

MEMORIES OF NEW BERN

JOHN GUION DUNN, JR.

INTERVIEW 701

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Interviewed by M. B. Pope
#700

(Today is June 4, 1991. I am your interviewer M. B. Pope. I am in the home of Mr. Johnny Dunn at 211 New Street in New Bern, North Carolina. Mr. Dunn is a retired banker, having served New Bern for many years. At this time, we will hear from Mr. Dunn.)

MBP: Mr. Dunn, if you can remember, what year was it when you first went into banking?

MR. DUNN: It was June 1924. My grandfather was Secretary/Treasurer of New Bern Savings and Loan Association and also a bank business, New Bern Morris Plan Bank, which had been organized in 1887.

MBP: Where was this bank located in New Bern, Mr. Dunn?

MR. DUNN: On Craven Street, which was the location where he built the office, next to Owen G. Dunn Company. The two operations were separate, no intermingling of funds. It was all kept separate. But the Building and Loan primary loaning business was building houses, homes; whereas, the Morris Plan was loan you fifty dollars, pay it back a dollar a week. And larger amounts in proportion, of course.

MBP: And what year did you retire from banking?

MR. DUNN: Well, it was on a partial basis in 1957. The two banks separated, and New Bern Savings and Loan built on Craven Street, and the Morris Plan Bank had bought, in 1936, the building which had been occupied by the National Bank of New Bern.

MBP: Which is now NNCNB, is that correct?

MR. DUNN: That's right, and the Morris Plan Bank changed later on to a commercial bank, the Bank of New Bern and merged with NCNB just a few years later.

MBP: Well, let's see, during this period of time that you were in the banking business, we went through several different historical events, one being the depression of the late twenties and thirties.

What happened to the your bank at this time? Did it close like the rest of them? Tell how it functioned.

MR. DUNN: Every bank in the country was closed for a few days on March 4, when Roosevelt accepted the Presidency. But the office of the New Bern Savings and Loan and the Morris Plan Bank was the only one in New Bern for two days until they closed all banks in the United States. I've forgotten just how long that did last but not too long. Soon organized the FDIC, and things opened up and went smoothly for quite a while thereafter.

MBP: Did people lose money in your bank as they did in most banks in the United States?

MR. DUNN: No money lost in either of the banks that I worked for. No. The National Bank was the first to close. I don't know whether you ever knew Bill Caroon or not, but he said the hardest job he ever had was tacking a sign on the door saying that they had closed.

The National Bank of New Bern took the prize for paying the least back to the depositors of any bank in the country.

MBP: Is that right? That certainly must give you a good feeling knowing that your constituents didn't lose any money there. I know that must give you a good feeling. For instance, during World War

I, was this a prosperous time in the banking business? This was right before the Great Depression. And, I know, that in World War II it was pretty prosperous. But I don't know anything about World War I. Do you remember how your bank fared in this time of history--from 1914 to 1918?

MR. DUNN: We worked along smoothly. We were small comparatively, a small operation.

MBP: Who were some of the people in this bank with you?

MR. DUNN: My grandfather, John Dunn. Incidentally, he said when he was born, his parents were too poor to give him a middle name. He was just John Dunn. And he had a brother, William Dunn, who was quite a man in the community. He said the same thing. They backed each other up in it that neither one of them could inherit a middle name. That's beside the point.

MBP: I know you had a brother, Mark Dunn, who was in the banking business with you.

MR. DUNN: Primarily he was educated as a lawyer and did practice law from the time he left college until about ten years ago.

MBP: And now he has a son who is a lawyer, is that correct?

MR. DUNN: Yes, Glenn.

MBP: That's right, and what is your son now?

MR. DUNN: He's a banker with the Cherry Point Credit Union.

MBP: So banking has been in your family for a long time.

MR. DUNN: That's right.

MBP: As you look back from the time you went into banking, Mr. Dunn, until the present day--as you look back at the city of New Bern,

tell us some of the changes that you can remember that have come about through these years.

MR. DUNN: So many, it's hard to know where to start and stop, but...

MBP: Maybe we can narrow it down like this, tell me a little bit about the waterfront as you remember it when you were a young man here in New Bern. How has that changed?

MR. DUNN: The waterfront?

MBP: Yes, say East Front Street and South Front Street.

MR. DUNN: Uh huh. South Front Street and Craven Street, I can remember when that area along in there was a cotton market. Many bales of cotton would fill up that street. That is Craven Street from South Front to the river. Mr. J. R. Ball bought cotton from a company in Wilmington primarily. Mr. J. A. Jones, who later got in the horse stable business, was a cotton buyer. And Mr. E. K. Bishop, who owned quite a bit of waterfront warehouse property, was a wholesale grocer down in that area. There were many wholesale grocers in New Bern. I don't know of one today.

MBP: Do you remember, or recall, the ships that would come into New Bern at that time? Were they primarily sailing vessels or steam vessels or outboard motored vessels?

MR. DUNN: I think primarily sail. The Bishop Company had ships. Well, I don't know that he owned ships, but he used them to a great extent to bring in salt. Other products too, but he had boats that carried nothing but salt.

MBP: These ships that came in with this merchandise, were there

harbors, wharves, or piers that they, back in those days, had at the waterfront that they unloaded on that are no longer there? Or just where did they unload their merchandise?

MR. DUNN: In the warehouses that were there. New Bern Building Supply Company was down there also. They got cement, things that they traded in.

MBP: Did New Bern export anything out on these ships, or was it just primarily import stuff coming in?

MR. DUNN: Mostly import, I believe. Of course, across the street there was a lot of vegetables, in season. And the railroad had a big platform on the corner of South Front and Hancock. The produce was handled mostly in that section by railroad. Export.

MBP: Getting back to your profession of banking for just a moment. Can you recall, in your early banking days, the rate of interest a man would pay, say on a personal loan? What kind of interest rate would he pay?

MR. DUNN: Six percent.

MBP: Six percent. What about on a home mortgage?

MR. DUNN: Six percent.

MBP: And how long?

MR. DUNN: Four percent; we'd pay four percent on savings. And charge six percent.

MBP: And how long would the average home mortgage be for?

MR. DUNN: Seven years, stretched to eleven years. Took a while for it to get up to thirty.

MBP: I was about to say, now the average is about thirty years,

with \$700, \$800, \$900, \$1,000 payments. What would your average payment be, back in your early days?

MR. DUNN: Three thousand dollars would be a big loan for a house. We built a high percentage, or helped build a high percentage of houses in Sunnyside; for instance, Grantham, during these years that we're talking about.

MBP: Did your bank have many what I would call--not being a banker myself--bad loans?

MR. DUNN: Practically none.

MBP: You investigated I suppose very thoroughly before?

MR. DUNN: Tried to play it safe.

MBP: Play it safe. From what I've learned about the savings and loans nowadays, I think you were very wise in doing that.

MR. DUNN: Albert Bangert was on our Board of Directors for a long time, and he was President for just four months. He died four months after being elected President of New Bern Building and Loan.

MBP: Now you mention Mr. Bangert, which I'm sure not many people know about him. I know there's a school named for him in New Bern now. Just who was Mr Bangert?

MR. DUNN: I can't go back too far now. He never did marry. He owned property. He lived on New Street next door to what is now the District Court building. And he owned property on Middle Street from which he got his income. The east side of Middle and Broad Streets, they were all frame buildings.

MBP: Well, do you remember the fire? When was it, about 1922? The big fire that they had in New Bern that burned up so many houses

along what is now close to George Street and Cedar Grove Cemetery. In that general section.

MR. DUNN: That's right, it jumped right over the cemetery and went right on to the Neuse River. Fires down there below the station.

MBP: I understand that from this fire at that time there were about 3,000 people who were just homeless. How was that handled? Do you remember it at all?

MR. DUNN: Well, that large number was in the black district. And there were numerous white houses. Caleb Bradham and I were Freshmen at Carolina at that time and at home for Thanksgiving holiday. We fought fire together. The outstanding thing was that the Shipp family lived on Metcalf Street and the thought was that they were going to dynamite all those houses, and Mrs. Shipp had moved all of her furniture out and she asked Caleb and myself to "Get my light fixtures, they're right new." So we went in and snatched them down--just like that. And she might have been better off to have left them there because her house never was dynamited.

MBP: Never was. You mentioned the name Caleb Bradham, and that brings to my mind Bradham's drink. Any relation there?

MR. DUNN: No, no relation to me. Of course the two Calebs, the Caleb I'm talking about was my age and his father was the one that was...

MBP: Caleb Bradham, Jr.

MR. DUNN: Yeah.

MBP: And Caleb Bradham, Sr. invented what is now Pepsi Cola? Do you remember?

MR. DUNN: Junior had really nothing to do with it.

MBP: The patent on that, as I understand it, was sold. And I have heard so many different figures. Do you have any idea what the patent was sold for?

MR. DUNN: No, I do not.

MBP: I've heard everything from \$2,000 to \$10,000.

MR. DUNN: I expect so, it was in bankruptcy. It was a big thing, but the sugar market ruined them. He had signed up for future sugar at such and such a price. Then the price dropped and it ruined him. He couldn't sell the product for what he was having to pay for the sugar.

MBP: Which later became Pepsi Cola. I happen to remember Caleb Bradham, the Caleb Bradham, Jr. that you're talking about. When I first came to New Bern in 1955, Caleb was a member of the First Presbyterian Church, which I attended. He wore a patch over one of his eyes. Very aristocratic type person. Very quiet. He was there every Sunday. He sat in about the third row back. Same place every Sunday. And people used to say, "That's Caleb Bradham, son of the man who used to own Pepsi Cola. He sold it for nearly nothing." I remember that, it just comes to my mind. If you could look back over, say, the past 75 years, what would be the biggest change that you've seen in New Bern? Would it be transportation, communication, just what would come to your mind as the biggest change you've seen in 75 years in New Bern?

MR. DUNN: You mentioned transportation. I guess that would be the biggest change, because they can't keep up with the production

of automobiles. The traffic jams at the bridges particularly. But we hope we are going to overcome all that.

MBP: When you were a young man, how old did you have to be to get your driver's license?

MR. DUNN: I believe it was always sixteen.

MBP: Did you always have to have a driver's license?

MR. DUNN: No.

MBP: Do you remember anything about the streetcars in New Bern?

MR. DUNN: I do, well.

MBP: And where did they run for instance?

MR. DUNN: It was started by people who owned Ghent, what was known as Ghent. Spencer and Rhem Avenue, Park Avenue, and one of the primary reasons for building the railway was to get folks to build homes in that section and have a way to get to and from.

MBP: I've been told that the...

MR. DUNN: They had quite a park at the end of the line.

MBP: Where was the end of the line?

MR. DUNN: Where the new YMCA is.

MBP: Now.

MR. DUNN: Yeah.

MBP: I have been told that the island runs down Watson Avenue. The reason the island was there was there used to be railroad tracks there for the streetcars. Do you remember anything, and is that true or not true?

MR. DUNN: I don't remember. Something ran to Glenburnie. They had troops out there for one thing. I can't say what year that was.

I was thinking in terms of railroad rather than streetcar. I don't think the streetcar line went beyond Jack Smith Creek, not quite that far.

MBP: Those troops that you were talking about in Glenburnie, the camp was called Camp Battle, if I remember correct, and that was during World War II.

MR. DUNN: That's correct. They had captives.

MBP: German prisoners.

MR. DUNN: Yes.

MBP: Did the town have any problems with those German prisoners..control?

MR. DUNN: As far as I know, they behaved themselves and never did cause any trouble.

MBP: When you were a young man, Mr. Dunn, and just getting started in the banking business, did we have any airplanes flying around at that time?

MR. DUNN: Miss Bayard Wooten was the first one I ever knew of.

MBP: A lady?

MR. DUNN: Yep, Wooten-Moulton Studio. Many pictures. And of course as you mentioned, Simmons-Nott Airport came along with the first Marines. John Parker had a plane in there one or two weekends. Shell plane. Took his friends up on a Sunday afternoon, one or two at a time. There were other flights that would charge two and a half or three dollars to tour you around the city.

MBP: But you had no flights out of New Bern?

MR. DUNN: No, no commercial at all.

MBP: How about automobiles? I'm still talking about when you were about 25 years old and just getting into banking. You had graduated from Carolina. Were there many automobiles in New Bern?

MR. DUNN: Let's correct that graduating. I was a drop out.

MBP: I will say this: Mr. Dunn, I've known for about 35 years, and he may have dropped out of college, but he never quit learning, and he has not to this day.

MR. DUNN: Thank you.

MBP: Were there many cars in New Bern in those early days?

MR. DUNN: You didn't have to worry about accidents or stoplight. No, very few.

MBP: I believe you did have a passenger train that came into New Bern.

MR. DUNN: Train facilities, yep.

(This ends the interview with Mr. John G. Dunn, Jr. on June 4, 1991. Your interviewer is M. B. Pope III and this is interview number 701.)