

**ORAL HISTORY OF RYAN HOVIS**

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**Rock Hill, South Carolina**

**Interview conducted by The Honorable David R. Duncan**

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Duncan: My name is David Duncan. I am a United States Bankruptcy Judge and today is May the 17<sup>th</sup>, 2019. We are in Rock Hill, South Carolina and we are interviewing W. Ryan Hovis, a lawyer and bankruptcy trustee for many years. Ryan, thank you for having us in your home. We appreciate it.

Hovis: Well, I am flattered that you wanted too.

Duncan: Ryan, let's start and just collect a little bit of background about you. Maybe, start out and tell me who your parents were and where they were from, and anything about them that you care to share?

Hovis: Well, my father was William Roy Hovis and he was from Ogden, which is just outside of Rock Hill, down in the country. It's not a city; it's just an area. My mother was Mag Williams – Mag Gaston Williams, as a matter of fact – named after – her middle name was named after Dr. Gaston, the original Dr. Gaston in Rock Hill. She was a nurse. Studied at Fennell Infirmary in Rock Hill, which was right next to the Saint Phillips Hospital, which is not there anymore, but is also where I was born at Saint Phillips Hospital. Long story short, my father died when I was about twelve and my mother had some mental problems, so I was pretty much on my own from the age of thirteen or fourteen; she was in and out of the hospital, the mental hospital.

Duncan: Who did you live with during that time?

Hovis: Myself.

Duncan: You lived with yourself?

Hovis: Yeah, I was emancipated. Now I think the local childhood.. would have probably snatched me up and put me into foster care or something, but I did have a couple of relatives that would come by and check on me. So, I have pretty much been emancipated since I was fourteen years old.

Duncan: I remember the old Fennell Infirmary and Saint Phillips Hospital. I grew up on Pickens Street and they were both up on North Confederate, just around the block from where I grew up and were still operating when I was a youngster. Of course, I think the house that was the Fennell Infirmary, the house is still there, it just isn't the same. It's not an infirmary anymore.

Hovis: Right, but it was a big house. It had big front doors and everything. As a matter of fact, my mother told me that when I was a child we had a tornado in Rock Hill and those doors were pulled off by the tornado, thrown out into the street so...

Duncan: How about that?

Hovis: So that's it.

Duncan: Now, you were an only child?

Hovis: I was an only child. There was a park there – since we are talking about Confederate Street – the Confederate Park was right there near where the Infirmary was and that was where the local swimming pool was for Rock Hill. That is where we would go ride our bicycles over there and go swimming in the summer at Confederate Park. Later on, as I got a little older, I got interested in tennis. They had some tennis courts there and I use to go over there all the time and play tennis. So... you and I were sort of in the same neighborhood.

Duncan: Absolutely. My younger sisters both played tennis there at Confederate Park, learned to play tennis. Actually, in high school, at one time were ranked number two and number three tennis players in the state.

Hovis: No kidding?

Duncan: Turned out a lot of tennis players there at Confederate Park: the Richardson boys and several people, some of whom went on and played professional tennis.

Hovis: I think that was the first tennis courts in Rock Hill there at Confederate Park.

Duncan: Right. Well, your early years and you then married Jeanie Hovis, now.

Hovis: Yup.

Duncan: Tell me a little bit about Jeanie's background.

Hovis: Well, Jeanie grew up – this sounds...we always tease her about this – her parents lived out in the country club, but it wasn't your typical country club, as you well know. It wasn't like she was living in the lap of luxury or anything. Her father sold rebar, if you know what that is.

Duncan: Building material and steel.

Hovis: Yeah. They ran a some kind of, like a...not a hardware store, but something like that for a while, but that didn't work well so he went into selling rebar. Her mother worked at the Celanese during her later years, out there in the office at the Celanese textile plant, which is no longer there either. It has turned into a river subdivision on the Catawaba River. As you get to my age, everything you remember is not there anymore.

Duncan: Where did you and Jeanie meet?

Hovis: I think we ran into each other several times. Once, at the country club at some party I went to...that I was invited to, I guess you'd say because I had no rights to be at the country club. Although, I use to ride my bicycle out to the country club and fish in their ponds. There was a time that I think – I can't remember when it was – that I didn't have a date and I called Jeanie. I knew her and I asked if she would go out

with me. She agreed and we just sort of developed from there. Probably four or five years later we ended up getting married.

Duncan: How long have y'all been married?

Hovis: Well '66 to 2016 and we are now '19, so that's 53 years. It will be 53 years in June.

Duncan: You have one daughter?

Hovis: One daughter.

Duncan: Stuart?

Hovis: Stuart, and she's been a handful. She started out going out to, when she got out of high school, she went to College of Charleston for a while, mainly because I wanted her to go to Clemson and she wanted to show me that she didn't have to go to Clemson. I told her you can go anywhere you want to and I will pay for it, unless it's Carolina. She was only at College of Charleston, maybe, half a semester and realized how much she missed Clemson because as a family, we used to go with to all the Clemson games, we spent time with Clemson, Clemson was family. So, she transferred to Clemson, and graduated from Clemson, and then went to Georgia. She was in vet school for four years and graduated. Always been quite thankful, considering the way things are today, that we ended up paying for all of her costs and her tuition, and everything without having to borrow any money. So unlike most of her classmates, she got out of Georgia without any debt.

Duncan: Without student loans.

Hovis: That was unusual, yeah.

Duncan: Absolutely.

Hovis: Most of those kids...I got out of law school with a bunch of money. It took me forever to pay off my student loans.

Duncan: You mentioned that Clemson was your college home. How did you decide to go to Clemson?

Hovis: Well, once I decided to go to school...I was out for a couple of years working. We didn't have enough money. I went to Erskine for six-months and got kicked out for the things that Erskine didn't allow, and they didn't allow much. I worked for a couple of years, dated Jeanie. I always gave Jeanie my checks, she was saving my money. We finally got enough for me to go to one semester to college and I decided to go to Clemson. I went to Clemson and then my mother passed away. We had a – well, she didn't pass away then – we had a house that I was living in, but it was both of ours because my daddy didn't have a will. When he died, she got half the house and I got half the house, so we sold the house. We made out like a bandit and sold it for eight thousand dollars. I took the money I got from selling that house and

it used it for tuition at Clemson, and expenses, and got some scholarships at Clemson, and got some student loans at Clemson, and somehow made it through. I ended up graduating with a degree in textile chemistry, which worked out good because, in the summers, I worked at the local Rock Hill Printing and Finishing Company, which was a printing and dyeing plant as you know. Matter of fact, when I got out of Clemson I went back to work there as a plant chemist.

Duncan: Referred to locally as the Bleachery.

Hovis: The Bleachery. Yeah.

Duncan: Now, you were also in service as well after that how did that come about? What happened that led you to a military career?

Hovis: Vietnam. The draft was hot and heavy after me. I went to the Navy recruiter, the Navy recruiter's office was right next to the Draft Board's office and he gave me a deal. I didn't trust him, I thought he was putting me on but I signed all the papers to go in the Navy on like a three month deferment. You swear yourself in and three months later you go in and it was go to Officer Candidate School but I wasn't going to do that unless I got drafted and he would let me know, he would call me if my draft notice went out so I could go down there and get sworn in before the draft notice got delivered and that's exactly what we did.

Duncan: What did the Navy decide that you were best suited for?

Hovis: Well, when you get out of OCS they gave you a "dream sheet," you fill out and you put three choices of what you would like to do. And, they told me that when you list your choices, list sea duty because you're going to get sea duty no matter what you do. And I thought, okay I have sea duty because you get sea duty no matter what you do and it doesn't matter what ship your on as far as I was concerned. So, I learned that there was a naval air station; weather station in Bermuda so I put that for my first choice. And for my second choice, I put, there was a computer bullet in Washington, DC, at the Washington Naval Yard, and I don't even remember my third bullet because I got the second bullet, which was, and the reason I got it, I'm pretty sure, is that I listed on my application all of my computer experience, which was almost none. But I did have some because when I worked at the Bleachery we were experimenting with analog computers to match dye stuff so if the designer sent us a particular piece of cloth we needed to match, we use to do it by eye and we had this computer, we could adjust it, it was analog, it wasn't digital, but you could get it to match up. So that was my computer experience but I didn't list that, I knew they were talking about digital computers, which were real big then, just coming into style, but I got the bullet so we ended up in Washington, DC. So I ended up being a Lieutenant in charge of... I started out as an Ensign, of course but made Lieutenant pretty quickly. I was in charge of a computer there, an IBM 7090. I don't remember how many tape drives we had but its room was bigger than this house probably. I would take, once a week, we would take data on a computer

paper and go to the Pentagon and report in the war room there to the Chief of Naval Operations or whomever was in charge that day. That was very interesting.

Duncan: I bet it was.

Hovis: In the war room, believe it or not, there's a big map of the United States in the war room and a friend of mine and I, one day when we had nothing going on I kind of wrote "Rock Hill, South Carolina" in little letters on the... and he wrote, I think his hometown was somewhere in Massachusetts so I guess it stayed on there for a while until somebody found it.

Duncan: You were telling us before we started sort of an interesting story about the computer room was connected to a computer operator in Vietnam and your counterpart in Vietnam was killed when a bullet came through the wall.

Hovis: Yeah. A bullet came through the wall. He was in Saigon and he had the same computer we did. We would run all of the data and ship the tapes, summary tapes, to him and he could run it on his computer in Vietnam. I don't know what information was on those tapes. We didn't have access to it; we just... it was just a tape.

Duncan: It was just a computer tape.

Hovis: There were three of us... there were three computers like that in the Navy at the time- one at the Washington Naval Yard; one in Norfolk, which was a big sea base; and one in Saigon. When he got killed, they were looking at either me or the guy running one in Norfolk to go and take his place and Jeanie, my wife, was eight months pregnant at the time and my boss, his name was Humphreys and he was a great guy, he was a Lieutenant Commander but he died from Leukemia not long after this incident where I went to him and told him that- "Hey, Jeanie is eight months pregnant. Is there any way you can get me out of going on this duty, it would be nice." I don't know what he did or didn't do but they picked the guy in Norfolk.

Duncan: So you stayed Stateside.

Hovis: They gave me notice to be ready to start packing this weekend. You are going to be gone in a hurry if you go but I got past it. Monday came around and I was still in Washington.

Duncan: Before we move away from your Navy days, do I recall that one of the famous women, computer -

Hovis: Grace Hopper -

Duncan: Grace Hopper. You worked in -

Hovis: I worked for Grace Hopper.

Duncan: For Grace Hopper and she was one of the great programmers --

Hovis: Yeah. If you don't know who she is just google her name and you'll find out who she was. She created the computer language called COBOL. She was also the first female Admiral in the Navy.

Duncan: Right.

Hovis: She wasn't real big, she wasn't big as a minute but when she talked you listened. All you got to do -- I'm real proud of the fact that I worked for her. She was a computer pioneer.

Duncan: A very accomplished woman and an Admiral in the Navy-

Hovis: An Admiral in the Navy-

Duncan: And you worked with her?

Hovis: I worked with her, for her, not with her, you know-

Duncan: These days it would be working with her. Back then, it would be working for her.

Hovis: Yeah, right.

Duncan: Anything else about your military service? You served one tour of duty; is that right?

Hovis: One tour; about four years. It was supposed to be four, I think I got out a month or two early, I'm not sure. That's about it. The Navy is the Navy. I loved it though. I give the Navy... the Navy made me a man. I wasn't worth a crap until I got in the Navy. I hated the discipline but after I got through it all of a sudden I knew things I didn't know before. I knew how to lead. I knew how to make decisions. I knew how to treat people. The Navy was an education. I am so glad I went in.

Duncan: What did you do when you first came back to Rock Hill? Did you...

Hovis: I went back to the Bleachery

Duncan: Back to the Bleachery...

Hovis: Yeah, but not for long. I told them... oh I know, the reason I took the LSAT, the law school entrance exam... I do well on those entrance exams for some reason. It's just what I do well. There other things I didn't do well but that I did well. All of my pilots were going to take the law school entrance exam because they wanted to go to Georgetown or wherever places they wanted on a Saturday morning and I said, "I'll go with you." I think it was \$25.00 to take it and when we came back after we all took it, I just blew them out of the water so I said, maybe, I'm suppose

to go to law school and that's what stimulated me to start applying to Carolina to go to law school.

Duncan: And so you came back to Rock Hill-

Hovis: Came back to Rock Hill with a plan to go to law school but they let me work at the Bleachery in the meantime, not but part-time until I was ready to go down to law school and I went to law school on the GI Bill and loans.

Duncan: So, for a Clemson man, it must have been awful tough for you to go to Carolina for law school. Tell me a little bit about your law school experience.

Hovis: Well, I tolerated it. Fortunately, law school is not the same as undergraduate at Carolina because you have people from all kind of schools in law school. I caught a little flack because I did have student tickets and sometimes I would go to the Carolina games. I did go to the games sometimes but when Clemson played Carolina, I'd go to the game, where in the middle of the Carolina student body, with a little bit of orange on. I caught some flack about that but nothing bad. It was a lot of fun.

Duncan: How did you make it back to Rock Hill and what were your prospects for a job when you finished law school?

Hovis: Well, I got an offer... the most interesting offer was Springs Mills, as a corporate lawyer. But once I got interviewed by them and they took me to lunch in the cafeteria and all that, they told me how I would be expected to come to breakfast everyday in the cafeteria. The corporate mindset, I said that's not for me. So I ended up joining Dave Lyle in his practice and Mickey Camp who were partners at the time and that's where I started out practicing law.

Duncan: Now, Dave was-

Hovis: Mayor of Rock Hill

Duncan: Mayor of Rock Hill.

Hovis: Yeah.

Duncan: And I remember that he was quite a trial lawyer. He had that flowing white hair and big booming voice.

Hovis: He did. He looked a lot and reminded me a lot of Fritz Hollings. They were kind of the same type of person.

Duncan: Both politicians.

Hovis: Yeah. Politicians first and lawyers second.

Duncan: So you went to work with a couple of trial lawyers, what were you going to do in the firm?

Hovis: Well, I was a little bit of everything at first. I did some criminal work. At that time, in York County and I think all around the state, you had to do a little bit of criminal work, they appointed you as a.... whether you wanted it or not. I defended some really bad dudes. One guy, I was kind of afraid to get in the cell with him to talk to him but I got out of that as quick as I could. They changed the rules somehow so I didn't have to do that that often. I did mostly trial work and I started looking around and decided to get into bankruptcy because it seemed to me like it was starting to pick up. That's also about the same time that Mickey Camp and I separated, Dave Lyle had already split up from Mickey and I for a lot of reasons that I don't need to go into and then Mickey and I split up about that time for a lot of reasons I don't need to go into. So I was doing mostly bankruptcy, I was still seeing other clients trying to do accident cases and that sort of thing but I gravitated towards the bankruptcy and that's what I ended up doing.

Duncan: All right. Do you recall, back when you first started practicing law, what the salaries for young lawyers were back at the time? What lawyers made.

Hovis: It seems to me like Springs, I told you I went to Springs, that was the best salary I found. It seems like they were going to pay me \$16,000 a year.

Duncan: Right.

Hovis: I think that's -- and I turned that down and I didn't see that much money for quite a few years before I got going.

Duncan: That's a lot of money back then.

Hovis: It was.

Duncan: Back in the '70s.

Hovis: It was. Yeah.

Duncan: Well, you talked a little bit about how you got into bankruptcy. I understand that would have been even before the current Bankruptcy Code; it was under the old Bankruptcy Act.

Hovis: The old Bankruptcy Act. Yeah.

Duncan: Do you remember your first cases? Did you do some debtor work or how did you get into bankruptcy?

Hovis: I remember... I don't know, chronologically, which was which but I did do some debtor work and it seems to me like that first case I had, we had the hearing for it in Spartanburg rather than Columbia but Judge Davis was then the referee. They

didn't have judges and he sat a desk like we trustees sit at a desk these days. Not a big judge's desk; matter of fact, I think we were in a basement in the courthouse over there. That's where I first met Judge Davis. I never met a finer man than him. He was a true Southern gentleman. But he treated my clients real well. Apparently, I got everything right even though it was my first time and he complemented me on what I had done. Then later I got a case, you reminded me recently, looked it up or you remembered the name because you use to work for me, called MacFab and I didn't remember the name of it until you reminded me. I think that was my first commercial case.

Duncan: Right and you were the trustee in that case.

Hovis: I was trustee in that case but I wasn't appointed, I was elected because, in those days, the creditors... and I had a couple of attorneys in Rock Hill come to me and wanting me to be the trustee in that case and I said, "Sure, why not." I learned how to do that. Again, I just had to go to the Code and learn it. I don't remember going to any classes, early on or seminars or anything talking about bankruptcy.

Duncan: It's funny. The reason that I remember the MacFab name, years ago, when I was an associate for you, I remember there was a big expandable accordion file that was in the file room that just seemed huge to me and it was full of papers and it had "MacFab" written across the top of it and there's something about that that's just always stuck in my brain. As a young lawyer. I thought that that must be the most complicated case in the world.

Hovis: It was a machine shop that was open out on Ebenezer Road and I had one other case, during that time, that was a receivership. And I forgot who asked me to do that and I don't remember anything about the case but it was in front of Judge Bob Hayes here in York County because it was, of course, not federal but a state and I must have done it right to because Judge Hayes was complimentary of me doing it. As a matter of fact, he used to make jokes that I had found the only way to make money practicing law when no one else in York County had or something like that because I was the only one doing bankruptcy.

Duncan: Right.

Hovis: So, when they created the Bankruptcy Act or Code, I found out there were going to be trustees appointed and I applied. I found out what I needed to find out so I could apply to be a trustee. And I think it was sent to the Fourth Circuit. I don't know where it went so I called Judge Davis to see if I could list him as a reference and he said that he would be glad to so I listed him. And I called Judge Hayes. Same question; same answer. He said that he would be glad to and I just sat and waited and sure enough, I was one of the panel trustees.

Duncan: One of the panel appointees and back then the panel of trustees would have been just five in the state: you; Bob Anderson...

Hovis: Winston Lee.

Duncan: Winston Lee up in the Upstate; Ralph McCullough, professor at the law school...

Hovis: And in Charleston...

Duncan: Kevin Campbell.

Hovis: Kevin Campbell and that was it. We were the five.

Duncan: Right. In the early days, there weren't many bankruptcy cases. Back in the early 1980s.

Hovis: No.

Duncan: A thousand or two thousand cases a year...

Hovis: Not many. You still had to be doing other things. I was still filing for people. I didn't quit doing individual bankruptcies. It took a while to build up a bankruptcy practice. As you well know, the money you build up in a good bankruptcy asset case takes a long time to come to fruition before you get anything out of it.

Duncan: Right. You sort of have to finance the work out of other work.

Hovis: Exactly and half the time you leave out half of your time records because you get so involved in cases and you lose a lot of money doing that.

Duncan: How did you learn how to liquidate assets? That's not necessarily a skill that you learn in law school.

Hovis: Well, it's trial and error. I think it was for all of us. I actually had auctions on the telephone with people. We would do a conference call and auction over the telephone but I would do it myself. I remember I walked in some... there was a piano in one of my cases in Columbia, it was in a nightclub there and I sent out a notice that we were going to auction it off and went in to auction it off and some guy from the auctioneers commission or whatever they call themselves, the auctioneers union, I guess it was because he came in there and was telling me I couldn't sell it because I was not a licensed auctioneer. I said, "Oh yes I can. I own it." We got in a little argument but he finally backed off and let me go ahead and sell it. There was a lot of interesting experiences. You know my friend, whose now passed away, Bob Hyman? You remember him?

Duncan: I do.

Hovis: He was a real estate broker and I was getting him to help me sometimes go look at stuff when I had so much going on. I couldn't get to every place, every time. And there was a chicken fry place down at Myrtle Beach and I sent him down there to take a look at it for me to see what was down there. And when he got there, what he found was the power had been off for a month and there was a freezer there full of chickens.

Duncan: Oh boy.

Hovis: That had been in there for a month and he said the place was like going into a gas chamber. He said it was terrible.

Duncan: The smell was horrible.

Hovis: So we called the health department and got them to clean it out by then it wasn't worth anything. There was nothing left to sell. Everything smelled bad.

Duncan: You talk about, sort of, learning by trial and error with the liquidation of assets and things. One of the things that I sort of discovered or rediscovered is that so many of the things that Judge Davis did when he first started the court under the Code.

Hovis: Yeah.

Duncan: Are things that we still do today and he had such great, I guess, foresight –

Hovis: Yeah –

Duncan: About what a proper procedure would be for the way to handle not only the paperwork but the litigation but just the whole process of bankruptcy. And I am amazed sometimes that here forty years after the Bankruptcy Code we still do a lot of things the way Judge Davis set us up to do them.

Hovis: I think myself and all of the trustees looked to Judge Davis to be our foreman or counselor or whatever to tell us how do you think this should be done. I think we looked to him for advice on those things. Of course, he was so careful to not get involved in a particular case, you know, he would back off... he didn't want to be telling us how to do something and find out that someone didn't want us to do it. He was very careful but he was good. He gave good advice. He learned a lot of that as a referee I think before he ever got to be a judge.

Duncan: And I think that some part of that was the fact when he was referee, he did not only the... he made some legal decisions.

Hovis: Yeah.

Duncan: And referred things to the District Court but made recommendations to the District judges but he also was involved in the day-to-day administration of the cases. I remember him talking about... he used to have to countersign all of the trustees' checks under the Bankruptcy Act.

Hovis: Yeah.

Duncan: And he was involved in the very minutiae, I guess, of the bankruptcy cases. And I think when the Code came in and the judges were taken out of the administrative

part of the bankruptcy process, he wanted to be especially careful that he didn't get back, maybe, because he didn't want to have to sign all of those checks again.

Hovis: Yeah, probably. But he was extremely fair to even, sometimes, the most ridiculous people that came into that courtroom wanting things done and I am talking about lawyers. He gave them a chance to have all of their say and everything before he ruled. He was extremely fair.

Duncan: Well, let's go back and talk some more about some of the early days under the Bankruptcy Code. One of the things that I think you're known for as a trustee over all these years is the litigation that you were involved in with bankruptcy. George Cauthen, who was the second Clerk of the bankruptcy court.

Hovis: Right.

Duncan: Followed Geoff Levy and was the second Clerk of the bankruptcy court, I've heard him often say that you were responsible for much of the early case law development in bankruptcy; that a lot of the early litigation over what is or is not property of the estate and what property can the debtor keep can be exempted and a lot of early preference and fraudulent conveyance actions; that you sort of took the lead; that's George Cauthen's characterization, that you took the lead in developing that. What was your interest? How did that develop that you were, sort of, one of the people, and not to detract from any of the other trustees because they litigated lots of issues too, but at least that perception that a lot of those issues were litigated on your watch?

Hovis: Well, I appreciate George saying that. I did have, as a matter of fact, anybody you talk to that I've discussed this with any length of time will tell you that I have always taken the position that if I've got a case I think I can win that if the odds of better for me winning than not winning that I believe in taking it all the way even if it's not worth a lot of money to get the issue established once and for all.

Duncan: Establish the precedent.

Hovis: The precedent so that we know in the future what we should do in this situation so that we don't have to worry about it again.

Duncan: It's always nice when you have an asset case though to help fund that isn't it?

Hovis: On, exactly. On the other hand, I've always believed that if you've got an issue there that you're not sure about it, you think that it's probably a loser, I've always felt like it's better off to reach a settlement than to go issue something you think you're going to lose. That's sort of the way I've approached every case I ever had I think. That's always been my philosophy.

Duncan: Let me ask you about some of those early cases. I looked a little bit, you had some sort of notable cases over the years where you mentioned Air South, what was it

like to find yourself suddenly the trustee of an airline that had stopped flying and left passengers all over the Southeast?

Hovis: Well, nothing you can do about the passengers, you know. It was in a chapter 11 and that was always my philosophy when people complained. It was, like I say, it was learn on the seat of your pants. I remember going to the airport several times but, really, I didn't have to be at the airport that much; the planes were not there. I'll tell you, that's not a bad situation at all, what's a bad situation is if you've got a bridal shop that files bankruptcy and you've got a whole bunch of mothers and wives waiting for their wedding dresses that aren't coming.

Duncan: Sounds like you've got some experience with that.

Hovis: I've had several of those and the hearing room would be so packed that you couldn't breathe and there were a lot of angry people in there. I don't think I called security in those cases. There were cases where I called security when I thought we had somebody that might be a little dangerous but I didn't do that often. I didn't have many... I always tried to be diplomatic even with the most angry creditors. I understood why they were angry. I mean, somebody's taking you for a ride and you're not getting your money back; you're going to be angry. I just got to make sure that they know that I'm not the one who took their money.

Duncan: I sort of dovetail into what you're describing as sort of being the peacemaker.

Hovis: Yeah.

Duncan: I remember two or three years ago, you were awarded the J. Bratton Davis award by the South Carolina Bankruptcy Law Association and that's their highest award that's given for professionalism and courtesy; being a Southern gentleman as you mentioned about Judge Davis. And when the nomination was made, the group of lawyers that nominated you remarked on how you always treated everyone with fairness, and you were even tempered and very good at explaining to the creditors what had happened. So what you just said about yourself and the bridal shop creditors, I think was recognized by the Bar when they gave you the J. Bratton Davis award.

Hovis: I tried to do – and I certainly appreciated that award. To this day, I'm sorry that it was presented at a seminar we had, I think Savannah, and that's when I was getting sick and I was just not able to attend and, to this day, I apologize to all of those folks for not being able to accept it but I certainly appreciate it. It's very flattering to get something like that but it's... I think all of the trustees tried to be, except for Bob Anderson, we always know he was the meanest trustee and Bob would probably agree with that.

Duncan: Some other of the early cases that you had, the Southern Agriculture Chemical case, one of the biggest cases, and, these days, so much in the news about problems with agricultural chemicals and the possible link to cancer and I remember that business, which if I recall correctly was in Kingstree.

Hovis: Williamsburg, County

Duncan: Williamsburg, County had just warehouses full of all of those chemicals.

Hovis: Bad stuff, yeah.

Duncan: How do you remember dealing with that case? One thing I remember about that is that may have been the case where you earned your pilot's license hopping around the state....

Hovis: I didn't earn my pilot's license there but I certainly got in some flying hours.

Duncan: Going back and forth between the little farm communities in South Carolina.

Hovis: Yeah. Flew a little Cessna 152 out of Rock Hill and I would fly to Kingstree and have somebody from the plant there, they were still there, pick me up and take me to the plant. And I remember there was a secretary that would always come there and she was the secretary for the chemical company and, you know, like the chief petty officer in the Navy or whatever they're the person really in charge.

Duncan: She knew what was really going on.

Hovis: Yeah and her parking space had a sign in front of it that said, "Don't Even Think About It."

(Laughter)

Duncan: Not even the trustee parked in that spot.

Hovis: Not anybody could park there.

Duncan: One of the complaints about bankruptcy by creditors I guess sometimes is that the cost of the process is so great that creditors don't recover what they hope to recover.

Hovis: That's certainly true.

Duncan: And in that Southern Agriculture Chemical Company bankruptcy, I think shortly after that case the U.S. Supreme Court actually stepped in and ruled that bankruptcy trustees did have to follow local law with respect to environmental disposal issues and sort of put the onus on bankruptcy trustee to be responsible for making sure that these things were cleaned up before a catastrophe happened.

Hovis: Which is a real problem when there is no money to do it with. I can't remember from case-to-case how I handled all of those but I did have cases where there was stuff that needed to be done and we had no money to do it with and no hopeful source of money to do it with so we could pay the people we could hire to do it. In most of those cases, I think I just crossed my fingers and it declared it a no asset and closed the case. That's about all you can do.

Duncan: Right, unless the other creditors are willing to come in and then you are asking them to throw bad money after good.

Hovis: Good money after bad. But yeah, that's one of the biggest problems. The first thing you need, when you get an asset case, first thing you look for is what are the costs of keeping this stuff safe while we do something with it and that can be a problem. Be a real problem. I had a case down in Conway and I can't remember the name of it. They made ammunition, artillery ammunition, for some company in Hungry and I went down to look at it and was walking around and in the middle of the building, it was a big factory, in the middle of the building was a wire cage. It said on the wire cage; "Danger: High Explosives." That thing was full of boxes and stuff and I knew right away... I thought right away that this not... as I recall, I called the ATF, I called Tobacco and Firearms and I think they went down there and found it was, in fact, high explosives and they cleared it out but after they cleared it out there was nothing left to sell. The bank had a lean on the building and I think I just ended up no asseting that case but it's kind of scary some things you come across. I had a funeral home that had a body still in the funeral home.

Duncan: What did you do with the body?

Hovis: I called the local health department.

Duncan: They took care of the burial?

Hovis: I don't know.

Duncan: You don't know what happened?

Hovis: I left and went back later and it was... there wasn't nothing left to sell anyway. I think I had a little... maybe, a couple of thousand dollars assets in that case. There was nothing to sell in many of these cases, you know, particularly the small proprietorships. People have pretty much eliminated everything in there that has any value by the time the bankruptcy is filed; by the time the trustee gets there so that's just what you deal with. But that's part of being in business. You always have these problems that come and you deal with them. That's when I say you deal with what you got.

Duncan: Right.

Hovis: I used to have an expression called; "you do what you got to do" and I used it so often that Patty, who you know, did a hand stitched thing "you do what you got to do" for me. It's hanging over my bed. You know, you don't complain because you started here and somebody else came from a better family or a better education and they started up here and you've got to play catch up. Your advantage is you know what you got to do.

Duncan: In addition to your trustee work, you did, at one time, a lot of chapter 11 work around the state.

Hovis: I did.

Duncan: Any memorable cases for you? Any particular memorable cases back in the days when there use to be lots of chapter 11s?

Hovis: Well, I was the attorney for Jim and Tammy Bakker in the PTL bankruptcy.

Duncan: Right.

Hovis: That was a trip.

Duncan: Well, and I had that on my list to ask you about- representing the Bakkers in PTL. How did you come about to represent Jim and Tammy?

Hovis: I knew a fellow named Jack Lee. You remember Jack Lee?

Duncan: I do.

Hovis: I used Jack as an auctioneer on several cases and he was telling me about this bankruptcy and all going on that Jerry Falwell was calling Jim Bakker a crook and, you know. So I asked Jack, I said “do they not need an attorney, especially it’s a bankruptcy being filed?” He said, “Yeah. They probably do.” I said, “Tell them I’m available.” And the next thing I knew, I got a call from Jim Bakker and they were living in Tega Cay at the time and the press was all over Tega Cay. Boy, the press... I mean, that was my fifteen minutes of fame. That was my fifteen minutes. Every time I turned around, particularly coming out of the bankruptcy court, there was a bank of microphones there with all of the reporters throwing questions at you.

Duncan: Now, you got into that case, I guess, after the Bakkers had lost control of PTL.

Hovis: Absolutely.

Duncan: Jerry Falwell had come in.

Hovis: Bakker had got caught in.... the --

Duncan: An extramarital situation.

Hovis: Situation and he announced it and called Jerry Falwell to come down and take over PTL as sort of... I don’t know what the gesture was all about. But Falwell didn’t just come down and take over in a friendly manner; Falwell took over and became the new dictator there. So yeah, I was representing Jim and Tammy when Falwell put PTL in bankruptcy and that’s how I got involved in that case. I remember we had some hearings. What’s that theater down the street?

Duncan: In the old Jefferson Square –

Hovis: Jefferson Square –

Duncan: Office tower there was the Jefferson Square Theater.

Hovis: Exactly.

Duncan: I think the US Trustee rented that out to have the Meeting of Creditors.

Hovis: Because it was so crowded, yeah.

Duncan: Hundreds of people showed up for that.

Hovis: Yeah. So that was a lot of fun.

Duncan: A lot of fun but probably nerve racking too.

Hovis: Nerve racking and, monetarily, it was a loss for me.

Duncan: Right.

Hovis: Big loss.

Duncan: Not paid for all of the services you provided.

Hovis: Not even close.

Duncan: I know...

Hovis: But it was worth it. I mean, honestly, that is a memory that, you know. Yeah, I represented Jim and Tammy Bakker and they were nice people believe it or not. I know they got some bad press but particularly, Tammy, she was just as sweet as she could be. Thinking back on that, I was coming back from Columbia after that first hearing in the movie theater and when I got home Jeanie was in here watching the T.V. They were having a press conference on stage, somewhere, with Roy Grutman and Jerry Falwell and some others and they were calling me every name in the book. Jeanie said, "does that not upset you?" I said, "as long as they get my name right."

(Laughter)

Duncan: That's the old lawyer's story of put my name in the newspaper, say anything you want to about me just spell my name right.

Hovis: Spell my name right. But they really were. They were just letting me have it.

Duncan: One other case I wanted to ask you about, was a chapter 11 case where you represented the debtor, it's a famous name but this isn't the person who made that name famous but you represented a farmer down in Olanta, years ago, whose name was Billy Graham.

Hovis: Billy Graham, yeah.

Duncan: And he was the uncle of NASCAR great Cale Yarborough.

Hovis: Cale Yarborough who was also his neighbor.

Duncan: His neighbor and his nephew

Hovis: Yeah.

Duncan: And Billy Graham's farming operations you represented in a chapter 11 case. Nothing remarkable about that aspect of it but...

Hovis: Was I his attorney or was I trustee?

Duncan: I think you were his attorney

Hovis: Okay. Well, Bob Anderson was the trustee.

Duncan: Yeah. And he later went into a chapter 7 but years... some years after that –

Hovis: That's right –

Duncan: Mr. Graham died in a house fire. They thought.

Hovis: He was murdered. Yeah.

Duncan: And as it turned out he was murdered by some of his creditors, some bankers in town.

Hovis: That's correct.

Duncan: Who actually, when they exhumed the body sometime later they found not only was the body burned but he had been shot before the house fire.

Hovis: 22 caliber. Right.

Duncan: I couldn't resist asking you about that case and whether you – whether you had other things like that happen or anything that you remembered about that bankruptcy.

Hovis: Well, I mentioned that I had flown my plane down to Williamsburg. I was also going to fly it... I learned that Billy Graham had a runway on his farm because I saw picture of it and I said, "I'm not landing there." I mean, it was just an old corn field or something and I wasn't that good of a pilot. So, I drove down there and I met Bob Anderson, this was after he had converted to 7, and Bob and I both met down there so I that could be with my client while Bob talked to him and interviewed him a little bit. He had a lady there that did his cooking and she was one hell of a cook and we ate one of the best lunches I think I ever had in my life. I mean, it was fried chicken, you name it and we had it. It was good. I'm sure Bob remembers that. But finally, we just had end up to... I don't know what Bob

liquidated in the chapter 7. There was no money left for Billy. Cale Yarborough, I talked to him a little bit about the case and he was making noises like he might try to help Billy out with a loan or something, but I don't think that ever happened. Like you say, we found out... Bob and I found out years later this was not... I mean he was; Billy was in the ground a long time before they decided to dig him back up and check him and find out that he had been murdered before the place had burned down. I think Bob could tell you a couple of cases. I think Bob remembers some cases where somebody came after a trustee, Bob or somebody, with a handgun but I don't remember. I never had any problems but that's the closest I came to being worried was the Billy Graham case.

Duncan: Right. Well, we've been talking for a couple of hours and I promised that we would limit it to a couple of hours. I sort of run through the cases and the litigation and the history and just let me say this has been a real treat for me

Hovis: Well good.

Duncan: To sit down and talk with you after having practiced law with you for eight years and, you know, sometimes it seems to me like it must have been a lot longer than that and sometimes it seems like it wasn't long enough.

Hovis: Well, I was practicing law for over forty years and it seems like it just flew by.

Duncan: That's right.

Hovis: I mean, so, enjoy it while you can guys. That's the first thing I've got to say and you talked about me, learn as I go, I don't think you can do otherwise as a lawyer unless they change the way they teach lawyers. When you come out of law school, you know the law real well if you studied and you know how to research cases, how to figure the law out but they don't teach you the first thing about practicing law. I think every lawyer has to learn that on his own. And I just spent... well, I spent from 12 or 13 years learning on my own in anything I did, that was probably my advantage. I was doing what you got to do even then.

Duncan: Just thinking back to the early days of my practice how different the practice of law was in 1980. When I practiced, I remembered Thomas F. McDow coming over to my office and introducing himself and fussing at me for not having made the rounds to see all of the lawyers in town. He fussed at me about some of my pleadings and told me I was formalistic and did some things that only Thomas F. would do to a young lawyer. But you know, just the change in how practicing law is.

Hovis: Thomas has never held back his opinion and he and I were in high school together and we spent more than one evening at the local precinct of the police department for various and sundry transgressions. He was one of a kind. Still is one of a kind. But where were we? What was the question?

Duncan: Practicing law. How it's changed over the years.

Hovis: Oh, yeah. I'll tell you one thing, one thing that sticks in my mind that we use to talk about this among the York County Bar. I don't know if it's the same way or not because I don't know many members of the York County Bar anymore. Most of the lawyers I knew are dead or retired but we used to say- you got your York County rules and you got your state lawyer rules. And in York County, if you talked to a lawyer on the phone and said we've got a settlement, you hung up and you knew you had a settlement. It was total trust among the York County Bar. It's unbelievable. If you say you're going to do something, you do it for that lawyer. We call it the York County Bar, in those days, the York County Bar rule. The number one rule is you trust your colleagues but we knew if we got into other counties, in Columbia, in particular, you couldn't always count on that because you had some bigger firms and sometimes they would tell you one thing and do another. I got sandbagged more than one time, as a trustee, and I'm not going to name any names because I trusted some lawyers who told me one thing and did another and I had to learn the hard way that you've got to watch your back. That's all I got.

Duncan: Jeff, anything else? Any thoughts about --

Davis: I think the interview has been a pleasure. I think it reinforces the value of mentorship; mentorship between the two of you; collegiality; building relationships and really doing what you have done which is find your passion and finding your niche.

Hovis: Yeah, and it took me a while to find it and bankruptcy was my passion.

Davis: And you've done it regardless of the pay. You turned down bigger pay-

Hovis: Oh yeah.

Davis: To find what you loved doing and I think that some of that is lost where the goal, maybe, money or a paycheck or some status. I mean, being an attorney for Springs might have been, you might have been corporate counsel for Springs and retired there after 30 years but you wouldn't have what you have now.

Hovis: No. My goal has always been to do something that I am happy doing or enjoyed doing. I didn't enjoy everyday I did bankruptcy. There were a lot of headaches but, overall, I really enjoyed it and I would still be doing it if my health would let me.

Davis: At \$60.00 for a no asset case.

Hovis: At \$60.00 for a no asset case. Yeah

Duncan: Alright. Do you think that's it?

Davis: I think that's it. Ryan, thank you.

Hovis: Thank you, gentlemen. I appreciate you all coming. I wish I had something to add; something that Trump would tweet or something but I've got nothing.

(Laughter)