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## ABOUT MYSELF

## LICENSEE

I am an experienced licensee of 30 years. Having been brought up in the trade with my parents who ran managed houses for in the 1970's/1980's. I always worked evenings behind the bar, for my parents and did their reliefs when they went on holiday. I also worked as a full time for a

I went into the licensed trade myself because I had the experience from my parents and also because I knew I could make a success of any pub which I went into. I was brought up "if a job was worth doing, it was worth doing well". I ran the with as a managed house, we were very successful here and won New Licensee of the Year and continued to win many awards and accolades over the years.

When my parents retired, the opportunity arose for us to buy the lease of the . I went ahead with this as it was very successful and my parents were very good at what they did.

I paid a lot of money for my lease I did not enter the pub trade cheaply as the Pub Companies are suggesting (i.e. a cheap way for licensees to run their own business).

I feel, I am stuck here now, earning less than the minimum wage in a pub, I know can do better if I had the chance to source my own beers.

I cannot sell my lease as it is worth nothing, Punch Taverns are giving pub leases away.

This was supposed to be part of my pension when I eventually sold it at retiring age. I am stuck because this is also my home.

## ABOUT MY PUB

(One of the )  
featured in the  
Good Beer Guide .

I lived at the with my parents since I got married  
from here in

We had an old Vanguard Tenanted Lease for 10 years (Tetley Walker look after outside, tenant look after the inside, redecorate every 3 years). We were on the Vanguard Incentive which meant that if we reached our barrelage figures then we would get cash back at the end of the quarter. This way we managed to keep our prices down. We also had £65.00 discount on the barrels.

We were free of tie on Wines, Spirits, Cider and Guest Ales (guest ales we bought direct i.e. Jennings and another guest beer). Tied on Tetleys Bitter, Tetleys Mild, Ind Coope Burton Ale, Lagers and Guinness, and all bottled beers. The had a very good name for its beers and real ales. The split for draught was 80% (draught) the rest wines, spirits and 1% food.

we at the were one  
of the only pubs to have kept with the traditional ales. Which is why they gave us the chance to buy our own guest beers.

If you win accolades for your beers people do not come into the pub and drink spirits or bottles. They sample good ales.

We always had a good relationship with our Area Manager was very fair and knew what the was about. As a Company we found them to be very fair, that is, until Property Companies were formed. I had guest beers because I was always a real ale pub, which required change and I was allowed a guest beer pump. I was able to buy direct from suppliers with my own choice. I knew what my customers wanted.

Today this still stands and my customers want ever changing guest beers from micro-breweries, but Punch Taverns cannot provide these, they do not get the

## ABOUT MY PUB

discount from them. My competition around me are cleaning up on the micro breweries. All I ask for is a chance to be on the same level playing field.

There is a lot of competition around my pub <sup>[WITHHELD]</sup> (Map enclosed) all free houses who purchase different ales from around the country, customers come into my pub look at the guest beers on the board and go back out. If there is nothing different on the board they will not come in.

Punch Taverns directors have been invited to my pub on many occasions to have a look, firstly at the size and secondly to understand my need for ever changing guest beers to grow my own business. Also to show them my customer comments from the box, virtually all the customers ask for choice. i.e. "Lovely pub but choice of ales not great. Would like some micro brewery beers and stouts". Choice is always a concern.

I know I can grow my business with a free choice of beers, I should be allowed to source my own beers. It is the beers that keep the so successful. Unfortunately the Punch Pub Company make all the money from the with their old session beers which they get good discounts on and then charge us 60% higher. I earn less than the minimum wage.

If we were given a fair market rent only, I know I could grow my business and employ extra staff, just allowing the choice.

I believe the Great British Pub is not all about gastro pub dining. Not all gastro pubs are successful, this is more European. The Great British Pub is about the pubs being part of our community which is what they are famous for, i.e. the banter, the jokes the pie and the pint, the outings. It is about making the pub your own and your customers have a nest to come back to and feel you belong to, which is where the community pub stems from.

## REFURBISHMENT – NEW LEGISLATION

and I took over the lease from my parents in                      when they retired.

Allied Domecq (now Punch Taverns) informed us that they would repair the roof and continue with outside repairs and, we as the licensees still held responsibility for the inside repairs.

EHO visit – informed we could not carry hot food down stairs (health & Safety) also toilets would need to be changed to enclose all pipework because they were outside toilets H & S Rules.

Also new fire regulations (legislation changes lots of them). We did not do a lot of food as it was too small with only 8 tables. Food was mainly given away free on the bar.

Tetley Walker and latterly Punch Taverns did not spend any money on the                      from 1983 to 2005 (23 years). They did their first refurbishment in                      because of EHO visit. My parents and I always adhered to the terms of our lease with regard to redecorating inside every 3 years.

In the end we started to paint outside as this was looking very shabby. We carry on decorating inside and outside every 3 years to this day.

My pub was doing OK but I could not afford the dilapidations for new legislation, as this was only a tiny pub.

At that time, the roof was leaking, I was constantly asking them to repair the same, as it was their responsibility, they promised to do it, but never materialised – eventually 8 years into my 10 year lease, they came up with a scheme to refurbish the pub due to EHO Rules. They informed me my rent would go up an extra £     ,000 per year and also I had to pay for F & F, but everything else would basically be the same.

I asked them what would happen if I sold the remainder of the lease, Punch informed me they would not agree to a new party taking a 2 year lease. They said they will just let my lease run out and there would be no refurbishment, as they were not renewing the Vanguard lease. If I did not agree to the new growth lease, then I would walk away with nothing when my lease expired at

## REFURBISHMENT – NEW LEGISLATION

the end of the term which was 2 years remaining. They would not even repair the roof which was their responsibility.

As this was my home I asked what would happen if I could not afford the extra rent as the pub was only tiny, (                      and                      said they would look at it again).

They had a designer draw up some plans, I felt pressurised into this refurbishment because of EHO Rules – they told me if I did not agree to the refurbishment, I could let my lease expire and then walk away. I did not want to do this as this was my home for 20 years and I bought the lease from my parents – I felt bullied and trapped (damned if I do and damned if I don't) but I had my money tied up in the pub so I decided to sign the lease, as at that time they told me the lease was very much the same.

Before the refurbishment I got a quote for the jobs to be done by one of the Customers, this was £50,000 less than Punch Taverns charged. They would not let me use my own builders, they said we had to use their workmen.

I asked if I could sign the same lease i.e. the Vanguard Lease, they said they do not have a Vanguard Lease any more. I have since been advised that they had a duty to allow me to stay and sign the same lease i.e. Landlord & Tenant Act. As I explained above this was not up for discussion and I was told there was no negotiation other than I could let my lease run out and I could leave the pub. I felt bullied into the refurbishment.

## AFTER THE REFURBISHMENT

I had to move out of the pub for 6 weeks in

A lift was installed as per EHO Report - toilets were refurbished (outside before) EHO advice. They fitted a kitchen, as they wanted me to do more food on a bigger scale (with only 8 tables). A fire alarm system was installed.

Phase 3 electrics and a new gas meter were installed. I was on a small domestic meters before so this had to be changed to commercial meters apparently.

On my return I found I had Monitoring equipment in my cellar, new gas and electricity meters. I asked why "monitoring equipment" was installed and they informed me I had to buy all my beers from Punch even my guest beer option and cider option was taken away.

After the refurbishment we lost all wet trade due to food, as people did not want to smell food whilst they had a pint. We then had to abandon evening food.

The first gas, water and electric bills came in and they were nearly triple what we were paying on the previous meters before they changed to commercial.

So we had a scenario

Same take approx. £4,500 per week (my pub was already successful for its size I needed help to adhere to the new Regulations)

Increase in Rent, Gas, Electricity, Water and a bill for F&F.

Refurbishment made no difference – as I told them was already successful with real ale, the only problem was choice and we could not afford the repairs.

I saw this refurbishment as a plan to increase my rent and extract more money from the lessee as the roof was their responsibility and EHO issues were also in their remit to update without the cost hitting the lessee.

When the pub started trading again after the refurbishment I found things were going wrong, the snag lists were never finished, I found bad workmanship, dangerous electrics and gas pipes altered in the cellar to a dangerous level.

## AFTER THE REFURBISHMENT

I informed Punch of this, they fitted a fire alarm but did not do the ceiling to the thickness of the regulations, they fitted Brulines (flow monitoring equipment) and just ripped the ceiling down, they did not fill in the holes again. They added new electrics into the old electricity system which were dangerous, it was only when I got the electrics checked for a safety certificate, these dangers became apparent. They added new pipes to old pipes for the central heating and could not get some of the pipes to heat up so they squeezed some pipes. I was also informed this was very dangerous.

The toilets were not designed very well and I had to replace the toilets again after 12 months because the floor was wet all the time and I thought someone might slip and it was dangerous (Risk Assessment carried out).

I spoke to the workmen on site, one of the workmen told me that they have been told to just do the bare minimum. This obviously happens in every pub. I think this is appalling that they are still getting away with doing this, putting peoples' lives at risk.

I have been fighting ever since.

This refurbishment has cost a lot of money, it is still costing me money to this day.



## LEASE RENEWAL (5 YEARS - 2010)

When my lease was up for renewal, I applied for a reduction in rent as I had extra costs, i.e. Gas, Electricity, Water, higher rent, no guest beers and no discount from the barrelage. I showed them my accounts and said if this carried on then I would go bust. The new Code of Practice was out by this stage and they had to adhere to it.

I felt I was already cheated out of my Vanguard Lease in 2005, (I was covered by the Landlord & Tenant Act) they would not allow me to keep this lease on. They informed me "it was not up for negotiation and if I did not sign the new lease I could let the two years which were left lapse and walk away".

I asked them to fill in a BAM Report (enclosed) which is the normal practice in the event of rent reviews according to their Code of Practice. At first they would not produce the BAM. After quite a few months, they eventually gave me the report, the expenditure figure was nowhere near the right figure, even though they had my accounts and could see the figures.

They came up with a rent reduction (12 months after the renewal period) of £9,000 and no RPI for the first two years. This was the final figure. I asked for this in writing for the RPI also as I did not trust them, in the past they have promised me things which never materialised because it was not in writing.

[A] put this in writing for me.

However when the RPI went up 12 months ago they still charged me RPI, I produced the letter which was given to me by [A], to my amazement they would not take the RPI off until I signed another letter informing me that "they can revoke this at any time". I refused to sign the letter and sent a solicitors letter to them whereupon they stated the letter stood from [A]

## LEASE RENEWAL (5 YEARS - 2010)

. They refused to accept this letter from the solicitors and to this day I am still paying the said RPI (enclosed letter from [A] and Solicitors letter). [BOTH WITHHELD]

I could not progress with this litigation as I could not afford the solicitors fees.

These are very underhanded tactics the Pub Companies use knowing their licensees cannot afford the solicitors costs, and hoping they do not proceed.

I have enclosed other documentation confirming the above.

# WELCOME TO OUR NEW PUNCH BUYING CLUB AGREEMENT



## WHAT IS THE PUNCH BUYING CLUB AGREEMENT?

This is the new lease agreement available from Punch Partnerships from February 2011. This new lease is linked to membership of the Punch Buying Club and offers clear choices in rent and tied beer price discounts combined with market competitive prices and service for all non tied products. It seeks to attract entrepreneurial partners by incentivising growth.

## WHAT'S IN IT FOR ME (THE PARTNER)?

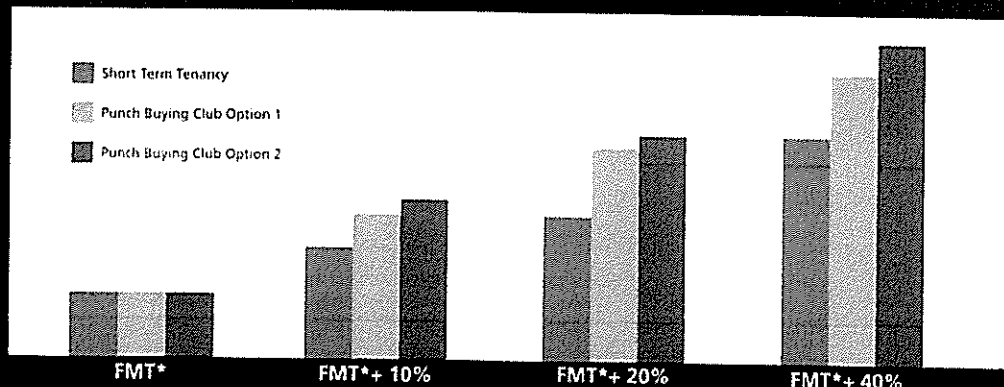
This new agreement allows you to benefit from joining the UK's largest pub group where you can select the level of rent you want to pay linked to the price you pay for tied beer as well as reaping the benefits of our buying scale for all other products.

It is designed to reward you for growing your business by providing extra discount for exceeding the target barrelage that we agree. In addition, there are no rent reviews for the entire term giving you confidence that your rent will only increase with annual inflation.

Finally we want to give you every opportunity to develop and succeed with your business so this new agreement offers:

- Free of tie supply on wines, minerals and spirits
- Free of tie access to local cask ales
- Competitive discounts on World Beers
- A free of tie option on machines

## INDICATIVE PROFIT GROWTH OPPORTUNITY



*With our new  
Punch Buying  
Club agreement,  
as the pub profit  
grows, your  
share of the  
profit increases!*

\* FMT (Fair Maintainable Trade) is the indicative profit generated by a reasonably efficient operator.

## YOUR CHOICES AT A GLANCE

|                                     | Short Term Tenancy                        | Punch Buying Club Option 1                                       | Punch Buying Club Option 2                                       |
|-------------------------------------|---|--|--|
| Length of Term                      | 5 Years                                   | 10 Years+  | 10 Years+  |
| Tied product discount / barrel      | £65†                                      | £100†  | £160†  |
| Volume growth incentive             | None                                      | Additional £60 per barrel** earned for every barrel above target | Additional £20 per barrel** earned for every barrel above target |
| Tied products                       | Ale, Lager, Cider, Soft Drinks & Machines | Ale, Lager & Cider   | Ale, Lager & Cider   |
| FOT Cask ale provision              | None                                      | Direct FOT Access to local Cask Ales***                          | Direct FOT Access to local Cask Ales***                          |
| Additional discounts on world beers | No  | Yes  | Yes  |
| Punch Buying Club                   | Yes                                       | Yes  | Yes  |
| Rent review                         | None                                      | No - unless Partner requests                                     | No - unless Partner requests                                     |
| Inflation provision                 | CPI**** - annually                        | CPI**** - annually   | CPI**** - annually   |
| Flow monitoring                     | Yes                                       | Yes  | No   |
| FOT Machines option                 | No  | Yes  | Yes  |
| Online trading required             | No  | Yes  | Yes  |
| Repair liability                    | Shared                                    | Fully repairing & insuring                                       | Fully repairing & insuring                                       |
| Notice period provision             | 6 months mutual                           | None   | None   |
| Agreement assignable                | No  | Yes  | Yes  |

\*\*1 brl = 36g = 288 pints

\*\*\* Buy one get one free of tie from Progressive Beer Duty Listed brewers

\*\*\*\* CPI = Consumer Price Index which is the Government's current inflationary measure

† Average weighted discount across a basket of 20 of our most popular products

## KEY FEATURES OF THE AGREEMENT

### 1. YOUR CHOICE OF RENT AND TIED BEER PRICES

The rent you agree for your pub is directly linked to the price you pay for your agreed target number of tied beer barrels. You can choose to buy your tied beer at full discounts that are competitive with a free of tie market if you are prepared to pay higher fixed rent. The advantage of leasing a pub with Punch under this new agreement is that you can choose to keep your fixed rent low by agreeing to pay more for your target number of tied beer barrels - the choice is yours. Any barrels you buy above your target are sold to you at full discount through a rebate system in our volume incentive scheme - see below.

### 2. VOLUME GROWTH INCENTIVE

The new lease agreement offers additional discount, paid on a rebate basis, if you out perform your target. We will agree your annual beer volume target at the start of your agreement which will remain in place until either you call for a rent review, or until the end of your agreement. This target is based on what a reasonably efficient operator would normally be expected to purchase from Punch, and sell in the pub. This will form the basis of the rent assessment for the pub. For every barrel you purchase above this target, we will pay you an additional discount (£60 per brl on option 1 & £20 per brl on option 2) which is paid via a one-off payment to your trade account each year. Example:

|                         | Lease agreement option 1    | Lease agreement option 2    |
|-------------------------|-----------------------------|-----------------------------|
| Volume Incentive Target | 200                         | 200                         |
| Actual Performance      | 270                         | 270                         |
| Calculation             | 70 x £60 per additional brl | 70 x £20 per additional brl |
| Additional Payment      | £4,200                      | £1,400                      |

### **3. PUNCH BUYING CLUB MEMBERSHIP - COMPETITIVE PRICING AND UNBEATABLE SERVICE ON ALL OF YOUR NON TIED PRODUCTS**

You are not tied on any other products including wine, spirits and soft drinks. As members of the Punch Buying Club we will compete for your business by offering a one stop online shop at competitive prices delivered direct to your pub.

This will save you time and money offering:

- 24 hour online ordering convenient for placing your order at a time to suit you, right up to the day before delivery day
- Market competitive prices on all non tied products delivered to your door – not just wines, spirits and soft drinks but we plan to offer food, cleaning materials, and ever bigger items like TVs or microwave ovens!
- Access to services such as accountancy and recycling, at market competitive rates

### **4. DIRECT FREE OF TIE ACCESS TO LOCAL CASK ALES**

Punch Buying Club offers a wide range of all the leading brands in cask ale to support pubs who want to specialise in cask ales. The new lease agreement goes a step further, offering access to free of tie local ales on a 'buy one get one free of tie' basis.

If you have two real ale lines, one is tied and those products are bought through Punch. The other is free of tie and can be sourced accordingly (so long as it is part of the Local Brewers List\*\*\*\*\*). If you have three real ale lines, two are tied and one is free. If you have four, two are tied, two are free and so on.\*\*\*\*\*

\*\*\*\*\* The "local brewers list" is a list of brewers who qualify for progressive beer duty

\*\*\*\*\* The products you buy through this free of tie option will not count towards a volume incentive target

### **5. COMPETITIVE PRICING ON WORLD BEERS**

At Punch we recognise that demand for World Beers is growing. If this category is important to your pub business plan we offer the flexibility to include a selection of these beers in your agreed discount basket.

### **6. FREE OF TIE OPTION ON MACHINES**

With other agreements, the machine profit (AWP and SWP Machines) would be shared between you and Punch. This new agreement provides the option to exchange the tie on machines in return for rent, allowing you to be free of tie on your machines and keep all of the profit for yourself.

### **7. NO RENT REVIEW – UNLESS YOU ASK FOR ONE!**

This agreement guarantees no rent review for a 10 year term unless you ask for one (which you can do after 5 years). This gives you the security of knowing that your rent will only go up each year with inflation, as governed by the Government reported CPI index.



# Your Questions Answered

## **Q. HOW IS MY RENT CALCULATED UNDER THIS NEW AGREEMENT?**

A. Rent is calculated following guidelines published by the Royal Institute of Chartered Surveyors. It is based on an estimate of the profit this pub should be capable of producing when run by a reasonably efficient operator. You may believe you can do better or worse than this estimate therefore you must make your own assessment of the potential for the business and you must take independent professional advice to build your own business plan for the pub.

## **Q. WHEN ARE THE ADDITIONAL DISCOUNTS PAID?**

A. Annually, usually around mid-September.

## **Q. WHAT IF I START MY LEASE PART WAY THROUGH A YEAR - WILL I STILL RECEIVE A DISCOUNT?**

A. Punch will pro-rata the target and if you earn your additional discount by exceeding this target, you will receive your payment as normal.

## **Q. WHAT IS PROGRESSIVE BEER DUTY (PBD)?**

A. Progressive Beer Duty is a term used to describe a beer duty system that allows smaller breweries to pay less tax on their products. This is designed to create competition in quality and variety and to support diversity in local economies.

## **Q. WHICH BREWERIES CAN I PURCHASE MY FREE OF TIE PRODUCTS FROM?**

A. Only products from breweries who qualify for PBD can be served through the free of tie line. PBD relief is given to breweries that brew less than 36,000 barrels per annum.

## **Q. WHICH BREWERS QUALIFY FOR PBD, AND WHERE DO I FIND THEM?**

A. There are around 700 breweries that qualify for PBD. There is not yet an official definitive list of these but we have compiled a database of around 400 breweries with contact details, which is held on our online ordering site. If you would like to add a brewer to the list please email [localbrewerrequest@punchtaverns.com](mailto:localbrewerrequest@punchtaverns.com) with your request. If the brewer qualifies for PBD you will receive a confirmation email back and the brewer will be added to the database.

## **Q. CAN I DEAL WITH ANY PBD BREWER?**

A. Yes, provided the local brewer you want to use will deliver to you. If there is a geographic distance between you and the brewer, they may add a premium to the product to cover fuel.

## **Q. ARE THERE ANY HIDDEN COSTS TO THE PARTNER TAKING ADVANTAGE OF THEIR FREE OF TIE OPTIONS?**

A. The only additional cost is for the maintenance and upkeep of the beer line, including breakdown. The current annual technical services fee you will be invoiced is £120/line and the cost of installing an additional line for free of tie purposes is typically £300, which may vary dependant on the complexity of the install.

## **Q. HOW DOES DISCOUNT PRICING WORK?**

A. The Punch Buying Club option 1 will deliver an average discount of £100, whilst the Punch Buying Club option 2 will deliver an average of £160, across a basket of 20 products. The basket of 20 products will contain our most popular 14 draught products and 6 packaged. If World Beers are important to your pub business plan you can negotiate to include a selection of these in your agreed discount basket.

## **Q. IF I HAVE AN INVESTMENT THROUGH PUNCH WILL THE TIED BEER TARGET CHANGE?**

A. Yes. In conjunction with Punch you will have materially changed the potential earning of the pub and a new assessment of the business will be completed.

## **Q. WILL BRULINES KIT STILL BE USED ON THE NEW LEASE AGREEMENT?**

A. If you take a Punch Buying Club lease agreement option 1, Brulines equipment will still be in place - but it will be removed at your request on the Punch Buying Club lease agreement option 2.

## **Q. WILL BRULINES BE USED ON THE FREE OF TIE CASK ALE LINES?**

A. Yes on the Punch Buying Club option 1 where Brulines remain in situ. If you have taken a Punch Buying Club option 2 then no Brulines equipment will be on site.

## **Q. HOW DO I EXCHANGE MY MACHINE TIE?**

A. The standard terms of a Punch agreement would mean that the machine profits (AWP and SWP machine profit machines) are shared equally between us, and your share of the machine profits are not included in the rent calculation. If you opted to retain all of the machine profits, we would recalculate the rent based on the income you earn from 100% share of the

Business Innovation and Skills  
Select Committee  
Committee Office  
House of Commons  
7 Millbank  
London  
SW1P 3JA

STRICTLY PRIVATE AND CONFIDENTIAL

Dear Sirs

I would like to put further evidence to the BIS Committee regarding my Pub Co., Punch Taverns. I have received the enclosed BAM Report, my 5 year rent review was due to be completed the                      gone. Until now they had refused to put their figures in the BAM format, as set out in their Code of Practice. I said I would go to arbitration. I received this BAM Report this morning, under cover of a compliment slip. You will note their expenses percentage (    %). Our expenses are much higher.    % does not come close.

Therefore when I listened to the BISC I was interested at the point where Mr. Binley brought up the percentage of the expenses, being nowhere near the actual percentage figures the licensees have.

This is my evidence to prove Mr. Binley's view is absolutely correct.

Yours faithfully

Licensee

3 pages [OTHER 2 PAGES WITHHELD]

**PROFIT AND LOSS ACCOUNT**  
**FOR THE YEAR ENDED**

|  |       | 2010 | 2009 |
|--|-------|------|------|
|  | Notes | £    | £    |
| Turnover   |       |      |      |
| Cost of sales  |       |      |      |
| Gross profit   |       |      |      |
| Administrative expenses                              |       |      |      |
| Operating (loss)/profit                              | 2     |      |      |
| Other interest receivable and similar income         | 3     |      |      |
| (Loss)/profit on ordinary activities before taxation |       |      |      |
| Tax on (loss)/profit on ordinary activities          | 4     |      |      |
| (Loss)/profit for the year                           | 14    |      |      |



## OFFER TO PURCHASE

Punch Taverns put in the media, any licensee could apply to purchase their pubs. I thought this would be a good business venture to buy the freehold and I would be better off.

I have tried on numerous occasions to buy my pub, I organised a surveyor - I have offered the full market price. They charged me for my own goodwill, they have a book value on it, double the amount it is worth and will not sell. They are making more money out of my pub, yet I earn the minimum wage. Punch informed me, I was part of their core estate, and they would never sell to me, unless I came up with double the figures, which the bank would not lend, if the property is not worth that much. They also informed me that they did not need to sell my pub as it is one of the core estate which is making them a lot of money. I am basically helping to service their debt.

I have totalled up roughly the amount of money The Pub Companies have earned from my family over the years, this figure is close to £2,500,000.00.

Maybe you should consider or include a right to buy at a fair market price. There are numerous tenants here who have well bought their pubs, with rent payments including the money earned from the tied products, 10 times over.

It is not fair that a hard working licensee, who has made a success of their pub should be penalised in this way. It is not the fault of the licensees, these property companies paid above market price for the public houses. They became greedy, and found how much they could earn from these free houses becoming part of their tied estate. They did not care about what they would do in a recession, they have basically bankrupted themselves by not being able to pay the interest on their huge debt.

The greed of the Pub Companies must be stopped before it is too late. They can never pay the obscene debt off as the business model stands, more and more pubs being sold. As far as I can see they have failed in their business venture, and certainly should not be credited/applauded for being so irresponsible. This business model has failed as has been found in four previous BISC Reports.

# Punch

Jubilee House | Second Avenue | Burton upon Trent | Staffordshire | DE14 2WF

Tel: 01283 501 600 | Fax: 01283 501 601 | [www.punchtaverns.com](http://www.punchtaverns.com)

Dear

RE:

Thank you for your enquiry regarding the disposal of the above site. Your offer has been rejected.

Unfortunately I regret to advise that Punch Taverns is not currently looking to dispose of this public house and, as such, we are unable to progress your enquiry further.

Yours Sincerely,

Disposal team

Punch Taverns is a trading name of Punch Partnerships (PTL) Limited Reg No. 3512363, Punch Partnerships (PML) Limited Reg No. 3321199 and Punch Partnerships (PGRP) Limited Reg No. 3988654. Each of these companies noted above is registered in England and Wales and has its Registered Office as: Jubilee House, Second Avenue, Burton upon Trent, Staffordshire DE14 2WF.

PASSIONATE ABOUT OUR PUBS

## BULLYING

I enclose evidence of bullying tactics used to gain access to my pub. These letters are self explanatory.

The latest visit from a Brulines Inspector gave private and confidential information about my Lease to my customers in the pub. He shouted everywhere that he could enter my cellar and behind my bar at any time. He was rude to my staff because they could not let him down the cellar due to Health & Safety Rules in the pub. He would not accept this, even though I have sent letters to my BDM informing him that if I was not on the premises no-one would be allowed down my cellar. See attached.

I would like to point out that the bullying is still going on, I gave evidence in the previous BISC regarding the bullying tactics used.

They rely on the lessees not being able to afford to get legal advice. This is so wrong of greedy Zombie Companies – they should be stopped.

What are they afraid off?

Punch Taverns Limited

Dear

**Re Cellar Visits**

Thank you for your letter received today concerning the above.

I have no problem whatsoever with yourself and the TDM visiting my pub or my home at all, but as a matter of professional courtesy I think it is not out of the ordinary for me to expect at least 24 hours notice of any visit, just as if, I was to ask for a meeting with yourself or your TDM, common courtesy would allow me to give you notice of such an event. For instance, if I myself was not available at any given time access will not be granted on the grounds of Health and Safety. This will only be accessed with myself being on the premises. Therefore some notice would be reasonable to expect so neither party has a wasted journey.

Yours sincerely

## FORD & WARREN Solicitors

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Your Ref:

Our Ref:

Dear Sirs

### PUNCH TAVERNS (PTL) LIMITED – YOUR LANDLORD

We are instructed by your Landlord to contact you to remind you of your obligations in respect of the

(the "Property"). You occupy the Property under the terms of the Retailer's Agreement dated (the "Agreement").

Clause 6 of Section 5 of your Agreement provides that you must give access to the Property (including any residential accommodation) to your Landlord or anyone they ask to (amongst other things):

- inspect the condition of and the way you are using the Property;
- inspect the cellar and any casks or other containers and the condition and temperature of the stock in the cellar;
- inspect and take samples of any drink or food (provided that your Landlord pay a proportion of the amount you paid for the drink or food sample taken);
- inspect your stock and stock records;
- make sure you are carrying out your obligations under the Agreement;
- enable your Landlord to fulfil its obligations under any laws and legal requirements

If your Landlord requires access then, pursuant to Section 5, Clause 6.2.1 your Landlord is entitled to:

- visit the Property at any time between 8:00am and 10:30pm on any day but, if it is an emergency, and/or our client considers that you have not complied with your obligation under the Agreement our client is entitled to visit and inspect the Property at any time.

On a visit to the Property on , at approximately , your Landlord's representatives were refused access by your employee .

Partners:  
Nicholas Collins (Senior)  
Eileen Smith  
Peter McWilliams (Managing)  
Gary Hodgson  
Iain Davison  
Mark Crosby  
John Coan  
John Flint  
Paul Milligan  
Frank Skidmore  
Ben Mackenzie  
Ben Daniel  
Janice Colley  
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Oliver Nelson  
Undiney Steadon  
Simon Robinson  
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Associates:  
Philip Taylor  
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Ben Lowe  
Nick Felton  
Ella Wan  
Stephen Fallon  
Chris Luscombe  
John Robson (Executive)  
Patrick Raywood (Executive)  
Mark Cox

Chairman:  
Keith Hoem

Consultants:  
Edward Brown

This firm is authorised and  
regulated by the  
Solicitors Regulation Authority  
SRA No. 49427



This is a clear and unequivocal breach of your obligations under the Agreement.

Your Landlord is entitled to access the Property in accordance with the terms of the Agreement, regardless of any ongoing dispute between you and your Landlord.

We are instructed to inform you that your Landlord will not tolerate any breaches and/or continued breach of the Agreement including (but not limited to) a refusal of access to the Property.

Should you continue to breach the terms of the Agreement, we are instructed to apply to the High Court for an Injunction to prevent you from doing so. Any claim will include a claim for costs and damages. The claim will include the breaches referred to in this letter.

We would remind you that pursuant to to indemnify  
you Landlord, on demand, against all losses, damages, costs and expenses

We remind you of your right to seek independent legal advice.

Yours faithfully

for FORD & WARREN

## SUMMARY

Good licensees are penalised in this trade, Punch Taverns and other Pub Companies know, this is exactly where the money to service their debt is coming from. They cannot afford to give rent decreases/free of tie because that money has got to come from somewhere.

As this is my own business, I should be able to get my own insurance. I know I can get this 70% cheaper, I have looked into this.

I feel there is a big divide in the Pub Companys' pubs, some licensees are given free of tie leases just to keep them open, they are, as they call them, "bottom end of the market" which are up for sale as alternative use. They are worth nothing shut. The licensees in those pubs are earning more money because they are free of tie. They would not get a licensee to run the pub if it were not.

These licensees are earning money on the bottom end of the market pubs with free of tie of their products. This surely tells you these higher end pubs can be successful with the right choices made.

I put to the consultation panel that the Government should intervene in this great miscarriage of trading, and let the Great British Pub become the hub of every community once again, the licensee can save money on beer prices, insurance, rating appeals, brulines, machine income, penalty payments for off day delivery and late payment of bills and all the other hidden extras that come along. This makes a huge difference to the outgoings in all Pub Company Leased Pubs.

"TO BE CHURNED" – SEE EVIDENCE ATTACHED"

I was copied into an e-mail by mistake from area manager. I printed out the spread sheet, it was a list of pubs and how they are doing and what is happening to each and every one of the list, I included. This shows the churned pubs and also a comment about myself. [WITHHELD]

## PETITION AGAINST ZOMBIE PUB COMPANIES

[WITHHELD]

Please find enclosed a 7 page Petition from my customers agreeing with our fight against the Zombie Pub Companies. I have already forward 6 pages to [REDACTED] MP to show her how many people disagree with their policies. This Petition is still ongoing and not one person has refused to sign this Petition.