockholders of this new industry is that there is a tremendous future in store for the fruit by-products industry of the state of Oregon, if properly nurtured and exploited with a standard of quality and for all products to back the venture who, without pausing or expense will be spared in the putting up of a first-class and strictly sanitary and healthful article, in any and all of the varied products which they propose to manufacture and in educating the public to its beneficial use. While the authorized capital stock of the new company is nominally 75,000, some of the individuals which compose the corporation are rated at several times that amount, and it is the only thing that is necessary to make of it a success, its success is assured.

On account of the extra refrigeration capacity, due to the shutting down of the brewery, the company is placed in the position to manufacture ice in enormous quantities, and is fixing up one of its huge cellars for the storing of 1000 tons of ice. By reason of its comparatively unlimited facilities for manufacturing and handling ice the company is able to furnish ice for refrigeration purposes even cheaper than the Portland manufacturers, and has been promised all of the business of being of care for the shipment of fruits in the fresh state, and the company figures on and is equipped to handle at least 200 cars during the season.

The putting up of the juices to be extracted from 10,000 pounds of red raspberries, two tons of strawberries and 200 gallons of currants is but a small beginning and a mere drop in the bucket as compared to the plans for the prospective magnitudes of the industry and, as soon as blackberries, loganberries and dewberries are ripe enough to handle the plant will be put to work to its fullest capacity and will be prepared to supply the greatest demand anticipated. The equipment of the plant throughout is of the latest tested and approved design, and the company proposes to turn out nothing but the highest grade of product, "strictly up to standard in every particular and of a quality that the people of Oregon may well be proud," as stated by one of the officers this morning.

Aside from those who are already well known in this city, from a business and financial standpoint, included among the officers of the company and the stockholders are President Frank M. Kinney, who is cashier and general manager of the Olympia (Wash.) Na-

## BRYAN RESIGNS FROM CABINET WHEN VIEWS ARE NOT ACCEPTED

Washington, June 8.—Secretary of State Bryan has resigned. This became known late today following stormy scenes immediately preceding a cabinet session during which President Wilson's rejoinder to Germany was discussed. Bryan disagreed with the president and other members of the cabinet as to the position the United States should take. He insisted upon moderation against the president's firm decision to reiterate that the United States expected its rights under international law be respected.

The premier was not in his office late this afternoon. At five o'clock he left the state department and was reported to have gone for an automobile ride with Mrs. Bryan.

Earlier in the day President Wilson had said the cabinet was in accord as to the new German note. The sudden firm stand taken by Bryan came as a distinct surprise to him. Bryan arrived an hour late for the cabinet session. He was visibly laboring under the strain of deep emotion and was understood to have prepared a memorandum outlining in detail his position regarding the temper of the American reply.

## Resignation Is Accepted.

Washington, June 8.—Secretary of State Bryan today retired from the cabinet. His resignation was submitted to President Wilson and was accepted.

Announcement of the acceptance of the premier's resignation was made at the White House late this afternoon.

## HUMAN MIND CANNOT CONCEIVE IMMENSITY OF GREAT STRUGGLE

### Countless Tons of Shells Screaming of Devastation, Thousands of Men Writhing In the Agonies of Death and Needless Waste of Peaceful Villages Compose an Awful Panorama Never To Be Forgotten

BY WILLIAM G. SHEPHERD. (United Press Staff Correspondent.)

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Headquarters of the British Army, Northern France, April 28.—(By mail to New York)—Launch in the little Belgian village, which this morning had had its first taste of German shell fire, was not appreciated by me. Three of General French's flying men sat at the table across the way.

"My quarters were blown to bits this morning," said one. "I don't suppose I've even got a comb left."

A worried young woman, dressed in black, came up to us. "I can't give you much," she said. "Madame has gone and the cook has gone and the woman who washes the dishes has gone, too."

"When are you going?" asked one of the flying men.

"Oh, if more shells fall I suppose I must go, too," she said. She brought us coffee, rolls and oranges.

"Ah, those houses!" she hissed. "They were three weak words that did not express, by a hundredth degree, her feelings."

She was too busy to stop and talk. At least fifty officers were seated at the great long table and other smaller tables demanding something to eat. And this one wiseacre, German hating Belgian girl, who had stuck to the job, ran around among them with the coffee pot, with bread, cheese and

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## Three Men Are Held For Revenue Frauds

Kansas City, Mo., June 8.—That three men have been arrested here recently and nine have been held at Fort Smith, Ark., in connection with the \$20,000,000 internal revenue frauds revealed in Washington today.

Bonds of \$20,000 were forfeited recently by Guy L. Hartman, alleged leader of the Kansas City end of the conspiracy, when he failed to appear in federal court. Two other men, employees of the Koch Distilling company's plant here have been arrested. The distilling plant has been taken in charge by federal agents.

## BATTLE OF ISONZO BEGUN WITH HEAVY FIRE UPON ITALIANS

### Austrians Batteries Bombard Invaders With Vigor At Tolmino

### GREAT MASSES OF ENEMY WAITING BEHIND CLIFFS

## Italian Aviators Make Raid At Pola

Rome, June 8.—The battle of Isonzo has begun. Protected by heavy artillery fire, the Italians have crossed the Isonzo river at several points and today are striking at the railway leading to Trieste. Austrian batteries, mounted in defenses running from Tolmino toward the sea, are bombarding the Italian lines along the river with the utmost vigor.

Two Bersagliero regiments succeeded in crossing the river on the outskirts of Gradisca after a two days' battle. The retreating Austrians destroyed the bridge south of Gradisca and from a hill on the east bank shelled the positions thrown across by the Italians. Several military bridges were wrecked by the Austrian guns and attempts to rebuild them under fire were abandoned temporarily. During the night, however, Italian cavalry crossed the Isonzo south of Gradisca and attacked the Austrians from the rear. Meanwhile the Bersagliero regiments again threw their positions across and gained the opposite shore. This advance greatly imperils the Austrian positions at Gradisca.

From Tolmino to the sea, Italians have moved up to the banks of the river preliminary to an attempt to force a crossing. Aviators have reported the presence of great masses of Austrian infantry behind the cliffs on the east bank of the Isonzo and an engagement of great proportions is expected when the order for a general advance is given.

Artillery engagements in the Adige valley and around Focivento have been renewed, although heavy mists are seriously interfering with operations.

As the advance of the land forces is developing, the aerial army of Italy's war machine also continues to strike with success, reports today declared.

The ministry of Marine it was said there was reason to believe the military works at Pola had been damaged by a second raid of an Italian dirigible Sunday night. Several bombs are declared to have exploded at points of a military character.

## Wounded Turks Need Aid.

Athens, June 8.—Forty thousand wounded Turkish soldiers and 250 German officers are now in Constantinople in urgent need of medical attention, according to advices are today.

Hundreds of these men, wounded in the Dardanelles fighting, are dying daily on account of lack of care while an epidemic of typhus and smallpox is declared to be sweeping the military hospitals.

The hospital facilities in Constantinople are declared to be entirely inadequate. There is a shortage of doctors and the Turkish hospital authorities are generally overwhelmed by the thousands of wounded pouring back from the Gallipoli fighting front.

## PRESIDENT AND BRYAN CLASH OVER CONTEXT OF NOTE TO GERMANY

### Wilson Stands For "Excuse Proof" Reply To Kaiser While Secretary of State Would Leave Loophole to Continue Further Negotiations—Bryan Formulates Substitute Reply Which Evidently Is Rejected By Cabinet In Favor of President's Note—Bryan Must Bow to Chief or Resign

(By Joan Edwin Nevin.)

(United Press Staff Correspondent.)

Washington, June 8.—At the conclusion of an extended cabinet meeting this afternoon, President Wilson caused Secretary Tumulty to announce that his rejoinder to Germany is complete and that it is "excuse proof" the note will go forward tomorrow.

The cabinet is not unanimous in its approval of the president's latest communication. Secretary Bryan left the White House at the close of the ministerial session, determined to fight for modification of the note up to the minute it is cabled to Berlin.

It is understood that as the president's new note now stands it firmly States under international law as set forth in previous communications. Secretary Bryan believes the United States should be on record as favoring arbitration. If this be so, then he considers it a mockery to forward a rejoinder which he considers to be an ultimatum.

Although a majority of the cabinet is understood to be against Bryan, he carried his fight of persuasion from the cabinet room to the University club, where all of the members lunched together.

Bryan's Stand a Surprise.

The position taken by the premier came as a complete surprise to the president. He was known to favor arbitration, but heretofore has stopped short in his fight for this principle when a majority of the cabinet disagreed with him.

The president expected his action to be the same in the present instance. As a matter of fact, President Wilson told callers before the session of the cabinet that the ministers were unanimous in their approval of the new note to Berlin.

The delay of Bryan in arriving for the meeting was the first intimation that there was a disagreement as to the position this government should take in meeting Germany's answer to the Lusitania note.

The presence of Ambassador Von Bernstorff at the state department was with unusual interest. It was then rumored that Bryan had notified the president flatly that he would not stand for the rejoinder as now framed. At the White House it was merely said the secretary was working upon an important paper and would be late.

## Tension Is Felt.

There was manifest tension at the White House. Inquiries regarding the secretary of state were ignored after the first announcement that he would be late.

At noon, an hour after the cabinet meeting was scheduled, Bryan left his office. His face was flushed. His firm line, his features were set and cold. To all inquiries he replied with nothing more than a negative shake of his head. As the secretary hastened toward the White House, he walked with determined stride with which he delivered his anti-Tamm speech that broke Champ Clark.

For more than an hour the doors to the cabinet room were closed behind him. The president's messenger screened the corridor that the curious might be kept at a distance. Not a murmur of the discussion going on about the cabinet table could be heard.

At last the door opened with a bang. Secretaries Macdonald and Redfield were the first to emerge. Upon being questioned they referred all inquiries to the president.

## Bryan Wills His Collar.

Secretary Garrison came out alone. He refused petulantly to say a word. After an interval of 10 minutes Secretary Daniels and Wilson came out, bringing up the rear was Bryan. The premier's face was still set. His collar was wilted and damp, his face coloring.

"Was the note completed?" Bryan was asked.

"I cannot discuss what transpired during the cabinet meeting," he answered sharply.

Bryan joined Secretary Lane who then appeared, and then entered Lane's carriage to drive to the University Club for luncheon. Ordinarily Bryan goes from the cabinet meetings back to his office for a glass of milk and a sandwich.

It is understood that Bryan presented to the cabinet a memorandum justifying his views that the rejoinder as now framed is not of the character

## TRIP OF FLEET CANCELLED

Washington, June 8.—Secretary of the Navy Daniels this afternoon officially announced that the proposed trip of the Atlantic fleet through the Panama canal to San Francisco has been cancelled. This announcement was forestalled in United Press dispatches several weeks ago.

## May Take Weeks To Raise Sunken Submarine

Washington, June 8.—Gunner Stilson, in charge of the Brooklyn navy yard squad of divers who have been engaged in the work of raising the submarine P-4 in Honolulu harbor today reported to Secretary Daniels that it may be several weeks before the task is completed. Stilson said it might be necessary to build pontoons before the P-4 can be brought to the surface.

## PEACE TALK HITS WHEAT.

Chicago, June 8.—Rumors of impending peace in Europe today caused a drop of 10 cents in the price of wheat at Winnipeg, 7 cents at Minneapolis and 4 1/2 cents at the opening of the market. July declined to 81 1/2 in the Chicago pit, but 15 minutes later there was a comfortable recovery.

## The Weather

SCHOOL WILL BE OVER JOON BE OVER

Oregon: Fair to night and Wednesday; northwesterly winds.

