

Trading down trend provides mixed fortunes for Britain's pubs

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Britain's pubs and bars experienced some festive cheer over the Christmas period, new figures show today. A survey by leading pub and bar group the Association of Licensed Multiple Retailers (*ALMR*) revealed that over the last 3 weeks of December, nearly 60% of its members saw a rise in like for like sales compared to 2007.

However, the survey also finds that the general trading down trend by both companies and individuals has led to mixed fortunes for premises. Member experiences, submitted as part of the survey, show that while many food led outlets benefited as companies ditched expensive Christmas parties in favour of a trip down to the local, smaller traditional pubs suffered as people celebrated the festive season at home. In addition, *ALMR* operators found that the recent cold snap meant the smoking ban bit into many operators' trading figures, as smokers chose to stay warm at home instead.

The figures reveal that many pubs experienced tough trading ahead of the break as credit crunched Britons saved their cash until the holiday season got into total full swing. The survey shows that:

- In the week commencing 14th December over half of respondents (55.6%) reported a fall in trade, with 25% reporting a drop of more than 10% compared to 2007.
- In the week commencing 21st December trading picked up once again with 61% of respondents reporting an increase in trade compared to Christmas week 2007
- In the week commencing the 28th December, overall trading improved further still with two-thirds (66.5%) of respondents reporting an increase compared to the previous year. 25% reported that trade was up by 10% more. However whilst some outlets saw their trading improve by over a third (35%) compared to 2007, other operators saw sales drop by up to 15%.

Commenting, *ALMR* Chief Executive Nick Bish said:

"These figures show that Britain's credit crunch Christmas was a mixed bag for bars and pubs. In many ways, 2008 has been a year that many operators will want to forget. We have seen record numbers of pubs closing, a collapse in openings and devastating hikes in alcohol duty. Despite this, pubs and bars have come out fighting by offering value for money, giving credit crunched Britons more bang for its buck."

The survey also reveals that publicans are sceptical about the year ahead. The credit crunch takes full effect and the recession begins to bite, 48% of respondents fear that the first quarter of 2009 could prove to be "dire" for trading. Nearly half (45%) expect the year to prove a poor

prospect for takings. However, despite these concerns, a slim majority (52%) hold out in the hope that the next 12 months will prove to be at least satisfactory or even positive for business.

Nick Bish continues:

“Our members are right to be cautious about the next 12 months; all the indications are that the current recession will get worse before it gets better. Like all businesses, pub and bars will have to adapt to tougher trading conditions.

“What is most important is that the Government does more to ease the burden on pubs and bars. This is absolutely vital if it is serious about helping to keep people in jobs. It could start by scrapping the alcohol duty escalator that unfairly punishes licensed premises, tackle below-cost bargain basement deals peddled by supermarkets that fuel irresponsible drinking and streamline the licensing system by slashing excessive red tape. All of this is essential for pubs to survive this downturn and thrive in the future.”

Notes for editors

- *ALMR* is the only national trade body solely dedicated to representing the interests of pub and bar operators, and to providing them with business support and advice. It has almost 100 member companies, operating over 15,000 outlets.
- The *ALMR* Christmas Members' Survey reflects the trading results of 1666 pubs and bars in England and Wales, representing some 17% of the managed pub and bars estate. The survey covered the weeks commencing the 14th, 21st and 28th December.

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