



# Campaign for Pubs

Promote, Support and Protect Pubs

Fiona Dickie  
Pubs Code Adjudicator  
Lower Ground  
Victoria Square House  
Victoria Square  
Birmingham  
B2 4AJ

24<sup>th</sup> March 2023

Dear Fiona,

**Stonegate Pubs' introduction of charges for branded glasses & closing the free supply route from brewers for tied tenants – need for an investigation**

We are writing to you about Stonegate Pubs recent decision to impose charges on their leased and tenanted pubs/publicans to introduce a charge for branded tied beer supply glasses that hitherto have been provided for free either via Stonegate or direct from the brewers themselves.

This action means that tied tenants will incur additional charges for dispensing tied beer supply in the correct glassware, something that is important and something that brewers/producers want to happen. Serving drinks, including beer and cider in glasses branded with another beer/cider could be deemed a breach of the Trade Descriptions legislation (if not explained to the customer). In any case, it can be confusing and is something that brewers/producers do not like.

As a result of this, many breweries are often happy to supply direct and free of charge to pubs (and do so routinely to free trade/free-of-tie pubs).

There are two core arguments that mean that we believe Stonegate introducing this charge is actually illegitimate and potentially unlawful:-

- a) many tenants who have been receiving free branded glasses from Stonegate since their Agreement commenced, and dependent upon the wording of their Agreement, may have a right or implied term to continue to receive free branded glasses;
- b) if Stonegate claim that no tenant has any right to free branded glasses as a result of their Agreement (i.e. glassware is untied supply), then Stonegate may have unlawfully engaged in anti-competitive and potentially cartel-like activity to seek to end the supply of free glasses from brewers, by colluding with brewers in doing so.

You may be aware of a previous case where Greene King was taken to the Small Claims Court. Greene King had set up a slightly different, but similar scheme. They were asking tied tenants to contact brewers direct to order branded glasses but that Greene King would subsequently levy a charge per box. The case was taken by a Greene King tied tenant, Gary Murphy (Gary is, separately, also a Director of the Campaign for Pubs).

In the case, Greene King disingenuously claimed that the use of branded glasses was not standard practice within their estate, when it demonstrably was. Gary had been supplied with free glasses for some 12 years before being told by Greene King that they would be charging for them.

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Whilst Gary lost the case for glassware to be an implied term, the Court was absolutely clear that Greene King had no contractual right to charge the tenant for untied supply items. Greene King told the Court that they would not do so. *This is precisely what Stonegate are doing and it is therefore we believe potentially unlawful as well as clearly unfair.*

We are calling on you as Pubs Code Adjudicator to look into the decision by Stonegate to introduce new charges for branded glassware and whether or not this are 'fair and lawful dealing' and potentially to use your powers to launch an investigation into this.

We look forward to hearing from you.

Yours sincerely,



Greg Mulholland  
Campaign Director



Dawn Hopkins  
Vice-Chair