

Submission for the 2007 PRCA Award for Corporate Affairs

O'Herlihy Communications

Amicus' Pension Dispute with Bank of Ireland

A. The brief

OHC was invited to submit proposals for the Amicus trade union PR account in September 2006. We won the account in a competitive pitch.

Amicus had suffered a low profile in Ireland following a series of mergers and changes of identity. While it is the second largest all island union affiliated to the Irish Congress of Trade Unions, it was punching below its weight in terms of media profile in the Republic.

The brief was to raise the media, public and political profile of the union and its officers in the Republic.

An overall campaign was developed to work with the union officers to develop stories and relationships with the media and other core groups.

As part of this process, the union negotiations on pension provision within the financial services sector was identified as the first major campaign we should develop.

Problems to be addressed

There were a number of problems to be addressed.

- Union negotiations are a sensitive matter and the priority always had to be on securing the best possible deal as opposed to the greatest level of media coverage.**
- While Amicus is well represented in the financial service sector, it is a distant second to the Irish Bank Officials Association in certain institutions that were to prove key to the campaign.**
- The union had been quiet on the PR front for a period of time and we had to work quickly to bring back up the level of awareness and channels of communication that would prove vital in the success of the Pension campaign.**

B. Statement of Objectives

O'Herlihy Communications and Amicus together set the following objectives;

- **To raise the profile of the Amicus trade union in the Republic of Ireland**
- **To increase the awareness of the union's presence and activities within the financial services sector**
- **To advise the officers of the union on the perception implications of some of their most sensitive negotiations**
- **To overcome the natural advantage of large institutions such as the banks when it comes to communication and the media.**

C. Programme Planning and Strategy

During September and October, the union had negotiated successfully on behalf of its members at Permanent TSB, Royal and Sun Alliance and EBS Building Society.

OHC had been privy to these negotiations and was able to advise on the timing of announcements about their detail so as to increase the pressure on the key other employer who was still proving immune to negotiation.

On October 1st Bank of Ireland decided to unilaterally exclude new employees from joining the bank's defined benefit pension scheme.

Need to Account

The Banks view was that with the need to account for pension provision on the balance sheet, they did not want to risk the exposure to a defined benefit scheme, and so was acting now in the interest of shareholders.

The move was in breach of agreements with the trade unions and was deemed to be totally unacceptable by union members.

The IBOA, the largest union at the bank made angry noises but felt unwilling to press for a ballot of members on what was a long term issue. Amicus was confident that the feeling of members was sufficiently strong to let them decide and so balloted for industrial action as a means of forcing the issue into the public eye.

A Fair Alternative

The ballot was due to be completed on November 1st. One week prior to this OHC released the news that EBS Building Society and Amicus had reached agreement on a hybrid defined benefit / defined contribution scheme that was similar to the one the unions were proposing for the Bank of Ireland. The point was stressed that there was, contrary to the view of Bank of Ireland, a fair alternative in the pension arena.

On November 2nd OHC released news that the Amicus members at Bank of Ireland had voted 90 per cent in favour of industrial action. The news achieved sympathetic coverage across all national print and broadcast media.

Within 24 hours we released the news that strike action had been served on the bank and this again secured significant multimedia coverage.

Cameras and Microphones

In the run up to the first one day strike we maintained a constant line of communication between the union and the media. We made sure the media knew when and where talks would be taking place and briefed union officials on what way to present their arguments before going in front of the cameras and the microphones. We also advised on slogans, presentation and management of the picket to secure optimum exposure.

Whether by accident or design the Bank itself was slow to respond to the intense media interest. This played into our hands and allowed Amicus a free run at winning over public opinion.

On 9th November, Taoiseach Bertie Ahern joined the debate, criticising companies that were making excessive profits and yet were intent on rolling over on the pension rights of employees. OHC had written a statement for Amicus the week before which used exactly the same language.

Coverage on the day before, the day of and the day after the one day strike, the first at bank headquarters for ten years was almost universally positive, extending into the UK media including the Financial Times. Amicus officials in the UK advised us that the positive differential, on weighted media comment, was the strongest they had ever seen in relation to a strike action on the part of the union.

Astonishing Greed

The strike had been deliberately timed to take place 24 hours before the Bank issued half year results that revealed a profit of over €800 Million. Statements were made in Dail Eireann making reference to the 'astonishing greed' of the bank and its 'outrageous treatment of Amicus workers who had been forced to picket the bank in torrential rain the day before.'

On Sunday 19th November the Sunday Independent quoted Paddy Power odds on Amicus or the IBOA going on all out strike. The IBOA had previously been the only union ever considered to be a part of the finance sector. Their 8,000 members compared to Amicus' 500.

On November 21st, as a gesture of the union's willingness to enter meaningful discussion so long as the bank shared that view, Amicus, in consultation with OHC, deferred its second one day strike by a week.

On Sunday 26th November we secured a major interview with National Officer Jerry Shanahan in the Sunday Business Post. This detailed the three successfully concluded pension agreements which Amicus had negotiated and gave sympathetic coverage of the action taken.

Victory

The following week the Bank of Ireland agreed to re-enter negotiations at the Labour Relations Commission. At the same time we followed up by releasing the news that Permanent TSB had also signed up to an Amicus negotiated settlement.

On January 23rd the Labour Court issued a recommendation which satisfactorily addressed all of the issues raised by Amicus and highlighted through its public relations campaign.

OHC has kept up the momentum behind Amicus' campaign by securing strong coverage for Jerry Shanahan's call for an SSIA approach to pensions. This policy has made it onto the political agenda ahead of the election.

D. Measurement Stage

OHC fulfilled the client brief and achieved all of the stated objectives (outlined above).

The total aggregate readership exposed to unusually positive coverage of the Union's actions amounted to over 23,000,000 in Ireland alone.

Most importantly less than four months after its decision to force an argument the Bank of Ireland was forced to climb down by 500 union members who refused to be cowed into submission.

Amicus has stepped from the shadows into the spotlight and is generating comment in many other areas, largely as a result of the efforts which went into the pension campaign.

E. Budget

The cost of advising throughout the campaign was fully covered by the monthly retainer fee paid to OHC. In total over the period in question this would have amounted to between €20,000 and €40,000.

F. Appendix

We enclose a small selection of the many press releases issued throughout this campaign, as well as a selection of the media coverage which helped to turn 500 workers into modern day 'David's' against the Goliath of a Bank which, despite making profits of more than €4 Million a day, sought to deprive its staff of their right to fair pension provision.