

14th June 2013

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

Dear Dr Cable,

Re: PUB COMPANIES AND TENANTS: A GOVERNMENT CONSULTATION

I must complain about the government's key objective in this consultation as it is fundamentally flawed, "...tied tenants are no worse off than free-of-tie tenants", I am also concerned on the documents inaccuracies and bias.

In the same way the consultation is ignoring the managed pub companies due to the difference in structure and business risk, the tied tenant model is also very different to the free-of-tie model.

The cost structure and business risk are too different to evaluate how "worse off" or "better off" either model is in compared to one another. Private sector business function on a variety of market forces and business risk to determine profit, the tied tenant model has less business risk and offers low costs of entry into the market.

The leased and tenanted pub model is a fantastic opportunity with low barriers to entry for running your own pub. The support offered by the pub companies works in synergy with their tenants to run their own business with lower fixed costs than freehold pubs albeit with some higher variable costs, a lower risk business in high risk economy is a very attractive business.

For years the leased and tenanted model has been the subject of numerous enquiries and investigations resulting in the model being seen as perfectly acceptable. I am gravely concerned that the current Government Consultation is unable to solicit a balanced view.

I work for Enterprise Inns PLC and have seen much productivity wasted on dealing with government enquiries, and as tax payer disappointed of such mismanaged government time and resource. I truly believe the consultation is totally unfounded and dangerously misleading.

Please can you advise by return what actions you will take to ensure that both pub tenants and pub companies are treated fairly in the current government consultation and the key objective is addressed appropriately?

Regards