

TRANSCRIPT: PEGGY B. DEANS

Interviewee: Peggy B. Deans, Clerk, U.S. Bankruptcy Court, Eastern District of North Carolina, 1979-2009

Interviewer: Randy D. Doub, Chief Bankruptcy Judge, U.S. Bankruptcy Court, Eastern District of North Carolina

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RDD -This afternoon, we have the pleasure of having a conversation with Peggy Deans. Ms. Deans served as clerk of the United States Bankruptcy court for the Eastern District, North Carolina from 1979 to 2009 and we're so glad to have you here this afternoon and have this talk with you.

My name is Randy Doub I presently serve as chief bankruptcy judge with the bankruptcy court in the Eastern District of North Carolina.

Prior to becoming a judge I practiced law for 25 years and did much of my legal practice in the bankruptcy court and have known Peggy for many years, the majority of them working with her over the years and so we're excited today to be able to record some of her best memories and history about the bankruptcy court and how it got started, and through her very vast and important career here.

Let me say this program today is part of our oral history project to preserve the history and the heritage of the US bankruptcy court for the Eastern District in North Carolina.

A copy of this program will be maintained locally here at our court. A copy will also be deposited with the national bankruptcy archives at the University of Pennsylvania, at the Biddle School of Law.

Let me also point out that this is a continuing effort on the part of our court to record our history, and preserve the history for the future.

Our first bankruptcy judge, Thomas M. Moore, his papers have been deposited at the national bankruptcy Archives also and also at the Special Cup Collections Archives at Joyner Library at East Carolina University.

So we're excited to have this opportunity. Welcome Ms. Deans, Peggy.

PBD- Thank you. I'm glad to be here.

RDD - This is a this is a special pleasure.

You have now been retired, well soon it will be almost 2 years. Does that seem possible - spending time with your grandson and I'm sure he is keeping you very busy and all.

PBD - yes, yes.

RDD - Well, tell us a little bit about your growing up years and your education.

PBD - I was born in Beaufort County, Washington, North Carolina, many years ago and grew up in Beaufort County and attended the county schools and then I graduated from high school in 1962 from Washington High School. And during my senior year I had the pleasure and the privilege of working with an attorney in Washington. John A Wilkinson, who is well known in that area, down in the Belhaven area. for having a school named after him, and I worked with him until my husband and I were married in December of 1962 and that's how I came to Wilson, North Carolina.

RDD - Oh, now, I remember Mr. Wilkinson from Beaufort County, little Washington I guess. Mr. Wilkinson practiced there in little Washington

PBD - Yes he did

RDD - I heard somebody one time said when I first came to Greenville that Mr. Wilkinson was a Republican

PBD - Yeah

RDD - and he was one of the few prominent attorneys or citizens of Beaufort County that would publicly say they were Republican back in those days.

PBD - yes

RDD - I remember a story that an attorney told me one time in Little Washington. The attorney had their son with him and said "Son, have you ever seen a Republican?" And he said "No" And he said "Look, there, Mr. Wilkinson, there's one." He did a lot for that community. So you had the pleasure of working with him. Did your work with him inspire you in any way to pursue a career that would involve the law?

PBD - It's interesting because he knew I was moving to Wilson and my husband and I married and he told me if you're in Wilson, then you need to look up Tom Moore, who was also a Republican Senator and look for possible employment with his law firm which I did not do. I went to work with the bank, Branch Banking and Trust Company. I worked there for 5 years until my son was born in 1968,

RDD- So you were with Branch Banking and Trust Company back in their early years.

PBD - Yes, I was

RDD - And that's another quite a success story for Wilson, and eastern North Carolina now for some time I guess the Southeastern United States

PBD - Jackson Maxwell was president of the bank at that time and apparently had connections with Washington, well grew up in Washington, and had family in Washington and he was interested in me when I applied for the job there and I think sometimes that might had something to do with my employment.

RDD - Right, right. So, your experience with the bank, and then your experience in the law and that was pretty good training.

PBD - I guess here and there and then I was in the commercial loan department worked in the auditing department for awhile.

And then I was transferred to another branch and worked in the mortgage loan department, transferred loans and handled that end of the transaction for the bank.

RDD - so you worked there until your son was born

PBD - I worked through the end of 1967. My son was born in March of '68 and I stayed home with him for 18 months about and decided at that time that I wanted to contribute more to the family income and I applied for a job with Moore Moore & Weaver, a law firm here in Wilson. Because I was following the advice of Mr. Wilkinson. What I didn't understand was that the Tom Moore he was talking about was the father, the senior partner of the firm, who also owned and operated Terminal drug store in Wilson over on West... East Nash St and he practiced law out of the back of his drug store,

while his son, Thomas M. "Mickey" Moore and George Weaver operated their law firm at 309 West Green Street in Wilson. So I applied with the law firm and worked for senior Mr. Moore and worked with directly with...who later became Judge Moore

RDD - that would've been and 1969 and 1970?

PBD - 1970. And I worked for probably 2 years and I decided that I would stay home awhile with my son and I did, and then decided in 1974 that I was ready to go back to work as he was about ready to start school. And so I went to work in November of '74 and worked in the law office as a secretary and managed the office. And then in July of 1975 a position came open for another deputy clerk in his office and I was offered the chance to go to work with the bankruptcy court.

RDD -you were working for a small town law firm, small firm. Tell us a little bit about how that office operated, the kind of work, they did, and how that office evolved into the bankruptcy refereeship?

PBD - Judge Moore was appointed referee bankruptcy in 1960. and, he would tell the story of how Chief US District Judge Algernon L Butler had called him on a payphone on the way home to Wilmington from Raleigh and asked him if he would be interested in being a referee in bankruptcy. And Judge Moore had some very colorful words it.

He asked what was that all about and he explained to him and said he thought he said that he accepted the opportunity.

RDD - that was in 1960. Judge Moore was still a relatively young man in 1960, I guess.

PBD - Yes, he was born 1928 so.

RDD - So he would've been 32 years old

PBD - when I came to work in 1970, he was a part time referee in bankruptcy. Not enough bankruptcy business at that time through war and all it being not full time. He had one clerical assistant and her name was Annette Boyette. And then When I stopped working those 2 years and came back in 1974, they had hired 2 additional assistants in the office or deputy clerks in in the office to do the bankruptcy work
RDD - tell us about the bankruptcy referee? What can you tell us about that position and what Judge Moore did.

PBD - well, he handled all that matters that came, that arose out of a bankruptcy case. The cases themselves were filed in the United States District Court and they referred to him as referee to handle the case, and appoint a trustee. He was very heavily involved in the administration the case.

RDD - He would - Judge Moore would appoint the trustee or Referee Moore would appoint people that served as trustee in bankruptcy.

PBD- but not always attorneys. We had a number of trustees that were not attorneys. We had one who was an auctioneer, he would, he would serve as trustee in some cases and then in some instances, he would appoint an attorney and the attorney would use that auctioneer in disposing of the assets of the estate

RDD - Do you remember some of those names?

PBD - Kenneth Boyette was one, I remember J Larkin Pahl was a trustee from Raleigh. Gregory Crampton was one from Raleigh

RDD - under the referee system?

PBD - under the referee system. Doug Conner from Mount Olive was one.

RDD - that's interesting - because Mr. Crampton today serves as a Chapter 7, trustee for our court so he's been involved quite a long time also of course, Mr. Boyette is well known around here in auctions and I guess is still involved in the business as I recall.

PBD - Greg Crampton was appointed to the first chapter 10 case that we had had a under the old bankruptcy act. Yeah, it was Martindale on Gaston (75-50178-5-TMM). That was the first time I had ever heard Greg Crampton's name.

RDD - Anything peculiar about that particular case or was it a just first chapter 10.

PBD -It was quite a big case, and when the cases were transferred Judge Moore was appointed as referee in 1960, there were some old cases that were transferred to him from the former referee and I forget his name, but better records will substantiate that, but there were some pending cases, one of them was a Kirchofer and Arm. And those were either Chapter 11 and Chapter 12 cases under the old bankruptcy act and he had, they were those were some large cases and we spent a lot of time trying to clean up all the old cases and move them on through the system

RDD - that's interesting you mention Chapter 10 because when I was in college in East Carolina University in Greenville from 1973 to '77 there was a downtown nightclub that filed

Chapter 10. And they changed the name of the night club to Chapter 10, so that was one of the hot night spots in Greenville back then so that's interesting.

So Judge Moore served as the referee and you began becoming familiar with bankruptcy work while there in the firm

PBD - when I came back to the office in 1974, I did things to help in the clerk's office like typing notices and envelopes for mailing out notices and things of that nature.

RDD - would that be the clerk of the law firm or was there an actual clerk of a bankruptcy - how was all that organized?

PBD - The clerk was a clerical assistant, and she supervised the office.

And by that time, 2 other employees were in the office and when I came to work shortly thereafter, they departed, and then we began to build staff and we brought in Joanne Hinnant, we brought in Wayburn Mills, Barbara Langston, those are names of people that are still here. And then by that time, we were about reaching 1979 and by the time the new Bankruptcy Act was passed in 1979, became effective back in '79 we had 9 people in in the clerk's office and at that time is when the judge of appointed me as clerk of court

RDD - that would have been under the new bankruptcy code of 1978, that's when you officially became the clerk of court

PBD - that's right, they established the US Bankruptcy Court

RDD - Prior to that,

PBD - I was a clerical assistant in the office of the Referee

RDD - ok

PBD - So after, some of the biggest changes that the court went through, the clerk's office went through...prior to 1979, all the cases were filed in the District Court. They accepted the filing fees in the cases, they handled all the financial transactions.

And the case was set up so speak, put in a jacket, and then forwarded to the referee. We would get the case in, we would just add it on an index card and all of the statistical information that's required by the Administrative Office of US Courts was done in the office with the U.S. district clerk so all that had been done. When we received the case all that was left or remaining was the actual processing of the case, the administration of the case or the estate and when all of the administration was completed the folder and closing orders were entered, the folder was returned to the US District Court for them to close it statistically and to archive the case.

RDD - so the referee sounds like was basically officer of the United States District Court

PBD - that's correct

RDD -Until 1978, effective 1979, the bankruptcy, the new bankruptcy code comes into effect, and Judge Moore no longer referred to as referee but judge.

PBD -I think it was in the 70s when there was a case, or changing the rules that caused the change from referee to judge. It was it was after, sometime after, but before that, they were called judges,

RDD - so sometime before the Bankruptcy code was enacted

PBD - yes,

RDD - they began referring to the referees as bankruptcy judge.

PBD - that's correct

RDD - Well let's go back a little bit to the referee. You said there were 4 or 5 employees, there that they were involved in the bankruptcy work with the referee.

PBD - yes

RDD - But what kind of caseload if you recall? I mean today we have tens of thousands of cases filed? What would it have been like in 1976?

PBD - If we got a hundred cases year for the month we were really inundated with work - we thought. 1200 cases a year for a certain period of time.

Each year it's gone up, and then we might have a drop.

In 1982 when Judge Small came on board, was appointed to the bench,

That year filings our filings dropped, there was only like 2400 cases that year and then. it in the ensuing years of course it grew.

RDD - continued to accelerate.

PBD - yes

RDD - when Judge Moore was a referee and then after he became a judge say in the 70s. He held court sessions in Wilson?

PBD - held court in the old federal courthouse/post office in Wilson, on Nash Street and it was in disrepair. Ceiling tiles would be falling out and you'd have to sit in the courtroom and dodge pieces of plaster falling from the ceiling. It was real drafty.

And his office was there for brief period of time when the office began to grow and we didn't have room to put clerical staff.

He did move his office down there for awhile, but it was so drafty and during that time the clerk's office found some space over across from the library on Nash street, used to be the old Merrill Lynch Securities building, we moved into there. Before that, we had moved into a 2 story house next door to 309 Green St. and we first occupied the first floor. Tenants were on the second. Then they moved out and we took over the entire building.

And stayed that way for a number of years. Then we found this space on Nash Street and moved the entire clerk's office over there. At that time, Judge Moore used his office space on Green Street. He was renting his space from the government. Well the government was renting it from him for him.

And he built a small hearing room in that facility to accommodate his hearings.

RDD - Well I began practicing in 1980 and I remember coming over and having hearings in the old federal courthouse on Nash Street in Wilson.

And I remember, I don't know if they had heat in that building or not, but in the winter it was cold.

PBD - Now we tried to get the General Services Administration and the Administrative Office to keep that building in the inventory of General Services Administration and Judge Moore went to bat for it, Senator Helms supported us in that request.

And we thought they were going to renovate at that facility for the bankruptcy court, but they did not.

Then somewhere along the lines, they changed their mind and decided to dispose of it and they sold that building for \$50,000.

RDD - And now it's called Imagination Station. I think for school children- science museum. Did Judge Moore hold court elsewhere in the Eastern District?

PBD - he would travel to Raleigh, New Bern, Elizabeth City, Wilmington

RDD - in Raleigh did he hold court in the new Bern Avenue building there or

PBD - he held court at Century Station,

RDD - even before Judge Small was appointed?

PBD - yes.

RDD - so Judge Moore used Century Station, Judge Moore also used

PBD - New Bern, Elizabeth City

RDD - late 70s early 80s. And you mentioned New Bern - Judge Moore was there - used to have discharge hearings.

PBD - Yes

RDD - I remember taking my debtor clients to the discharge hearings.

Judge Moore always did a fabulous job, he looked like a Judge, especially in that majestic old court room in New Bern, explaining to the debtors their discharge rights and responsibilities. Still have vivid memories of him sitting up on that bench.

But you mentioned Elizabeth City, there at the District Court and did he have Wilmington?

PBD - yes in the Courthouse, the chamber that was the primary district courtroom in that facility?

RDD - Which is another beautiful -- 341 meetings and for court hearings and trials

PBD - yes - on the water there

RDD - The Alton Lennon Federal building. And in Fayetteville.

PBD - Yes.

RDD - So Judge Moore rode the Circuit

PBD - Yes for 341 meetings and for court hearings and trials

Prior to 1979,

RDD - so the referee would conduct the 341 meeting, which the bankruptcy code changed that judges were no longer allowed to attend 341.

PBD- correct

RDD - That's very interesting.

So the new code comes into effect, Judge Moore, the Chapter 13 begins to evolve after the passage of the bankruptcy code of 1978. The court begins some growth and in 1982 as you mentioned Judge Small is appointed, so tell us a little more about those early, early 80's years after the enactment of the bankruptcy code and how

PBD - Huge change for the clerk's office because we then were authorized to accept filing fees.

RDD - so you were beginning to do everything the District Court used to do.

PBD - That was all transferred to the bankruptcy court. We had to set up a financial department. We had to set up accounts for the Treasury with a local bank to deposit those fees into, so that it would go into the United States Treasury.

We had to prepare statistical opening reports to submit to the Administrative Office. And we did all the opening orders appointing trustees, all that kind of activity because the case originated here and it terminated here and when the case trustee was appointed, and when the case was closed we would prepare the closing statistical reports, submit them, and we would archive the physical file. We had to make sure that the trustees were appointed and that banks were collateralized to handle deposits in excess of \$100,000 if the trustee is going to have funds in those accounts or in any bank; those banks had to apply for authority have to be a depository.

RDD - So that that was really a huge change in the ways a bankruptcy court did business. I know today there's training going on with employees in this building, probably every week on some aspect of operations, or administration or law.

Were you offered training back then? did the Administrative Office provide support or training for you folks back then?

PBD - We did have conferences, but it was for the clerks, not for the people who would be doing that particular function.

But they put out a lot of written material and guidelines for us to follow in how they wanted the statistical reports prepared and

How to set up the depository for federal funds, how to submit financial reports, how to keep records, how to keep unclaimed funds, and all of the financial work that goes on in a bankruptcy case, we had written guidelines to follow.

Personally, I went to Fayetteville a few months before enactment of the code or the effective date of the code and watched a deputy clerk there open a bankruptcy case.

And then he permitted me to open one so I would have the feel for it and knowing what they had to do with it.

RDD - So you have some interaction with the district court panel at this part of the transition. That's interesting. So tell us in those early years with the bankruptcy court, 1979. Earlier said Chapter 13 was starting to evolve.

Who are the trustees back then, the Chapter 13 trustees?

How were those selected/appointed?

PBD - They were appointed by the bankruptcy judge. We had two at that time.

One Malcolm Howard, who is now a U.S. District Senior Judge and Trawick Stubbs, who is very active in the bankruptcy practice with filing Chapter 11s, and he's a Chapter 13 trustee today. And Judge Moore and Mr. Stubbs and Mr. Howard at that time were very interested in the Chapter 13 Because that would give debtors an opportunity to repay part of their debts; this being in the Bible Belt people had a strong desire to try to pay their obligations.

So we began a training program and it developed into the Eastern Bankruptcy Institute where we would have seminars on an annual basis and work with and train attorneys and their staff along the administration of Chapter 13 cases and tried to encourage lawyers to file Chapter 13 for their debtors if there was a sense that the debtor wanted to repay part of his debts rather than being just a straight chapter 7 case, and be out of it, it gave them a chance to repay their obligations. And there were some benefits to the Chapter 13 discharge that you wouldn't have in a Chapter 7.

And the Eastern Bankruptcy Institute continues into today and has grown, I think there been, well, it's like twenties, the 27th or the 29th annual EBI when before I retired so I know it's been

RDD – yes, I think you're right, I think last year was maybe the 34th.

PBD - Going on for a long time and it's a wonderful opportunity for debtor's attorneys to get together and talk about their practice and techniques to save time and to go over significant cases that affected their workload and how debtors are treated and how creditors are treated.

RDD -you mentioned now Judge Howard Chapter 13 trustee and Trawick, all his friends and maybe non-friends refer to him as Buzzy, he was a Chapter 13 trustee. Who were some of the more prominent attorneys that did bankruptcy work starting back then?

PBD - I hope I can remember. Chapter 13 was very strong in Fayetteville because of the military. I'm sorry I can't remember the names, but there were several, several of them in the Fayetteville area one of them died very young and had a significant practice; after that it sort of fell off a little bit in the Fayetteville area. Benner Jones was a Chapter 13 trustee, the firm of Ray David Valerie, you familiar with that firm? There was a number of them.

RDD – Ocie Murray?

PBD – He was a Trustee and he rarely filed Chapter 13 cases that I...I don't think he had very many 13 cases. He was very heavily involved in Chapter 11 cases.

RDD – One of the first attorneys I remember doing a large bulk of Chapter 13 work was Frank Allen, of Tarboro

PBD - Yes, that's correct

RDD – I remember he had television ads advertising debt relief under Chapter 13 of the bankruptcy code then. Course I guess, he was right here in the Wilson area primarily, Tarboro

PBD - Tarboro

RDD – He handled cases in a large geographic area.

RDD - What about the early chapter 7 trustees, were those appointed by the judge at that time?

PBD – yes appointed by the judge, and you see some of the same names. Buzzy Stubbs, he also served as a chapter 7 trustee in some cases. I'm not sure about judge Howard but there were a number. Ocie Murray, and up in Elizabeth City area, we had one trustee there.

Most of the trustees, we always try to have a trustee from that area and so that he wouldn't incur a lot of travel and expenses in the administration of the case.

RDD - Mr. Butler in Wilmington, was he one of the early trustees?

PBD – he was not one of the very earliest ones, but he did become a Chapter 7, Trustee,
RDD - Crampton?

PBD - Yes, Mr. Pahl, Mr. Sparkman.

That's all the names that come to mind right now;

RDD - some of those are still on the panel today working very hard and very well I might say.

PBD – Some from Fayetteville, I wish I could remember their names right now but it escapes me.

RDD – Right

PBD- you're talking about 35 years ago

RDD - This is this is very informative to me. I'm learning a lot. You've got a great memory

PBD – it's just the names

RDD - that's understandable. So we're in the early 80s and there's a judgeship vacancy or a new judgeship was created for the Eastern District passed by Congress. Tell us about that appointment process and having one judge rather having two judges rather than one, how that affected the clerk's office and the administration of the cases.

PBD – Well, you would think that another judge to split caseload would be really helpful for the court and it was for the judge. But it doubled the work for the clerk's office because it compounded the time that things, that orders, had to be in the mail by two.

Because we had twice as many orders that had to go than we had previously because we had 2 people signing orders.

RDD -and everything was done with paper back then.

PBD - yes.

Yes, and we would have two court schedules we had to coordinate between the facilities that were available with the district court because we used their facilities for hearings outside of Wilson and Raleigh. And we had additional staff for the judges, which means the personnel department had more people that it was responsible for and all the paperwork. But it was a great asset to the bankruptcy judge. The current judge, Judge Moore, to have someone taking part of the caseload and spreading it around a little bit thinner for him.

RDD - Do you do you have any knowledge about how that appointment process happened, who made that appointment?

PBD – bankruptcy judges are appointed by the United States Court of Appeals and for our court, the Court of Appeals for the fourth circuit.

And they published the notice, the circuit executive sends out the notice, and the courts in the area post that notice, and people apply, and a panel is selected to interview them.

And we had no idea who was going to be the next judge and it really is funny how it turned out because Judge Small, we knew that he was corporate counsel for First Union and, we weren't even sure who that applied for the position is that we found out it was Judge Small.

I was quite concerned because we had had a difference of opinion in a recent issue. He had called and wanted some information out of the case and our policy in the AO guidelines, Administrative Office, required we collected \$15 record search fee. So I told him. I'm sorry. I

couldn't help him. But if you write a letter and send us \$15 I'd be glad to answer his inquiry and needless to say he was not very happy with me, so I wondered after he was appointed if he was going to be inclined to support that policy and thank goodness he was because we had so many inquiries coming in we couldn't get any work done. As well as and we had to stagger our requests for information by using that as a technique to deter some of those calls

RDD – So did Judge Small or attorney Small send in \$15?

PBD – he did.

I told him and I had told Judge Moore what had happened after Judge Small was appointed he said, well, you did exactly what you were supposed to do, and I said yes, that's what I thought, I had the information and he had to pay to get it.

RDD – I bet you and Judge Small laugh about that, today,

PBD - I waited a long before I ever mentioned it to him, but he had not forgotten even when he was appointed.

RDD – Was Judge Small, well, I know I've heard him tell the story about how he was he was first appointed and then there was a US Supreme Court case that came down. His was a presidential appointment and then the US Supreme court case came down and said that bankruptcy judges, well congress had not properly legislated the appointment about bankruptcy judges and so he went he went through some transition there himself I think.

PBD – Was that the Marathon case? Marathon Pipeline?

RDD - I think so because the United States Constitution

PBD – Declared bankruptcy courts unconstitutional and created quite a bit of havoc with bankruptcy clerk's office because we did not have any legitimacy, and we had to be sworn in immediately as deputy clerks of the United States District Court in order for our salaries to continue to come.

And people were on vacation, I was in the mountains and we were checking into a cottage and I was in the lobby, checking in. I had gotten this emergency call then I was sworn in over the telephone there. Jan Hicks was at the beach, and she was sworn in the telephone booth on the beach as a deputy clerk for the District Court and everybody has a story on this – Where were you when this happened? We have our own version of that.

RDD - Well, it's interesting. When Judge Small was appointed was he based in Wilson, for some period of time? How did he come to end up in Raleigh?

PBD – We didn't have any facilities in Wilson for him, but that Courtroom in Century Station and the chambers were available, so we were able to obtain that space for him. And he was there from 1982 until 1992 without any clerical support from the clerk's office, we would send courtroom deputies up when he held court; it wasn't until 1992 that we established the clerk's office there.

RDD – How did Judge Small and Judge Moore divide up where they held court? How were their cases assigned?

PBD - Judge Small handled Fayetteville and Raleigh.

Judge Moore handled everything else. And it was based on logistics.

Seeing that Fayetteville & Raleigh were easily accessible by the bar. And realizing that debtors had to take time off from work if they had to come to Wilson.

That it would seem ridiculous passing through Wilson on the way to Raleigh when we had a court in Wilson.

RDD - So, in 1992, you say you open the divisional office in Raleigh. Judge Small was already there that would have been, uh - Judge Moore passed away in 91,

PBD - Correct

RDD - OK, so the divisional office is open after his death. Was there ever any thought about opening the divisional office when Judge Moore was still here?

PBD - No. Since we didn't have any clerical support in Raleigh, and it worked well, we don't think we would. Cases that Judge Small was going to have before court, we would, had a contract with UPS and they shipped cases back and forth

RDD - You shipped the files?

PBD - we shipped the files to him or we had these blue mailing pouches that we shipped or mailed to him and he would return to us in a blue pouch whatever he was through with and amazingly enough, I don't think we lost any cases in the process.

And as a result of Judge Moore's death in August of 1991, we realized with Judge Small going to be chief judge he would need clerical support, administrative support in the Raleigh office and we immediately began to set up an office there to provide support for him to make it easier for the Raleigh Bar and Fayetteville Bar to have a courtroom near there. There were many efforts made to by the bar to have the US District Court accept filings there instead of them having to mail them to Wilson or bring them to Wilson if they were facing a deadline. But the District Court refused to do that then.

So, we, we felt like there was a need for an office in Raleigh

RDD - well Raleigh is ... I know that when our statistics come out today one out of four cases in the district comes from Wake County. So there is a lot of business there in the Raleigh area.

PBD - Judge Small's caseload was traditionally been 25% of the cases like that. That was the Raleigh division, not just Wake County.

RDD - I think today just the Raleigh Division, 37% of our case filings just come from the Raleigh Division.

PBD - wow

RDD-You know Raleigh today is the largest city in North Carolina, well, excuse me, Wake County population now surpasses Mecklenburg County. And that just happened this year. I was shocked when I heard that 'cause I've always thought of Charlotte as, you know, just this huge metropolitan area, but now Wake County surpasses Mecklenburg. But just a lot of growth in the Eastern District.

PBD - and a lot of potential for growth

RDD - Bankruptcy court is has grown like that

PBD – yes

RDD - before we leave Judge Moore, I mentioned his passing in 1991.

Course I guess we all look at him as sort of the godfather or the grandfather of the bankruptcy court in the Eastern District of North Carolina and of course the Middle District was Judge Rufus Reynolds, and in the Western District Judge Marvin Wooten would mean I guess those 3 gentlemen were the bankruptcy judges in North Carolina.

PBD – that's correct

RDD - Tell us about the relationship Judge Moore had with Judge Reynolds and Judge Wooten or was there was there some interaction between those gentlemen those days?

PBD – there definitely was. Judge Moore & Judge Wooten, were I think probably closer in friendship than Judge Reynolds, just because their nature was more alike.

Judge Wooten was a teaser, a kidder, he would always have stories to tell. And he and Judge Moore would get together and have a really good time.

And Judge Reynolds was always the intellect of the group, and I mean that not that the other 2 weren't very bright or brilliant, but he was always busy about writing the bankruptcy guide and considered himself of the father of bankruptcy in North Carolina.

Probably the whole nation, he's very congenial, but it's just a special relationship between Judge Moore and Judge Wooten

RDD - I remember after I passed the bar, they had a practical skills course. And Judge Reynolds, you mentioned the bankruptcy guide, he wrote it

PBD - Right.

RDD - And that was sort of the primer for North Carolina bankruptcy attorneys

PBD – and for the clerk's office – we used that guide too. We were all new to bankruptcy, none of us had any bankruptcy experience.

As we hired clerks, we found that people that had worked in, had previously worked in law offices had a basic understanding of documents and processing of documents so we found that that was an advantage to hire people with that kind of a background, so the guide was easier for us to understand.

We made trips to Greensboro because they had always had a large chapter 13 practice and my staff, some of us would go over and see how they would do things and bring back suggestions for improvement.

RDD – So not only did Judge Moore have a relationship with the bankruptcy judges in the middle and Western district, you in your office had interaction with other bankruptcy clerks

PBD – I had interaction with Linda Ball who's the chief deputy clerk in the middle district

RDD - and she's still there.

PBD – Yes she is

RDD - Let's go back to after Judge Small was appointed. During that time family farms in eastern North Carolina, many of them came into the financial crisis because of drops in crop prices, increases in their expenses and all.

There really wasn't a chapter the bankruptcy code that really fit those kind of farmers and

tell us some of the history of Chapter 12 and how that idea originated right here in the eastern district.

PBD-Well, under the Bankruptcy Act of 1898 Chapter 12 was a real property arrangement and Judge Moore and Judge Small based on using that dealing with property, related to the Chapter 13 farmer or related to the farmer. I think they thought perhaps that or their thinking was that it would be annual payments, which would be regular payments like would work in a chapter 13 and they felt that the legislation would probably be temporary and once we got through the farm economic crisis that there'd be no longer a need for Chapter 12 or farm relief so that's the reason they chose Chapter 12 under the under the bankruptcy code to write that temporary legislation, what they thought would be temporary legislation, which was Chapter 12.

RDD – Did Judge Small and Judge Moore spend a great deal of time in Washington, DC, Testifying before congressional committees about the family farm prices?

PBD – Well they tell the story about being in smoke filled rooms while they were making changes to the legislation and in the committee/subcommittee meetings and just a very interesting time testifying for Congress on that legislation,

RDD – Right, so Judge Moore and Judge Small are basically the authors of chapter 12 from right here in the Eastern District and did you ever make any of the trips to Washington, during that time?

PBD – I did not.

RDD - But that passed and was signed into law by President Reagan.

And soon became Chapter 12

PBD – And we have a copy of it in our vestibule, Chapter 12 Family Farmer.

Signed by Ronald Reagan.

RDD- and Strom Thurmond, Tip O'Neill, who was Speaker of the House, and so it became law. The Eastern district made a great contribution to the bankruptcy history and legislation by having that Chapter 12. The legislation, that's quite a tribute to him, to Judge Moore and to Judge Small and all those involved.

PBD – Yes it is

RDD – Of course going back to Judge Moore, one thing a lot of people probably don't know about Judge Moore is his military background, he was a General, wasn't he a General in the US Army?

PBD – he was a Major General, had 2 stars before he retired. His final command 120th Reserve Command, in the United States Army Reserve Command in Jackson, South Carolina. He would go, he would drive from Wilson to Fort Jackson, South Carolina, 2 weekends out of the month, faithfully. When he was in charge of the 120th

RDD – Reserve Unit?

PBD – Army Reserve. Interesting story he would tell is the reason he hired me is because my husband, who was on his staff when he was captain of Army Reserve unit in Wilson. My husband was in the Army Reserve and worked in his office.

RDD – Did Judge Moore bring any of his military tactics to his demeanor as a judge?

PBD – He did, he was very much a stickler for the chain of command.

We have always, as long as I was clerk that was that was the way things were done. You had someone who is in charge and then others who were in charge of their area. We would just assign an area of responsibility and then the deputy clerks, and they were responsible for that.

The chain of command was that the Clerk was in charge and if you have any problems you went to the Clerk, and if you couldn't get satisfaction there, you and the clerk went to see the judge.

RDD - Any other special memories of about Judge Moore? I know he was so much a part of your career and your life.

PBD - Judge Moore is well known for the opportunities he made available for so many people in the legal field and in the court in our lifetime, he would make an opportunity available. But it was up to you what you did with that opportunity.

And those of us who are fortunate enough to take advantage of the opportunity and learn and grow have been successful and those who didn't want to take advantage of it, was their loss

RDD – I remember as a young lawyer, I would often, after a case was over, ask him a question or whatever, he was always glad to offer advice, how you might do it better. That kind of thing and then I was appointed Chapter 7 trustee just shortly before his death. So I always felt like that maybe he helped with that opportunity.

PBD – he was a great teacher, he would have training classes for me and my staff.

Different issues that would come up and we would record those.

And I don't know now where the tapes are but we would listen to them and we'd get a chance to ask him any kind of question. And then we would send information to him about a case that we were working on that, we didn't understand why something was done a certain way we felt free to ask him what was the reasoning behind it, and he would take that opportunity as a training time for us to help us better understand what we were doing.

RDD - that's interesting. He was a great man and made many great contributions to the court, to all of our careers.

Well, we had talked some about Judge Small. 1992 Divisional Office is open, Judge Small becomes Chief Judge Small, of course there's a vacancy created with the death of judge Moore. Tell us about that transition period in the court

PBD – Well, it was a very difficult time because of the cases were steadily increasing. Judge Small was inundated with case work and Judge Leonard came by one day, he was clerk of the United States District Court at that time and told me he was going to apply for this position and after the time of the notice around with that, he was appointed by the fourth circuit to be the new bankruptcy judge. The transition was very smooth with him, having been a district Court Clerk and he knew the issues and difficulties and problems that faced an administrator or Clerk,

RDD – He was a clerk for a large part for a number of years

PBD - so I think that transition was very smooth because he had enough confidence in the clerk's office that he let the clerk's office and run until I had a problem that would, and a problem would go to him. And he didn't interfere with any of the clerk's activities in the programs the clerk had in place at the time.

RDD - Being a former clerk, I would think he would be a great source of advice.

PBD - Yes he was

RDD - he always impressed me in having a great passion for court administration.

PBD - Yes, he did