
Clearly, pub companies are in business to make money themselves and any negotiations with potential "partners", as they are now referred to, will be robust and challenging. The question of the "tie" is part of this negotiation process and, from our own experience, was a matter that we jointly debated in establishing a maintainable rent that would be supplemented by the wholesale margin that the tie generated for our Landlord. Ultimately the decision was ours; the extent of the tie being finalised to best suit our business model and of course the option of not formalizing our agreement was always open, as it is to any lessee or tenant. It is always tempting to think of pubs as an institution rather than a business. Individuals always have the option of investing their energies in other directions if they are not happy with the terms they are ultimately offered by their Landlord. Indeed they can take the bold step of buying a free from tie freehold property if and when they are able or inclined to do so.

The removal or increased restriction of the tie would simply take away a vital negotiation tool and leave a rather black and white rent negotiation that, in our opinion, would lead to more failed businesses and certainly reduced opportunities for companies, such as ourselves, who rely on the on-going investment that pub companies make in supporting their "partners".

Yours faithfully,

Adrian Bawdon
Project Director