

From:
Sent: 15 June 2013 00:31
To: Enquiry Enquiry (Other Government Departments)
Subject: Fwd: The Beer tie and Pub Co business model.

Dear Mr Holloway,

With the current level of focus on the pub trade, I would like to address some of the rhetoric and ill-conceived ideas circulating in the press, and seemingly propagated by some of your fellow MP's. I am currently employed by the country's leading pub company, with responsibility for leased & tenanted businesses in . During my career I have enjoyed experiencing the Licensed Trade from most perspectives, including Regional Management of a geographic area of independently owned businesses, Wholesaling to the trade and running my own pub.

I believe this experience equips me to voice my frustration at the current level of misleading statements being made within the political forum, and my concern that decisions are being considered about the future of the pub business based on erroneous detail. Rather than list endless statistics, or refer to data that has been over used to support biased lobbyists, I would like to point out what may sound the obvious, but is none the less factual and clear to see. The number of pub failures in recent years has been alarming, distressing for the individual publicans and their families and I believe a huge loss to communities affected. The lazy, and I feel irresponsible response to these closures is to blame the Pub Co landlords, when in fact, there are a plethora of reasons that are directly or indirectly responsible for these business failures. Consideration must be given to the smoking ban, the huge increases in the cost of utilities, years of duty increases, irresponsible 'loss leader' pricing by the Supermarket chains and unprecedented increases in legislation and costs of licensing, all of which may be an uncomfortable truth for some of the Parliamentarians who are more vocal about the pub companies.

Rarely has any reference been made to the levels of support given by the large leased and tenanted pub landlords, including: financial expertise and planning with Partner accountants, professional training from recognised industry leading specialists, substantial capital expenditure to help publicans achieve their business objectives, regular business reviews at a frequency tailored to suit the individual publicans, together with transparent rent reviews (upward AND

downward) based on a recognised set of parameters. These measures are possible, due in no small part to the tied model, which has been the subject of so much negativity by some of your colleagues. My own employer, Enterprise Inns, have recently completed a programme of Trade Shows throughout the country, while on a local level, have supported publicans through licensing activities with local councils and Police authorities. Both ends of the spectrum in terms of supportive activity, but equally demonstrative of the commitment to helping our tenants and lessee's achieve success. Our code of practice now offers unprecedented protection, to both the publican and, in many cases to the landlord company. Further intervention is not only unnecessary, but would be cumbersome and a further burden on an already over regulated sector.

It should go without saying that it is in everyone's interest that our pubs are successful. The cost to our business is huge each time a pub fails, while the cost to the individual publican, and their family, can be damaging far beyond financial hardship. With a willing and proactive publican, every support possible is offered, from temporary rent and trade subsidy, to permanent variations to leases where business has declined. This massive effort receives no recognition from certain members of parliament, who seem to take a 'crusading' approach to attacking the larger Pub Co's.

I would be delighted to discuss this with you in more detail, but as a constituent I at least ask that you give this your attention, with a view to bringing a more balanced and transparent view, rather than the inaccurate detail being placed before the BIS committee.

Yours faithfully,