

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

June, 2013

Re: Select Committee Consultation Document.

I am a small pub operator, who recently changed tack and took a tenancy (. 2013) with Shepherd Neame brewery, in .
 The decision to take a tenancy rather than a lease or freehold as I have done in the past was based on the following criteria.

Over the last 10 years or so a steady decline in the pub business has brought about a lot of pub closures as the press happily report. Those that have survived have had very little money spent on them during this time, and I can say including my own, this result's in major expenditure when purchasing a fully repairing and insuring lease or a freehold property, over and above the ingoing costs, with repairs that should have been routine maintenance. So to this end we decided a Tenancy would be preferable in today's climate.

I have been involved in the pub trade since 1980, having been a manager, a leaseholder and partner in freeholds etc.. The larger pub co's do have bad press for high rents, and difficult ties, however this only re-enforced my decision to go with a small family brewer, in this case Shepherd Neame.

Shepherd Neame promised me:-

1. Britain's Oldest UK Brewer with a small but select estate compared to Pub co's
2. A Large Supply of quality Product
3. Quality of relationship between tenant & BDM
4. Easy but thorough vetting process on both sides, before taking tenancy
5. A low financial outlay, but fair rent fixed for a 3yr renewable periods.
6. Major building repairs and structural integrity taken care of
7. Easy exit strategy should we require, not committed to a long lease
8. Family Brewer with good access to not only key management but also the directors of the company, should the need arise to discuss issues higher up the ladder.
9. Customer service & Technical service.
10. Field training for both tenants's and Staff alike at competitive rates.

Whilst there is a need to rein in the larger Pub co's, I do feel the example set by Shepherd Neame to be very transparent in their tenancy processes, should be maintained.

In February 2013, we invested in the , and have since spent considerable money in refurbishing the interior complete with new furniture, and have now started on the exterior of the pub. The result, a considerable increase in trade both wet and dry, happy staff environment and good solid customer base where it had dwindled in the past few years.

Shepherd Neame have supported us with cellar work, training for staff, equipment and knowledge.

We were given the trade tie and price list well in advance so were able to make a financial forecast based on actual figures, costs were a little difficult to ascertain, but where the brewery knew them, they freely gave them, good or bad.

With smaller independent breweries springing up all the time, a local guest beer is difficult to obtain in the tie, I appreciate. However Shepherd Neame did offer us a local independent recently which we took up and sold quickly. Thus they are showing that they are looking to the future.

The Tenancy structure is currently a good format and I feel needs little or no re-working, the Tie is always going to be a cause for concern, but then without it a higher ingoing cost or rental would be required, which in my opinion would reduce the diverse amount of people who currently take this option of entering the trade.

Shepherd Neame have taken an active interest in my business and we are currently discussing products which maybe beneficial to both of us. So this only re-enforces my belief that the company are pro active in the market place and not stalwarts sticking to company policy set some time ago.

I therefore feel the Statutory Code that is being investigated would further harm the relationship I currently enjoy with my brewery. Better would be to seek out individual Pub co's and breweries who are not transparent or who rigidly enforce rules that are harming to businesses. One general code cannot do this in my opinion.

I trust my thoughts are of interest to the committee, and am happy to discuss my opinions further.

Yours sincerely,