

Most people have thought about running a pub at one time or another. In a recent survey, two thirds of people said that was their dream occupation. It conjures up images of combining work and pleasure – vibrant, sociable, the centre of attention and at the heart of the community.

The fact that over two thirds of Britain's pubs are available to run as small businesses on a tenancy or long lease arrangement, means that this doesn't need to remain a pipe dream for thousands of people each year. Costs of entry are relatively low and the added attraction of accommodation mean it is an affordable ambition.

The fact that the average tenure in some pub companies can be as low as 9 months suggests that it is a dream which fails to live up to reality for many people. The reason is simple. Too many people go into the trade with their eyes shut – without the experience or the information necessary to make a success of the pub from an operational or a business perspective.

People who would no more think of buying a house without investigating the property thoroughly or setting up a business without specialist advice don't think twice about investing their life savings or redundancy package in a pub, based on nothing more than gut instinct. They want to own the pub they once drank in or are seduced by a chocolate box façade of the soap opera images of mein host.

The licensed trade is the least professionally educated small business start-up. By passing a one day course you are entitled to run a complex business with no further technical training. This equips you to understand licensing law but not how to run or buy a business.

Small wonder then that they can rapidly become disillusioned by the reality of the daily grind. Even celebrity pub owner Neil Morrissey proved that men behaving badly in pubs was not sufficient experience to run one.

So what should you do to realise your small business dream. The *ALMR* is the trade body representing small, multiple operators in the sector. Between them our members have a wealth of experience and advice on how to survive and thrive in the pub trade even in the toughest of times. Here are our top tips:

- **Due diligence:** information is power so do your homework. Leave your heart at the doorstep, look beyond the lifestyle and approach it purely with commercial eyes. Base your decision on fact and clear evidence.
- **Get advice:** Make sure you get specialist advice from accountants, lawyers and business advisers who are well versed in the licensed trade. Get advice from experienced operators – BII runs mentoring programmes to help you get practical experience.
- **Choose your landlord not your pub:** the debate about the merits of tied leases have hit the political headlines over recent months, with the result that the deals being offered by pub companies are becoming more diverse. Not all pub leases or pub owning companies are created equal and you must shop around. Batemans is a model of best practice for the tenanted sector and as a general rule of thumb, family brewer landlords – Brains, Fullers, Charles Wells offer the greatest support for their small business lessee.

Once you get the keys to your dream, how do you make it a successful reality:

- **Understand your market:** it is undoubtedly a truism, but you must understand your market and be ruthless in your focus in targeting it. There is no point in investing heavily in transforming a traditional rural pub into a stylised gastro pub if the locals only want a place to drink – as Neil Morrissey found to his cost.
- **Benchmark:** don't make a trading decision based on assumptions. The *ALMR* Annual Survey on costs allows you to assess the potential of your new business opportunity against industry models and also consider what impact your fresh ideas for trade could have on margin, costs and overall profitability.
- **Network:** social networking sites are the latest buzzword amongst small managed operators. Facebook, Twitter and I-Phone apps provide low cost, viral marketing as well as valuable customer feedback

Treat a pub as a serious business proposition and it may well deliver you the dream occupation. Base your decision on a lifestyle choice and you could find that you are part of the nightmare statistics of business failure.