

Moore, Joe

by Terry Clavin

Moore, Joe (1908–89), businessman, was born in Mountrath, Co. Laois, on 16 November 1908, the son of Edward Moore, farmer, of Mountrath, and his wife Elizabeth (née Dunne). Bad eyesight precluded him from playing his favourite sport of hurling, so he organised teams instead. Attending the Patrician College, Ballyfinn, Co. Laois, he then graduated from St Patrick's teacher training college in Drumcondra, Dublin, before teaching for five years in a national school in Glenealy, Co. Wicklow, where he met Anne Anderson. They married in 1936 and had three sons.

Joining the civil service as a pensions officer in 1935, he earned a reputation for militancy as secretary, treasurer and president of the Civil Service Clerical Association, having previously been a branch officer of the INTO. Following spells in Swinford, Co. Mayo, and in Strokestown, Co. Roscommon, he became the local social welfare officer in New Ross, Co. Wexford. He also held administrative positions in the GAA and served in the army reserve during the Emergency (1939–45).

In November 1951 he joined the New Ross branch of the fledgling Private Motorists Protection Association (PMPA), which upheld the interests of financially exploited Irish motorists. Moore was elected to the national executive in May 1952, before being made trustee (July), honorary secretary (October) and honorary treasurer (March 1953). As disillusionment, infighting and pressure of work precipitated mass resignations, he single-handedly preserved PMPA in the mid-to-late 1950s and formally became chairman in August 1958. Although his high-profile campaigning on motorists' behalf met with limited success, PMPA's 5,000-strong membership provided a platform for his attendant entrepreneurial initiatives.

Challenging a cartel of British motor insurers and their cosseted Irish brokers, his first attempt in 1956 to establish an insurance company by raising money from PMPA members failed. In 1958 he formed the Private Motorists Provident Society (PMPS), initially to provide a car-damage scheme, then to exploit the lax regulation of provident societies by in 1961 morphing PMPS into a quasi-bank, which advanced loans for car purchases. That year he retired from the civil service on a generous pension to revive his insurance scheme as PMPA's salaried general manager. He later moved to Dublin, where he lived in Stillorgan.

Alarmed by the collapse of a cut-price motor insurer in Britain, in 1964 the Irish government raised the deposit for new insurance companies from £15,000 to £100,000 and subsequently increased working-capital requirements. Moore doggedly overcame all obstacles, gaining public sympathy. In summer 1967 the

government grudgingly awarded PMPA an insurance licence, despite PMPS providing much of the financing either directly, or indirectly by lending to company directors. Moore created an overlapping ownership structure between PMPA, PMPA Insurance and PMPS that vested control of the insurance company in him and a board composed of his family and cronies.

Weathering its vulnerable start-up phase, PMPA Insurance experienced exponential growth, as Moore dropped his initial selectiveness and insured all comers, especially otherwise neglected young and old drivers. He advertised lower premiums and generous no-claims bonuses and waived a rating system that penalised owners of popular models. Although successful in reducing costs by bypassing brokers and dealing directly with customers, Moore's associated strategy of legally contesting every doubtful claim merely deferred, while substantially increasing, payments.

Developing thirty-two branches, PMPA was insuring over 60 per cent of private Irish motorists by 1975, and its share of motor insurance premium income peaked at 40 per cent in 1980. Competitors reacted to Moore's undercutting by withdrawing from an inherently loss-making motor insurance sector beset by frequent accidents, populist price controls, crippling legal costs, excessive jury awards, and trifling fines for uninsured motorists. Indeed, his under-priced premiums perpetuated this dysfunction by allowing politicians to avoid implementing contentious reforms, particularly regarding road safety. Technically insolvent from its inception, PMPA survived because motor insurers received their premiums upfront while paying out over approximately five years; thus, as long as Moore kept attracting new customers, he could meet claims arising from earlier years out of current income.

Moore used his cash hoard to accumulate over £130 million in assets, including conventional investments in government bonds, equities and property, but also involving the acquisition and founding of assorted enterprises. At its peak the PMPA Group employed 2,600 workers (1,600 in insurance) and owned a chain of thirty-three garages (encompassing a motor distribution agency), a drapery, several car parks, companies selling farm machinery and office equipment, an oil distributor, a print works, local newspapers, a national newspaper, a bus company, and stakes in various Irish oil exploration vehicles.

His investment policy departed from accepted practice in entailing the active management of trading subsidiaries and in aiming to create employment and ensure that Irish premiums were not invested abroad. An unreconstructed nationalist, Moore devotedly attended the Ivy Day commemorations of Charles Stewart Parnell (qv) and, fearing assassination by loyalist paramilitaries, insisted on stringent security procedures in his headquarters at Wolfe Tone Street, Dublin. Coming late to prominence, he was out of his time and set too much store in appeals to patriotism when devising his commercial strategies.

Aside from overexposing his fund to the Irish economy, and particularly to the premium-linked motor trade, he sank more into property than was prudent for short-term insurance while investing in old premises in unappealing Dublin locales incapable of delivering an adequate return. In initiating vehicle checks, PMPA's garages mothballed many unsafe vehicles, but failed to stem rising repair costs and bled cash. The purchase in 1980 of the *Sunday Journal* newspaper reflected Moore's journalistic predilections as editor of PMPA's newsletter (1952–75). Pitched as a serious tabloid, the misconceived *Sunday Journal* folded ruinously in 1982.

Moore's investments attracted bad publicity, especially PMPA's involvement with the London–Irish Bank and its dubious coterie of international financiers, but the losses were trivial relative to those in the main underwriting business. Unlike his competitors, Moore could not turn to more remunerative branches of insurance, and his attempts to buy into general insurance by taking over the New Ireland Assurance Company in 1975 and Church and General in 1982 were vigorously repelled. After wrangling a general insurance licence in 1976, he made little headway, as PMPA's marketing methods, particularly its dispensing with brokers, were ineffective in less price-driven markets.

Moore instilled a strong sales ethos in PMPA, but there was a lack of reinforcing financial controls because he was wary of hiring suitably qualified managers. Gruff and irritable, he purged dissenters, excepting his investment manager, Hugh Sheridan, who mediated usefully with a financial establishment that shunned Moore for his unkempt appearance, rustic manner and populist entrepreneurship. The rank and file were well paid and received discounted premiums and low-interest loans from PMPS for cars and homes, but Moore's authoritarianism and preference for flexible work practices provoked some damaging strikes in the early 1980s.

Pressed by ever-rising claims, Moore benefited from the ongoing growth in car ownership and displayed a flair for creative cash-flow management, albeit often by further weakening PMPA's underlying finances. An alarming wobble was overcome in 1976 by allowing policyholders to pay in instalments by borrowing from PMPS, which remained critical to his financial juggling as a credit reserve and as underwriter and broker of PMPA's serial share issues. Holding a large, fluctuating volume of PMPA stock, PMPS took a lucrative margin in trading shares at inflated prices to its depositors and to PMPA policyholders enticed by discounted premiums. PMPS also advanced loans for such purchases and for buying cars from PMPA dealerships. In 1978 PMPA joined the unlisted stock exchange, which was sufficiently unregulated to permit Moore's continued share-price manipulation.

Moore borrowed from PMPS to acquire and maintain his minority shareholding, using the dividends to service the debt. The lavishly remunerated PMPA directors participated in rights issues at discounted prices, and when PMPA increased its majority stake in the McCairns Group in 1982, Moore sold 45,000 shares to PMPA at 60 pence a share, 10 pence higher than that year's highest previous

quote. Amid rumours of a personal fortune stashed offshore, he departed from his accustomed frugality by moving in 1978 to a larger residence in Foxrock, Co. Dublin, and acquiring perks such as a chauffeur-driven Rolls Royce (though he continued drinking the notoriously cheap Blue Nun wine).

In reporting healthy profits, PMPA wildly underestimated its future claims, causing disagreement in 1979 when Moore, bidding to float PMPA on the listed stock exchange, hired Ireland's pre-eminent accounting firm, Stokes Kennedy Crowley (SKC). Within months, he sacked SKC as the insurance company's auditor, reverting to the less prestigious Oliver Freaney and Co. Although financial journalists highlighted PMPA's manifestly inadequate claims estimates, regulators were wary of Moore, knowing that politicians appreciated his provision of cheap premiums to drivers wrongly convinced that insurers were otherwise creaming excessive profits.

Reflecting Moore's political predispositions, PMPA donated liberally to Fianna Fáil, directed its copious legal work towards Fianna Fáil barristers, and disproportionately employed party activists. He fervently admired Charles Haughey (qv), from 1979 the Fianna Fáil leader and sometime taoiseach, guaranteeing him relatively favourable coverage in the *Sunday Journal*. The Fianna Fáil TD and barrister David Andrews suffered for his internal opposition to Haughey by the loss of PMPA briefs comprising the bulk of his legal income.

Haughey, however, failed to restrain Des O'Malley, who as minister for industry and commerce (1977–81, 1982) viewed Moore suspiciously. In 1978 O'Malley enacted legislation giving provident societies five years either to close or become proper banks, which would preclude PMPS from propping up PMPA. PMPS continued to take deposits, as Moore unsuccessfully challenged the legislation in the courts while taking over and rapidly developing the Ireland Benefit Building Society. The increasingly assertive regulators prevented PMPA from drawing unduly upon Ireland Benefit's cash and in 1982 forced Moore to sell PMPA's 97 per cent shareholding in Commercial Banking, a small bank that thrived by facilitating wealthy tax evaders.

Meanwhile, car sales peaked in 1978, and from 1980 an intense recession took its toll on PMPA's income and investments, forcing Moore to increase his premiums sharply. PMPA lost 25 per cent of its customers during 1981–3, as rival insurers offered discount schemes and more drivers went without insurance. With claims incurred by uninsured drivers falling mainly on PMPA – insurers paid proportionate to their market share – Moore anticipated subsequent legislation by insisting that all policyholders display an insurance disk on their windscreens.

Hearing that Moore was trying to sell PMPA, in May 1982 O'Malley authorised consultants to examine its books. Until the threat of government legal action forced Moore's cooperation, the consultants encountered delay and intimidation, and their eventual report exposed PMPA as hopelessly insolvent and approaching collapse, which threatened the entire industry since its rivals would be obliged to bear claims

arising from over 300,000 uninsured drivers. On 19 October 1983, the government rushed legislation through the oireachtas installing an administrator to operate the semi-nationalised PMPA. Shocked that the previously ineffectual authorities had devised a legally watertight mechanism for his removal, Moore submitted meekly and was dismissed in November 1983.

Equivalent to 2 per cent of GNP, PMPA's £230 million deficiency required the imposition until 1993 of a levy on all non-life insurance premiums, while PMPS collapsed, owing £9.4 million to 5,600 depositors, which was not fully repaid until 2005. Following PMPA's enforced departure from the unlisted exchange in autumn 1982, PMPS had aggressively pushed soon-to-be-worthless stock on policyholders, and sympathy for Moore evaporated when it emerged that he had cleared a £334,000 loan from PMPS by selling it one million PMPA shares as the emergency legislation was passed. In November 1988, the high court voided this transaction, ordering Moore to repay the £400,000 plus £250,000 in interest.

Moore delayed PMPA's sale into foreign ownership by initiating a constitutional challenge, which was discontinued by his heirs following his death on 20 June 1989 in a nursing home in Blackrock, Co. Dublin, and burial nearby in Dean's Grange cemetery. He left a net estate worth £262,596.

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GRO (birth, marriage certs.); Private Motorists Protection (PMPA), Feb. 1978–Nov. 1983, file (NAI, 2013/100/620); Request for advice on legal powers available to the minister to require cooperation by PMPA (1982) (NAI, 2012/21/85); PMPA versus attorney general: administration proceedings, 1983 (NAI, 2013/16/803); *Ir. Times*, *passim*; *Ir. Independent*, *passim*; *Ir. Press*, *passim*; *Sunday Independent*, *passim*; *Business and Finance*, 19 Sept. 1969; 24 Apr. 1970; 21 Sept. 1972; 1 Feb. 1973; 3 July, 9 Oct. 1975; 12 Feb., 11 Mar., 15 Apr. 1976; 17 Feb. 1977; 2 Mar. 1978; 4 Dec. 1980; 29 Jan. 1981; 15 July, 14 Oct. 1982; 20, 27 Oct., 3, 10 Nov. 1983; 18 Oct. 1984; 27 June, 10 Oct. 1985; 1 Dec. 1988; *Hibernia*, 26 Apr. 1974; 19 Sept. 1975; 19 Nov. 1976; 16 Sept. 1977; 20, 27 Jan. 1978; 5 July, 20 Sept., 8, 22 Nov. 1979; 4 Sept., 16 Oct. 1980; Private Motorists Protection Association, *25 years of progress* (1976); *Irish Business* (Sept. 1977; Oct. 1981; July/Aug., Oct., Nov. 1982; Feb., Nov. 1983; Jan., June 1985); *Sunday Tribune*, 2 Nov. 1980; 4 Apr., 23 May 1982; 24 Apr., 24 May, 24 July, 23 Oct. 1983; *Success*, 17 June, Sept. 1982; Dec. 1983; Mar., June 1984; Aug. 1985; *Aspect*, 29 July 1982; *Phoenix*, 16 Sept. 1983; *Sunday Press*, 23 Oct. 1983; 21 Oct. 1984; Patrick Honohan, 'Two notes about Ponzi schemes', UCD Centre for Economic Research Working Paper Series, no. 53 (Oct. 1987); Garret FitzGerald, *All in a life: an autobiography* (1991), 605; Simon Carswell, *Something rotten: Irish banking scandals* (2006); David Andrews, *Kingstown republican: a memoir* (2007), 77, 94–6; Des O'Malley, *Conduct unbecoming: a memoir* (2014)

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