



THE GROWTH OF THE MICROPUB

In a little over 10 years, micropubs have grown from one to almost 300, but what is the secret of their success? **John Porter** investigates

If the quantum physicists are right, and the act of observing a phenomenon fundamentally changes its nature, then the ongoing attempt to define what exactly a micropub is may well be doomed to never quite succeed, as it's a rapidly evolving business concept that is changing subtly with every new opening.

To an extent, it's a self-defining format, with close to 300 businesses calling themselves micropubs now trading across Britain, and more opening every week. Typically, but not exclusively, they trade from high-street and town-centre units, and have a strong cask beer focus and a very loyal, local following.

The challenge of definition is the main reason 'micropub' isn't a search term that yields any joy on CAMRA's WhatPub website, but nevertheless, it's a movement that enthusiasts of local, independent pubs that are free of the ever-controversial beer tie are embracing.

For Martyn Hillier, micropub pioneer and co-founder of the Micropub and



From far left: Pioneer Martyn Hillier; customers face each other inside the pub, promoting conversation; this micropub was once a florist

Microbrewery Association, the rationale is clear: he believes the conventional pub model lets many customers down, and makes his case in characteristically robust style. “If every pub did excellent beer, which would you go to? If the chap behind the bar recognises you and welcomes you when you come in, that’s half the reason for going.

“One of the reasons that many pubs have failed is that the landlord of old worked bloody hard, but was making a living. Nowadays, he’s likely to be working for the big boys and he’s on less than the minimum wage in terms of what he takes out of the business. So, he’s a grumpy git. The heart of the pub has been taken out.”

In 2005, Martyn was dispensing take-out beer from casks in the back of his wife’s florist shop in the Kent village of Herne Bay when the local licensing officer suggested the provisions of the newly implemented licensing reform legislation meant he could convert his off-licence into a pub.

“My first thought was, why would I want to? I was doing takeaway beer 30 per cent or more cheaper than the local pubs. But it was boring. So, I asked all my customers and their faces lit up – quite often they’d have a half while I filled the bottles up anyway. They were all for it.”

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The irony for Martyn was that “I really didn’t like pubs. In the town, there were only two that I went to, and that was because I knew the guy behind the bar would give

me grief because I was selling good beer in my shop – it was just a bit of banter.”

So, he deliberately created a design that took away the usual physical barrier between the landlord and the customers when he converted the shop into a tiny pub, calling it the Butcher’s Arms in recognition of the shop’s pre-florist incarnation as a village butcher.

There is no bar, with the beer served from casks racked in the back of the shop, and the seating is around the edges, meaning all the customers are facing into the room. The pub seats 18 comfortably – “any more and people have their backs to each other” – and Martyn says his business is 50 per cent about the cask beer on offer, and 50 per cent about the conversation.

“We put the world to rights at least three times a night. It’s mainly regulars. I wouldn’t say they’re necessarily beer lovers; they’re conversationalists. They want to talk to people, and they know who’s going to be in on certain nights. The average age is probably 60, but 60



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Martyn Hillier

is the new 50 – and sometimes I'll get three generations of the same family in because they can all come in and have a chat."

The danger that a small pub dominated by regulars could become cliquey is something Martyn is aware of. "As soon as we get a new person in, my job is to get hold of them. No one turns around to stare, because they're already looking at you – but it's a talking pub; you will talk, and the more you drink, the more you'll talk."

It's fair to say that Martyn's relationship with CAMRA has been complex. The Butcher's Arms was Kent Pub of the Year in 2008, but Martyn recounts having to arrange a visit for members of the National Executive to persuade them this new type of operation was, indeed, a genuine pub.

The following year, his presentation on the micropub movement to the CAMRA Members' Weekend in Eastbourne prompted a robust debate in *What's Brewing*, which saw one correspondent describe the idea as "frivolous". While that left Martyn feeling that many members still hadn't grasped the benefits, others saw the opportunities in the relatively low-cost entry model he described, and began asking for advice. The Micropub and Microbrewery Association was set up to support them.

With some pride, he claims there are now twice as many micropubs in east Kent as there are JD Wetherspoon pubs in the whole county. "When the opportunity came up to do the presentation for CAMRA, I thought, do I want to tell everybody how to do it? Well yes, I do. I'm too busy. There are now five micropubs in Herne Bay alone, and most of those were opened by customers of mine. I knew I would lose trade, but the more that opened, the more people would want to go to micropubs and also come to the first micropub."



Castle Rock brewery opens its first micropub

Nottingham's Castle Rock brewery, which operates more than 20 pubs, moved into the micropub arena in December 2017 with the opening of the Barley Twist. Part of a scheme to preserve and restore buildings in the city's Carrington Street area, the name is preserved from its previous incarnation as a sweet shop.

In charge at the Barley Twist is Yvette Marshall, who ran Castle Rock's nearby Canalhouse pub for more than a decade. The new venture also has a wine cellar, and doubles up as a takeaway beer shop, with 120 bottled and canned beers from UK brewers, alongside 10 keg beer lines and, initially, one cask pump featuring a monthly seasonal ale from Castle Rock.

As a combination bar and shop, the name also reflects the fact that, "It's a bit of a twist on what we usually do," says Yvette. "Where we're located is like the entrance to

the city. Anyone who comes from the railway station will walk past it. We're very close to two other Castle Rock pubs, the Vat & Fiddle and the Canalhouse, and we wanted to do something a bit different."

The beer range also reflects consumer interest in the wider choice of beer styles and strengths that keg lines offer. "People are a lot more knowledgeable, and more willing to try different beers. They're not just buying because of the label – they know the style of beer and the brewery."

The expectation that the Barley Twist will attract more passing trade and fewer regulars than most micropubs – and indeed, than most Castle Rock pubs – is another reason for the cautious approach to cask. "We might end up adding more cask lines if there's demand for it. There's room for us to add if we feel there's demand."



Clockwise from top left:
Bridge Street's house ale
is named after Grum's
grandfather; Graham
Newbury; Bridge Street bar



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Yvette Marshall

"Until you open and find out what the demand is, and how busy you're going to be, it's an unknown area for us. It's exciting, and very different to the other Castle Rock pubs around here – which I think it had to be to make it stand out."

Some micropub owners are less sanguine

about increasing competition from similar operations. Graham Newbury, universally known as Grum, and his then-partner Tansy Harrison opened the Bridge Street Ale House micropub in Newcastle-under-Lyme, Staffordshire, in 2014, having converted a 350-year-old building, which had traded most recently as an antique shop, just outside the main town centre.


Since Bridge Street opened, eight other micropubs, bars and similar businesses have set up shop nearby. As Grum observes: "Every time a new pub opens, it doesn't generate another 50 customers. My turnover hasn't changed in three years, but I'm having to do a load more work for that turnover. It does create a circuit, but where it affects us is the daytime. Daytime trade is a challenge for everyone, so I'm open later on Fridays and Saturdays, to compensate."

Even so, Grum is clear the micropub model delivers obvious benefits over being a pubco lessee. The couple previously ran the Red Lion in Stoke-upon-Trent on a

lease with Enterprise Inns and, says Grum, "We put our heart and soul into the pub, but we were taking £5,000 a week over the bar and just breaking even."

An article written by Grum, at the time anonymously, appeared in the *Morning Advertiser* trade newspaper and starkly spotlighted what he saw as the flaws in a business model that saw tied licensees work to make a success of their pub, only for the pubco to take the lion's share of the profits.

A negotiated exit saw them leave with their initial deposit returned, and having identified the shop that became the Bridge Street Ale House, they spent around £35,000 on a conversion that includes an air-cooled beer 'cellar', which is in the shop window, and a pub that seats about 60 customers. Grum has since bought Tansy's share out, but emphasises her role in spotting the micropub opportunity and helping set up the business.

The benefits of the free-of-tie approach to buying beer became apparent from the outset. "A good example is Thwaites 

Lancaster Bomber [4.4 per cent ABV], which was one of the beers I used to get in at the Red Lion, where I was paying £98 for a nine [gallon cask]. I bought one when I first opened Bridge Street, and it was £65 for precisely the same beer."

The pub rotates three or four ales

regularly, as well as house beer Tank Driver's Tipple, a 5 per cent golden ale brewed by the Happy Valley brewery of Cheshire, and named in honour of Grum's grandfather, who drove tanks in the World War II battle of El Alamein and was a home brewer in later years. "It was based on a recipe he used to brew. He died in 2016 at 93, but he was here when we launched it."

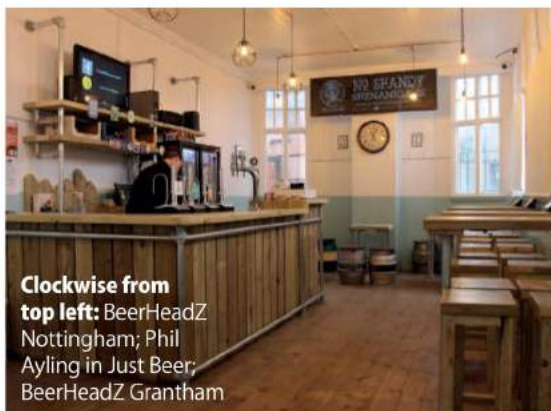
Beer costs around £3 a pint, "which is dear for up here, and I'm making round about a 50-55 per cent margin. We also do real cider and I do one or two bottled beers – not many, as we're not a bottle shop by any stretch – but mainly lager. They're British lagers, brands you wouldn't immediately recognise or pick up in Tesco."

Grum is clear what the USP of his micropub is. "I'm a character, and that's why people come in to see me rather than go to a Wetherspoon. The most important thing is that when a customer walks in that door, someone says hello to them. It's not rocket science, and it costs nothing to make people feel welcome."

This highlights the reality that one of the strengths of the micropub model can also be a limitation. "I'm the gobshite people come in to see. We tried opening a second pub, but I'd spread myself too thin between the two. Trade dropped at Bridge Street by about 25 per cent when I was doing both. The problem, and the plus point, with a micropub is that it's a small environment. I pretty much hold court behind the bar."

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Clockwise from top left: BeerHeadZ Nottingham; Phil Ayling in Just Beer; BeerHeadZ Grantham



Other operators see expansion as less

a challenge. Just Beer in Newark was an early, and acclaimed, entrant into the micropub sector. Phil Ayling, one of the partners in the business, is rolling out a new format, BeerHeadZ, as a separate venture. The third BeerHeadZ opened in Nottingham in December 2017, following on from branches in Retford and Grantham, with sites in Lincoln and Melton Mowbray in the pipeline for 2018.

Phil uses the term 'indie pub' to describe the BeerHeadZ format, which seems to have cracked the challenge faced by some micropubs of appealing to a younger demographic. "I think we appeal to older drinkers at Just Beer, but with BeerHeadZ we're absolutely aware we've got to encourage the younger drinker, because in 10 years' time, there aren't going to be any old farts like me around."

"So, BeerHeadZ is a little more forward-thinking and less traditional." As well as five cask beers, "we have beer in kegs, bottle and cans, more on-trend stuff."

Younger drinkers enjoy cask, says Phil, but they then move on to the stronger keg beers. "The interest is very much in trying different styles."

Having opened in a range of sites and locations gives Phil some perspective on the challenges and benefits of the micropub format. "It's not necessarily location, because a couple of mine are tucked away down alleys. Martyn Hillier told me: 'keep your overheads as low as you can', and that's always stuck with me. I look for places I know I can convert into a pub, and where the rent's cheap, basically."

The cost of setting up depends on how much work the site needs, with the new Nottingham BeerHeadZ located in a former cabman's shelter café close to the station, costing "a fraction over 10 grand" to convert. "If you go into an old unit where you've got to put in a toilet block and a cellar, it's going to cost a lot more."

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Phil Ayling

because there are cheaper pubs around the corner. We serve in oversized, lined glasses exclusively in all our pubs, so drinkers are already getting value for money."

The core appeal of the smaller pub format, says Phil, "is that people want something different – they want to be welcomed and feel valued. Obviously, I can't be at all four pubs now, but we tell our staff that it's very important to become friends with our customers – that's part of the service."

Phil admits that concerns about the rapid growth of micropubs is one reason for using the indie pub descriptor for BeerHeadZ. "When we opened Just Beer, we were the third micropub in the country. Now we're at 250-plus, I think some of

them are jumping on the bandwagon, opening small pubs and calling them micropubs. If the term loses its meaning, it confuses people."

Martyn Hillier, who was named CAMRA's

Campaigner of the Year in 2015 in recognition of both pioneering status of the Butcher's Arms and the founding of the association, as well as advising other would-be micropub owners, argues there is more for the Campaign to do. One of his suggestions is handing CAMRA branches responsibility for identifying micropubs in their area, and adding a search term for micropub to WhatPub based on these branch recommendations.

Pointing to the appearance of micropub the Weavers Real Ale House in Kidderminster on the Pub of the Year 2017 shortlist, Martyn argues, "for CAMRA, micropubs are the last piece of the jigsaw", in terms of supporting both cask ale and local pubs. "I think the market can support at least 500. Every village should have one."

Bowling Greene King a googly

Revenge, they say, is a dish best served cold – unlike cask beer, which should be served cool at somewhere between 10°C (50°F) and 14°C (57°F), according to the guidance given to Cask Marque assessors. So, it's fair to say that Akhil Patel must have felt a certain amount of satisfaction when he pulled the first pint at the Caught & Bowled micropub in Giltbrook, Nottingham, in November 2017.

Having seen Greene King sell a nearby pub to the Co-op, and the business subsequently reopen at the start of 2017 as a supermarket, the Patel family decided to convert their family newsagent and convenience store, which had lost trade to the new shop, into a micropub. With a cricket theme celebrating licensee Akhil's stints as a county player for both Nottinghamshire and Derbyshire, Caught & Bowled serves a range of beers from both local brewers and beyond, and is building a following among the area's ale enthusiasts.



DYLAN PAVIER