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From: (CCP) on behalf of Pubs Consultation Responses
Sent: 19 June 2013 16:08
To: Pubs Consultation Responses
Subject: FW: Government Consultation Pub Companies and Tenants April 2013

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From:
Sent: 07 June 2013 14:41
To: Enquiry Enquiry (Other Government Departments)
Cc:
Subject: Government Consultation Pub Companies and Tenants April 2013

FAO Hon Dr Vincent Cable MP
Secretary of State
department for Business, Innovation and Skills
House of Commons
London
SW1 0AA

Dear Dr Cable

I have been involved in the licensed trade since a teenager and was born to publicans so understand the industry better than most. I have been in my leased Punch pub for over six years and have just taken a second which used to be run as a tied brewery tenancy by my parents back in the eighties.

The tied lease model is not for everybody but if you enter into it with your eyes open and make full use of the opportunities your pub presents then you can make a successful business. The biggest advantages for me have been a relatively low cost of entry together with the capital investment that Punch are prepared to put in when presented with a sound business case. Having had a free of tie lease I can say that whilst the former still holds true the latter is not part of the deal and severely hampers developing the full potential of the business.

I can imagine that my latest venture with Punch would not have happened if the pub was free of tie as there would have been little incentive for any owner. The pub my parents ran would have closed doors years ago in a changing marketplace as consumers become evermore demanding. But with my business plan and the ideas of Punch and its contractors we have created a fantastic pub with a rooftop terrace and coastal views that only my parents would have enjoyed from their bedroom window. The size of the investment would not have been forthcoming from the banks so Punch's role was crucial in transforming the pubs fortunes.

05/12/2013

We now employ 8 staff and will take on more as summer and the tourist season gets into full swing.

Every tied landlord in the country would like to pay less for their beer but at what cost? The unintended consequences could be worse than those created by the original beer orders. It is a complex issue and a strange relationship between Pubco and tenant when looking from the outside in but the tied lease works when embraced with a determination to succeed by both parties.

Yours sincerely

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