

Partly cloudy Thursday and Friday, probably local showers west portion.

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MORE SLOWLY BUT STEADILY ON THREE SIDES FOCH'S SOLDIERS MENACE HALF MILLION GERMANS

Violent Counter-Attacks and Rear Guard Actions Fail To Stop the Allies.

PACE IS NOT SO FAST

But Nevertheless Progress Was Achieved Yesterday Everywhere on Battlefield.

AMERICANS IN HOT FIGHT

Meet Fiercest Resistance North Of Chateau Thierry.

Violent German counter-attacks and rear guard actions in great strength still fail to serve the German high command as barriers to the advance of the allied troops on the Soissons-Rheims salient.

True they have added somewhat in coming down the fast pace set by the allies at the commencement of the offensive, but nevertheless on the three sides of the now U-shaped battlefield further important gains have been made.

Reaching for Railroad.

Driving slowly but surely, south of Soissons, the American and French troops have pushed their fronts further eastward toward that part of the Soissons-Chateau Thierry railway line which is still in the hands of the enemy and further south along both sides of the Ourcq river and the road leading to Fere-En-Tardenois, Germany's great storehouse for the supply of her troops to the south, important penitents into enemy held territory have been made until the maximum point where the allies are fighting near Chateau Thierry is about 10-12 miles from their point of departure last Thursday.

In the Marne region north of Chateau Thierry, the Americans and French have met with the fiercest kind of resistance, for here the German machine gunners and infantrymen are striving hard to stay their progress in an endeavor to extricate large numbers of the German forces who are in danger of capture, and also to save part of the great number of guns and quantities of war materials which it is impossible to get out except by the high roads over the undulating and wooded country.

Advantage With Allies. The advance of the fighting, however, has rested with the amalgamated allied troops who have pushed on northward past the village of Epiedes and ousted the Germans from the greater part of the Chateau forest. In this region the allies now hold the village of Epiedes and Trugny-Epiedes, which were captured by the Germans and were recaptured Wednesday in a counter-attack by the Americans.

Steady Advance From Marne. The advance at several points notably in the region of Charleville and (Continued on Page Two).

KAISER WOULD SWAP WEST FOR THE EAST

Sample of What a "Good German Peace" Would Mean.

Entente Would Recognize Russian Treaty Germany Would Be Willing to Forego Annexations in the West—Peace Offer.

Amsterdam, July 24.—Germany has made suggestions for a peace conference to the Spanish government, says the socialist Vorwaerts, of Berlin.

The suggestions are: "First, Germany wants no annexations in indemnities in the west. "Second, the peace treaties with Russia and Rumania may not be questioned.

"Third, the principle of self-determination is to be maintained, but may be settled at the peace conference, where the fate of Belgium also is to be settled.

"Fourth, the freedom of the seas, the dismantling of Gibraltar and the Suez canal, and the right for Germany to use coaling stations.

"Fifth, the colonial question is to be settled on the basis of the status quo." "The Vorwaerts considers this a very reasonable peace program.

NAME OLD PEACE PROPOSAL IN A SLIGHTLY CHANGED GARB

Washington, July 24.—In the peace proposals which the Berlin Vorwaerts declares the German government is about to advance to the entente and America through the Spanish government, officials here detect the German design, embodied in some shape in almost every one of the proposals which have emanated from (Continued on Page Two).

Single Railroad Now Stands Between Huns and Disaster

If Allies Can Cut Line Running From Nanteuil On the Ourcq To Bazoches On the Vesle, It Will Mean Utter Rout of Army of Half Million Men, With Prodigious Captures of Germans.

Washington, July 24.—Massed German reserves are holding open the jaws of the trap General Foch has sprung in the Aisne-Marne region in a desperate effort to stabilize their lines without the crushing of the forces withdrawing from the Chateau Thierry and Marne salients. Official reports to the war department, however, show that the enemy has only a single railway line remaining in his hands over which to get his heavy material out of the pocket into which he has been forced by allied and American advances.

The situation was graphically explained today by General March, chief of staff, in a mid-week conference with newspaper correspondents. For the last two days, General March said, the

employment of probably fifteen divisions of fresh German reserves on the Soissons law of the trap has practically staided the line there. On the eastern jaw front, however, the enemy has been crushed back more than a mile and a half on a ten-mile front, further imperiling his whole position in the salient from which he is endeavoring to extricate his troops.

"The railroad running from Soissons to Chateau Thierry is now either in our hands or under our fire," General March said. "The only way in which the enemy can get out now or get supplies over a railroad is by the remaining line from Nanteuil on the Ourcq to Bazoches, on the river Vesle.

"It was necessary for him, if he did not intend to be caught absolutely in a pocket, to keep troops from advancing and cutting off this road which (Continued on Page Ten.)

BOTH SIDES POCKET SEE HARD FIGHTING

Few Fluctuations Yesterday, But in Every Change Allies Were Victors.

STRUGGLE AT SOISSONS

Germans Have Concentrated Strength to Prevent Further Imperiling of the Lines on West of Salient at Soissons.

With the French Army in France, July 24.—(By The Associated Press).—Both sides of the pocket in the German line have been scenes of the most violent attacks and counter-attacks throughout the past night and morning. Few fluctuations of the line have occurred but in all these they have favored the allies who keep up an incessant pressure on the retreating Germans who are endeavoring to cover the withdrawal of the bulk of their troops from imminent danger.

Southwest of Rheims the Germans have shown their disappointment over their inability to hold with their crack divisions, their positions around Vrigny and have turned all their available artillery onto the British and French who drove them out but the enemy could not prevent a still further advance today.

EXTREMELY HARD FIGHTING ON WEST SIDE OF MARNE POCKET

With the American Army on the Aisne-Marne Front, July 24.—(By The Associated Press).—Extremely hard fighting has been going on along the line south of Soissons where the Germans are concentrating in full strength in order to prevent the further imperiling of their lines over which supplies must reach them. But notwithstanding the strong German resistance, the allies have made gains here also. The main railroad is now useless so far as the Germans are concerned, while the heavy guns of the allies are reaching many of the wagon roads which the enemy has fought so hard to retain. The Germans can, of course, obtain limited supplies, but it is believed that these will not be sufficient to warrant keeping the big army in the salient which has been greatly narrowed by a week of battle.

REVENUE BILL CALLS FOR 50 PER CENT TAX INCREASE

Washington, July 24.—A fifty per cent increase in the present graduated rates on estates up to and including \$5,000,000 estimates with greater increases from larger estates was tentatively agreed upon today by the house ways and means committee. The committee devoted the entire day to considering estate taxes and that while the tentative conclusion of the committee is subject to revision, the majority favored an increase of 50 per cent over the present rates with few exceptions.

It is expected that the new system of tax rates will yield a revenue of \$100,000,000 when in full working operation against the present \$70,000,000.

FRENCH GAINS DECLARED TO BE HIGHLY IMPORTANT, SAYS PARIS

Paris, July 24.—Highly important gains by the French and American forces on the Aisne-Marne front are reported in the official statement of the war office tonight. In the center of the line an advance of nearly two miles was made. Desperate engagements were fought in the direction of Epiedes and Trugny-Epiedes, which villages the Americans again captured from the Germans. To the north of Epiedes the Franco-American line is now beyond Courpail.

MUNITION WORKERS THREATEN A STRIKE IN ENGLISH PLANTS

Sixty-Five Thousand Men and Women On Eve of Cutting Off Vital Supplies of War.

WOOLWICH WORKERS STAY

Send Message to Strikers They Should Be Sent to Front and Their Leaders Shot.

London, July 24.—A strike of munition workers began at Birmingham at 6 o'clock this evening, the hour the day workers finished work and when the night shift was to come on duty, according to a dispatch to the Central News from Birmingham.

The aggregate membership of the twelve societies affiliated with the joint committee of the engineering trades unions is about 65,000 including about 5,000 women. Officials of the joint committee say they have no reason to doubt that all the workers will be loyal to the resolution to stop work.

A number of discharged soldiers who are union members, inquired the officials of the federation of discharged sailors and soldiers regarding their positions. They were advised not to cease work under any circumstances owing to the serious consequences which would ensue if the men in the trenches, at Lincoln where the strike was to become effective tonight, unless the embargo was withdrawn, the workers agreed to remain at their posts pending a decision of the national conference tomorrow.

AMERICANS RETAKE VILLAGE THEY LOST

Recapture. Epiedes and With French Advance Toward Fere-En-Tardenois Center.

HUNS HOLD MARNE POINTS

Germans Still Holding Positions at Bottom of Pocket to Delay Allied Efforts as Long as Possible.

On the French Front July 24.—(By the Associated Press).—The fighting today was extremely severe southward of the Ourcq where the Americans took Epiedes which they lost yesterday and advanced together with the French to least three kilometers threatening Fere-En-Tardenois which is under constant bombardment. Around Armentieres the Germans had massed hundreds of machine guns which caused some trouble but could not stay the advance of the allied troops. These Tournelles wood was reached. Brecy fell and the Franco-American obtained a footing in the Lo Fere wood.

Everywhere the enemy resistance was most determined especially along the Marne where they still hold some points along the banks of the river, probably hoping that by keeping possession of them as long as possible to save some of their immense stores of ammunition and other war materials which had been assembled with a view to making a great advance south of the Marne.

Southwest of Rheims the British and (Continued on Page Two).

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June Submarine Losses Are Less Than Any Month Since Sept. 1916--275,679 Tons

Statement British Admiralty Last Night Shows Drop in World's Sinkings of 81,500 Tons as Compared With May and a Falling Off of 437,092 Tons As Compared With June of Last Year—Sailings High.

London, July 24.—The losses to British and allied shipping due to the enemy action or marine risk for the month of June total 275,679 gross tons, this being the lowest record for any month since September, 1916. The British losses totaled 161,052 tons and allied and neutral losses 114,627.

The total losses for the quarter ending June 30 amount to 946,578 tons, which was the lowest record for any quarter since the third quarter of 1916. Sailings continue at the high level of recent months. The tonnage of steamships of 600 gross tons and over entering or clearing from United Kingdom ports, other than coastwise and cross channel vessels, totals 7,450,356 tons. The total sailings for the quarter ending June 30 was considerably higher than the sailings of the two preceding quarters.

The above figures were announced by the admiralty tonight. The statement shows for June a drop in the world's sinkings of 905 tons as compared with May; 37,876 tons as compared with April and 125,834 tons as compared with March of the present year. Compared with June of last year the falling off is 437,092 tons.

BOLSHEVIKI ARMY IS CONSIDERED LITTLE

Report of Mobilization of Forces Not a Matter of Serious Moment, Think Allies.

GUARD GERMAN EMBASSY

Suggestion is Made That Assembly of Russians Might Mean Attack on Mourmans Peninsula—Impossible.

Washington, July 24.—The mobilization of the Russian army as announced in reports today from Moscow by Amsterdam is not regarded as a matter of serious moment by state department officials. In some quarters it was simply regarded as another effort to arise the draft army which Leon Trotsky, Bolsheviki minister of war, declared to be the only solution to the military chaos of the Russian republic.

The suggestion was made that the Russian government might send its new army to drive out the allied and American forces in the Mourmans peninsula, but it was explained that this would be almost impossible as it would mean the transportation of the army 800 miles over extremely difficult territory and without means of supply.

The Bolsheviki assured the German government that its own army would protect the German embassy in Moscow when Germany asked to be allowed to send battalions to that city after the assassination of Count Von Mirbach. At that time the government (Continued on Page Ten).

BELIEVES HE MET GERMAN RAIDER ON NEW ENGLAND COAST

Captain of Fishing Schooner Had Strange Encounter With Vessel Acting Suspiciously.

SHIP WAS WELL ARMED

Kept Guns Trained on Schooner and Flew No Flag Nor Had Marks of Identification.

Gloucester, Mass., July 24.—Captain William Price of the fishing schooner Elizabeth King which arrived here tonight, reported an encounter last Sunday with what he believes was a German raider, about 20 miles southeast of Nantucket south shoal lightship.

Captain Price said the steamer approached within 100 feet of the Elizabeth King, keeping forward and aft guns trained on the schooner.

"I expected he would hail us," said Captain Price, "but he did not, so I asked him through a megaphone if he had seen any fishing vessels in that vicinity. An officer on the Cape Cod steamer attacked a tug boat and its tow of barges. The position given by Captain Price places the steamer in the lane of trans-Atlantic travel.

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BRITISH STEAMER REPORTED IN DANGER IN NORTH ATLANTIC

Boston, July 24.—Official investigation is being made of a report that a British steamship off the North Atlantic coast is sending out S. O. S. signals.

None of the wireless stations in this vicinity heard the S. O. S. signals and at first were inclined to doubt the accuracy of the report. Inquiry, however, was continued all along the coast.

NAVAL OFFICIALS HAVE LEARNED NOTHING OF SHIP

Boston, July 24.—An official investigation today of a report that a British steamship off the North Atlantic coast was sending out S. O. S. signals had only negative results so far as the First and Second districts which cover the New England coast line were concerned.

Intelligence officers of these districts reported tonight that no wireless signals had been picked up at any of wireless stations within their jurisdiction. The original report indicated that the vessel was far out at sea and it was pointed out that if such were the case her signals might not be within the radius of stations in this vicinity.

BERLIN SAYS YESTERDAY WAS UPON THE WHOLE MUCH QUIETER

Berlin, via London, July 24.—"Between Soissons and Rheims," says tonight's official report from general headquarters, the day on the whole has been quiet. There were no engagements south of the Ourcq and southwest of Rheims.

SUBMARINE SINKS WHITE STAR LINER

Nine Torpedoes Fired at Giant Ship Justicia.

Vessel Went Down Off English Coast Saturday Morning—Eleven of Crew Dead—Gunners Do Some Remarkable Shooting.

London, July 24.—The White Star liner Justicia has been sunk. From three to eight submarines are said to have been concerned in the attack on Friday, July 19, according to the Daily Mail, which says the fight began at 3 o'clock Friday afternoon and lasted intermittently until Saturday morning. The ship sank about 1 o'clock in the afternoon after nine torpedoes had been fired.

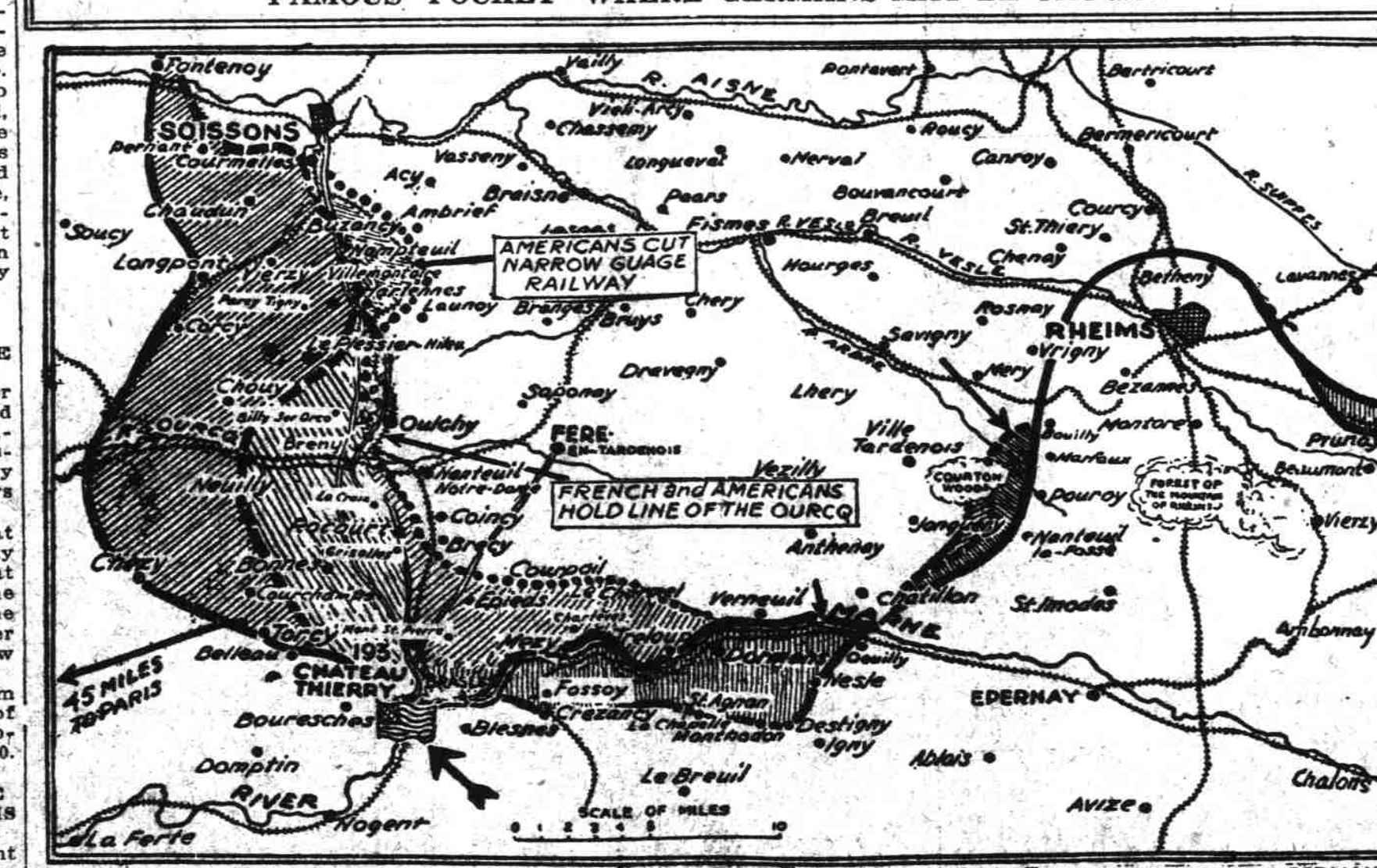
When the liner was first struck the torpedo boat destroyers which accompanied her raced to attack the enemy and dropped many depth charges, while patrol boats stood by the ship and a tug took her in tow.

The second and third torpedoes were fired about 6 o'clock in the afternoon. Both missed their marks, one going ahead of the steamer and the other aft. Two hours later another torpedo was seen coming, but when it got close a gunner on the Justicia with extraordinary accuracy of aim hit it cleanly and exploded it.

All was quiet until 8 o'clock in the evening, when the fifth torpedo was sighted. The gunners on the Justicia placed their shots so near that the torpedo was deflected and missed its target.

Most of the crew by this time had been transferred to other ships which had remained near the liner all night. (Continued on Page Two).

FAMOUS "POCKET" WHERE GERMANS MAY BE CAUGHT



The fate of half a million Germans mans have of withdrawing their heavy guns and huge army caught in the "pocket." The allies are driving from the Ourcq, which they command, toward Fere-En-Tardenois on the west side of the pocket; and also from Vigny, near Rheims, on the east side, and a third effort is being made from the bottom of the "pocket" at Courpail, which the Franco-Americans took yesterday. Last night's dispatches tell of progress made yesterday on all three sides of the "pocket." German military power would receive a grievous blow should the allies be able to close the "pocket" and capture 500,000 Huns en masse.