

From:
Sent: 24 June 2013 16:09
To: Pubs Consultation Responses
Subject: FW: Government consultation Pub companies and Tennants April 2013

The Department for Business, Innovation and Skills (BIS) is making a difference by supporting sustained growth and higher skills across the economy. BIS: working together for growth

-----Original Message-----

From:
Sent: 29 May 2013 09:59
To:
Subject: Government consultation Pub companies and Tennants April 2013

Rt Hon Vince Cable,
 Secretary of state for business, innovation and skills, Dept for business, innovation and skills

>
 > Dear Mr Cable
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 > I'm writing to you to give my opinion on the upcoming discussions re pubcos and the beertie.
 >
 > To quickly tell you my background I run a small pub company in [redacted] which houses [redacted] pubs, all of which are leased or on tenancies with pubcos such as Punch Taverns, Enterprise Inns and Spirit. I have been in the licenced trade for over [redacted] and I am familiar with all aspects of running a successful pub operation.
 >
 > It would appear that the pubco/tenant relationship has already been written off as unfair to tenants and in turmoil, I suggest that this is a generalisation from people either not involved in the trade or who have suffered from a poor pubco in the past. My opinion is that if you are working with the right pubcos who employ good area managers/business techniques and you operate within the terms of your particular deal then the relationship can be beneficial to all parties.
 >
 > Having dealt with Punch Taverns for the longest period of time, I would say that my relationship with my area manager is one of honesty and integrity and if I need help, I get help as it serves no purpose to the pubcos for me to suffer financially. One instance in particular came when the smoking ban was introduced (along with the beer tax escalator are the two main items that have damaged my trade and both gvt introduced!) My pub [redacted] in [redacted] town centre suffered a massive downturn in trade. I asked for help and received a rent free period along with a [redacted] that included a smoking shelter enabling me to successfully continue trading. On its five year rent review my rent was decreased in line with the general decline in trade. I can honestly say I would probably not be trading now without the assistance of Punch during that time and probably would have struggled immensely if I was trading freehold.
 >
 > Over the years I have increased the number of pubs I run because of the low initial investment that is required to enter a deal, indeed I do not know many trades that can offer a lucrative financial return to the right operator for such a low entry investment. This possibly has led to some people who have operated pubs in the past who probably shouldn't have, this has led to pubs shutting and poor operators losing their livelihood. The main blame of pubcos in the past has probably been not vetting applicants properly in the first instance which is much more stringent now than it ever been.
 >
 > I firmly believe that with decent publicans in place and a well negotiated deal in the first instance, the pubco/tenant relationship is a very beneficial one. Support is always available and methods are improving all the time, for instance free management and staff training is available, we have a website we can use for free POS, online ordering, health and safety issues, legal queries etc.
 > We also have constant business review meetings with our area manager, which has resulted in three recent refurbishments in our [redacted] Punch pubs, all at preferential rates in order to increase trade. Support is also on hand at the annual roadshows which gives us a lot of insight and innovation into what's new in the pub trade.
 >
 > In summary I would urge you that before the pubco/tenant partnerships are dismissed as already broken, you take the time to speak to people who are successful publicans - who are happy with their pubco and probably wouldn't be in the comfortable financial position they are in without the help of their particular pubco and not just the opinions of doom mongers without any real trade insight.
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