

Barnes, Colm

by Terry Clavin

Barnes, Colm (1919–2003), businessman, was born 13 July 1919 in the family home at 258 Falls Road, Belfast, one of eleven children of Diarmuid (Jeremiah) Barnes (d. 1960), draper, and his wife Mary Frances (née McGinely). His father sat on Belfast city council as a nationalist representative and electioneered for Sinn Féin during the 1918 general election. In 1922, with Belfast consumed by sectarian violence, Diarmuid joined in a general catholic exodus, moving his family and business to Dublin, eventually settling in Terenure; he established in 1932 a knitwear#manufacturing firm at Crumlin called Síoda Teoranta.

Colm was educated through Irish at Scoil Bhríde, Scoil Cholmcille and at Coláiste Mhuire, and though otherwise academically undistinguished became fluent in Irish and a lifelong proponent of its revival. On leaving school, he became a management trainee in Síoda Teoranta before founding a clothes#manufacturing business in partnership with his brother Rory (b. 1917) in September 1939. Called C. and R. Barnes, the firm operated from a back room in Clanbrassil Street, had an initial capital of £160 and made ladies' and children's underwear. The immediate outbreak of World War II and the ensuing trade restrictions created difficulties (in acquiring raw materials) and opportunities (traders had to buy more home#made products).

Glen Abbey: early successes; management philosophy By 1945 the business had outgrown its city premises and the brothers bought an abandoned aerodrome in Tallaght, Co. Dublin. Named Glen Abbey Mill, the new factory produced men's knitwear under the Glen Abbey label, which became the brand leader in Ireland. The partnership was incorporated as an unlimited company in 1951 and renamed Glen Abbey Textiles in 1957. The business thrived by establishing a reputation for quality and by forming close relationships with retailers, most auspiciously with Dunnes Stores. It also benefited after 1945 from the departure into other business sectors of the Jewish entrepreneurs who had dominated the Dublin clothes market.

The Barnes brothers, joint managing directors, began each day with breakfast together in their factory office. As the company grew (boasting about 150 employees by the late 1950s), Rory focused on production, while Colm – affable and good#humoured – dealt with sales, becoming the public face of Glen Abbey. An accomplished speaker, Colm was active from the 1950s in various business organisations and was drawn into a select circle of entrepreneurs and civil servants who laid the intellectual groundwork for the renewal of the depressed national economy.

Barnes bemoaned the inadequacies of Irish industry: adversarial labour relations, autocratic and inflexible company leadership, insufficient investment in capital

development, lack of on-the-job training, and ignorance of the disciplines of product design and marketing. He was to the fore among those who held that Irish industry was complacent, proprietor-dominated, small-scale and geared towards servicing a captive home market at a time when there was a worldwide drift towards free trade and larger, more complex business corporations run by professional managers. This made Ireland's backwardness in the emerging science of business management all the more serious. In 1952 he was one of a group of businessmen who helped found the Irish Management Institute (IMI), later serving as chair of its consultative board (1963–70); he became a life fellow in 1973. The IMI aimed to remedy the pervasive anti-intellectualism of the Irish business scene. In contrast to the philistinism of most of his peers, Barnes read widely, attended the theatre regularly and, having a particular passion for art, collected the work of Irish artists; from 1955 Glen Abbey sponsored a competition to promote young artists.

He practised at Glen Abbey what he preached at business seminars and conferences. The company consistently re-invested profits into capital development and successfully cultivated harmonious labour relations despite the repetitive, tedious and poorly paid nature of work on the factory floor. It helped that the clothing industry was largely non-unionised (there was an acceptance that the sector required cheap labour) and that the Glen Abbey workforce was 70 per cent female (generally, women were regarded as less militant). Employees were bussed to Tallaght; benefited from a canteen service and relatively salubrious factory floor conditions in an industry with a Dickensian reputation; and were encouraged to participate in bonus and sick-benefit schemes, and to attend outside training courses.

As it became clear that the government intended opening up the Irish economy, Glen Abbey undertook the development of an export trade. Expansion was furthered by state grants, generous loan terms from government agencies and the technical assistance scheme of the Department of Industry and Commerce. Investment in plant and equipment and in management consultants (most notably New York clothes trade specialists costing \$1,000 per week) produced a doubling of sales and profits during 1959–63 and the emergence of export markets in the UK (where relations were established with a number of chain stores) and to a lesser extent in the US and continental Europe. Initially only men's knitwear was exported, customs duties levied by foreign governments precluding underwear exports.

Free trade era: expansion and challenges From 1963 Glen Abbey began a second period of growth, and to expedite this became a publicly quoted company on the Irish stock exchange in 1964 (also becoming a limited company). The interest in Glen Abbey's floatation was such that the share issue was subscribed twenty-eight times over; far more could have been raised than the £200,000 sum and so, partly as a result, Glen Abbey held a rights issue in 1965, yielding £275,000. Following the 1964 floatation Colm Barnes acted as company chairman and as joint managing

director with Rory. He stepped down as chairman during 1973–5 in favour of Rory, though he subsequently resumed the post.

Acquisitions of the Bradmola Mills hosiery business (1964) and of the Dublin Hosiery Company (1968) left Glen Abbey with a workforce of 1,100 and four major divisions (each organised around a subsidiary company), comprising underwear (including socks and slumberwear), tights, men's knitwear and lingerie. As such, it was one of only 25 private industrial companies within the state to employ over 1,000 people in 1968 and the largest employer within the clothing sector. Colm's publicity skills embellished Glen Abbey's reputation as a dynamic and progressive company, eagerly confronting and overcoming the challenges posed by free trade. Moreover, the company's exports performed impressively, benefiting from the Anglo–Irish Free Trade Agreement (1965), which permitted a grace period up to 1970 whereby Irish goods could enjoy relatively free access to the UK while British goods entering Ireland were subjected to stringent tariffs.

That the provisions of the free trade agreement were particularly advantageous for the Irish clothing industry may owe something to Barnes's friendship with the taoiseach, Seán Lemass (qv), a relationship dating back to Lemass's period as minister for industry and commerce. Determined to dismantle protectionism, Lemass needed the support of a leading representative of the clothing sector (which was a significant employer in Ireland and dependent on import tariffs). He saw Barnes as a kindred spirit and as a role model for Irish businessmen. In the 1950s and 1960s, Barnes cooperated closely with Lemass and his successors in the Department of Industry and Commerce, including Jack Lynch (qv), Patrick Hillery (1923–2008) and George Colley (qv), acting as a conduit between prominent Fianna Fáil politicians and the press.

His political connections facilitated his election as president of the Federation of Irish Industry for 1961 and his appointment (July 1961) to the Committee of Industrial Organisation. In both capacities he sought to prepare Irish industry for the country's seemingly imminent entry into the EEC. Publicly he expressed confidence in Irish industry's capacity to withstand foreign competition but privately he was appalled when Lemass warned him that indigenous enterprises would have to adjust immediately to drastic cuts in import tariffs. In the event negotiations for EEC membership failed in January 1963.

The government maintained its drive to reform Irish industry and so too did Barnes, serving as chairman of the Institute for Industrial Research and Standards (1960–66) – where he presided over an expansion of its activities – and of the state export board Coras Trachtála (1967–76) (where his promotion of trade between Ireland and Italy led to his being awarded the Italian order of merit in 1977). He served on the National Industrial Economic Council, which issued policy recommendations and comprised representatives of government, employers and unions, and on the board of Gaeltarra Éireann, the state body that promoted industry within the Gaeltacht

region. Complementing his directorships of state bodies were his appointments to the boards of several private companies including Freedex Ltd, Dairy Lee Ltd, Cement Roadstone Ltd, Fiat (Ireland) Ltd, and Northern Bank (as well as a number of its subsidiaries).

During the late 1960s, under Barnes's chairmanship Glen Abbey's rapid growth caused problems as the company experienced liquidity shortages and struggled to integrate new acquisitions and to cope with a larger, more cumbersome administrative apparatus. Expansion also diluted Glen Abbey's focus on its men's knitwear ranges, making it reliant on the volatile and price-driven tights and underwear markets, which accounted for some 66 per cent of sales by the 1970s. These problems were surmountable given Glen Abbey's strategy of seeking the economies of scale required to compete with British and Continental concerns. More problematically, the smallness of the domestic Irish market obliged Glen Abbey to manufacture a wide variety of clothing ranges in short production runs, leaving it exposed to competition from foreign firms, which by operating in larger markets could produce individual items in greater bulk and thereby achieve lower production costs. Furthermore, some 66 per cent of Glen Abbey's output went into retail chains and was sold under a different label, which stunted brand development and discouraged innovations in marketing and design. Nonetheless, allowing for a protected domestic base, this business model produced steady returns.

Decline: competition and recession The Barnes approach to the business was, however, undone by the penetration of the Irish market by British imports (from 1970) and by Continental and Far Eastern imports following entry into the EEC in 1973. While Barnes accepted that ideally Irish clothing manufacturers should focus on niche up-market products, where the advantages enjoyed by Far Eastern firms were negated, he would not countenance the associated risks. Averse to cutting the umbilical cord binding Glen Abbey to the retail chains (which preferred variety and economy over quality), he also recognised that the disruptions and almost certain strike action incumbent on such a radical overhaul might prove fatal and would be inimical to his belief in pragmatic but socially responsible capitalism. During the 1970s Glen Abbey continued to post profits, but margins were wafer-thin and insufficient given the heavy burden of capital investment required in clothes manufacturing. Much to Barnes's distress, Glen Abbey was regarded as an efficiently run but dull company with poor growth prospects. It held a number of valuable factory properties, which combined with a low share price (relative to its net asset price) to make the company vulnerable to a takeover by asset strippers. This threat had receded by 1981, by which time the Barnes family and their allies held some 47 per cent of Glen Abbey shares.

Barnes spent the 1970s bemoaning various governments' inept stewardship of the economy and becoming disenchanted with the neo-corporatist system that he had formerly embraced (mainly because it was not delivering the promised coordination of government, capital and labour). He objected to the concession

of generous wage agreements and he blamed the steep prices charged by state agencies (telecommunications, transport, electricity and heating), for fuelling inflation and destroying the competitiveness of Irish industry. Furthermore he argued that the bloated semi-state sector was competing unfairly with private enterprise and that the thrust of the state's tax and grant policies benefited capital intensive, export-focused industries while punishing labour intensive, domestic-focused enterprises such as the clothes trade. (In later years he admitted that Ireland's traditional manufacturing base was unsalvageable and that the state was justified in developing high-tech industries unlikely to be undercut by cheap third world labour.)

Following their appointment of Patrick Pierce as chief executive in 1973, the Barnes brothers sought to withdraw from the daily running of Glen Abbey. This accorded with Colm's controversial view that business leaders older than 55 should relinquish their executive functions and adopt an advisory role; he believed that his generation, having experience only of a protected economy, was ill-equipped to cope in a free trade environment. In practice, Glen Abbey's ongoing difficulties required the brothers' involvement, particularly after the clothing sector was dragged down by the onset of an intense and prolonged recession in Ireland from 1980. Employment fell from some 1,000 employees to 740 and in 1983 Glen Abbey recorded its first ever loss. Having no appetite for this struggle so late in their lives, in 1982 the Barnes brothers encouraged the managing directors of the four Glen Abbey companies to buy them out. But with no sufficient offer coming from this quarter, in autumn 1983 the Barnes family and affiliated shareholders sold the bulk of their interest in Glen Abbey (and with it effective control of the company) to the business lecturer and stock market speculator John Teeling; Colm and Rory Barnes resigned immediately from the board. After unsuccessfully attempting to restore the company's fortunes, Teeling sold the Glen Abbey businesses during 1985–6, while retaining most of the properties. Although the end was unedifying, the Barnes brothers had fought a long rearguard action on their employees' behalf and were surely entitled in the last resort to shift for themselves.

Retirement: politics and philanthropies In retirement Barnes was involved in the establishment in 1985 of the Boardroom Centre, founded to help companies find suitable candidates for their boards. He left Fianna Fáil, appearing in 1987 as a delegate for the Dublin South constituency at the annual conference of the recently formed and free-market-oriented Progressive Democrats (PD) party. This breach can in part be attributed to his connections with the Lynch–Colley wing of Fianna Fáil, which formed the nucleus of the PDs. More fundamentally it reflected his dismay at Fianna Fáil's reluctance to repudiate explicitly both state-directed capitalism and unreconstructed Irish nationalism.

Despite (or perhaps because of) his family background, he held conspicuously moderate views on Northern Ireland. He had supported the Anglo–Irish Free Trade Agreement and entry into the EEC partly as a means of building bridges with the North, and the outbreak of the Troubles in 1969 confirmed him in his conviction

that the root problem was not the British presence in Northern Ireland (though he admitted that the British army's heavy-handedness had worsened matters) but the persistence of communal hostility at a mainly working-class level between catholic nationalists and protestant unionists, which he ascribed to social deprivation. In the 1970s, he was fundraiser in Dublin for the SDLP and promoted reconciliation through his work in the School of Ecumenics and in the Glencree Reconciliation Centre. This complemented his liberal catholicism, informed by the second Vatican council (1962–5). In retirement he was active in the Samaritans, having earlier worked on behalf of the Irish Cancer Society.

Aside from art appreciation, his main hobby was fishing, and he conducted frequent fishing excursions to Waterville, Co. Kerry, where he owned a holiday home. He lived in Dublin, first in Terenure and then from the later 1970s in Sandyford. On 3 August 1940, he married Beatrice Behan (1904–89), daughter of Maurice Behan, a soldier in the Irish army. Following her death, he married Pat Thompson. In his final years he suffered from Parkinson's disease and he died at his home in Sandyford on 3 October 2003, and was buried in Templeogue cemetery. With his first wife he had a son (who predeceased him) and two daughters. His brother Joseph (b. 1914) was a renowned doctor and worked at the Mater hospital before lecturing in international health and tropical medicine in the RCSI; he also worked for many years in west Africa treating lepers and participated in humanitarian relief projects in Africa, India and Lebanon.

Inspired by his mentor Seán Lemass's vision of the businessman as the new champion of national advancement, Barnes sought to reconcile hard-nosed entrepreneurialism with the ideals of public service. That the tension between these two impulses was resolved in favour of the latter is borne out by his willingness to accept, promote and ultimately fall victim to the cause of free trade. While this reflected a pragmatic acceptance of both his political associates' wishes and global economic trends, it also reflected a realisation that a better balance needed to be achieved between national sovereignty (political and economic) and national prosperity if the Irish independence project was to endure.

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