

New, Improved Beer Prices

Dear Members,

I promised to keep you informed about our efforts to take the club forward and am writing to share with you details of planned improvements to pricing of draught beers. I mentioned at the SGM that we were looking at beer prices, both selling and buying. I also shared my concerns that the prices of some of our products were losing us valued custom from visitors to football matches and events who go elsewhere because our beer prices for non-members are too high.

When buying beer, we have been looking at how we can reduce prices within the restrictions placed on us by the contract we are tied in to with St. Austell brewery. While we are able to buy products from other suppliers we are contracted to buy and stock their core brands. Our efforts have been greatly assisted by the experience and knowledge of Mark Lanning ensuring we get best prices for both members and visitors. We already order some products from other suppliers and have improved the prices we pay current suppliers for their products. So far, we have addressed all the low hanging fruit, and as we look further the savings will be less. Ultimately, we will have to decide if we see out our contact with St. Austell or look to other options to save money in the long run.

Already, I expect the club to save over £3,000 this year from the measures taken, and with the upsurge in bar takings since the AGM I am sure this trend will continue. We want to get away from charging arbitrary prices with a logical structure where we buy for the best prices and sell as cheap as we can, and **the prices we sell beers for are in line with what we pay for them**. So, **we will be reducing non-members prices to mostly start with a 4 (example £4.90) and applying a percentage reduction on these prices for members**.

We are cancelling a planned price increase, and will deliver to our customers some savings now.

Unfortunately, some products are having to up in price. We should be charging over £6 for Guinness but have kept the price down to £5.30. San Miguel being our premium lager is also to increase but only by 15p per pint. So, the new prices are as follows:

Product	Members	Non-Members
Carlsberg	4.40	4.90
John Smiths	4.40	4.90
Fosters	4.45	4.95
Tribute	4.45	4.95
Thatchers	4.45	4.95
Korev	4.60	5.10
San Miguel	4.95	5.55
Guinness	5.30	5.95

Of course we do not all drink draught beer, however, it makes up the majority of our turnover. We will continue looking at all products to buy them at the best price we can and sell them at the lowest price we can afford. As we make further progress in this and other areas of the club, I will update you again either by email or in person.

Yours,
Maj Mark Bockle
Chairman