



February 21, 2013

AAPA Workshop

Responding to Unfavorable Legislation, Political Decisions, Public Criticism and Media Coverage

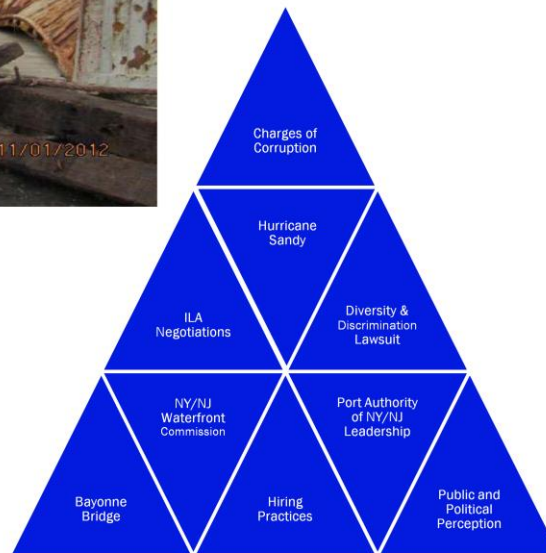
PRESENTED BY NEW YORK SHIPPING ASSOCIATION



Good afternoon, it is a pleasure to be here to present on behalf of the New York Shipping Association.

More challenges than anyone really needs

PICK A CRISIS — ANY CRISIS!!!!



During a time frame when the Port of New York and New Jersey was faced with any number of challenges such as:

Charges of Corruption by the Waterfront Commission of NY Harbor of management and the ILA –

Stories in the news every opportunity to perpetuate the “On the Waterfront” connection

State of NY decided to sue us saying our workforce wasn’t diverse enough – and our hiring procedures were prejudicial

The Port Authority leadership decided to jump on the bandwagon on both topics

Public and political perception was getting a little shaky because we were getting slapped around pretty good in the public forum

And what else could possibly feed into the already challenging environment but the renegotiation of the Master Contract and Local Bargaining Agreement

So on any given day it was like pick a crisis any crisis!!!!

So what do we do?

Negotiating a new regional contract for NY/NJ

- The Port industry and ILA have cooperated since 1977, resulting in nine new agreements without a single strike or coast-wide work stoppage
- Historic growth period for the Port of New York and New Jersey
- Continued growth with Panama Canal expansion, the Bayonne Bridge project and investments in the terminals
- New master contract impacts over 14,500 employees on the East and Gulf Coasts; local contract impacts 3,250 employees in NY/NJ



Negotiations of the master contract coincides with the local bargaining agreement in NY. A lot of the issues are common –

Because of all the other external pressures NYSA hired the same PR firm as USMX – Edelman.

There is a lot at stake including 14,500 jobs on the east and gulf coasts

Just a little background for you –

As I'm sure you know, we've had relative labor peace in the Port of New York and New Jersey for over 35 years

This has allowed for a remarkable period of growth – with Port activity increasing year over year - on which the Port Authority of New York and New Jersey and the individual terminal operators have capitalized on the growth by committing to a combined \$6 Billion commitment in infrastructure improvements including raising the Bayonne Bridge roadway

Lessons learned

- Have a sense of the environment and understand the parameters of the situation
- Have a disciplined messaging framework for dealing with the crisis
- Rather than focus on the issue alone, look for ways to broaden the message
- Share resources for better alignment; collaboration and open dialogue are critical
- Have a crisis plan in place
- Have a contingency plan
- Amplify messaging through social media
- Leverage advocates



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So – in this process of starting from scratch – we began a classic “communications” process with our senior management team and the team put together by Edelman.

We had the combined benefit of the Edelman Representative working with the United States maritime alliance out of Washington, DC – and then the team from Edelman’s NY Office together – working to help us address our key issues (as outlined in the pyramid) and to help us stay organized and aligned with USMX’s message

Lessons learned ----

Have a sense of the environment and understand the parameters of the situation

Anticipate what potentially you could be up against – arm yourself accordingly

Have a messaging strategy backed up by proof points and talking points

Best case scenario vs. worst possible outcome



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The environment was charged – there had been a lot of shots over the bow – if you will by the ILA leadership – at various events that sort of amped the atmosphere surrounding negotiations

No local negotiations were going to take place until there was some movement on the master contract

Having put together what we thought was a very straightforward and workable communications/governmental relations plan – we quickly discovered that anything said in the press become fodder at the negotiations table

Because of the critical and very uneasy environment port customers began to grumble and business was in jeopardy – that was a bad thing

Have a disciplined messaging framework for dealing with crises

Prepare talking points on all of the topics you anticipate being of issue

Media training or at least practice sessions in preparation for media interest

Know the key message points and make sure you stick with them – no matter what



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NYSA had committed to pursue a positive dialogue with the ILA in the negotiations process.

We consistently talked about the need for collaboration and making the necessary changes to ensure the continued viability and growth of the Port of New York and New Jersey.

We brought all of the possible “spokespersons” and those that are out in the day to day world (our governmental affairs consultants and my colleague Jim Cobb) together for a day long media training and practice sessions to prepare them with our key message points – and how to stay on message no matter what

Rather than focus on the issue alone, look for ways to broaden the message

What else can you use to bring interest and lay a foundation for positive stories about the Port – general in nature but informative – pro-active story telling

NY/NJ Port drives the region's economic growth

Christmas in July: The Port processes goods for the holiday

Expansion and modernization gives Ports a competitive edge

Be prepared for questions about negotiations with a suggested script which is adhered to closely



No matter what else was going on every opportunity we had to speak to the press we stuck with our talking points that weren't just focused on the contract negotiations but also aimed to show the critical economic driver role the Port plays in the region –

Brought a couple of off-beat reporters to the port from major publications like the NY Times and gave them an up close and personal education about the port....which resulted in very enlightened and informed, positive stories

Share resources for better alignment; collaboration and open dialogue are critical

Determine who needs to know

Make sure everyone on the “team” knows the same thing – even those who potentially could be asked but aren’t on the team per se – so share the strategy and the talking points

No surprises – no “off the cuff remarks”



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As we worked to maintain consistency with the USMX – while working our own talking points specific to the Port of New York and New Jersey, we shared resources – like statements, talking points and fact sheets, to ensure that always the messages aligned –

We made sure that not only those involved directly in the negotiations were on the same page – but anyone who might be approached so there were never any surprise comments – or “off the cuff” remarks that come back to bite you

Having the same PR firm as the USMX and the teams working hand in hand created a layer of support and alignment that we have used and increasingly depended on

Have a crisis or contingency plan in place

What if Plan A doesn't work? Don't be caught without a Plan B

No matter what, maintain consistency on all issues – externally and internally

Make sure spokespersons are all on the same page



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We developed plans that helped us prepare for the potential various outcomes possible throughout contract negotiations – and again those were shared with all NYSA players involved.

We had contingency plans of action for those scenarios – including responsibilities and actions to be taken – what needed to be prepared – for instance if there was going to be a strike – who would contact that Washington DC representatives – and make sure the staffers all knew the very same thing – same with the Governor's offices – etc....

Who was going to get the talking points to the NYSA Board of Directors to make sure everyone was equipped with the same information including potential questions and answers

Using a pre-approved “playbook” in a crisis prevents last minute scrambling – mistakes – frenzy – and worse – the wrong word said to a reporter

Not to belabor this issue – but this became very important as the negotiations stalled, short term extensions came and went, the Federal Mediator Service became involved and there was an increased sensitivity to the process. Then came the media blackout – and our back-up plan became critical.

USMX developed a dedicated website to share history and updated information as well as fact sheets which helped to clarify issues. NYSA capitalized on this resource.

Amplify messaging through social media

Look for new ways to develop relationships and expand the audience

Determine what's right for us and appropriate in the world of social media/internet

Nurture the use of already existing Twitter account



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NYSA continued to tell the important message of the ports regional benefits, staying focused on the collaborative message that management and the union had a common goal – of port viability and competitiveness.

We used these nuanced messages and began to amplify our message through the use of Twitter – we already had that account so we used it to encourage the visibility of positive news stories and comment on negative ones. It was a strategic way to get our message out to the public even if it wasn't included in the article.

We began to follow individuals, reporters and executives from member organizations to engage in conversation with the community by tweeting directly at other users, but not to engage in a social media “war” with opponents – which we had seen happen in instances on Facebook....we chose not to use Facebook in any way.



Here is a snapshot of our @NYSANEWS Twitter page....

Leverage advocates

Port Stakeholders – influential groups and individuals

Elected Officials – all with diverse perspectives

Two States – New York and New Jersey

One HUGE City - NYC

Washington, DC



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Identifying our friends and port advocates was part of the process and we knew at some point we would need to leverage those relationships.

The more difficult challenge was the elected officials in our region – due to the fact we are essentially governed by two states – one very large City that thinks it is a state unto itself – and the federal government...each with their own unique and diverse perspective, constituency and agenda.

Keeping them informed and on the same page was a critical component of the process. Especially when they were being told information by others that wasn't always accurate or was at best skewed. Politicians are always asked to give their opinions – and readily do so – consequently it was disastrous when someone of that import was speculating or opining inaccurately –

The other important thing to keep in mind is that these are the very same people who legislate rules and regulations which impact our day to day business. Things they were critical of like our antiquated hiring system – need to be addressed in the negotiations process – the proper forum for the industry to rethink certain aspects of how business is conducted (which has tarnished our credibility in the eyes of our political leaders) will be within the framework of current collective bargaining discussions on a new labor contract. And we need to go back to these same people for their support and assistance in the future. So with all negotiations the shadow of the future has to be considered in our communications plan.

Final thoughts

PR AND GR CONNECTION



Life – Liberty and the Pursuit of a well coordinated and open communications plan

No two issues are alike

You have to trust one another's expertise and function as a team.



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Life – Liberty and the Pursuit of a well coordinated and open communications plan that can facilitate good government relations as well as inform and facilitate good public relations as well.

No two issues are alike – so an open and honest relationship with full exchange between you and your colleague makes a very significant impact.

You have to trust one another's expertise and function as a team.

Our lessons learned continue to be worked as we move through the local bargaining agreement negotiations.

I wish you all the very best in your own ports contract negotiations.

Thank you.

Thank You