

24<sup>th</sup> May 2013

Pubs Consultation  
Consumer and Competition Policy  
Department for Business, Innovation and Skills  
3<sup>rd</sup> Floor, Orchard 2  
1 Victoria Street  
Westminster  
SW1H 0ET

### **Response to Pub Consultation**

Dear Sirs

I wish to submit evidence regarding the role of the business development manager (BDM) in the licensed trade sector, specifically in relation to our portrayal in the Pubs Consultation. The Consultation seems to infer that BDMs are unprofessional, immoral and practice misleading licensees due to their access to better information in order to pursue short term goals at the expense of the licensees and proper business development.

I am shocked by this rather biased and misunderstood interpretation of our role in the licensed trade. I have worked in the licensed trade for      years and been a BDM for      years. In order to train for this role I completed the BII Multiple Retail Managers Course. This course focused on our strict adherence to the Code of Practice with emphasis on clarity of communication and honesty in dealings with licensees to promote strong personal ties.

I wish to address the two main areas where I feel the Consultation implies failings in the BDM role.

The first area I believe is relevant is the process by which licensees apply for a public house and the information they are given at this stage. The Consultation infers that BDMs mislead potential licensees with incorrect information and a lack of transparency. All prospective licensees who apply for a public house at ~~Shepherd~~ Neame must discuss all the options that are available in the sector and the relative merits and risks of these options. All applicants must also complete the Pre Entry Awareness Test to prove they have understood the different options available. The information given to prospective licensees is from our own data which is explained fully. Indeed this information is used as a basis for the business and financial plans which are completed in order to ensure the financial model is viable and the licensees have full understanding of the businesses. At no point is information withheld or distorted. It would certainly not be in our interest to promote short term tenancies which inevitably result in poorer profit and instability.

The second area I believe is relevant is the lack of professionalism which is referred to in the Consultation. I approach all dealings with licensees in a professional manner in accordance with our Code of Practice and I know from experience that licensees are very grateful for our support and advice that we give them. We always seek to grow business with a long term objective. We are not without checks and balances as inferred by the Consultation. As well as a robust internal complaints procedure we are also signed up to

both independent arbitrators PIRRS and PICAS which we as a company have not been referred to. What I hope to demonstrate is our commitment to professional standards and the transparent way in which we operate with full recourse for our licensees if they feel we have not acted in a professional manner.

Overall I feel the Consultation fails to take into account the basic aspect of the tie which benefits both the licensees and the brewery. The majority of our income comes from sales of our products, primarily beer, as opposed to rental income. As such as BDMS our primary objective is to grow sales of our product, i.e. grow the business of the licensees. This can only be achieved with a professional manner, honesty and transparent dealings. I completely reject the accusation of short-term dishonest dealings. This methodology would patently result in declining sales and reduce income. The tie brings the licensees and brewery together in shared responsibility, both financially and personally and promotes a strong mutually beneficial relationship.

Yours sincerely