





THE IFBB COMPRISES OF

29

FAMILY BREWERS  
ACROSS THE UK

WITH OVER

4,500

YEARS OF BREWING  
BETWEEN US

MOST OF OUR

3,238

PUBS  
ARE CLOSE TO  
OUR BREWERIES



AND WE KNOW THEM  
PERSONALLY

OUR REGIONAL  
BREWERIES  
ARE ICONIC

AND WE OWN AND  
OPERATE SOME OF  
THE MOST HISTORIC &  
TRADITIONAL PUBS  
IN THE COUNTRY

WE CONTRIBUTE

£2.1

BILLION  
IN GVA



## THE IMPORTANCE OF THE INDEPENDENT FAMILY BREWERS OF BRITAIN

WHEN YOU THINK OF A GREAT  
BRITISH PUB, WHAT COMES TO MIND?  
THE PERFECT PINT OF BEER OF  
COURSE, DISTINCTIVE TO THE AREA  
IT IS BREWED IN AND CELEBRATED  
ACROSS THE UK.

A tradition that we Family Brewers with our  
breweries and our pubs have been at the heart  
of, quietly going about our business for over 300  
years. In fact, we're the original brewers, intrinsic  
to the British cultural landscape, with reams of  
experience and craft skills. Today we remain family  
owned and fiercely proud of our brewing heritage  
throughout England and Wales.

We are family businesses who operate with  
like-minded people and a long-term perspective;  
continuing to brew beer for sale in our pubs and  
investing in our pub estates for generations to  
come. At our heart is our unique Brewery Tie  
model; a mutually beneficial arrangement between  
Family Brewer and tenant. The tenant rents the  
premises from us as Family Brewers at a reduced  
commercial rate and we supply the tenant with  
a range of products including our beers. We  
therefore have a marketing outlet that guarantees  
the distribution of our own brewed beers and the  
tenant has the opportunity to run his or her own  
business at a lower start-up cost.

Over recent years, there has been political and  
trade debate over the use of the tied pub system.  
The Brewery Tie is of paramount importance to us  
as Family Brewers. Abolishing the Brewery Tie for  
Family Brewers would be catastrophic and would  
result in the closure of our breweries, the loss of  
well-known and respected beer brands and the  
loss of more of the great pubs for which Britain  
is famous. Family Brewers are at the heart of the  
UK's brewing and pub tradition. With our values,  
standards and culture, we are the custodians of  
the genuine brewery tied model. Our perspective  
is for the long term, we invest in our people, our  
breweries, our beers and our pubs, with a clear  
and sustained focus that brings employment and  
prosperity to rural local communities.



## WHY YOUR SUPPORT FOR FAMILY BREWERS IS SO IMPORTANT



### WE ARE LONG TERM EMPLOYERS

Many of our brewery  
employees and tenants have  
worked with us for generations

### SUPPORTING COMMUNITIES

We support the communities around us through charitable  
fundraising and initiatives such as Pub is the Hub

### WE INVEST FOR THE LONG TERM

We have been investing  
in sustainable pubs for  
hundreds of years



### WE ARE A RICH PART OF THE UK'S REGIONAL HERITAGE

Each region's beer  
has its own distinctive  
qualities and flavours



## OUR BUSINESSES SUPPORT RESPONSIBLE DRINKING



### CASK BEER SUPPORTS BRITISH INDUSTRY

Cask conditioned beer predominantly  
uses all British sourced and often  
regional ingredients



TOGETHER WE CAN  
PROTECT OUR BREWERIES  
AND KEEP OUR PUBS OPEN  
FOR FUTURE GENERATIONS  
BY CONTINUING WITH  
THE BREWERY TIE

\*All data displayed in this document is from  
Family Brewer research compiled by Oxford  
Economics in association with the BBPA  
August 2018 unless otherwise stated.  
Data is correct at time of print October 2018.



## THE UNIQUENESS OF FAMILY BREWERS AND THE BREWERY TIE

FAMILY BREWERS HAVE HUNDREDS OF YEARS OF HISTORY, BUILT FROM CORE FAMILY VALUES AND THE HIGHEST OF STANDARDS, IN PARTNERSHIP WITH OUR EMPLOYEES, TENANTS AND SUPPLIERS.

We produce and distribute great quality beer through the brewery tie because we have bought pubs in our local heartlands. Today, the position remains the same with the majority of the pubs that we own located close to our breweries.

### THE BREWERY TIE SERVES A NUMBER OF PURPOSES AND IS IN THE BEST INTERESTS OF...

#### TENANTS

WITH THE SECURITY  
OF THE BREWERY TIE,  
FAMILY BREWERS:

- Provide capital and investment to buy, insure and maintain pub properties operated by their tenants.
- Provide tenants with a chance to set up their own business at a low cost of entry, creating new employment opportunities for entrepreneurs.
- Share the financial impact with tenants when drink sales increase or decrease thus lowering the tenant's operational risk.
- Provide extensive support services to tenants which they would not receive as a freehold operator. This is particularly helpful during difficult economic times in the form of financial and business advice, continued investment, marketing and promotions, cellar and beer quality management and digital and marketing training.
- Take a long-term view of investing and supporting our tenants over long business cycles.

#### PUB-GOERS

THE BREWERY TIE  
BENEFITS THE  
PUB-GOER BY  
ENABLING FAMILY  
BREWERS TO  
PROVIDE:

- A wider choice of locally brewed beer brands, particularly specialist cask beers, than would be available if Family Brewers ceased to exist.
- Well invested pub premises which compete healthily with other on-trade outlets in their local markets.
- A wide range of other products for our tenants using established buying relationships, including those of major European brewers.
- The enjoyment of experiencing the rich heritage of our business.

#### LOCAL COMMUNITIES & ECONOMIES

THE BREWERY  
TIE BENEFITS  
GEOGRAPHICALLY  
DIVERSE LOCAL  
COMMUNITIES  
AND THEIR  
ECONOMIES BY:

- Guaranteeing jobs at the brewery and in the pubs we own and with suppliers to our businesses.
- Ensuring we as Family Brewers continue to be major employers in mainly small towns.
- Taking a long-term view of viability. Each pub provides employment, often in small communities. In rural areas many pubs are given a lifeline to remain open because we take a long-term view about the success of a pub and will support tenants as they grow their business.
- Strongly maintaining and preserving many of the most historic pubs in the country which provide significant tourism opportunities. Many of us also have visitor centres and brewery museums.

## OUR RESULTS SPEAK FOR THEMSELVES



WE EMPLOY  
**47,000**  
PEOPLE LOCALLY  
IN OUR BREWERIES  
AND PUBS

OUR SMALL  
PUB ESTATES  
(ALL LESS THAN 500)  
ARE RUN BY  
LIKE-MINDED  
PEOPLE WHO  
WE KNOW

LAST YEAR  
FAMILY BREWERS BREWED  
**360**  
DIFFERENT REGIONAL  
CASK BEERS



WE INVEST OVER  
**£300**  
million  
ANNUALLY  
IN OUR BREWERY  
OPERATIONS AND PUBS



**9 out of 10**  
OF OUR TENANTS  
WOULD TAKE ANOTHER  
AGREEMENT WITH US



AROUND  
**3,000**  
TENANTS  
OPERATE THEIR  
OWN BUSINESSES WITH  
FAMILY BREWERS



JUST UNDER  
**50%**  
OF THOSE EMPLOYED  
IN OUR PUBS ARE  
UNDER 25



## THE RECENT HISTORY OF THE BREWERY TIE

# 1993

In 1993 the Family Brewers came together as a group to enable them to continue to run their businesses with a Brewery Tie and highlight the importance of this model. The Brewery Tie allowed them to have a route to market by ensuring their beer was sold in their locally owned pubs.

## FROM THE 19<sup>TH</sup> CENTURY

Family Brewers have been running their pubs successfully with the Brewery Tie for hundreds of years. This continues today with the Family Brewers' tenanted pub estates operated in partnership with tenants on a Brewery Tie.

## BEER ORDERS

Beer Orders in 1989 changed the face of the brewing sector whereby brewers with over 2,000 pubs had to dispose of their larger estates, creating the large non-brewing pub companies.

# 2010

Family Brewers' Tie Block Exemption – EU Commission gave the Family Brewers' Tie a block exemption from competition law in recognition of their unique operating conditions; further renewed for 12 years in 2010.

# 2009/11/13

Government Inquiries 2009/2011/2013 – Government consultations into pub companies and their relationships with their tied tenants. IFBB members introduced their own voluntary Code of Practice following the 2009 inquiry.

# 2015

The Small Business, Enterprise and Employment Act introduced Statutory Legislation and a Pub Code Adjudicator for pub companies with over 500 pubs. The legislation was drafted to specifically exclude the Family Brewers due to their small size, giving them the ability to continue with the Brewery Tie established in the 19th century.

## GLOSSARY OF TERMS

**Family Brewer** – an independent family owned business who brews beer for distribution through its own family owned pubs and others.

**Beer** – Lager, Ale, Bitter and Stout are all types of beer we brew, and they are supplied as Cask Beer (real ale), keg beer, canned and bottled beer.

**Brewery Tie Agreement/Brewery Tenancy** – The agreement that governs the relationship between Family Brewer and tenant. Typically, a short-term tenancy agreement of between 3 and 6 years with an obligation for the tenant to buy beers from the Family Brewer. An affordable low-cost way to take a business. In exchange, the tenants pay rent and receive extensive business benefits from the Family Brewer including maintenance of the property, insurance, training and business support.

**Tenant** – the independent landlord of a pub who takes a Brewery Tie Agreement to run a Family Brewer owned pub. Sometimes referred to as Licensee or Business Partner.

**Brewer's barrel** – how Family Brewers measure the volume of beer they produce. A brewer's barrel comprises 288 pints of beer.

**Leasehold Pub** – A longer term agreement where the tenant would usually pay a premium to take on the business. 10, 15 or 20 year agreements, these leases often require the tenant to fully insure and repair the pub property.

**Managed Pub** – Where all the staff, including management are employed by the owner of the pub who operates the business directly themselves.

**Tenanted Pub** – Where a pub is operated by an independent tenant through a Brewery Tie Agreement. The tenant employs all the staff and is able to operate the pub according to their own business plan.

**Freehouse pub** – Properties that have been purchased outright. The Freehouse operator is responsible for all repairs and maintenance, investment and insurance at the property but as the business owner they can procure their drinks from the free trade market.

## OUR OUTSTANDING CONTRIBUTION

FAMILY BREWERS CONTRIBUTE EXTENSIVELY TO OUR LOCAL COMMUNITY, OUR REGIONAL AND NATIONAL ECONOMIES. SUPPORTING US WILL ALLOW US TO OPERATE FOR ANOTHER 300 YEARS.

### EVERY YEAR

OVER  
**£5 million**  
DONATED TO LOCAL  
CHARITIES AND CLUBS  
THROUGH SPONSORSHIP

WE BREW  
**½ billion**  
PINTS A YEAR

**69,500**  
JOBS  
ARE SUSTAINED THROUGH IFBB  
MEMBERS' ACTIVITY IN THE UK

**1000's**  
OF APPRENTICES  
HAVE BEEN TRAINED WITH US



NATIONALLY  
OUR BUSINESSES  
CONTRIBUTE OVER  
**£800 million**  
IN UK TAXES

WE SPEND  
**£267 million**  
WITH SMALL LOCAL  
SUPPLIERS CLOSE  
TO OUR BREWERIES

OVER  
**600 million**  
VISITS TO A  
PUB BY TOURISTS  
A YEAR

WE PLAY AN IMPORTANT  
ROLE IN THE BEER EXPORT  
MARKET WORTH  
**£595 million**  
PER YEAR

BRITISH BEER IS  
EXPORTED TO OVER  
**100**  
COUNTRIES  
WORLD WIDE

GREAT BRITISH BEER AND GREAT BRITISH PUBS  
CONTRIBUTING TO OUR GREAT BRITISH ECONOMY

Figures are annual unless otherwise stated.

“The Family Brewers of Britain are an outstanding body of long established businesses which should be celebrated. They form a rich and valuable part of the UK's pub and beer landscape.”

**NIGEL EVANS**

PRESIDENT OF THE ALL-PARTY  
PARLIAMENTARY BEER GROUP

“The Independent Family Brewers of Britain is a wonderful organisation representing breweries with a rich and vast heritage that have been passed through generations. We are proud to have them as members and of the vital role they play in British culture and local communities across the country. It is important that we continue to support them to operate in a way which will make them sustainable for generations to come.”

**BRIGID SIMMONDS**

CHIEF EXECUTIVE OF  
THE BRITISH BEER &  
PUB ASSOCIATION

“Family businesses are behind the UK's most loved beers. Their commitment to strong traditions and a desire to continue to innovate have helped them thrive generation after generation. We are incredibly proud of the work of the UK's family brewers and are pleased to work with the IFBB to champion their incredible contribution to our society and economy.”

**ELIZABETH BAGGER**

EXECUTIVE DIRECTOR –  
INSTITUTE FOR FAMILY BUSINESSES IFB

A PROUD HISTORY OF  
RUNNING THE UK'S BREWERIES  
AND PUBS FOR OVER

300  
..... YEARS .....

[WWW.FAMILYBREWERS.CO.UK](http://WWW.FAMILYBREWERS.CO.UK)

