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From:
Sent: 11 June 2013 10:23
To: Pubs Consultation Responses
Cc:
Subject: RE: BIS - deadline 14th JUNE

Hi,

Here is my submission.

I have been trading with Pub Companies for many years and made a successful business as a multiple operator of their tenancies.

Whilst the model is not perfect it allows good operators a low cost entry to the business, and scope to run pubs at a profit.

The tie, in my view is a red herring. If the tie didn't exist, the rents for pubs would be much higher (probably over double in most cases) as rents are subsidised from the tie.

Not only this, but much bigger deposits would be charged, making the barriers to entry all the higher.

For instance, we have an Enterprise tenancy that we pay £2 kpa rent a year for, that makes us £2~kpa profit.

Of course, the wholesale margin on this site makes up a good profit margin for Enterprise, but removing the tie would switch that margin to rent, probably resulting in a £50k rent.

The deposit (25%) would then be £12500 rather than the £5,500 we paid, resulting in £7000 being tied up for the term of the tenancy.

We find the Pub Companies fine to work with and quite transparent in their dealings. We always know and understand the terms of the agreements prior to entering tenancies.

We also get support from the Regional Managers that would not otherwise exist in a pure Property Company/Market Rent model. We have regular reviews where the RM will provide "another set of eyes" on the pub and can suggest improvements we can consider.

If pubs sometimes do not do as well as expected, they are always willing to listen and generally can offer some kind of help to get the business back on track.

As I say, we have made a good business working with Enterprise and the other Pub Cos. Sometimes they are an easy target for poor or inexperienced operators to blame their troubles on.

I feel if you are a professional operator who conducts themselves in a proper manner, the relationship with Pub Cos is generally good. They have a duty to make a profit as well as the tenants, and understanding this relationship is key to success.

Many thanks

02/12/2013

From:
Sent: 07 June 2013 12:58
To:
Subject: BIS - deadline 14th JUNE

Hi

This is the Link to send an E-mail too- pubs.consultation@bis.gsi.gov.uk – If you could send an e-mail for your view that would be good, please forward a copy onto me as well if you don't mind..

Background

As you will all be aware, the Consultation Process launched by Vince Cable, Secretary of State for Business, Innovation and Skills (BIS) on the Government's proposals for statutory intervention into the relationship between landlords and tenants **closes on 14th June.**

While it is my firmly held view that the consultation is flawed and misleading, I know that we, along with all pub companies in the UK, are preparing a comprehensive response to the consultation and will be backing up our views with hard evidence.

I do not believe that the Consultation process, as currently constructed, is likely to draw a balanced response from a truly representative selection of contributors, and as you might expect, certain individuals and campaign groups are going to extraordinary lengths in an attempt to ensure that critics of our business model participate enthusiastically in this consultation

What to do

As a very experienced multiple, could you write a statement in your view as an experienced and successful multiple operator, what are your positive experiences over the years with Enterprise inns and the Pubco model, where perhaps Enterprise have stepped in when times were against your business; or offered good strong business opportunities to a growing company. Have we helped in other ways that have made your own businesses be successful. Perhaps reflection on the wider impacts of the pub industry, government tax rises, the smoking ban, supermarket pricing that is damaging the pub industry not more reform of a good business model? Even perhaps your view on code of practice, and the way rent reviews take into consideration PIRRS, which are all changes that pubcos are leading and help publicans-

These examples are all really important for the BIS to know about in this consultation. Again that e-mail is pubs.consultation@bis.gsi.gov.uk

Please don't just forward this e-mail on though /our views are your own!

Kind Regards

