

## Signs of Recovery - or a way around the MRO Option ?

Two recent property deals have caught my eye and I do wonder about the motives. One raises questions about the cut off point that will trigger the MRO option, currently thought to be set at 500 outlets and the other points to the long awaited recovery.

**Red Oak Taverns buys 146 pubs for circa £36m:** Red Oak Taverns, the 30-strong pub operator led by Aaron Brown and Mark Grunnell, has acquired 146 GRS Group of tenanted pubs for an undisclosed sum, although industry sources indicate a price tag of circa £36m. The estate is made up of a number of medium-sized and small tenanted estates that went into administration five or so years ago and ended up being

owned by Anglo Irish Bank. It is thought that the portfolio, which has been run on behalf of the bank by former Mill House boss Ted Kennedy for the past five years, is 70% free-of-tie. The pubs have sold for an estimated 9 times EBITA ( Earnings before Interest, Taxation and Amortisation ).

**Punch Taverns is in talks to sell the 150-strong package of pubs it placed on the market earlier this year to NewRiver Retail.**

NewRiver Retail, which specialises in the food and value sector, has bought the whole package for about £ 50M according to the *Sunday Times*.

NewRiver Retail acquired 202 pubs from Marston's for £90m in 2013, with the group announcing last month that good progress had been made in converting a number to convenience stores. It is thought that the company is likely to keep some of the Punch package as pubs if the deal is successfully completed.

Last month, NewRiver said it had submitted a further six planning applications and successfully



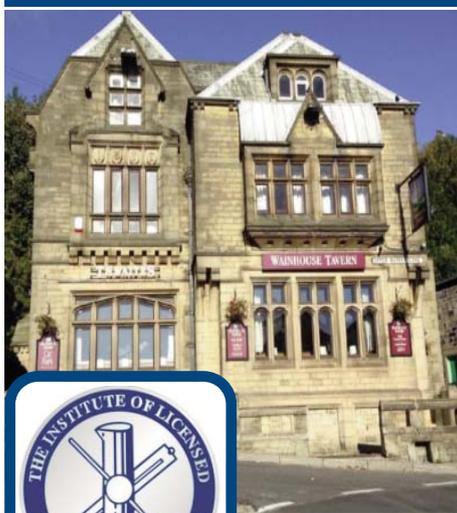
secured three consents in regards to the Marston's portfolio, taking the total number of planning applications submitted to 45 and total planning consents received to 13.

Earlier this year, Punch said its disposal programme was ahead of target at £57m and had been revised up to £80m for the full year. The news has not gone down well with sitting tenants however who have had no say in the process and worry that their pubs may well be turned into convenience stores.

The news has been met with fury by many of the licensees involved with many pointing out that they were in negotiations to go free of tie next year when the legislation is brought in. Carol Ross, licensee of the award winning Roscoe Head in Liverpool was trying to buy the freehold but now feels she has had the rug pulled from under her.

### Open for Business - the saga continues

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# Editorial

I sat down to plan this issue of the Stock Auditor and realised how little copy I had to fill 16 pages. It has been a strange summer, some are saying the worst in thirty years, but surely something must have happened out there to our members.

Because of the lack of copy I am afraid you are stuck with my ramblings about my latest business venture, a source of many more articles I am afraid, unless someone can give me an alternative.

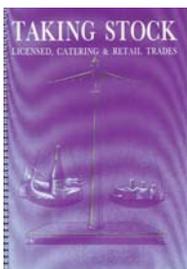
Thanks, as always to our contributors, in particular the excellent warning from Steve Berry about the situation North of the border which could so easily spread down here. Gordon continues his reminiscences of a career spanning some sixty years and he has certainly met some interesting people and had many

strange experiences. One of our colleagues, Neil Johnson recounts a situation he became involved in which is a sobering tale of what can go wrong for our clients. On Council we are constantly amazed at the feast – famine concept that many of our members report to us, many members are inundated with work and indeed often need to off-load some to other qualified members whilst other members report that they are finding it difficult to pick up new work. Both his article and indeed the 10 point checklist on page 13, make interesting reading and as Richard says we are not trying to teach our grannies to suck eggs but perhaps there is a lesson here.

Anyway as Autumn is just round the corner enjoy the read on the ever darker nights and any contributions for future issues would be gratefully received.

## Taking Stock

Copies of the 2nd edition of 'Taking Stock' are now available from the Secretary at a cost of :-



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## CONTRIBUTIONS

Many thanks to the members and others who have made this issue possible:-

Gordon Andrews, Steve Berry, Richard Grafton, Neil Johnson, Le Chef, and Tim Vine.

Thanks also to Peter Hodgson and Rita Broadbent for proof reading this issue.

Anyone wishing to contribute articles or thoughts please note the deadline for the December 2015 issue is 17th November 2015.

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# From the Chair

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As is so often said, the pace of technological change means that most of us feel that we're lagging behind. Stock results now are onsite and frequently not even printed out but emailed to the client while you're sitting in their premises. I don't miss the walk to the Post Office with an armful of large envelopes that all need weighing and stamps licked and stuck on.

All of this is a change for the better, but there is one thing that should not change and that's the quality of service we provide. The sheer volume of data available to us can be overwhelming and how often are you asked a question that proves beyond all doubt that the person concerned has obviously not looked at the report you have so lovingly slaved over?

We all earn our money, not by grovelling on the floor getting grubby and counting stuff, but by sitting down with someone who can influence the running of a business and giving them information that will increase the profitability of that operation. This simple and blindingly apparent fact is often overlooked.

I've had several occasions lately where I've been talking to a prospective client and the reason for their dissatisfaction is the inability of their current stocktaker to run through the result. "All I want is for them to explain" is what I was told. "They are only here for 20 minutes, count the stock and go" was another complaint.

For many of us, the long-term relationship with a business principal has been like any other, we've grown together. There have been times when I've wanted to grab someone by the shoulders and give them a good shake to try and get across my concerns, but the small inner voice has said that I should smile and perhaps drop them an email later on with a more moderate opinion. The thing is that most people know when you're upset about a situation and frequently the next time you see them they'll tell you they've changed the price you were ranting about, even though they swore at the time that if the product in question went up 2p their trade would cease overnight.



It's pretty easy to get into the mindset that your business is more important than your clients. Even if you are running late, there's no reason to dash off without giving the person paying your bill due care and attention.

**Continued on page 14**

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## IL TSA CALENDAR 2015

Oct	12th	Refresher Day
Oct	13th	Examinations
Oct	13th	Training Course
Nov	13th	Council Meeting

## AVAILABLE FROM THE SECRETARY

Taking Stock Books

Goods Received Books

Bar Requisition Books

Allowance Books

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Institute Ties

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Self - inking stamps

Lapel badges

Blademaster

Document cases

## FELLOWSHIP

Any member, with the required seven years full membership, can apply for fellowship. Please contact the Secretary for details. Any applications will then be placed on the agenda for the next council meeting in November.



**@\_IL TSA**

# A Step too Far

## ... a warning from North of the border!

On the 5th December 2014 the Scottish Government took the step of introducing new legislation regarding the drink driving limit. As from that date the legal limit was reduced from 80mg per 100ml of blood, to 50mg.

Many UK drivers are unaware of this reduction when they visit Scotland and consequently, after having a couple of beers, are breaking the law. The Government claim that even one pint of beer or one glass of wine, can be too much, and there should be zero tolerance, with drivers not having a drink at all.

Uniquely, this measure attacks moderate drinking.

What other regulation stops people having a glass of wine before driving home after work and stops people having a few drinks on a Friday night, because they are driving early the next day?

The great fear of being prosecuted for having tiny residual amounts of alcohol in the blood stream, long after a night out, stops people drinking moderate amounts.

Having a good experience of the Licensed Trade in Scotland, I have to say, this introduction has had an enormous impact on the trade, even more so than the smoking ban. While the smoking ban may have helped businesses who serve food, with diners enjoying a smoke-free atmosphere, the same businesses are now suffering from customers who enjoy a beer or glass of wine with a meal, opting for a takeaway meal at home with a few supermarket beers or bottles of wine.

No licensed premise has avoided some decline in sales with the new laws, unless they are city centre, where, in many cases, driving is not an issue. Even some of these have noticed an effect, with the regular drinker who calls after work before heading home, now boycotting that activity.

Recent surveys show that at least two thirds of licensed premises have seen sales slump, with 30% having reduced sales between 10% and 60%.

It is not just pubs that have noticed a major change in sales. In golf, bowling and other sports clubs, the number of participants who would normally have a drink, after playing, has reduced dramatically. I personally have clients whose turnover is down by 50% for the first six months of this year, since the introduction.

Even out-of-town hotels serving afternoon tea, some with champagne or prosecco are noticing a drop in sales, due to the driving factor. Clients who entertain the Rotary and Round Table clubs, when normally a few wines and beers would be consumed, are noticing that many just avail themselves of the water available on the tables.

Many clients have been proactive in adjusting to the new measures, with some introducing a wider range of Alcohol Free Beers (Draught and Bottled), weaker beers and schooner sized glasses and smaller sizes for wines, Mocktails and de-alcoholised wines and prosecco. However, this is not going to satisfy many of their regular alcohol drinkers. Initially supermarkets did notice an



**Steve Berry F.I.L.S.A.**

increase in sales, with more people drinking at home. However this has reduced as they are now more wary of the implications.

There has been no general information made available on how long alcohol takes to leave the system. So drivers are no longer sure how much they can drink the night before and legally get behind the wheel the next day. This is stopping some drinking completely.

I often hear stories about people who are scared to have a glass of wine at night because they're driving the next day and think it will still be in their system. I even overheard a barmaid saying to a customer that if a person drinks 3 pints on an evening, they cannot drive till 12 noon the next day.

In my opinion, there was no need for this measure and I don't believe the Scottish Government really thought about what impact this would have on the Scottish hospitality industry.

While the Scottish Government says how wonderful the whisky and craft beer industries are, and how important tourism is, especially in this year of Food & Drink, they little realized what a devastating effect this new law would have on their economy.



If they wanted to bring us in line with the rest of Europe, the penalties should have at least, been staged, as they are in other countries. It also seems ludicrous that we have penalties for the reduced limit in Scotland, which would end up with a person facing a criminal charge, but not over the limit in the rest of the UK.

With this in mind, motoring campaigners and some local councils are advocating that the drink driving in England, should be brought into line with other European Countries.

THANKFULLY, the government has recently confirmed that it has no plans, at present, to alter the drink driving limit in England. Hopefully it will continue to stay that way.

It is ironic that when the Scottish Government introduced this law, official figures showed that drink driving for the previous 12 months, had been at their lowest level since records began.

**Steve Berry F.I.L.S.A.**

## Massoungnes Cognac

The house of Massoungnes is no more, but in its day was the biggest supplier of cognac in the Charente. The house was famous as well, as it has always been owned by the French Noblesse.

The family was, and still is today, directly related to King Louis VII and Eleanor of Aquitaine and their children, King Richard and John of England. Today, the last remaining descendant of the French true royal blood still lives on the estate near Aigre.

Marie-Antoinette Pintaurd des Allees, Comtesse de La Bourdeliere, although now frail, lives at what remains of the Chateau and estate in a village called Bonnaville to the west of Aigre. In around 1850 the estate comprised of more than 360 hectares and had forty workers who were all actually employed and provided with their own houses to live in. No other cognac producer was known to be so generous with its staff.

Bills of Sale seen at the Chateau have proved its existence since before 1730. Unfortunately all was lost during the plague of Phylloxera in 1872 and the remains have fallen into ruin.

Massoungnes produced historically famous pre-phylloxera cognacs. We have dated their records back to 1730, making them the oldest firm of growers and sellers of brandies, they sold cognacs to Hennessy and many other famous houses including Augier and other correspondents of the period. The last remaining member of this remarkable family, who owned at their peak 360 hectares, is the Comtesse de la Bourdeliere. Had France not been a republic, she would have been their Queen.

### Available from the Institute Office

**Two part dipstick** – easy to separate and store in a brief case or jacket pocket. Available for either standing or lying casks. £ 15.00

**Flexible dipsticks** – Calibrated for 9g, 10g, 11g and 18 g and for use in cellars with limited access. £ 15.00

**Wastage and allowance books** – available for supply to clients encouraging the keeping of accurate wastage records – self carbonated. £ 7.00

**Bar requisition books** – Available in five colours for use in multi-bar units. Self carbonating. £ 7.00

**Goods Inwards Book** – A4 self carbonated, sequential numbered sheets for recording purchases. £ 8.00

**Race Casks Vents** – Extend the useful life of cask beers by providing these to your clients - £ 7.00

**ILTSA Ties** – Choice of two designs, available to qualified members only. £ 7.50

**Taking Stock** – the definitive textbook for the stocktaking profession. £ 19.95

**ILTSA Date Stamp** – Available to qualified members only £ 25.00

All prices include VAT and many are subject to discounts typically 10% for members and 15% for fellows.

This is the last remaining bottle of 1805 from Massoungnes and was made during the Battle of Trafalgar.

Imperial  $\frac{3}{4}$  gall  
Massoungnes  
1805  
£123,600  
( Ex Vat )  
£148,320



# Open for Business

## *What happens when a member has a temporary bout of insanity and buys a pub ....*

I left you outside in the car park of the Wainhouse Tavern in the last issue – and that is exactly where we stayed as I was informed that it was ‘protocol’ that they would not be ready for the handover until midday. I asked if it was OK for me to start on the weeds to the front of the building. There was an immense

declined the outside tables. Everything else was included in the sale. Whilst there were no optics left there was hundreds of glasses and quite a lot of cleaning materials. There was no liquor stock at all – apparently he had sold everything off the night before.



amount of satisfaction in tidying up the entrance. After an hour or so I asked if it was protocol to make everyone a cup of tea as we had brought the makings with us. The good news was that it appeared that most of the furniture was present.

About 11 am I got a call from our solicitor to say that we had in fact completed so I went in and informed the area manager and the valuer. At this stage everything was very amicable and to encourage that cooperation I agreed to buy two large ‘poseur’ tables that were the property of the outgoing tenant but I

The valuer suggested that we read all the meters together and of course the water was fun. Its situated in the middle of the road, full of water but we managed somehow to read it without being run over by passing traffic. As they were leaving the waterboard turned up, parked in the middle of the road with flashing lights and got the same reading.

We were then handed the keys and everyone departed leaving us to look around. There was still no inventory and although I requested one to be sent I never expected one to be made available. We had decided that although we were shutting for three days the top bar needed much more than a deep clean and we would employ a decorator that we had both used. By this time the skip had arrived and we proceeded to fill it with the rubbish that had been accumulated over the preceding years. I am sure that many items went in there that probably would have been of use – one such casualty was the license which actually was thrown out.

The decorator was horrified when I told him that we needed to open in three days – no make that two and a half days and whilst I agreed that the ceiling did need re-plastering, he was to patch it up and make good. Telling a tradesman to cut corners was very difficult but Chris did a sterling job although it was touch and go at times.

**From this to this !**



Of more concern was the furniture in the top bar which was covered in mildew and although hot soapy water made a vast difference there was no disguising the smell. We had inherited a fully working pool table but again because of the damp some of the mechanism had seized up.

The two upper floors were in a poor state and indeed the outgoing tenant had walked out leaving his bedding and much of his personal effects. These went straight into the skip. There was however much more left in the pub than I had envisaged and luckily the items that had been removed I had already purchased.

One of my first jobs was to sort out the cellar ready for our first deliveries due the next day. Not only was it filthy but it was not secure. The first task was to fashion a simple wooden bar for the cellar doors. The cellar cooling was operated on a time switch which had to be over-ridden so as to achieve the required temperature. We had already agreed to carry on with the cellar maintenance at a cost of £12.50 per month – for me a no-brainer. I had tried to negotiate for a renewal of all the beer pipes but we had to agree to a ‘deep clean’ by outside contractors. That decision was to have consequences.

By this time it was a real family affair with Di and my daughter working with Adam and his fiancé Claire to ‘bottom’ the building. As Adam is an electrician he started stripping out all the excess cables that had been run around the bars – you would not believe the amount that he pulled out. He also updated and checked over the security alarm linking it to an external monitoring service as we would not be living on the premises. The company also monitor fire alarm systems which we would put in later but rather amusingly we had a false alarm early the next morning when rather than the police, Adam met a fully manned fire engine when he attended. We could only think that the alarms had been triggered by some animal. The monitoring



**Much more than a deep clean was needed - in two and a half days**

company admitted that it was their fault and they had assigned the wrong response. I half expected some charge for that fiasco but luckily they saw the funny side of the incident and put it down to a training exercise – it probably helps that the fire station is very close. That prompted us to employ a pest control officer though to get rid of our visitor – more of them later.

Tuesday was taken up with continuing the cleaning and taking in deliveries. The majority came from Thwaites as they had given us a good price not only on cask and kegs but on bottled beers, minerals and wines. Spirits were obtained from either cash and carry or increasingly supermarkets. When you can buy a litre of branded spirit for £ 15 including Vat why pay more from elsewhere. In the planning stage we discussed what our priorities were to be, at the top of the list was a range of cask beers, the introduction of Warsteiner and Kaltenberg lagers and the provision of a range of good quality wines.

As I say, we inherited a vast amount of glasses and I am glad that the only glasses that we had purchased were wine glasses which we did need. In addition we received a pallet of glasses delivered on the Tuesday, I am not exaggerating in that it was rolled to the front door and left there. Whilst I had expected glasses for all the new products we were given new glasses for every product that we sold. All the shelves were

filled and many of the old branded glasses were thrown into the skip or given to my clients. We still have many half boxes in the cellar to cover for breakages. Included on the shelves were many oversized glasses which would be given to regulars in the first few days – it just shows that stocktaking was an expense that was dispensed with but must have caused deficits that were not even noticed.

Once the cellar was cleaned and the lines had been split and set for the new products we were able to tap and vent the beers for opening night. I had ‘borrowed’ three self tilting stillages to get us started but there were actually already twelve in the cellar. They needed a good clean but were perfectly serviceable. I had bought some new beer taps so thought I would use all new for the opening night. Again there were a few dotted around the cellar but they needed a good clean so I left them in a bucket of pipe cleaner overnight. The next morning I decided to connect the beers only to find that the couplings did not fit. I contacted Thwaites technical services only to be told that I should have been told that Thwaites only use ‘Z’ threads unlike many other breweries. Tech services called in later and gave me three brand new taps which added to the ones that I had cleaned meant we had enough. Changing the taps however was a little tricky as it involved knocking out the old tap and then quickly changing with the

new one trying to keep wastage to the minimum. Obviously this disturbed the beer and we had to wait a further night before sampling the beers.

Wednesday came and we were now putting everything back in place ready for opening on the Thursday evening. Prior to taking the pub we had distributed a flyer around all the local houses and businesses but we did not know what to expect. In addition we had the now common banner on the railings outside announcing that we were “under new management”. A slight slip up in that we probably should have used the expression “new ownership”.

Amy now decided that the gents toilets could do with a coat of paint and set to giving them a makeover – future plans are they would be tiled.

Slight panic halfway through Wednesday as it was realised that we did not have a licence to sell alcohol. Thwaites would not release the premises licence prior to completion and we had not obtained a notice from the outgoing DPS. In addition we had realised that the existing licence was at the bottom of the skip. I had a personal licence and I had a copy off the internet of the premises licence but it was thought that this may be a problem. Consequently I wasted the next three hours downloading the relevant forms, filling them in and delivering them by hand with the necessary fee to the local council offices and the police station. Obviously not all the paperwork was present but I thought that should we have a visit I could at least say that the matter was in hand.

The cask beer was a big risk. We would be going from zero to six handpumps. I can still remember the line up for our opening night.

**Thwaites Wainwright** 4.1% abv  
straw coloured bitter

**Wainhouse Bitter** 3.8% abv  
Our house bitter, would become a popular session beer



### Three hours to go - no reason to panic .....

**Orchid Mild** 3.6% abv  
Dark mild spiced with vanilla.

**Elland Nettlethresher** 4.4% abv  
Amber ale with pronounced hops

**Dunscar Bridge Rialto** 3.9% abv  
Golden full-bodied fruity ale

**Wickwar BOB** 4.0% abv  
Amber coloured, slightly sweet

Obviously we expected to have to throw away some beer in the first few weeks until we improved trade and to that end Elland in particular agreed to provide beer in pins to help reduce waste. There was a premium to pay for this and not all their range was available. The cask vents that the Institute supplies really came into their own, extending the life of many beers to up to ten days. Once tapped and vented I try not to disturb the beer so as to keep the beer as fresh as possible.

One decision that was a little controversial was that we do not offer a Smooth, to my mind you do not need one if you have a range of excellent beers and it merely detracts from the sales of the cask products. Many months later this was still an issue. We also decided to stock Guinness Surgers rather than draught Guinness as it was felt that the quality would be more consistent. Fosters lager was the best seller and for that reason only,

it was decided to keep it on. The range was completed by two ciders, Kingston Press and Strongbow Dark Fruit.

The old wine offer was particularly poor, a nondescript red or white at £ 8 per bottle. We decided to provide a choice of eight house wines with a further six premium wines and a sparkling Prosecco. All house wines are priced at £ 10.95 and the premium wines, sold by the bottle only, at £ 14.95. The wines have been selected not to be available from supermarkets so that direct comparisons can not be made. Prices per glass are designed to give above 60% GP but we fall short on the price per bottle, however we do make at least a £5 cash margin on all bottles sold.

By late Wednesday night we were all wilting and so we decided to sample a couple of the beers. Adam and I both chose Wainwright, the first pint in our new pub and it tasted great. It was so good that we decided to have another. As we both took a sip of the second pint we looked at each other and grimaced, it had a definite plastic taint.

First thing Thursday morning I was on the phone again to technical services. He was at the pub within an hour and after much sampling and head shaking decided that the problem existed only on the three

cask beer lines in the top bar. They were old lines and had been subjected to a 'deep clean' and he felt it was this that had caused the problem but he had not experienced it before. The solution, after a lot of trial and error was the actual plastic cleaning bottle which had become pitted and tainted with the extra strength chemicals used for the deep clean. The cleaning bottle went into the skip we flushed the lines through with copious amounts of cold water and thankfully the beers tasted much better.

This had obviously put us behind schedule and with literally a couple of hours to go before opening the place looked, and felt, like a building site. We had originally planned to put on a simple buffet but thankfully we had not advertised that fact, as it was now all hands on deck just to get the doors open. The gent toilets was still tacky and so we put a sign up warning 'Wet paint' this was either taken as an instruction or as we found out later that night punters touched the walls to find out if it was true. As it was late October we

switched the heating on to air the room and coupled with the new paint smell this made for an unusual atmosphere in the top bar.

Somehow we got everything in place and actually managed to get home to shower and get changed into our badged polo shirts. The ice maker had been stripped, cleaned and put back into service, the glasswasher thoroughly cleaned and ready for action. We had bought two brand new Sam4 tills, programmed and set up by ourselves which was an interesting exercise in itself. I had bought a job lot of paintings and mounted beer labels which we had placed all round the bars. The first impressions were good and more importantly it looked completely different – just the reaction that we were looking for.

We had invited family friends and clients to the opening night along with all locals and people who lived in the area. We opened up with a terrific mix of people, some had passed many times but never called in, some had been regulars but had stopped coming in and a nucleus of

regulars who had stuck with the pub through thick and thin. Ultimately those were the people who we had to win over and that first night was a great start. In the main they were largely complimentary and what must be remembered was that there had been a large amount of uncertainty as to the future of the pub with many fearing that it may have closed.

We are licensed to 1.00 a.m. but I have to admit that we probably broke the law on that first evening. Anyway a good time was had by all and we eventually got to bed in the early hours shattered, but relieved that we had overcome the first hurdle – our opening night had been a tremendous success.

*In the next issue we will look at the many problems that we faced in the first few months - PRS, Insurance, Planning regulations, payroll, staffing not to mention taking on the extra workload. We had bought the Wainhouse as an investment but totally under-estimated the time that would be necessary to run it efficiently.*

**Chris Swift F.I.L.S.A.**



**Opening night - it was alright on the night !**

# Sixty years behind bars

Recollections from a long standing member  
The Watts & Mackenzie years (1961 - 1980 )

A few years before I set up on my own, I had met a person who was just setting up as a surveyor and licensed trade broker. Until his business grew enough to just do surveying he was dabbling in a bit of stocktaking. He phoned me on a couple of occasions with questions about stocktaking, and once I started on my own he used to bring jobs he had done to me, for me to process on my computer.

He then started to get a bit out of his depth with some of his jobs and asked me to take them over. It started with three managed pubs in the Islington area, belonging to a company based in Cheltenham with a number of jobs around Bristol and Birmingham, who wanted to set up in London and the home counties. Those three jobs increased fairly rapidly to over twenty. I took on a London based stocktaker on a sub contract arrangement for a couple of years before employing a full time stocktaker.

Some interesting things occurred at some of the pubs concerned. The company had made some of their managers franchisees and given them multiple tenancies.

While doing one of these pubs, I was upstairs in the office doing the paperwork when the assistant manager came in and said to the manager, "Watneys are just delivering and they have a spare keg of Guinness on the lorry, would we like it for thirty quid.?" The manager

looked over to me and said, "what do we do?" I said to go ahead, but ask them for a receipt for the thirty quid.

As soon as the draymen had gone, we phoned Watneys and told them what had happened. They said that they would deal with it.

I then went on to my second job, he had had a delivery that morning, and as he knew that I was coming to do the stock he had kept it separate. I checked off everything that he had kept aside, and guess what! He was a keg of Guinness short.

The ironic thing was that he was the multiple tenant of both sites. Another site had been having a run of short stocks and the company decided to put a more experienced manager into the pub. Short stocks continued and I asked him if the deliveries were being checked in. He was adamant that he checked everything in himself.

On my next visit to this site, they had had a delivery prior to me getting there. The delivery note from that morning included seven kegs of Kronenbourg. There wasn't a single full keg of Kronenbourg on the premises !!!

A third site, probably their busiest site, invariably had short stocks. These sites were not given any allowances, and this particular one had a beer cellar that was higher than the main bar and a good 40 or 50 yards away from it.



**Gordon Andrews F.I.L.S.A.**

I had always thought that this was the reason for the short results.

The company decided to get rid of the young couple that had been running it and put in a hard man to manage it. Sure enough after a few months he was getting reasonable results, BUT turnover had dropped from £15,000 a week to under £10,000 a week. Surely a few hundred pounds shortage each month was preferable to £20,000 a month drop in their turnover.

The manager of one of their sites told me that he was going to another job, and would I do the stocktaking for them. I of course said yes, and a week or two later did the change at a bar almost opposite the Tottenham Hotspurs football ground.

I was delighted, because I have always been a Spurs fan, and I could get into the Spurs shop, and by arranging stock dates when Spurs had a midweek home game, I could stop on and go to the match.

But this wasn't the only highlight of getting this job. The person buying the bar was none other than Sam Fox, the original page three girl.

She was a really nice girl, surprisingly shy, and looked even better with her clothes on. Her mum was just as gorgeous, but not as shy.

# Le Chef



## Sticky pork chops with spring onion mash

**Serves 4 ready in 35 minutes**

you will need:-

1Kg large floury potatoes ( King Edwards ) peeled and cut into chunks

4 tbspn of honey

3 tbspn light soy sauce

3/4 dried chilli flakes

4 bone in pork chops

1 small savoy cabbage, outer leaves discarded, shredded

150ml milk

50g butter

4 spring onions sliced

### Start cooking

1. Preheat the oven to 190c, fan 170c, gas 5. Place the potatoes in a large saucepan of salted water, cover and bring to the boil then simmer for 12 to 15 minutes until tender.

2. Meanwhile, mix the honey, soy sauce and chilli flakes

together. Place the pork chops in a shallow roasting and pour over the honey mixture to coat the chops. Roast for 20 to 25 minutes, turning and basting with the sauce a couple of time during the cooking period.

3. When the potatoes are done, use a slotted spoon to transfer to a bowl. Bring the cooking water back to the boil add the shredded cabbage and cook for two to three minutes until just tender.

4. While the cabbage is cooking mash the potatoes with the milk and butter. Season well with salt and freshly ground black pepper.

Once it's cooked drain the cabbage and stir into the mashed potato, along with the sliced spring onions. Reheat and serve the chops with the roasting juices drizzled over the top

And Finally

# Enjoy

## Examinations

The next ILTSA qualifying examinations will be held at the Shireburn Arms, Lancashire on Tuesday 13th October.

The Refresher day will be held on Monday 12th October. Please book early to reserve your place.

## The National Minimum Wage rate is increased to the following rates from 1st October 2015

21 and over	£ 6.70
18 to 20	£ 5.30
Under 18	£ 3.87

Apprentices \* £ 3.30

\*This rate is for apprentices aged 16 to 18 and those aged 19 or over who are in their first year. All other apprentices are entitled to the National Minimum Wage for their age.

# Ten Ways to help your client stay in business

Following on from Richard's thought provoking article I thought I would detail ten ways in which we can offer extra services rather than becoming mere bottle counters. Many of us have a background in hotel management and have run our own hospitality businesses in the past so to some extent it is second nature. Even if you haven't you must pick up examples of good practice from other clients which you can pass on. Stating the obvious if your clients are profitable then your own business is more secure - you know it makes sense !



<b>Improve service standards</b>	Perhaps not immediately obvious as a service that we can offer but offer to act as a 'mystery shopper' for colleagues or your own clients. First impressions are very valuable so how are you greeted - would you want to return?
<b>Promotional activity</b>	Monitor closely any promotional activity - ensure that a client knows exactly how much a promotion is costing. Does the promotion actually achieve an increase in profitability.
<b>Glassware</b>	Branded glassware can build sales but beware of oversize glasses especially on expensive continental lagers. It's only your client that loses out.
<b>Correct measures</b>	Ensure that the correct measures are being used especially slow moving lines such as Baileys. Wine sold by the glass can also be a problem if staff training is inadequate.
<b>Product knowledge</b>	We are often in a position to advise what is selling and more importantly what products not to stock. Unlike sales reps we can be totally honest about the potential of many products.
<b>Alternate suppliers</b>	We are able to advise which suppliers in the locality are giving the best value. Even when product ties are in place there may be scope to change suppliers.
<b>Identify trends</b>	Clearly identify the big sellers. 20% of the products sold will account for 80% of the sales. New drinks often have a limited cycle and then fall off - ride that wave.
<b>Pricing policy</b>	Do not allow your clients to 'undersell' their products - work out a pricing policy and stick to it. I have lost count of the times when I have been told " my customers won't pay that".
<b>Menus ( and price lists)</b>	Offer to help produce menus, wine lists and price lists. Once the templates have been drawn up they are relatively quick to produce.
<b>Legislation</b>	Keep the client up to date with the constant stream of revised legislation - point them in the right direction.

## Customers bringing their own drinks

On the weekend that a member contacted the office about this age old problem I actually attended the wedding of two of our locals.

I was amazed at the amount of this going on with one guy actually going to the bar asking for "two nice malt glasses with ice please" and suprisingly being given them. What had annoyed everyone was the hike in prices from the lunchtime to the evening reception. There was actually an off licence straight across the road so it was asking for trouble.

I am not condoning the practice but perhaps if there was not so much of a price gap many customers would no longer feel the need to do it.

Has any member seen any action that would have worked to stop this practice - contact the ILTSA office?

# A Cautionary Tale

A few months ago I completed an end of year audit and valuation for a client of many years standing. The results had traditionally been acceptable and the Club well managed.

To my surprise, I produced a rather large stock shortage and upon completing a full till PLU variance report established that a particular brand of cask ale was the culprit, to the tune of over 20 gallons after all allowances.

All delivery and stock levels were re-checked on-site to “prove” to the steward that my figures were correct. The background to this particular cask ale, is that it is brewed predominantly at the main brewery with my client’s supply being brewed at their micro brewery which also supplies one of their sites next door; a brewery tap situation. Only this site and my clients sell this particular brand of cask ale in the vicinity.

Being summoned to a Committee meeting to explain the results, which was obviously my fault and poor stock auditing, I stuck to my guns and argued the case that the result was correct and no changes could or would be made to it.

I put in place a checking system, where a daily PLU reading was taken at the end of each session and the pints sold recorded. The cask was then dipped and the stock movement recorded. The two figures were then matched and a variance produced. Each full cask was dipped prior to tapping.

After phoning a few weeks later for an update on how this control procedure was working, I was told all was well. My visit 12 weeks later (yes, I know, daft isn’t it!) established a shortfall of 23 gallons after all allowances.

I purposely and with consent, did not look at the control records until I had finalised this result. Viewing these records, the Committee had



**It is worth remembering that the contents of a cask or keg are not governed by any weights and measures legislation. The cask or keg is merely a container capable of holding the stated amount.**

established a shortfall of a higher figure than mine but after I took allowances into consideration, amounted to 23.7 gallons.

Feeling vindicated, I suggested that this matter ought to be brought to the attention of the supplier who promptly attended and issued a Credit Note for the first established stock shortage.

Two weeks later, the brewery representative made another appointment with the client and sheepishly explained that they themselves had completed a stock audit at their micro brewery retail site and calculated a massive stock shortage too!

The brewers established that the difference between the two methods of brewing between the main and micro brewery was that a filter pan at the latter site was not used and upon investigation established that the sediment approximately constituted up to two gallons of product.

Yes, the client should have noticed the weight when moving “empty” Kilderkilns but what I find rather amusing is that from establishing a stock control issue for a client and assisting them to solve the problem, that a major local brewer has been losing much more and I don’t even receive a phone call of thanks from them! Such is life!

**Neil Johnson F.I.L.S.A.**

## Changeover Valuations

Council would recommend that the following guidelines be used:

If working for one party:

Minimum fee	£ 155.00
3k - 5k valuation	5.5 %
5k upwards	4.8 %

If working for both parties:

Minimum fee	£ 200.00
3k - 5k valuation	6.5 %
5k upwards	6.0 %

## From the chair.....

continued from page 3

The same applies to the way you interact with anyone at the premises, although you may think that they're interested in the traffic jam on the B6735 that meant you were eight minutes late, it's not really true, beginning a job with a predominately negative attitude will influence the way you are viewed.

If your business model is built around roaring around five stocks a day and sending the result later on, then I respectfully suggest that you need to re-think the way you operate. Passing on your opinions and suggestions from those millions of bits of data in the stock report, targeting the small changes that will bring big benefits, is the professional way that earns you the respect of your client, and means that they will see you as a vital part of their machine who should be paid a good fee.

I have seen many types of stock report and most systems leave a space for comments from the stocktaker. These are often left blank or seem to have explanations for a large wastage claim, but seldom include recommendations and suggestions. A few pertinent comments, even if they will only produce marginal gains, are a good way of showing your client your high level of interest. It's also a record that you can produce with a flourish two years down the line when

someone asserts that they've discovered that a GP is not up to scratch.

I apologise if I've been teaching all you grannies how to suck eggs but I maintain that we must all hold a mirror up to ourselves on a regular basis to ensure we keep the high standards that we're all capable of.

On to my hot tip of the month: Occasionally during a changeover we're confronted with a Gas or Oil tank that has no plate announcing the capacity. I know that in "Taking Stock" there is an explanation of the quite complicated formula for calculating the capacity but I don't carry my copy with me at all times. (This probably renders me liable to expulsion) If you look at [www.regaltanks.co.uk/calculator](http://www.regaltanks.co.uk/calculator) there is a free download for your phone which only needs the measurements - either metric or imperial - and the depth of dip and it'll give you the capacity to the litre. What about a measuring tape I hear you ask? IKEA I say in reply.

It's also worth taking a picture with your camera phone of the gas gauge so you can answer the call you get two weeks afterwards querying your calculation. Good luck with explaining why 80% of capacity is full but you don't actually pay for it.

**Richard Grafton F.I.L.S.A.**

## One Liners

Fun with the English language.

So this bloke said to me " Do you know Marie Osmond is about to appear in the world's worst film" I said " Warner Brothers? " He said " I already have"

***This bloke said to me " As a young boy, was your mother very strict with you?" I said " Let me make one thing absolutely clear. My mother was never a young boy."***

Last night I dreamt I was author of Lord Of The Rings. I was Tolkien in my sleep.

***I saw Schindler's List at the cinema. The bloke behind me started wailing. I got hit on the back of the head with a harpoon.***

Exit Signs – they're on the way out aren't they.

***I decided to sell my Hoover. Well it was just collecting dust.***

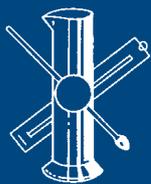
I went to the record shop and asked " What have you got by the Doors ?" He said, " A bucket of sand and a fire blanket."

### I.L.T.S.A. Training Course

Full details on [www.iltsa.co.uk](http://www.iltsa.co.uk)

The Institute runs intensive three day courses in March & October each year. Full details and booking forms are available online or from the ILTSA office.

Next course :- October 15th 2015  
Clitheroe, Lancashire



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### Llandudno Hotel

**Monthly stocktake needed for Llandudno , North Wales hotel. Wet stock only on a monthly basis. Qualified ILTSA member required.**

**Contact Richard Grafton F.I.L.S.A.  
on 01305 813225 or  
07976 754146**