

11 JUN 2013

595

Rt Hon Dr Vince Cable MP
Secretary of State
Department for Business, Innovation and Skills
House of Commons
London
SW1A 0AA

28 May 2013

Dear Dr Cable

Government Consultation Pub Companies and Tenants April 2013

Having had several public houses over many years some leased and others freehold, We feel we have experienced both sides of the fence regarding the beer tie. Although it is true that the beer tie has an effect on the profitability of the business, we feel other aspects of the tie need to be taken into account to get the overall effect into prospective. For instance the rent being charged, the volume of the tied product and the Support package that goes with that tie.

The type of lease that comes with the tie is usually used as an entrance to the trade i.e. If the prospective licensee doesn't have the funds for a free house. In this case that operator should take into account the interest paid on a mortgage.

I feel there is a place for the beer tie to continue but it needs to be regulated strictly

As there are some good pubs co's but many more that are unscrupulous.

On a personal note we are happy with the agreement that we have with Punch and feel

The support package we have outweighs the cost of the tie

Yours sincerely

Licensees