

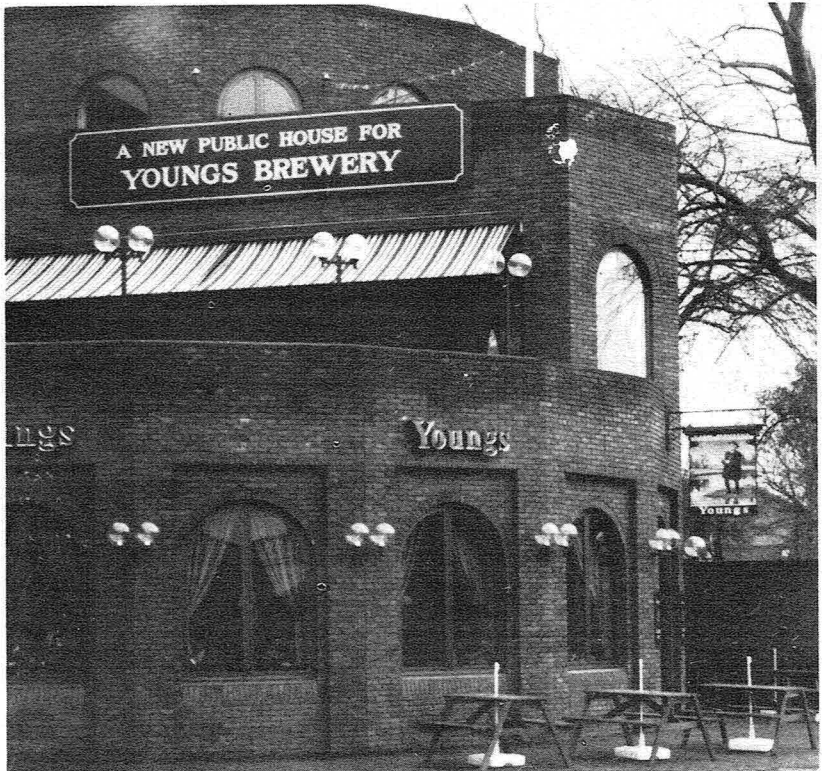
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THE LONDON DRINKER

10p

Produced by the London branches of the Campaign for Real Ale Ltd



Out of bounds see page 12

**PRICES - ALL ABOUT GRAND MET - LOVE
FROM DENMARK - KK, NEWS FROM ALLIED**

Campaign for real staples.



In wishing our readers a Happy Christmas and a relatively inexpensive New Year, we have cause to celebrate that 'London Drinker' is at last being printed in London. This will be most convenient in every way, though we are very grateful for the outstanding service which Neil Richardson in Manchester has always given us.

Just as every silver lining has its cloud, so we are now no longer in a position to boast about the traditional, non-keg virtues of the magazine, which hitherto was very much a hand-finished product. True, such soulless modern devices as electric typewriters and litho plates were used in the actual printing, but after this the full panoply of craft labour came into its own.

First, the collection. Instead of using postal or rail despatch services, it was cheaper to send a body up to Manchester to drink several gallons of Holt's and, in the process, to pick up the copies. Then came the collation - all done lovingly by hand, with the editorial team surrounded by tiny Japanese women (CAMRA members every one) with tiny Japanese fingers, deftly flicking the pages into the right order and prodding home the staples.

Those days, alas, are gone. From now on the 'Drinker' will come to you chilled, filtered and pasteurised, just as it leaves the printing works.

This double holiday issue includes the return of our crossword and no less than two serials - 'Love from Denmark' reaches its triumphant conclusion and our new effort, sub-titled 'A Blunt Instrument', is nothing if not topical.

LONDON DRINKER is published by the London Branches of CAMRA, the Campaign for Real Ale Ltd.

The views expressed in this publication are those of the individual contributors and are not necessarily the views of either the London Branches of CAMRA or the Campaign for Real Ale Ltd.

Advertising in LONDON DRINKER is not expensive - and the magazine is reaching an increasing number of beer drinkers and pub users every month. For details, contact our Advertising Editor, Caroline Bennett, at 11 Bettridge Road, SW6 or telephone: 943-1122 - (Tuesday to Friday only, please)

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Our next issue will be
out at the beginning of
February. Closing date for
copy: 11 January.

Prices a view from the free trade

In reply to our article on price-cutting, Roger Berman - who runs 'The Sun' and 'The Moon' free houses and the B&W Beer Agency - explains why pub prices are unlikely to fall.

Reading your leading article in the November issue has prompted me to attempt to explain why prices in public houses have never got into a 'price war' situation which the 'off' trade and super-markets are famous for. The reasons fall into four categories, three historical and one novel. (1) Concern of attracting the wrong type of customer, (2) the tied system, (3) trade protection and (4) VAT.

(1) I have never personally subscribed to this reasoning, as any publican who cannot control his customers would be better selling shirts.

(2) This heading is the main source of the problem. Obviously where a monopoly exists, price cutting will never occur. Efficiency inevitably degenerates without competition, so prices are increased time and again to cover up the iniquities of the system. The national brewers have also always kept pace with each other in their 'brewery gate' prices. On the retail side the old battle of tenant versus manager has also kept prices up instead of creating competition. The recent statements reported in the trade press from Mr. Thwaite of 'Chef and Brewer' confirm this point.

(3) Traditionally, tenants and free traders in England, particularly up until the advent of managed houses, spent a great deal of time and money creating trade protection (LVAs etc.) The charities are well subscribed to, not least by suppliers to the trade, e.g. glass manufacturers, tobacco merchants. As the protective bodies became more effective they became involved in every aspect of Public Houses so that price fixing occurred unofficially through publicans being continuously told at their LVA meetings not to be scared to preserve their margins - a back door method but none-the-less effective.

(4) VAT. This novel feature is a financial control system, imposed through the Customs and Excise. As roughly 70% of pubs (the tied trade) achieve a similar gross profit percentage, if a free trader (or tenant) cuts his prices he will very quickly attract the attention of the Customs and Excise as his gross profit percentage will be lower than the established and historical majority; no publican wants to go through an investigation by Customs and Excise, so this is a positive restraint to price cutting caused by the Government.

Our favourite prices* tale this month comes from Wales. One of our colleagues tells of a pub in the Brecon Beacons where a pint of beer cost him 37p. What's so special about that, you may ask? Nothing, really, except that the beer in question happened to be Fuller's London Pride! So if you want a cheap pint, it's obviously no use looking around Chiswick.....

