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Activists target Fleet boardroom

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The headlines about her bank's impending merger didn't faze her. When her checking account was transferred to Fleet Bank, she didn't mind. It was only when her new bank began to raise her account fees that former BankBoston customer Mary Martin, 46, started to get angry.

"They're not giving me anything," the Jamaica Plain secretary said yesterday, as she made plans to join a citywide protest against Fleet. "They're taking my money. I'm going to write a check and *pay* for it?"

In an era of multistate mergers and bank consolidation, such resentment is bubbling across the country. And in Boston, community organizers are trying to take full advantage.



GLOBE STAFF PHOTO / PAT GREENHOUSE

Protesters preparing to send a message about fees to bank shareholders today in Boston.

When Fleet shareholders meet at the World Trade Center today for the company's annual meeting, the Neighborhood Assistance Corp. of America, a community activist group, will lead demonstrators to the boardroom and the streets, protesting bank policies and railing against Fleet executives.

The focus of their ire: a check-
FLEET, Page B6

Activists to protest Fleet customer fees

■ FLEET

Continued from Page A1

ing account for low monthly balances, which would chiefly affect its lower-income customers. The account allows 10 free transactions, then charges customers \$1 each time they write a check, use a debit card, or visit a Fleet ATM.

Their battle cry: Fleet should drop a couple of letters from its name and call itself "Fee Bank."

Fleet leaders say the protest is misleading and unfair. James Mahoney, the bank's director of corporate affairs, said Fleet's fee structure hasn't changed since last year's merger with BankBoston.

The higher fees should affect only a fraction of Fleet's new customers acquired in the merger with BankBoston, Mahoney said. And the checking account the protesters are complaining about, he added, was approved last year by a community advisory group.

But while leaders of both sides quibble over facts and figures, many protesters seem more driven by gut feelings and emotions.

To them, ever-larger banks mean more corporate profits and less customer service. And their anger springs from personal experience — seeing fees grow on their monthly statements or talking to indifferent tellers.

"Fleet needs competition to care!" one customer wrote on a



Volunteers placed pictures of Fleet Bank CEO Terrence Murray on protest placards at their Jamaica Plain headquarters yesterday.

questionnaire the neighborhood assistance group sent to Fleet customers. "Tellers don't smile, are not friendly and gracious like as was the case previously . . . Friends have left Fleet. We are considering doing so!"

At the organization's Jamaica Plain headquarters yesterday, the smell of permanent-ink markers filled the air as staff and volunteers scrawled slogans on posterboard and glued pictures of Fleet CEO Terrence Murray to their protest placards. Maps tacked on a wall pinpointed the locations of Fleet branches, the planned sites of vehicle-led demonstrations today.

The neighborhood assistance group and its predecessor, the Union Neighborhood Assistance Corporation, have used assertive tactics against Fleet since the early 1990s, when they accused the bank of predatory lending practices.

In those days, demonstrators traveled to Washington to protest and testify at federal hearings on Fleet's lending practices, and they pestered Murray at his home, at social outings, and at annual shareholders' meetings.

"We cut our teeth on Fleet for 4½ years," said Bruce Marks, chief

executive officer of NACA.

In 1994, the two parties struck a truce. NACA promised not to file any regulatory complaints against Fleet, and the bank pledged millions in mortgages to low- and moderate-income homebuyers.

Mahoney, who is familiar with NACA's bulldog approach, said he believes that today's protest is timed to coincide with negotiations between the group and the bank for a new low-income mortgage lending program.

"It's an effort to generate media attention to put pressure on the bank," he said.

Marks, however, said NACA is negotiating with other lenders, too, and won't back away from a fight over fees.

Mahoney also accused protest leaders of misrepresenting the size of the postmerger Fleet. Once it finishes selling many of its branches to Sovereign Bank, he said, Fleet will control about 25 percent of the Massachusetts banking market.

But Marks says Fleet's market share is still large enough to lead to some disturbing trends. If Fleet sets fees higher than its competitors, Marks says, other banks

might be inclined to follow suit.

In fact, Marks and other protest leaders say, their rallying cries today echo many of the concerns they voiced last year, when Fleet-BankBoston merger talks were underway.

At the time, bank leaders touted the union and said customers would get a broader range of services. While bank officials didn't promise that fees would stay the same, they maintained that the merger would not significantly affect the bank's fee structure.

But merger opponents, including some politicians, among them state Senator Dianne Wilkerson and Treasurer Shannon O'Brien, said they feared that a merger would mean less competition, and a greater chance that Fleet customers would end up paying more.

"This is really a confirmation of our worst fears about the merger," said John O'Connor, who heads a Cambridge business incubator and chairs the Committee for Responsible Banking.

Marks said it is the postmerger reality, not the premerger threat, that will draw protesters today.

"People are only beginning to realize what it is now," he said.

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