

ALMR Press Notice

Association of Licensed Multiple Retailers

Tuesday 9 October 2007

"If you want to make a profit – forget food!"

At the height of the Restaurant Show and against the received opinion of all the experts the ALMR's Annual Debate has carried the motion that ***"if you want to make a profit – forget food"***.

At a packed meeting in Brighton last week the topic was debated – entertainingly and revealingly:-

Peter Hansen, the well known mergers and acquisitions expert, propounded his theory that a 'wall of investment' was going into food operations – branded and unbranded – and that he worried that the returns on that investment just did not stack up. *"The supply is going to exceed demand quite soon"*, he said *"and unless everyone starts to have four meals a day I don't see how it's going to work"*.

Eddy Passey, the operations director of Belushi's was more direct. *"Catering requires skills and the average pub just cannot do the sales to afford a cook and a KP let alone all the hardware needed to keep the EHO happy"*.

Ranged against the idea – and initially with majority support – were Hamish Stoddart of the top-end gastro pub chain Peach Pub Company, and Dan Marlow, Operations Director of Value Food at Spirit. Dan was quite clear that *"the future is food because of its growth potential, because of increasing consumer affluence, because women make the choices and because the government wants it!"*

Against the backdrop of some 'good enough to eat' slides of Peach dishes Hamish made the stark claim that operators would *"forget food at their peril"*.

The vote was instructive: at the outset there were 24 in favour and 47 against with 29 abstentions. After the protagonists had passionately and eloquently argued their case the vote changed round, mostly convincing the undecided, and concluded with 55 in favour and 45 against.

Nick Bish, Chief Executive of the ALMR said *"The topic was provocatively pitched but the outcome was illuminating. The rise and rise of eating out may be inevitable and probably welcome, but the serious message behind a light hearted debate was that operators must watch out for their profits – and that food, of itself, is not the universal answer to smoking bans, declining beer sales or the challenge of the supermarkets"*.

-ENDS-

Notes for Editors

1. *The Association of Licensed Multiple Retailers (ALMR) is the only national trade body dedicated to representing the interests of pub and bar operators and providing their companies with business support and advice. There are currently 85 companies in membership, between them operating 15,000 outlets – of which more than 4,000 are*

The Association of Licensed Multiple Retailers
9B Walpole Court, Ealing Studios, London, W5 5ED
Tel: 020 8579 2080 Fax: 020 8579 7579 E-mail: info@almr.org.uk

managed operations. The bulk of ALMR membership is drawn from small independent companies operating 50 outlets or fewer under their own branding

For Further information please contact

Kate Nicholls on 07958 796238 or

Nick Bish on 020 8579 2080 or 07831 778993,