

BERLIN TO ADMIT LUSITANIA ATTACK WAS ILLEGAL ACT

Washington Believes Note Accepting Terms of Apology Has Reached Germany

PRESIDENT IS SATISFIED

WASHINGTON, Jan. 11. While no official word had been received at the State Department regarding receipt by Berlin of the Lusitania settlement as agreed upon yesterday by Secretary Lansing and Ambassador Bernstorff, officials believed the paper has been handed to Foreign Minister von Jagow by Ambassador Gerard.

According to the draft which Count von Bernstorff sent to his Government Germany would give the satisfaction demanded by the United States in the following way:

- The Imperial German Government will again express its deep regret over the killing of the 110 American men, women and children who lost their lives when the Lusitania was torpedoed without warning by a German submarine.
 - It will express entire willingness to make reparation for the lives destroyed, the details of indemnification to be adjusted on a basis satisfactory to both Governments.
 - It will admit that the attack on the Lusitania was an illegal act, but one which was a reprisal undertaken against the unlawful actions of Great Britain in proclaiming her Order in Council and proceeding to starve out the non-combatant population of Germany.
 - In reference to the demands of the United States in its note of July 21 for assurance against a repetition of the attack on the Lusitania, Germany, it is understood, will refer to the assurances already given by her on this score following the striking of the Arabic.
- Although the disclaimer said to have been agreed upon by the Secretary and the Ambassador is not in the form originally demanded by the United States, it is described as meeting entirely the wishes of President Wilson.
- It was pointed out tonight in well informed quarters that in view of the position which the United States has consistently held in its correspondence with Great Britain regarding the Order in Council this country can have no hesitancy in subscribing to the statement that Great Britain's methods have been without the pale of international law. In the same way officials observe the United States in its correspondence with Germany on the Lusitania controversy has not disputed the fact that the attack on the Lusitania was in the nature of a reprisal against the British procedure.
- Pending the receipt of further word from Ambassador Penfield at Vienna, dealing with the loss of the Persia, the State Department will permit the submarine controversy to remain dormant. It was made plain today, however, by Secretary Lansing, that he at least has not abandoned hope that responsibility for the striking of the Persia yet will be placed, Ambassador Penfield is pressing the Austrian Foreign Office to make further inquiries to determine whether any Austrian submarine torpedoed the Persia.
- It will very probably be settled this week whether the action in the Persia case will be possible. If either an Austrian or German submarine was responsible, officials say, they must get to its base not later than the latter part of this week. But, as a result of the voluntary German note, reciting the orders given to German submarine commanders, and the assurance that has been given by Austria, both here and in Vienna, that if an Austrian naval officer was responsible complete reparation will be made, officials consider the danger entirely removed from the situation.

ECHO OF SMITH FAILURE

Receiver Named for Leather Concern in Which Senator Was Associated

NEWARK, N. J., Jan. 11.—Austen H. McGregor was today appointed by Vice Chancellor Howell to be receiver for the leather manufacturing concern of J. H. Halsey & Smith, Ltd., and his bond was fixed at \$25,000.

The order appointing McGregor was made at the request of Francis Lafferty, solicitor for the Fidelity Trust Company, assignee of former Senator James Smith, Jr.

The receivership grows out of the failure of Senator Smith in business, and the appointment of a receiver for the Newark Daily Advertiser Company, the publisher of the Newark Evening Star and Newark Eagle.

ROOSEVELT ARRAIGNS PRESIDENT IN APPEAL TO THE PROGRESSIVES

Wires Party's National Committee, Meeting in Chicago, That Country's Honor Has Been Trailed in Dust

MOOSERS FAVOR MERGER

CHICAGO, Jan. 11.— Colonel Theodore Roosevelt today wired the Progressive National Committee, as it met prior to selecting a date for the party's convention, pleading that it cast aside all purely partisan considerations in behalf of preparedness.

Roosevelt's message declared that with the country facing a great crisis, the nation had fallen far short of its duties for the last 18 months.

ROOSEVELT'S PLEA. The telegram, which was read to the committee and scores of other Progressive leaders at a conference preliminary to the executive meeting of the committee, was:

"I send you my hearty greetings. We, as a country, are facing a great world crisis in which, for the last 18 months this nation has fallen far short of its duty, both to its own people and to the law abiding and justice loving nations of mankind. There is a crying need that we shall cast aside all purely partisan considerations and disregard all but the vital issues affecting the national life, and shall strive wholeheartedly for a sound Americanism, which shall insist that every man who is within our borders shall be an American and nothing else."

"We must do justice to our own people at home; we must insist that they have justice when abroad. We must insist upon the most thorough-going preparedness to protect our rights against all possible attacks by any aggressor. Such preparedness is the best guarantee of honorable peace. We must ever remember that there cannot be such preparedness in things material unless there is also that preparedness of soul and of spirit, which alone rest and vigor in performance of its high and difficult duty in national and international life."

"THEODORE ROOSEVELT."

Three-fourths of the committee favor amalgamation with the Republican party, if it can be accomplished "with honor."

As the committee prepared to meet at the Congress riot sentiment of both Eastern and Western committeemen indicated a return to the Republican fold was more than possible. It is all up to the Republicans, they say.

Chances early today were considered nine to one in favor of a Progressive National Convention in Chicago, June 7, simultaneous with the Republican convention.

The Progressives have engaged 800 hotel rooms here for the week of June 7.

"TO DEFEAT WILSON."

Statements today by Colonel Woodrow Wilson, of Texas, and William H. Hoegh, of New York, were considered as indicators of sentiment among both Western and Eastern Progressives.

Colonel Woodrow declared a combine of the Republicans and Progressives on Roosevelt was the only possibility of defeating Woodrow Wilson. Hoegh echoed the sentiment.

The Perkins dinner last night left no doubt where the Moose stand with Roosevelt. Scores of the committeemen think it is more than possible that a majority of the Republicans feel the same way about the Colonel.

John M. McGrath, Colonel Roosevelt's private secretary, accompanied Mr. Perkins to Chicago.

Progressive leaders appear to be determined to force the nomination of Roosevelt.

The plan by which they hope to force Colonel Roosevelt upon the Republicans was outlined by Frank H. Funk, candidate for Governor of Illinois in 1912.

"We likely will decide today to hold our convention here the same week the Republicans meet," said Funk. "If the Republicans plan to nominate their political candidate on Thursday we will nominate Roosevelt on Wednesday. Then, unless the G. O. P. nominates Roosevelt, it is a certainty that there will be a third ticket in the field."

Pennsylvania Postmasters

WASHINGTON, Jan. 11.—Pennsylvania postoffice nominations sent to the Senate for confirmation today were:

Richard O. Hellman, Catawampus; R. P. Wirtz, Forest Grove; W. P. Quintan, Grant's Pass; Homer S. Wood, Independence; Harry M. Fensler, Myrtle Point; F. H. Laignton, Seaside; Harry C. Gist, Yamhill.

REBUILDING SALE

Large lot of new and slightly used furniture, brass and enamel beds, rugs, bureaus, Princess dressers, chiffoniers and lots of other furniture. Must be sold at a very cheap price to make room for the builders.

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Two Specials at Geuting's For Women

Sale of Slippers

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Satins in all shades and sizes. Also patents, gunmetal, bronze, white and beaded kid. All Geuting creations.

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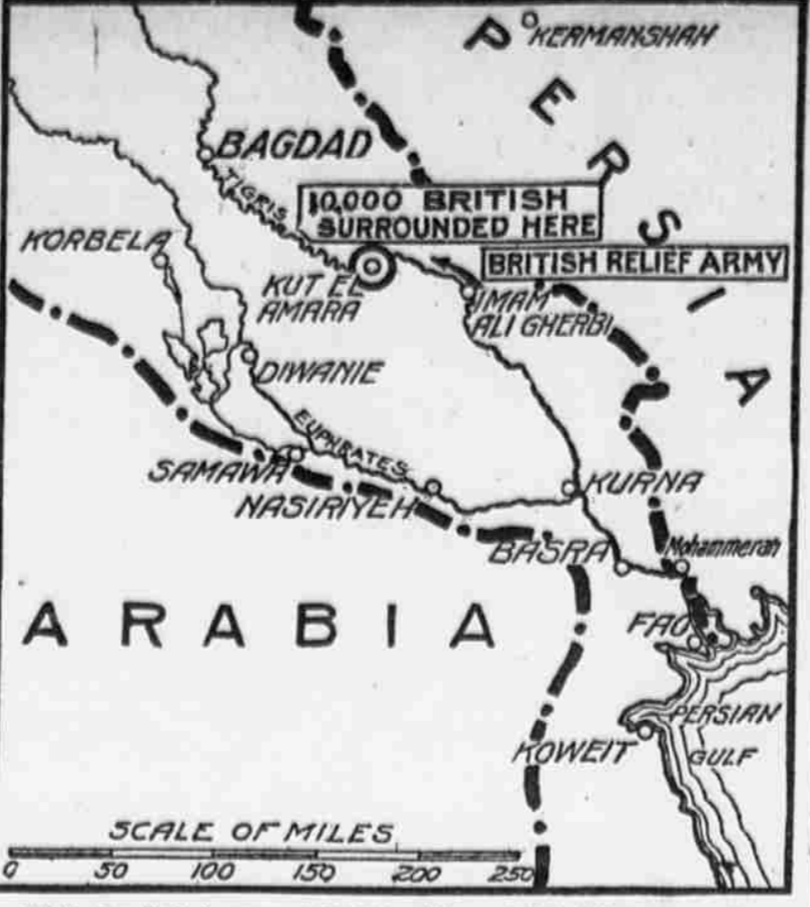
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GREAT BATTLE IN MESOPOTAMIA NEAR



While the British army of 10,000 soldiers at Kut-el-Amara, on the Tigris, is fighting desperately against a besieging Turkish army, a relief column is advancing up the river from Basra. Official British reports tell of a complete victory, after a severe battle at Iman Ali Gherbi between the relief expedition and a Turkish column attempting to prevent the arrival of the reinforcements. The latest reports show the relief expedition, under General Aylmer, well within a day's march of the beleaguered garrison.

"BREAK TEUTON LINE," IS CZAR'S ORDER TO SLAVS

But Enormous Casualties Compel a Halt in Bessarabian Offensive

175,000 TROOPS LOST

LONDON, Jan. 11. According to dispatches from Berlin, captured Russian officers declare that the Russian Emperor visited Trembowla, Galicia, on the eve of the offensive with the object of giving heart to his troops, and delivered an order to break the Austrian line at all cost. The officers were assured that there were sufficient troops to accomplish this.

The main attack thus far has been directed against a hill named Fort Baltin in honor of General Pfanner-Baltin, which the Emperor personally ordered taken. As a result literally thousands of Russian dead lie before the Austrian trenches or hang suspended on the wire entanglements. Entire regiments were wiped out, while the Austrian losses are declared to have been comparatively small.

The Russian artillery ammunition and the rifles of captives were almost exclusively of Japanese manufacture.

"The general situation remains unchanged," says the Petrograd official report on the eastern front. "A strong

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Young Women's Christian Association MISS E. STAFFORD MILLAR AUSTRALIAN EVANGELIST TUES. TO SAT. JAN. 11 TO 15. 7:30 P. M.—Y. W. C. A. OPEN TO EVERYBODY. River offering.

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Hundreds of the very finest pieces, fully guaranteed as to color and wearing quality, in a wide assortment of small and larger sizes

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FRENCH ATTACK FAILS TO RETAKE CHAMPAGNE LINE

Desperate Battle Raging for Massignes Trenches, German War Office Reports

TWO AEROPLANES TAKEN

BERLIN, Jan. 11. Efforts by the French to recapture the trenches captured by the Germans northwest of Massignes in Champagne, were repulsed, the German War Office announced today.

The violent battle in the Champagne continues with furious blasts of artillery fire followed by attack and counter-attack.

The Germans have shot down two more aeroplanes.

The text of the official German report follows:

"Recent advances against the trenches northwest of Massignes, which were captured by the Germans, were repulsed. The number of prisoners in our hands at that point has reached 300."

"A battle aeroplane, fitted with 3.5 centimetre guns, was forced by German fire to land near Jumen, south of Dixmude, Belgium. The aircraft, undamaged, is in our hands and the pilot, who was unwounded, were made prisoners."

"A British biplane has been shot down in a fight near Tournai."

AUSTRIA STORMS MONTENEGRO BY LAND AND WATER

King Nicholas' Forces Slowly Being Crushed Under Hostile Pressure

ITALY GROWS ANXIOUS

LONDON, Jan. 11. Interest in the Macedonian campaign has become secondary to the operations of the Austrians in Montenegro. A determined attack is being made on Mount Lovcen, a Montenegro stronghold, overlooking Cattaro Bay, by the guns of the Austrian fortress at Cattaro and Austrian warships lying in the Adriatic. The formidable Austrian forces invading Montenegro extend over a wide front, from the River Tara in the West to the Ipek district in the East.

It cannot be disguised that the invasion is causing great uneasiness among the Entente Powers, and especially Italy, which sees in its success an end to Italy's dream of dominating the Albanian littoral of the Adriatic. The Italian newspapers in expressing the opinion that an Austrian success against Montenegro would give the invader an incalculable political, maritime, commercial and strategic advantage, admit the fear that Italy's intervention in the Balkan campaign has come too late.

On the Montenegro front the Austrians have been generally successful. They have advanced their positions at several im-

portant points, despite the hail of snow, wind deep, and are showing themselves just as adept as the Montenegrins in mountain fighting, which has hitherto been regarded as the particular specialty of the Montenegrin soldiers.

On the Salonica front almost continued aeroplane skirmishes have occurred, and of which continued for two hours, the Germans have thus far lost six aeroplanes in this region.

The rumor that the consuls of the Entente Allies arrested at Salonica had been released appears to have been without foundation, as it is now announced that they have been transferred to a French auxiliary cruiser.

Italian Sculptor Ends Life

PARIS, Jan. 11.—The Italian animal sculptor, Rembrandt Bugatti, was found lying unconscious Sunday in his studio in the Rue Joseph-Bara, suffering from gas poisoning. A gas jet in the studio was turned on. Bugatti was taken to Lausanne Hospital, where he died.

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The Stroud Pianola at \$550 gives you a player-piano with all the patented Aeolian features. This instrument contains not only the Themodist, but even the world-famous Metrostyle patent, which invention has caused such eminent critics as Paderewski and Rosenthal to pronounce the Pianola as "the best, unsurpassable, supreme."

In all, 312 patents protect the Pianola from imitation, but yet here is a style in the Stroud at a price much lower than that asked for undeniably artless imitations. Terms as low as \$3 per week will be accepted on the Stroud, and even your piano will be accepted as part payment.

Remember, in purchasing the Stroud you secure an instrument made completely by the great Aeolian Company, the world's largest piano manufacturers.

The Aeolian Family of the player-piano world is on sale at Heppie's

At Factory Prices as follows:

Steinway Pianola\$1150	Wheelock Pianola\$750
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The Stroud Pianola Equipped with Metrostyle and Themodist

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Sale of Slippers \$2.90

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