

22 May 2013

Government Consultation Pub Companies and Tenants April 2013

To Mr /

Regarding the article on the pubco beer tie issue, I would like to put my opinion across as a Punch Taverns Partner.

I took out a ten year lease with Punch Taverns 13 months ago and for me the experience has been very positive. I would never have been able to afford a free house so for me the only option was to take out a lease. Yes the beer is more expensive than you can purchase on the open market but Punch has worked with me to develop my business as a thriving sports bar, very much wet lead and I am paying the lowest possible tariff for my tied products whilst keeping the rent at a manageable level. In my experience it is some of the periphery companies that we are bound to use like Sky that should be targeted to reduce their costs in support of keeping pubs alive.

Six months after I moved in Punch invested a huge sum of money and gave the pub a complete refurbishment which I would not have been able to afford if this had been a free house. The refurbishment has boosted sales and kept my very loyal, regular customers extremely happy. Some of the more challenging aspects of the business are the constant competition from the supermarkets; we cannot compete with their prices; the business rates that are ever increasing and the beer duty escalator that still costs the publican more although the public understanding is that the price of beer has been reduced. A clearer message to the public may save publicans several precious hours trying to justify the price increase that we need to levy in order to keep a business afloat.

A reduction on VAT for products that only pubs and clubs can purchase would help.

I think it's time to back off the PubCos and start looking more inwardly at how the Government might be able to save the good old local community pub!