

6 June, 2013

Rt Hon Vince Cable MP  
2A Lion Road  
Twickenham  
Middlesex TW1 4JQ

Re: Government Consultation Pub Companies and Tenants April 2013

Dear Vince,

I am Owner/Director of [redacted]. We operate leases at three Enterprise Inns, one Punch Tavern and one Spirit Group site. All five pubs are located in [redacted]

[redacted] s and use this additional income to breathe life back into otherwise failing businesses.

We employ circa 60 staff across our five sites.

My comments below are based on my experience working with all three Pub Companies over the last six years.

**The positives of working with Pub Companies**

- The relatively low ingoing costs allowed me to start my business and to grow to five sites within five years, which would have been almost impossible otherwise.
- Access to investment from Pub Companies has really helped to improve my business at times when cash flow would not have supported such projects. They also have the experience to deliver projects within very short deadlines.
- Pub Companies provide very strong support through their network of Business Development Managers. This includes training, POS and marketing support, advice and recommendations on new products etc.
- Financial support by way of flexible payment terms (switching from monthly to weekly payments for example) have been beneficial to help get through some difficult financial times.

### **Negatives of working with Pub Companies**

- Pub Companies can be slow to respond to new trends in the market, making it hard for us to be entirely current as a result. In particular, we feel they have been slow with catching on to the craft beer phenomenon that is taking off in London.
- There is a significant variation in the types of leases they have offered me over five years. I have some sites where it is far tougher to make a profit on drinks sales than others. This is due to varying levels of discount they have offered. In one site I make such poor GP on my wet sales that without our other income, the site would undoubtedly fail.

While I have many more points I could include to either list, I feel that these are the most important and relevant to this consultation.

I would be happy to elaborate further if required.

Yours sincerely,