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From:
Sent: 19 June 2013 12:09
To: Pubs Consultation Responses
Subject: FW: BIS Pub Company and Tenant Consultation
Attachments: image001.jpg

From: '
Sent: 13 June 2013 12:40
To: Enquiry Enquiry (Other Government Departments)
Cc: cablev@parliament.uk;
Subject: BIS Pub Company and Tenant Consultation

Dear Dr Cable,

BIS Pub Company and Tenant Consultation

I am writing in a personal capacity and also as an employee of Enterprise Inns plc to express my concerns regarding the current BIS consultation, the proposed Statutory Code and the way my employer is being portrayed in the media during the last few days before consultation closes on the 14th June. The rhetoric in the media, particularly from some of your own MPs appears to be very personal and made behind the shield of parliamentary privilege. I would hope that this does not have a bearing on the outcome of this important process.

I have worked at Enterprise Inns Plc since [redacted] and have seen the way that the business has adapted to the needs of its publicans through these difficult economic times. You will have seen the Company's evidence that highlights that its income has dropped significantly in recent years as the Company offers rent reductions, monthly payment terms and increased beer discounts to our publicans to enable them to compete and survive in this market. If only the same positive stance was being taken by all commercial property landlords, then perhaps our High Street would be in much better shape.

Our publicans are at the heart of our business and it is not in our interest to see them fail. I worked at Innentrepreneur during the 1990s recession as a graduate and experienced the lack of support provided to publicans in those times when forfeiture and repossessions were commonplace. At Enterprise we work hard to find a solution with our publicans – closure is a last resort.

The impact of this recession on the retail market at large cannot be ignored. Industry commentators have stated that there are too many pubs in the UK which do not meet the need of the consumers. The recession has hastened the failure of these marginal businesses as the consumer's drinking habits change. Other external factors have also played their part in the high level of pub closures; including the implementation of the smoking ban, the deferment of the business rates revaluation and the lack of intervention against artificially low alcohol prices in the supermarkets.

Enterprise has adopted the voluntary Industry Framework Code within its code of practice and set in place an effective disputes and rent review procedure through PiCAS and PIRRS alike. I believe that the voluntary code is working and forms the correct basis for the industry to regulate itself in the future. If anything, I do not believe that the industry has been given long enough to prove that the Industry Framework Code is working.

Talk of Government intervention either into the Code or the commercial terms of trade between a Company and its tenants is a real concern. The financial markets are extremely fragile at the moment and I consider that such intervention, particularly in relation to a tied trading agreement model, could be highly damaging to the pub sector and the business market at large.

The markets need stability and consistency to encourage investment and growth, not uncertainty and doubt.

I trust you will take my comments into consideration during your review of the consultation.

Yours sincerely,

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