

Taking on a pub with Star Pubs





WHY STAR?

SIMPLE. OUR 5 STAR PROMISE.

For years, we've helped great publicans create the greatest pubs and bars around the UK.

Our approach is simple: you're the one with the vision and the talent, our job is to help you make it a reality.

As the pub business of HEINEKEN UK, that means you'll have access to the UK's leading portfolio of iconic beer and cider brands. All backed by our industry-leading terms and support. Taken together we call it our 5 Star Promise and it's our commitment to helping you do what you do best: being the star behind your pub or bar.

OUR FIXED RENT PROMISE

None of our new agreements have annual rent increases. This means the rate agreed at the start of your agreement is fixed until the end of its initial term. So, you can plan your business with certainty and without unwanted surprises.

OUR INVESTMENT PROMISE

We're always open to hearing your ideas on how to successfully grow your business, in the last few years alone we've spent £200 million in refurbishments to support our licensees' visions.

Backed by HEINEKEN UK, we're transforming bars and pub gardens and installing cutting edge draught dispense technology like HEINEKEN SmartDispense® system.

What's more, through HEINEKEN UK's 'Brew a Better World' mission, we're also investing in making our pubs and breweries more environmentally friendly.

OUR MARKETING PROMISE

We want you to feel you have everything you need to make a success of your pub for your customers. That's why not only do we offer you HEINEKEN UK's industry-leading 'ready made' retail and promotional support when you need it, but we also promise to fund 50 per cent of the cost should you wish to design and personalise any point-of-sale marketing materials yourself using our 'POS' hub.

What's more, we'll always back you with HEINEKEN UK's extensive range of drinks brands and category-leading insights, to help you make a success of your pub.

OUR SUPPORT PROMISE

When it comes to support, we promise to offer as much or as little as you like, whether that's the promise of face-to-face time with a dedicated BDM whilst you get up and running, our award-winning training programme, or just support as and when you feel you need us.

Because we know every licensee's needs are different.

OUR MAKE YOUR MARK PROMISE

We believe your pub should feel like your pub. That's why we promise to give you the freedom to buy all wines & spirits from wherever you like, free-of-tie. We'll also give you the opportunity to stock cask beers from a selection of local brewers so your local can feel more local. In addition to promising to never plaster your pub with our Star Pubs branding, we promise to always listen to your vision for how you want your place to look and feel. We encourage you to bring your personality to the pub.

All so you can stand behind the bar of somewhere that feels independent and truly your own.



SUPPORT AT EVERY STEP

At Star Pubs, we're committed to working with you to ensure you and your pub are well looked after by providing you with quality support whenever you need it. Whether it's cutting your costs with our Star Support supplier discounts or developing your skills on our Innside Track support scheme, we aim to make you and your pub as successful as possible for years to come.

INNSIDE TRACK

WE'LL SUPPORT YOU WITH THE BEST ACCOUNTANCY AND STOCKTAKING SERVICES IN THE INDUSTRY.

Innside Track is our fully inclusive financial support scheme, which provides accountancy advice, stocktaking services and an electronic point of sale (EPOS) till system for the duration of your lease, all from just £441.50 per month 1 . It has been specifically designed to offer you the best accountancy and stocktaking services in the industry, and can make a significant improvement to your profit

INNSIDE TRACK PROVIDES YOU WITH:

- Expert business planning advice specific to your pub.
- Financial support including site visits from your accountant and an EPOS till system, allowing you to focus on your customers.
- Dedicated trade accountants who understand your business.
- Open book accounting to allow your BDM to support you with advice.
- Real time sales data and reporting.

MYSTAR

WE USE OUR BUYING POWER TO GET YOU GREAT DEALS.

We have a wealth of suppliers who can provide you everything from waste management and washroom supplies, to coffee and WiFi. Giving you everything you need to make the most of your pub's potential.

MyStar is designed specifically to boost and grow your business. It's an online hub that brings together all the support and insight available to licensees in one place. You can search discounted products and share ideas that make a difference to your bottom line and discover practical resources that could improve your profit margins too.











MARKETING SUPPORT

WE DELIVER IT BY PROVIDING YOU WITH THE BEST RETAILING MARKETING ADVICE AND POINT OF SALE KITS TAILORED TO YOUR PUB, AS WE KNOW THAT NOT ALL PUBS ARE THE SAME.

Getting more people into your pub, more often, spending more – this is our mission. We deliver it by getting the best retail marketing advice to you, when you need it, in easy to implement ways.

MARKETING TOOLS INCLUDE:

- Market and Consumer Insight straight to your email inbox, we provide you with the latest consumer trends and how to use this knowledge to generate sales.
- Mystery Visits we will send mystery visitors through your door twice a year to provide insight into
 what works well and where you could improve, along with tailored training modules for you and
 your staff.
- POS Direct we provide subsidised, customisable Point of Sale and digital assets to help you advertise events and promotions inside and outside your pub.
- Digital Marketing we offer training, top tips and assets for social media, websites, e-mail and loyalty programmes to help you attract consumers from their sofa into your pub to help you advertise events and promotions inside and outside your pub.

¹ The fee for all the Innside Track services is calculated according to your turnover so you only pay the charge appropriate to your business. Our purchasing economies of scale mean that we are able to scure best value from these providers.



TRAINING WHEN YOU NEED IT

The pub landscape has been changing rapidly in recent years, so our programme of training and business support has been designed to help all our licensees, from first-time operators to experienced entrepreneurs, make the most of every opportunity offered by their new pub.

INNSIDE KNOWLEDGE

Our induction training workshop is for all our licensees and operators because we believe this is the best way to help you launch your pub business. The training is carried out in a virtual classroom, which means no travel or accommodation costs are incurred. You will be allocated your own personal mentor who will guide you through our training programme, which is spread across a 5-day interactive online classroom course. Alongside the interactive training sessions, you will also receive

a one-year online training license through the CPL Learning platform, ongoing membership of the BII, in-house cellar management training, plus access to other virtual and face to face workshops we run throughout the year.

These workshops cover subjects such as social media, creative tactics, practical pubs finance and much more, new topics are being added as the business requires.

THE INNSIDE KNOWLEDGE WORKSHOP INCLUDES:

- An introduction to Stars Pubs and the wider HEINEKEN UK business.
- Compare and contrast your ideas with those of other licensees.
- Examine and evaluate your management style.
- Meet new suppliers who can provide services for your business.
- Revise and clarify details of your business plan.
- Devise an implementation strategy for your business plan.

ON INNSIDE KNOWLEDGE YOU'LL LEARN ABOUT:

- Licences and legal obligations.
- Finance and insurance.
- Cellar management.
- Creating a food offer.
- Employing staff.
- Health, safety and security.
- Marketing and promotions.
- Growing your business.

The fees for the Innside Knowledge are heavily subsidised by Star Pubs because we think it's one of the best ways to make sure you and your business will be a success.

THE COST TO YOU IS ONLY £425 (+VAT) WHICH INCLUDES:

- INNSIDE KNOWLEDGE VIRTUAL WORKSHOP More than one person can attend, the fee is the same for one or two people.
- **SUPPORT TOOLS** Includes templates of common forms and paperwork, such as retail standards checklist, team training tools, social media training and tips, and many more useful documents.
- **LEARNING HUB** As part of the cost of Innside Knowledge, you will receive a one-year subscription to the Star Pubs e-learning platform.
- **BII MEMBERSHIP** As part of the Innside Knowledge workshop, you will receive an ongoing membership to the BII. This gives you access to an employment contract builder, helplines for professional advice on licensing, employment law, tax and legal assistance from approved solicitors and business tools such as a Gross Profit calculator.

OUR SUPPORT CONTINUES WELL AFTER THE INNSIDE KNOWLEDGE WORKSHOP FINISHES. OUR EXTENDED RESOURCES INCLUDE:

- **INNSERVE** Our draught dispense specialists will arrange to visit you within a few weeks of you taking over a pub to carry out a training session for you and your staff on line cleaning and beer quality, tailored specifically to your pub.
- INNSIDE KNOWLEDGE FOLLOW-UP Your mentor will check in with you once you have signed your.
 agreement.



FOUNT OF KNOWLEDGE WORKSHOPS

Workshops designed for you to make the most out of your business. We can run these workshops for either a group of licensees or for multiple licensees and their managers. Each workshop involves a commitment to making a difference. If you want to effect real change in your business then these workshops are for you.

PASSION FOR QUALITY

This workshop run by Edward Theakston always gets great reviews. Covering all aspects of the bar and cellar it's an interactive session covering new technologies such as our SmartDispense system as well as core cellar skills such as how to get the best out of your cask ales. The programme is aimed at both new and existing licensees and key staff.

TRAINING HUB COURSES

We will provide you with access to training content and resources to enable you to train your team to run and grow your business.

THE LEARNING PLATFORM WILL PROVIDE CONTENT COVERING A WIDE RANGE OF TOPICS:

- Age verification.
- Allergens.
- Cask Marque Bar and Cellar Excellence.
- Manual Handling.
- Slips, Trips and Falls.
- Food Safety Level 2 (essential for a food business).

- Food Skills.
- Team Wellbeing.
- Personal Resilience.
- Conflict Management.
- Interview Skills.
- Guest Excellence.



FIND THE PUB FOR YOU

Star Pubs operate leased/tenanted pubs whilst also offering a management agreement called Just Add Talent. By investing in you to help grow your business through an equal partnership with us, we can offer you the best chance of success.

There are four main types of pub business: leased/tenanted pubs, managed pubs, free houses and franchises. Each model offers its own particular mix of risks and rewards:



MANAGED HOUSES

- No start-up cost, manager is an employee of the business.
- Excellent way to gain experience.
- Your training, management processes and trade procedures will be decided by your company's head office.
- Little or no freedom of action or input into future business strategy.
- Little or no input into brand selection.
- A fixed salary and bonus, but someone else enjoys the profits you make for the pub.
- You can be hired and fired just like any other employee.
- If you decide it's not for you, you can work your notice and leave.



LEASED PUBS

(STAR PUBS)

- Lower start-up costs. Some initial investment required.
- Access to financial packages, training courses and business support services.
- Access to advice for everything from a major refurbishment to installing a coffee offer.
- Access to the UK's best portfolio. One supplier for beer, cider and soft drinks.
- Free of tie for wines and spirits.
- The backing of a large company with the buying power to source best prices.
- Beer and cider pricing and discounts agreed with rent.
- With a leased pub you are your own boss but you are never on your own.

HOW MUCH DOES IT COST TO TAKE ON A LEASED PUB?

Every leased pub is different, so requires individual support and investment, please see a guide below:

£4,000

£4,000 for Just Add Talent. £10,000

for a smaller leased & tenanted pubs.

£30,000

for a leased & tenanted medium pub that's ideal for partnership or experienced operator. £50,000+

for a leased & tenanted large pub that requires an experienced entrepreneur or licensee with multiple venues.



FREE HOUSE

- Large initial cash investment or bank loan required to buy a pub freehold (from £200K upwards).
- Challenging option best suited to experienced operators.
- No help or support available if things go wrong.
- No help or support with the day-to-day running of your pub or long-term business strategy.
- Free of beer tie.
- Freedom to source goods and services from any supplier.
- Higher levels of discount may be available.
- A free house offers the greatest freedom but the highest level of risk.
- You can't walk away until you have sold the business.



MANAGEMENT AGREEMENT (JUST ADD TALENT)

- Small amount of initial investment is required.
- A quick start-up.
- Less risk compared to being completely on your own. Ideal for first time operators.
- The retail offer is set, including opening and closing times.
- Many of your pub running costs covered.



JUST ADD TALENT

This is our management agreement. We set the offer, pay for all of the stock and cover most other costs. You are responsible for delivering the offer and employing the staff.

KEY FEATURES:

- You are paid a revenue share between 20-30% of the turnover.
- You will also get 20% of the pub's net profit paid quarterly in arrears.
- No rent, utilities or rates.

- No fixtures, fittings or maintenance costs.
- Term is open-ended and can be terminated by you on three months or by us at any time.

FOUNDATION TENANCY: ENGLAND & WALES

This is our standard tenancy agreement in England & Wales. You have freedom to set the pub's offer and you can manage your risk by having the option to break the agreement at any time with three months' notice.

It is contracted out of the Landlord & Tenant Act 1954, meaning that it will come to an end after

KEY FEATURES:

- Five-year fixed term.
- Rent is fixed for the term.
- We can terminate the agreement on three months' notice if there are significant rent arrears or tie breaches.
- You can terminate the agreement on three months' notice.
- Reduced repair and maintenance obligations compared to FRI.

INVESTMENT TENANCY

This is used for pubs that we will significantly invest in and where a qualifying investment waiver is entered into as per Regulation 56 The Pubs Code etc. Regulations 2016.

It is covered by the Landlord and Tenant Act 1954, meaning that you have renewal rights at the end of the five-year term.

KEY FEATURES:

- Five-year rolling term.
- The agreement can only be ended once every five years on the anniversary of its start date. If no notice is served by either the Tenant or Landlord it will "roll" for a further period of 5 years.
- Rent is fixed for each five-year term.
- Rent review every five years.
- Reduced repair and maintenance obligation compared to FRI.

FULLY REPAIRING AND INSURING LEASE

Perfect for experienced licensees who want time to build up the value of their business and accrue the return on their investment with the added benefit of being able to sell their lease on should they choose to.

KEY FEATURES:

- Minimum ten year agreement.
- Assignable after two years.
- Rent review every five years.
- No annual RPI increases.
- You will be responsible for all repairs and maintenance.

FOUNDATION TENANCY:

SCOTLAND

This is our standard tenancy agreement in Scotland. You have the freedom to set the pub's offer and you can manage your risk by having the option to break the agreement at any time on 28 days' notice at any time. The agreement will come to end after three years.

KEY FEATURES:

- Three-year fixed term.
- Rent is fixed for the term.
- Both you and us can terminate the agreement on 3 months notice.









































BIG BRANDS MEAN BIG BUSINESS

HEINEKEN UK is a truly global company operating in over 70 countries and owning a portfolio of over 300 beers and ciders. We offer our licensees and operators a range of discounts to ensure their retail prices remain competitive. You will have exclusive access to our extensive portfolio of brands, including a full range of niche and speciality brands as well as beer and cider classics.

IN ADDITION:

- We offer competitive discounts on both packaged beer and cider, with regular promotions throughout the year.
- We offer a wide and constantly changing cask ale range from over 40 suppliers nationally, including industry leaders such as Marston's. On top of that you can select from the rotational cask scheme that brings new seasonal and guest ales every two months to help drive trade on key events such as major sport tournaments, Halloween and Christmas. Our cask suppliers will also jointly fund your cask marque accreditation so that your customers know you can pour an excellent pint!
- All our licensees can sign up to our Society of Independent Brewers (SIBA) beerflex scheme giving themption to stock a beer brewed within 30 miles of their pubs. A great way to offer your customers hyper-local beer!
- We also have a great range of wines specially curated for pubs. Each one tasted and appraised to make sure it will be popular with consumers and drive profit in your pub.
- We work closely with spirits suppliers to make sure we have a great range at excellent prices.

HOW THE APPLICATION PROCESS WORKS:

FIND YOUR PERFECT PUB.

Go online to **starpubs.co.uk** and find your perfect pub. Once you've found it, just click apply and start the process.

FACE-TO-FACE INTERVIEW.

The RSM will pass on your details to one of our Business Development Managers. They'll share their insight on the business, discuss the support we offer and assess your skills and experience.

BUSINESS PLAN INTERVIEW.

Once complete, you'll meet with your BDM for a second time to discuss your plans for the specific pub in more detail.

FINALISE.

We will meet up and go through the heads of terms - the key points of our agreement with you to make sure you understand and are happy with them. At this stage we will also go through any upgrade works we propose to do to the pub with you. The legal agreement is then prepared and sent to your solicitor for review prior to signature.

INITIAL CHAT.

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Once you've applied a Recruitment Support Manager (RSM) will call you to confirm your details, answer any initial questions you have and explain the process.

BUSINESS PLAN CREATION.

After meeting you, the BDM will ask you to create a business plan. We give you a minimum of four weeks to allow you to get independent financial advice and finalise your vision for the pub.

PRE-ENTRY TRAINING.

You'll attend our award winning
Innside Knowledge online workshop.
This will focus on bringing your
business plan to life to make sure you
are fully prepared for opening.

PICKING UP THE KEYS.

Once the agreement is signed the pub is yours! We will work closely with you in the early months to make sure you make the most of your new pub business.



YOUR NEXT STEP? GET IN TOUCH...

Pick up the phone, email us or visit the website to see what amazing opportunities we have for you in your area. We'll help you find your ideal pub or bar with an agreement to suit you. You might even find an exciting pub prospect takes you further than expected. Your future starts here with Star Pubs. How will you Make Your Mark?



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