

History United: Memory Initiative

Interview with Kelvin Perry (KP)

Interviewer: Evelyn Riley (ER)

Monday, November 25th at 9:30AM at First State Bank, Danville, VA

ER: So I'm just going to ask you a couple questions about the history of First State Bank and your experience living and working in Danville. So first, can I get your name?

KP: Ok, Kelvin Perry.

ER: And where we are today?

KP: First State Bank, 201 North Union Street, Danville, Virginia.

ER: Ok, and just in your own words a history of First State Bank

KP: The bank was actually chartered in 1919, we'll be celebrating next year our 95th year in business. It was started as a means of creating an opportunity for African Americans at a time when banking services wasn't so readily available to them and the community, so a group of, I would say various sectors of the community came together. Farmers, professionals, educators, ministers, and decided they would charter a financial institution. And they came together and met opened the door officially September the 19th, 1919. And from that point the bank continued to grow.

ER: So what role does it fill in the community, both has it evolved? Is it the same today as it used to be?

KP: It has evolved. Originally, this was probably the bank of choice for most African Americans because access to financial services was not as available as they are today. And so it filled a very important need in the community. Many churches in this community because of the connections to the institutions where they've got their loans and also we've provided home loans and small personal loans to people who've actually lived in the community because this end of North Union Street was considered, I guess, where most African American businesses were, where people shopped, so it was an anchor--and still remains, I think, as an anchor--for this end of North Union Street or downtown Danville. It has evolved, because you know, people have access to go where they want to go, do what they want to do. So our competition, we have to be as competitive with our services as any other institution. Most of our customer base tends to be older. Because they understand or they remember, this is where they got their first home, this is

where they opened their initial checking or savings account, so that loyalty remains. But as people become more transient in their activities, or...and their whereabouts then people have a choice to choose, so coming downtown. But we think, still think we provide an important service to the community because we still do home loans for people who otherwise do not think they can get a home and we also still provide small dollar loans for individuals during this time of year you know people may need to pay their taxes or certainly get funds for Christmas or things like that and I think that fills a void for those individuals who don't have to worry about going to other places as well as our services our low cost. So there's not a need for anyone to visit a check cashing company because as long as you have a checking account with us you then can cash your payroll check, have direct deposit, at a very, very nominal cost if any for doing business at First State.

[Timestamp – 5:00] **ER:** So, how has the evolution of downtown itself impacted First State Bank, would you say?

KP: I think the evolution of downtown has impacted us very little. We are on the backside of what you consider the River District and I understand maybe it's in the plans to be more inclusive of where we are to include this end of North Union Street. We do have a lot of customers who use the bus service here, who come back and forth but we have not felt the impact that others on the upper end have felt or will feel because...which does not included in that part at this time.

ER: So how did you get involved with working with First State bank?

KP: Um, my banking career...I was originally a President of the Savings and Loan in Martinsville, Virginia. When the former President, Mr. Sylvester Jennings, was getting ready to retire. We were in the process of maybe trying to merge the two institutions together; that merger didn't take place so I ended up here at the bank to succeed him after he retired officially.

ER: So you're from the area originally, correct?

KP: No, originally I'm from South Carolina but I've been living in Southside, Virginia actually I live in the Axton community, since 1993. So the proximity between the two cities is very, very close. It's not a big difference traveling between the two, but as far as the entire region itself I've been here since 93.

ER: Ok, how has your experience been living in the region?

KP: I think it's been great! When we moved here, I liked it to the fact that we're living in a much larger city. We lived in Charlotte, North Carolina and Fayetteville, North Carolina and at

that point in our life decided that we wanted to move to a much more smaller community and this fit. We had a five year old looking for a good safe place to raise a five year old without the hustle and bustle life. And we drove up for the interview for the job in Martinsville and just something about the area just felt right, you know. We decided we would give it a shot and have been here the last 20 years now! *-laughs-*

[Timestamp – 7:35] **ER:** Where do you see the future of First State Bank going?

KP: Growing, extending our footprints in other parts in this region. Expanding our services to other parts of the county and to include everything within a 75 mile radius is what we like to say. Which would take us to South Boston, Lynchburg, parts of North Carolina because we do have clients that we serve in all of those respective areas. So we would like to see ourselves grow so we can provide services to a much larger audience beyond where we are here in Danville at this time.

ER: How do you get the word out about First State Bank to your service area?

KP: Well of course the traditional ways, we use our website and we do our advertising and the other part is relationship building. We believe that the relationship we have with our clients is what brings us additional business because when we do things right with them then they tell others about us and so, that, I think that has been a big part of why it's been important for us to be here because a lot of folk don't know we exist and once they learn about the mission of the bank...once they understand the historical significance of the institution, but also when they realize that we can provide to them many of the services that they want and the services that they need. They like dealing with the small town bank. We're of probably the only three community banks that are within this community that are homegrown and we've been here through all of the economic ups and we will continue to be a part of the fabric of this community for years to come. So I think just through our normal marketing ventures and looking at trying to attract a younger clientele and to do that we have to have those services to do that and that's a part of our strategic plan in doing that so that the bank can grow. And certainly be of service to a much greater audience.

ER: And, let's see, I had a question line up *-laughs-* Do you think that a lot of the customers are family customers, like their family has always banked at First State Bank so they continue to come back or are you getting a lot of new customers?

KP: I think it's a mix. Those who have relationships with us, have the relationships because of history within their own families, but also we have new customers who we have developed because of our efforts to reach a much larger footprint within the community...so, someone will always know something about First State and because of that knowledge...I was in a, at a

seminar this weekend and to my surprise a lady came up and said, “Oh, you’re with First State Bank?” I said, “Yes.” “Well our organization is looking at doing some expansion, can I get your business card because I think you all can help us and I’m familiar with your organization.” And I said, “Wow!” You know? You really don’t understand the impact or who knows you or feels you can provide something for them so it’s that when you asked earlier about how do you market yourself I think what we do and what other’s said...and matter of fact she said that “You had helped this other client and they were very happy, I think you all could do the same for us.” And that’s rewarding, you know? You know what we did for someone else, they were able to go out and share it and she felt, “Ok, we would like for you to assist us with our project.”

ER: Yeah, word of mouth helps a lot with trust.

KP: Oh yes, oh yes. It’s a trust factor. And we’re not here to overburden our customers, but certainly provide them good service as we provide their banking services.

[Timestamp – 11:35] **ER:** So do you think that any historical events have had an impact on First State Bank, and how so?

KP: A lot of historical events have had an impact on the bank. I think the Great Depression in 29 had an impact on the event. You know you have to remember in...when that occurred there was no such thing as the FDIC, and the bank’s legacy was that because of its strength it was able to reopen much sooner than most of the banks in the country could because of its strength. I think the Civil Rights Movement had a great impact on the institution. You know our bank provided financing, bail money, for those individuals who were marching. Our former presidents of the bank were very active in the movement itself. So it became a focal point because of its anchor in the community of helping the liberation of African Americans during a time when their civil rights were under question. I think probably through the 70s and certainly through the 80s, the bank has maintained its presence by staying to individuals that, “You know, you may have had a little blemish in life, or in your own financial health, but we are here to assist you to get you to the point where you need to be.” And even now, you know, people who have that desire to buy a home but don’t know where to begin we provide them that counseling and that assistance to get them to a point where they can purchase a home so I think certainly through the life of this community First State has played an important role in doing that. We don’t...we don’t get a lot of credit for it but we certainly have been an impact and have been a player relative to the overall development of this community as a whole. Not just here but our involvement in a lot of the events. I know we’re a member of the Downtown Danville Association and IDA, you know we made an investment with that for many years so that’s a very important tool that helps businesses come to this community and have the infrastructure in place so that they can be successful. The employment opportunities that we provide our employees...so that they in turn can go back into the economy and put dollars back into our accounts. I mean so, you know, we’re provided jobs

for those and we're also gathering employment for people to be successful in what they need to do.

ER: What kind of community events do you host? Because I know you had the Pack the Bus, correct

KP: Fill the Bus!

ER: Fill the Bus, yeah! And things like that, what kind of things do you do in the community?

KP: We're ongoing active with United Way, our Fill the Bus Campaign is certainly one of our trademarks, in the past have been involved with American Heart Association, and our employees are actively involved in various things like Big Brothers/Big Sisters, being on the Boy's and Girls Club in the past, the Chamber of Commerce, Rotary...so we're seen in a lot of different venues not to mention the number of organizations that we support, support financially in their quest to do things for the betterment of our community...so the list goes on, and on, and on.

ER: *-laughs-* So, does the bank encourage employees to do other things in the community, is there some sort of program or...

KP: Yes, yes. Well it's a sense of community that we encourage, that we have to give back, that we feel we need to be good corporate citizens. By being good corporate citizens we encourage our employees to be actively involved in something that you have a passion for. Like we have one person who has, her granddaughter suffers from sickle-cell anemia and she is very active with Faces of Our Children as a part of that initiative of bringing information and dialogue around the disease itself. We have other employees that are certainly active in their church, but being active in their church we have a number of programs with churches where we encourage young people to save with our Christmas Club savings program and we play bank with them for a day throughout the year and that has grown from not just children, but adults alike. So, it's just been, some of our individuals are active with the American Women Business Association as well as other social and civic clubs in the community. So it's where your passion is and where your passion is we encourage you to do it and if you are passionate about it and then we will support you as a bank as you do those things, if your organization is having a fundraiser or need people to show up for the walk-a-thon, just like Big Brothers/Big Sisters we're going to have a bowling team of our employees...not just to have fun, but to also do something for a good cause.

ER: When you were talking about the Civil Rights Movement it was really intriguing and you said that some of the presidents had been involved...do you know any stories about that or anything?

KP: Um, Mr. Martin and Mr. York were involved...they both provided the bail money to help the demonstrators get out of jail. I think also, Mr. Martin was asked to serve on the grand jury when the, when they were going to bring the protestors to trial and he had an opinion on that. Mr. Martin also had a very landmark case that was taken against the state of Virginia with the Twin Lakes up in...I guess that's near the Farmville area, where he wanted to take his children to a park and was denied admissions because African Americans weren't allowed and said that the park he had was not equal and so in result he filed suit to create an opportunity where it would be...and there's a marker going to Richmond that highlights that, that actual, that actual event in life, so over the years the bank has been very involved in the civil liberties of all individuals and those individuals have been a part of that.

ER: Ok. Could you explain a little bit about what the Pack the Bus is?

KP: Fill the Bus is...

ER: Oh! Fill the Bus!

KP: Yeah, we started as a need to provide school supplies to children who otherwise would not have supplies and so we encourage our customers to bring school supplies so that we can, in turn, make a I guess a contribution to the school system with those supplies. First year we really, really did a--I think every year we have done an outstanding job in bringing an awareness to the need of young people who otherwise would not have sufficient school supplies going back to school especially in a community that is suffering economically. Parents have a lot of tough choices to make. So we've done it for three years, and this past year we actually partnered with a local church, East New Hope and went out to the community market one day and we provided funds as well as manpower to help them provide school supplies and backpacks to children in the community. Which I thought was an excellent partnership and hope that we will be able to do it again. This, you know, next year as well. So that's our mission and we think it's a very easy mission and I'm glad we brought awareness to it because everybody is packing the bus and filling the bus and stuffing the bus and Wal-Mart's got their big bins so it's brought to light what the need is which is a big thing, and I think we will continue to do something around that arena to make sure that kids have a fresh start, a good start going to school in this day and age we should not have any kid or child going to school without adequate, not having adequate school supplies. And we should be making opportunities for them to be able to go to school and be ready to learn so our teachers can do what they're there to do.

[Timestamp - 20:19] **ER:** When was that initiative started?

KP: Three years ago.

ER: Ok

KP: And, yeah three years ago so this past year was about our third year and each year we say “Aw, maybe someone else is gunna do it,” but then we find ourselves back into the mix. What we also did last year, we provided the banking year’s curriculum to the high school...George Washington High School, so that young people will have an understanding what banking was and how to do that so we gave them the curriculum for that and paid for...actually the first year we did it we just did it to the high school, the second year we did it for the high school, Galileo, as well as the detention center school so that all kids were...we provided all the materials for that. This year we didn’t have to because they said they had enough supplies left over so we didn’t have to supply anything so, you know again reaching into the community and finding where the need is or where the void is and certainly trying to fill that in our own way.

ER: How has the advent of technology impacted First State Bank?

KP: I think we’ve had to adapt to technology just like everyone else as we look to move toward some of the other banking services the thing we have to wrestle around our head is that, even though we have an older base there’s an up and coming base that that’s all they know is technology, and so we have to too be on that cutting edge in order to do that. As I told someone I said, “Most people have a smartphone because a smartphone is going to almost be the staple,” you know. No longer it is the exception, it really is moving to be the norm and if it’s the norm then the services we provide have to be adapted to those particular services. You know we have the website...haven’t done a Facebook page yet, something we’ve talked about, because that takes a little more management and certainly you want to make sure that we’re putting the right kind of information out there so that’s something that’s also on our agenda to begin as a way of communicating to people about who we are and certainly keeping them abreast of the things we’re doing.

ER: And so you moved here in 93, correct?

KP: That’s correct.

ER: How have you seen the region change or stayed the same in your own eyes?

KP: What has changed is when I moved here many of the manufacturing plants were still in existence. There was still a vibrant Dan River, there was still a vibrant in the Martinsville area, Sara Lee, [*unintelligible*] Knitwear, Tal-techs [?], all those companies were there. You asked earlier when NAFTA came into play, those companies began to move out of the community, you saw where they were...had huge layoffs of individuals and we think we probably had our recession in 95, 96 when those companies left. Relative to the country being in another recession

that it had in 2008. I think what I see that is different. There seems to be a much more concerted effort to revitalize the region. It takes time to turn the ship around, it takes a lot of energy, it takes a lot of money to do the things that have to be done in order to make this region a lot more vibrant than what it's been. So I think the emphasis, the infrastructure is being built and is in place in order for that to happen and I'm very, I'm very hopeful, very optimistic that things are moving in the right direction. It's just...it just takes time and I'm appreciative of those who are working on it because if the region wins then we all win.

[Timestamp – 24: 25] **ER:** Right. Do you think that the people in the region at this time feel that hope as well or...

KP: I think it's a delayed response. Unless you are closely actively involved, you probably don't see that because what you're probably dealing with is what's in front of you right now, you know. If I worked at Dan River or any one of the other manufacturing places I'm more focused and concerned about how do I put food on the table and provide for my family. I'm not thinking here. So it takes a visionary to think what we need to be and you need to bring people along the way, so I think people might see some things that they make think is successful but is that really where we need to have them? Lot of retail outlets are great, have no problems with it, but we need to make sure people are living beyond the poverty level and that's going to take, one you've got to be trained, two you've gotta make sure you've got the skill sets in place in order to get those jobs that you think you need to have and once we can identify that then those businesses can come into the community and have a tremendous impact on the area, so I think its mixed. I think people probably don't see it because they're dealing with the now and they're not, they can't focus on the future as much because they have some real issues with the now right now that have to be dealt with.

ER: So is that one of the goals of the bank is to look towards that future while also focusing on the present, or?

KP: Yes. Absolutely, absolutely. I can't bring you along unless I help you rise up from where you are. But also we have to make sure we are at a point where we can...where we ourselves as an institution as the number of banks in the country begin to shrink we have to make sure we are a survivor in the game. We have to be big enough and be able to provide the services that people need to have. So it's a double-edged sword, as much as I may want to do one thing, I've got to make sure that the bank has positioned itself in order to be a part of what that growth is. That's why we have to expand our footprints, just within our area, and provide services to others beyond where we are today.

ER: Do you do more personal banking or more business banking here?

KP: We've done more personal banking, that's been our trademark, more retail banking, but over the last four years we've gotten into more commercial and business banking, so it's becoming a good mix for us. Still I would say it's probably 80-20, but that 20 is rising every year to be 30 to be 40 and represents a significant portion of our portfolio.

ER: So your demographic is historically African American, correct?

KP: That is correct.

ER: And is there a certain percentage that isn't, or that might be Latino or Caucasian?

KP: I would say, we probably have about 10 percent of our customer base is non-African American and surprisingly most of them have dealt with the institution, I'm going to say, over 10 years. By being downtown, being close to the bus station, has attracted others to come and use the bank as well. But we have some non-African American customers that have been at the bank 30 years, plus. You wouldn't know that but...but I'd say about at least 10 percent of the customer base is that. And probably Latin American or Latino is more two percent...a much, much smaller percentage.

ER: And what has your experience been working for the bank?

KP: Oh, it's been very positive. I like the size of the bank. I like the community feel of the bank I like the fact that when I see someone's been helped that I see the impact immediately. Just Friday, a couple got their house and closed their loan and this is their first and they were just as happy...and I see that you know, and then to have them to say thank you for helping us get to that point is a reward for me. And I think sometimes we take it for granted, we're just closing a deal, but we really have had an impact on people and people's lives and I think the beauty of--for me--given the size of our organization, when she said and I started thinking and looking back and saying, "Wow, we have helped a lot of folk get a house." And I see people out you know, they're always thanking me. Even one guy came up and thanked me and said, "You know I paid my house off." I forgot he even had a house with us, you know. But he said, "I paid my house off three months ago and I just wanted to let you know, thank you for helping us," and I said, "Great! Good deal!"

ER: Good feeling.

KP: Exactly.

ER: So if you could describe the bank in three words, what would those words be? You can think on it, it's a loaded question *-laughs-*

KP: Yeah [*unintelligible*]...consistent, committed, and ah what's the word...and determined.

ER: Determined. Good words.

KP: Yeah.

ER: Are there any memories that you would like to share living here or working here in the region?

KP: *-laughs-* Um, this is been a good experience. It's been a rewarding experience, I wouldn't trade it for the world and when I started in this business I work for a major, I worked First Union at the time and thought I was going to be in the big bank world and someone introduced me to the small bank world and I'm glad that I have been given this opportunity because otherwise I wouldn't be...I would just be monolithic in my thinking, but working in a community bank you get to see all of it, you get to deal with all aspects of it and you get to work at certain levels with other CEOs that are like you, that have the same type of concerns and same types of successes and the same types of challenges as well as the same types of victories that you have and that's a rewarding feeling because you know you're at the root or the base of helping people who otherwise probably wouldn't feel they could have help but also as an opportunity to be an alternative for people who say, "You don't have to go here, you don't have to go there," and we still can provide to you the types of services you need to take care of your banking, you know?

ER: Mmhmm, right.

KP: I think all of us just need basic services. You know, but then they get masked and mirrored amongst what some of the other little frills they do, but at the end of the day, if you have your debit card, and your money goes into the account...most people are swiping and go and it is easier doing it and we have the Visa logo so we're a part of the system.

ER: So that's how you can keep with the...

KP: Exactly, exactly. You know, it's not with the brick and mortar, it's about the relationship and the service you provide. My son does business with us here and he lives in Atlanta. His direct deposit comes in but it doesn't stop him. I think maybe 15, 20 years ago there was probably that need that you had to walk into the bank, you had to make a deposit, you had to do that...and with the age of technology, you ask now how often do you really, really have to go in a physical building...it's uh...you don't, you know. Most of what happens is online. I can check my account, I can pay my bills, and I can use my check card in order to make a purchase you know. Unless something really, really goes wrong there's not a need for me to even call the

bank. So there's not a need for me to be there. I can even make my deposits at the machine. I don't have to go in...*[unintelligible]* that's what technology does for you, you know.

ER: Do you think people still feel the significant and the importance of having local institutions like the bank, or do you think that that might be dwindling or staying the same. *-laughs-*

KP: I think so. I think people still want something's that's local, but it's, I think...harder and more cloudy because the larger banks can saturate the airwaves and it makes it much easier because you can go anywhere in the world and see a Bank of America or a Wells Fargo, but you're not going to see First State Bank in California; you're not going to see First State Bank in Chicago. And so...depending on where you are and what your particular needs are, that may be important for you. For me, it's not you know. I have access...it's like living here or living in Raleigh. I can live here and enjoy all the benefits of a small community, and have...and yet still have access to a larger community within an hour. And not have to deal with the cost of living and those things. There's some tradeoff on both side, but we're very close to the Triad area and very close to the Research Triangle area. It's nothing to get in a car if you feel like you have to have that and travel.

ER: So kind of going back to the three words question that I asked about the bank, what would you use to describe the region itself?

KP: Um...describe the region, I would say...oh, that's a tough one. Persistent...determined...and hopeful.

ER: Good words. *-both laugh-* Well we've gone about 35 minutes or so, if there's anything else that you would like to add or anything that I didn't ask that you would like to answer, feel free.

KP: This has been a great opportunity, I hope that...I'm hopeful in that our bank will continue to be a part of whatever change is forthcoming and that we are poised as well as we are committed to being a part of that change and want to be a part of that change and to be lifted up as a part of that change. And, I think that's evident based upon our historical significance, but also about what the future brings for the community itself and I think we can be a very important part of the financial community here relative to Southside...Or the region.

ER: I do have one more question. Are there any particular business that you can think that First State Bank has helped establish in the region? I don't know if that's confidential.

KP: That's probably confidential. *-laughs-*

ER: Ok, I just thought you might...

KP: But there are a number, I touched on it a little a bit. Yes there have been a number of small businesses that we have helped with our small business lending, and there have been a number of religious affiliated associations that we have provided financing for their expansion projects as well. So yes, the answer to your question is yes. There are a number of individuals that we have provided those kind of...and sometimes small businesses don't need \$100,000, you know if they had 10 [Note: \$10,000] that gets them to where they need to be. If they had 15 or 20, we're able to structure those particularly. I think that's a void we can fill because sometimes in the banking industry, as a bank gets larger then the size of the loan they want to deal with becomes larger. So if you're a mom and pop and you're running an antique shop or a restaurant, you know you may only want \$10,000 for working capital for the holiday season. Very easy for us to do as opposed to someone else because their cost of doing that may be higher so therefore their minimum loan amount makes it higher.

ER: So it's one of your strengths.

KP: Yeah, that's one of our strengths.

ER: Ok, well thank you for taking time out of your day to talk to me.

KP: Well I appreciate the opportunity.

ER: Yeah! And, we just use these interviews, we transcribe them and they're available for researchers to learn...you know, for example this is businesses, that's what we're doing with these interviews through the fall and the winter. The theme is business so, to learn a little bit more about the history and institutions of the region which we're including Pittsylvania County, Danville, and Caswell County.

KP: Ok. Great.

[End of transcription]