

To: Rt Hon Dr Vince Cable,  
Secretary of State for Business, Innovation & Skills.

Dear Sir

I rarely feel the need to write to any government representative on issues, however with all the recent publicity regarding the government's consultation on pub companies and the relationship between them and their tenants I feel as though I must express my view.

Having been in the licensed trade for 20 years and more recently been a multi-site tenant and operating some 12 pubs throughout I can say with all honesty that as far as my relationship with Punch Pubs is concerned, I strongly feel their business model is fair and gives all parties a chance to earn a decent living.

We have recently re-opened a pub in [redacted] following a week refurbishment with Punch investing £250,000 in the property. There is absolutely no chance of myself or our company being able to go to our bank and get a mortgage for a property of this size, let alone then being able to raise the kind of monies needed to refurbish the site to the high quality that has been achieved. We are now trading a pub with an estimated annual turnover of £500,000.

This has been done on the strength of an investment from us of only £25,000. We have jointly entered a 5 year tenancy agreement, which has a 6 month notice period clause in it, which we can choose to action, should the business not be sustainable for us.

Yes, we are tied for all our wet products. However aside from the Beer products, all the other products are competitively priced considering they are delivered to our sites. We could buy cheaper from the local supermarkets who blatantly sell alcohol as a loss leader, however I feel this is one of the main reasons our industry is struggling in some parts.

Not only have Punch invested in their property, and this could be seen as just that, they offer us ongoing support, training and marketing expertise. I can agree that this has not always been the case in the past, however over the past 5 years I have witnessed a major change in the way Punch carry out their business and the relationship with us tenants.

We are extremely satisfied with our agreement with Punch and on the strength of this are now going to do a similar refurbishment on another run down property with Punch. This will be creating some 25 jobs in an area of [redacted]

There are people within our industry that believe this business model is flawed, however I strongly disagree with them and don't believe they are seeing the full picture. This is a low cost way to get into an enjoyable trade and really bring some communities back together.

I sincerely hope this letter has found the right person and the contents have been read. I strongly do believe that Punch Pubs are a fair and transparent company, and their business model is right for both parties.

Regards