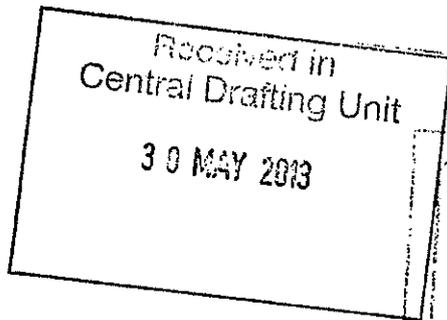


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one



29 MAY 2013

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Rt Hon Dr Vince Cable
Secretary of State for Business
Innovation and Skills,
Dept for Business, Innovation and Skills,
1 Victoria Street,
London SW1H 0ET

23 May, 2013

Dear Dr Cable

Re: Government Consultation Pub Companies and Tenants April 2013

I wish to bring to your attention the thoughts of my company and my own thoughts with regards to the above consultation. Plus One is a small marketing company and have been trading successfully for nearly 19 years, 18 of which have been actively working in the licensed trade predominantly with leased and tenanted pub companies including Punch Taverns, Enterprise Inns and Spirit Leased Company; drink suppliers such as Pernod Ricard, Diageo, Molson Coors and InBev along with independent brewers such as Daniel Thwaites, Dartmoor Brewery and North Cotswold Brewery.

We have seen many changes within the industry in this time and we handle pub company marketing communications and support to their pubs along with on the ground work with pubs looking to attract and develop more business from their local areas. We have a deep understanding of the industry and the issues and pressures that both pub companies and pubs experience along with a huge amount of experience and passion for the industry and therefore feel we are well placed to comment on this issue.

In the early years Punch Taverns offered support to pubs in various ways including relaunches on capex developments however over the last 10 years the level of support has increased markedly with top quality advice, training and support provided in a multitude of ways. Some of this support has been provided free of charge and some at very low cost and at all times this support has been provided to help pubs become more successful. They have also worked hard on getting their lessees the very best deals in the market place for regular purchases such as utilities and consumables.

Over the years we have dealt directly with many lessees to help them promote and develop their businesses and it has been very evident that without the, sometimes extensive, support of their pub company they would not have achieved a sustainable business. They often don't have the huge number of different skills to run their businesses effectively and Punch Taverns offer these valuable resources either directly from themselves or by introducing industry professionals to the pubs to help them develop these skills.

Punch Taverns offer a very high level of support to help their lessees achieve high quality standards which in turn help their businesses survive. They have done this through advice, support, training, mystery visits and also the funding of quality initiatives such as Cask Marque. I am confident in saying from my experience in working within the industry that had Punch Taverns not constantly strived to help and fund their lessees in improving quality standards that many of these businesses would have simply failed.

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Our work with Punch Taverns, and other leased companies is a very important and growing part of our business. It has allowed us to invest in our business, create sustainable employment and provide business for a large number of third party suppliers.

Having worked closely with many lessees over the years it has become very apparent that had they not had the option of running their own business via a pub company such as Punch Taverns they would never have entered the industry and made a living from doing so. This route to market has suited many small business owners over the years and through prudent business practice and high standards have become successful entrepreneurs in their own right. However there are a number of business owners I have met who have been very quick to point their fingers at the pub companies and complain about the high rents and expensive beer costs when really they should have been taking a long hard look at themselves and their own business acumen to put their house in order first.

I am very concerned that should there be further legislative change the possible long term consequences must be fully thought through. The changes that Punch Taverns and the other pub companies have already made over the last five to ten years offer a far fairer trading platform for budding pub owners to run their own business and I fear that the burden and cost of any additional legislative change could reduce the support they provide, potentially increase costs and create further unemployment.

In order for the UK Pub and Brewing Industry to thrive it is important that the pub company route is available and not be over burdened with legislative measures and the added cost implications that often arise as a result. I understand that the government does need to assess these issues from time to time but it is my belief that things are already moving towards equilibrium and a poor strong arm legislative decision taken will upset this and again throw us open to the damage caused by unforeseen consequences. In fact it could damage businesses such as ours as well as the many lessees and employees of the pub companies.

I sincerely hope that you will take my views into consideration and if you require any further comments or clarification from myself please don't hesitate to contact me.

Yours sincerely

Adrian Court
Partner

Cc Rt Hon Dr Vince Cable, Giles Wilkes, Jo Swinson MP, The Rt Hon Michael Fallon MP, James Wild, Jane Hartshorne, Brandon Lewis MP, The Rt Hon Kenneth Clarke QC MP, Kathryn Laing, Rupert Harrison, Tim Luke, Lorely Burt, Punch Taverns