

Re: Government Consultation Pub Companies and Tenants April 2013

I have just read your article on the pubco beer tie issue. I am writing to share my experience with you as a Pub company lessee.

I took on a year lease agreement with Punch Taverns in December last year and so far my relationship with Punch has been positive and my business is profitable.

The purchasing tie does mean the beer is more expensive than the wholesaler (although not by a great deal, in my opinion) and I was made fully aware of this during the negotiation process.

Although I could buy cheaper elsewhere, I would have to go and get them myself whereas my Pub co. offer a delivery of all products in one go.

Punch did initially invest some money when I took over, (which they were not obligated to do). They also included arranging & paying for a new electricity meter and financially supporting me with a long standing property issue.

I have a good relationship with my previous & current area manager and being a multiple operator, I am very confident that if I asked for help I would be supported in all and any way they could.

Punch have a very good online ordering system which allows me to place my order when it suits me, and because of this flexibility also enables me to look at any offers which they have on, rather than being pushed and either taking stock which is not right for my pub, or saying no because I don't know enough about it.

The biggest challenges which I have faced are ever increasing business rates, utility costs and the incessant paperwork which I have to complete for government agencies, including the new Machine Gaming Duty.

My Pubco is not exploitive in my opinion. They have worked with me, through negotiation and discussion to agree a package which will make money for both parties, the only real problem is that the Government then penalises me through high taxation in whatever form it can, be that VAT, MGD, Business rates or personal tax.

Regards