Part of the Christie Group Network

An Overview of Venners Ltd

14th June 2023

By Scott Hulme

Managing Director

Contents

Venners is the UK's leading supplier of stocktaking, audit and related stock management systems to the hospitality sector. We are the largest and longest established stock audit company in the hospitality sector in the UK with over 127 years of history.

Key Sectors

Pubs

Hotels

Restaurants

Venues

Key Service Lines

Stocktaking

Consultancy

Compliance

Key Strengths

Genuine national coverage

No competitor of a similar size

Market leading product suite

Recognised brand

Reliable reputation

Client Base

Over 900 clients

150+ Corporate clients

7000+ venues

Personnel

Approximately 200 employees

Over 140 BII accredited Auditors

Our Purpose

To empower people with solutions to grow and succeed and to drive operational excellence in the hospitality sector through insight and support

Key Clients

SINCE 1698 SHEPHERD NEAME BRITAIN'S OLDEST BREWER

MARSTON'S

AMBER TAVERNS

Hilton

Away Resorts

"bespoke"™ HOTELS

REVOLUTION®

Arora HOTELS

CLERMONT HOTEL GROUP

COMPASS GROUP

THE ORIGINAL BOWLING CO. SINCE 2010

CH &CO

FLIGHT CLUB

VILLAGE HOTEL CLUB

17 99 GREENE KING BURY ST EDMUNDS

BAXTER STOREY

Current Market Overview

- Hospitality sector devastated by COVID 19 is still in recovery
- Revenue levels - 2020 revenue was only 42% of pre-pandemic levels and this dropped further to 40% in 2021. However, we ended 2022 with revenue levels at 67% of pre-pandemic levels.
- 2023 has started well with YTD revenues up over 12.1% on prior year
- Positive recruitment and retention trends for 8 months now with 9% growth in auditors since the start of 2023
- Quote levels – 2022 set a company record for number of quotes completed – 2023 tracking ahead of 2022
- Average Fee levels at record high for Venners with no negative impact on conversion rates being witnessed

Sales & Quotes success

- 2022 was a record year for quotes completed by Venners. Up to the end of May quotes completed in 2023 were 17.2% ahead of at the same point in 2022
- Our average fee being accepted is 6.7% greater than in 2022
- Despite the increase in fee levels being quoted we are still converting almost 50% of our quotations confirming that demand for our services remains strong

Divisional Review

Stocktaking

Core service line

- 25.7k man days completed in 2022 compared to 16.3k in 2021
- Outperforming our own budgeted revenue target May YTD
- Extended stock cycles is a key challenge
- Over 50% of the stocktakes that we complete are on 3rd party systems all of which we interface with

Divisional Review

Compliance

- Service line with a great opportunity for growth, especially in the franchise sector
- Audits cover legislative, financial and operational aspects of our clients' businesses
- Market leading audit tool gives us competitive advantage
- 2022 Compliance activity up 273% on 2021 and 2023 man days figures are tracking 30% ahead of at the same point in 2022

Divisional Review

Consultancy

- Service line that can attract the highest fee levels and generate highest margins
- Average fee level is 2.4 times stocktaking fee
- Covert audits, Menu costings, Supplier audits
- Can provide more forensic analysis and solutions than traditional stocktaking

Our Key Strengths

Market Leader

Venners is the largest supplier of stocktaking support to the Hospitality sector in the UK

Recognised Brand

With over 127 years of history, the Venners brand is well known and recognised in our chosen sector of operation

History of Success

Venners has long been a profitable business with losses only being endured during the Covid years

Complementary Suite of Products

Venners has a suite of products that align with each other and can generate business for each other

Genuine National Coverage

With almost 150 auditors Venners can provide genuine national coverage to clients in the Hospitality sector, none of our competitors can match this

Dedicated and Driven Team

With an average length of service in excess of 10 years across our team, there is a huge commitment to the success of the company and all Operational Management have been promoted from within

CASE STUDY

A theatre's journey towards excellence

Popular council run theatre and music venue in Cambridge.

Aspired to reduce risks to the stock, cash and business.

Lacking in-house hospitality training, they asked Venners for help.

ROADMAP

4

Operational performance review

Collected real-time evidence through observation and research.

3

Focused stock analysis

Pinpointed areas of concern within stock control procedures.

2

Stock excellence workshop

Trained staff with the aim of improving stock control knowledge.

1

Regular Stocktaking

Flagged up consistent and unacceptable stock losses.

18-30%
LOSS OF REVENUE THROUGH WASTAGE

£12.5K
OUT OF DATE STOCK

INVESTIGATION

We carried out a strategic business review of all policies and procedures.

> Venners Consultants gave us a really clear and factual document, just what we needed.
>
> **Front of House Manager**

RESULTS

- Benchmarked performance
- Realistic advice
- Achievable actions
- Reduced risks
- Tightened processes
- Practical procedures

IMPROVED
MONTHLY STOCKTAKE
RESULTS

STOCKHOLDING VALUE REDUCED BY -£30K

Opportunities for growth

- Monetisation of Data
- Increasing levels of Collaboration both with Christie Group companies and with external partners
- Ever greater need for management information
- Further growth of existing services
- Outsourcing from in-house stocktaking provides a major opportunity for growth
- Compliance and Consultancy service lines provide real added value
- Support to new trends such as dark kitchens
- Adoption of technological advances such as AI to improve efficiency