

From:

Sent: 22 April 2013 13:42

To: Pubs Consultation Responses

Subject: Pub companies and tenants codes.

To whom it may concern,

I am contacting you with my experiences as a tied leaseholder with Enterprise Inns for the last years and

I am on a fully repairing and insuring lease which was initially . years with and then was extended by years by Enterprise Inns around . 2 with the previous Leaseholder.

I am Tied on all draught and packaged beer and cider, and within this email I will explain how I am worse off as a tied tenant and in my views how a code with an adjudicator such as the one proposed, could assist me in building a better future for my business and home (that being the pub).

1/ Firstly I would like to open with the subject of the tied pricing. I tend to give a beer order to Enterprise Inns to the values of between £ for my tied products each week. A 22 Gallon container of Carling Lager Costs me approx £285, whereas if I were buying free of tie it would be in the region of £200. Also with that of Real Ale I was contacted by a local brewer who offered me a 9 gallon container of their popular local brew for around £60, however when this have been processed by the SIBA scheme offered by Enterprise Inns the price of this cask is about £110. Obviously these pricing structures put me at a major disadvantage to the other pubs in my area, as out of 8 pubs, only 3 of us are tied on products like the examples listed above. This results in my pub charging as much as 50 pence more per pint, than some of the local competition, and achieving smaller gross margins than some of the other pubs who's pricing is similar to mine. I feel this is a clear example of how as a current tied operator I am quite a lot worse off than a free of tie operator. (all container prices quoted above exclude VAT).

2/I personally would not have any issues with remaining tied to Enterprise inns if their pricing was to become competitive with what pricing would be available to me if I were free of tie. I currently pay a dry rent of £ per year and have a pub down the road the same size and location on a free of tie lease paying a rent of less than £

I also have a neighbouring pub next to me with a different pub company who have had their rent halved and have off set their beer prices through this, leaving me currently struggling to compete with the local competitions pricing and also still making smaller margins, due to the pricing of tied products and the rent I am charged .

3/In my case Enterprise Inns do not offer a great deal of support to me as a publican. The minimal is done like a couple of posters every other year and more recently, , but other than that its just kits of poorly printed banners all of the other Enterprise pubs in the area have been sent, (so are are normally unusable), or a discount of £3 off a case of packaged lager, which if were free of tie would be available to me for at least £10 less anyway. In this example, again I don't feel my pub is benefiting from being tied nor on the whole receiving additional support from the pub company to promote and progress the pub.

4/I have asked my BDM to investigate if I could become free of tie for real ales, as aside of the

28/11/2013

pricing a lot of locally brewed real ales in my area are not available through their SIBA scheme. I did not receive an official reply in writing and when I chased it up I was verbally told , "it isn't possible on your lease as your not eligible for that deal" .

5/The last visit I had from my Enterprise BDM I

During this time my BDM went into my

and accused me of breaking the tie, which I obviously had not. The BDM had read his compliance notes wrong and was looking at their identification marks in reverse. Obviously I was very unhappy at this point as through out the meeting, as I was spoken to in a very poor manner from start to finish and the level of respect to me as publican was shown when he finished with the unauthorised inspection and wrongful accusation.

6/ As a publican I work a 55-60 hour working week and I struggled to earn more than £16,000 last year. If I was in a free of tie pub, with my current turnover £ (excluding VAT) , I am quite certain my earnings would be more than £16,000.

7/To conclude going forward I think the Code proposed is much needed to try to ensure a fairer deal for tenants and as I mentioned in section 2, I would be happy to remain tied but do have my concerns over how my particular

Pub company would apply this. My examples in sections 4 and 5 above lead me to believe that Enterprise Inns conduct themselves in a way that is dishonest, untrustworthy and very much like that of a bully, and would continue to do so if allowed to. If the code was to ensure they had to follow the guidelines then id be happy to remain tied as long as I was no worse off than a free of tie publican ,however given the choice with Enterprises current behaviour, I would choose to be free of Tie , just for my own piece of mind.

I hope my information has been helpful and if and where possible wish my identity to remain confidential as I fear of Enterprises reaction to somebody like my self submitting evidence.

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