

## Financial analysis of the potential loss of revenue from the effective banning of flow monitoring in pub companies with over 500 pubs

	Assumptions	Actual data	Calculations
<b><u>Customer's actual data</u></b>			
Pub companies (>500 pubs) sites with flow monitoring		13,494	
Delivered barrelage (12 months)		2,288,444	
Average barrels per site		169.59	
<b><u>Input Data</u></b>			
All pub company sites with flow monitoring		17,267	
Potential loss % (see below)	7%		
Price per pint (see below)	£3.00		
<b><u>Workings</u></b>			
Total delivered volume (over all sites) <i>Extrapolated over all sites (i.e. 17,267 sites x 169.59 barrels per site)</i>			2,928,310
Potential lost barrelage <i>7% of the total deliveries (2,928,310 barrels)</i>			204,982
Potential lost pints <i>Loss converted to pints (i.e. 204,982 x 288)</i>			59,034,816
Revenue over bar <b><i>Lost pints at assumed price per pint (59,034,816 pints x £3)</i></b>			<b><u>£177,104,448</u></b>

### **Assumptions analysis**

- A brewer's barrel is 36 gallons or 288 pints. Note: Beer is normally supplied in 9, 10, 11, 18 or 22 gallon kegs
- Barrelage for all sites has been based upon the average barrelage for pub companies with more than 500 sites extrapolated over all tenanted / leased sites with flow monitoring. The total barrelage is believed to be a prudent view of the market. Figures from the BBPA assessed the barrelage from the tenanted and leased market to be circa 4 million barrels (2011 figures)
- The loss of 7% equates to the immediate uplift in average deliveries generally achieved when flow monitoring is first installed. This can be verified by customers of Vianet.
- The retail sale of £3.00 per pint is a prudent assessment of the average sales price of a pint of beer across the country.