

Thursday 13 June 2013

MP -

Dear Mr

I write to you not only as a constituent, but also as an employee of Enterprise Inns where I have worked as a for the last years. I consider myself as a professional in what I do and I am passionate about our Great British Institution of the 'Pub'.

It is for this reason I feel compelled to write to you on this matter.

You may be aware that for years the leased and tenanted model has been the subject of numerous enquiries resulting in the model being seen as perfectly acceptable - granted with some change and recommendations.

I would like if I may take a few minutes of your time to illustrate just exactly the benefits of having a pub and the ill thought consequences of the BISS proposals:

. The leased and tenanted model is a fantastic way of offering a low cost entry into running your own pub.

. For many years I have supported some fantastic publicans taking on the challenge of becoming very successful in their own business and at the same time supported struggling business operations that have had to deal with the economic down turn, increased red tape and changing customer lifestyles.

. You will be aware of the public sector threats and private sector redundancies in our constituency and running a pub. A self-employed publican has the perfect opportunity to enjoy a good living while supporting the local community. Hard work yes, but this is the nature of our industry.

If the BISS proposals were successful, I believe they would:

. Completely ignore OFT reports published in 2009 and 2010, which

concluded that competition in the industry is benefiting consumers and prevents the beer tie from being used to inflate pub beer prices beyond competitive levels.

. Its proposals are contrary to government policy on deregulation and a complete u- turn from statements made by BIS just twelve months ago.

. It proposes a very simplistic and unworkable rental calculation formula which may well not comply with RICS guidance and includes the establishment of an adjudicator to hear disputes, adding a further layer of cost and red tape to the industry.

. The Voluntary Industry Framework Code, embodied into our Code of Practice, is working well and provides an effective rent review procedure (PIRRS) and complaints process (Picas).

. If endorsed, their proposals could lead to a whole raft of unintended consequences, such as pub and brewery closures, lack of investment, reduction in consumer choice, job losses, a fall in tax revenues and potentially the end of a great system which offers a low-cost, lower risk business opportunity for aspiring publicans, fully supported by our skills and resources. There would be no stimulus for the Pub Companies to support and invest.

As a ; , I have worked hard to support Publicans in the I and more recently in . I can now see signs of recovery indeed confidence returning to our Publican's business in these difficult times. The industry has faced the perfect storm in the form of the smoking ban which has been followed by recession, cheap alcohol prices in supermarkets, changing social trends and four wet summers in a row, and with the Treasury tax rise by 19% in four years to £1 in every £3 taken across the bar.

Our income per pub has fallen significantly and as an organization we have offered rent reductions and increased discounts to help and assist our Publicans. I am more than happy to discuss these cases on an individual bases.

The level of support that the leased and tenanted industry provides for its publicans would, I believe effectively be removed in the BISS proposals. Since 2010, Enterprise Inns

have invested millions in support of the pub Estate on a local and national level There is no doubt that in the BISS proposals this level of support and commitment would not have occurred as there is no rational reason or indeed evidence for free trade to spend capital defensively with no return.

I would be grateful if you would consider my thoughts and hope that this is taken into consideration from someone who deals at the sharp end of helping, defending and encouraging the pub business to grow through challenging economic times. If you would like to visit any of my Publicans to observe our commitment first hand, please let me know and I would be delighted to show you round.

Many Thanks for taking the time to read this letter..

Yours sincerely

Enterprise Inns Plc