

# Quality shops are the key to Pridmore's success

With a 15-strong estate spread around Essex and East London, Pridmore Bookmakers is a third-generation family business with deep roots in the local communities it serves. *Betview* talks to **Shaun Pridmore** about how his firm is faring in current trading conditions

## How did you start in the business?

My grandfather Harold had always been a bookmaker and at one point had 100 runners bringing bets to his Stratford base. After the Second World War business really blossomed and Harold would think nothing of taking a £100 yankee back in the 1950s – that was some money back then and he never hedged!

Harold began to have enough of it when gambling was legalised as he believed betting shops would never take off. Fortunately, my dad Roy did have faith in the shops and after a brief foray early on Roy began building a chain of shops in 1983. I joined in 1985, having decided against University, and helped the development.

## What position is the business in today?

We sold our original chain of shops and have built back up to 15 shops. If we go to 16 that triggers the next licence fee band, costing me about £10,000 extra in the process. Therefore I'd have to think very carefully

to continue to shift in the favour of sports betting. Horse racing is still a large part of our business but a declining part.

It's down to market forces at the end of the day. If customers want to bet on sports then that's what we'll take bets on. It's up to racing to get an exciting product out there. They've got a free shop window, which they're actually paid for, to promote racing in every high street

if I was to expand any further but perhaps in a year's time we'll look to add another five shops as I see that as the next level. Of the 15 shops about 11 of them are new licences so these take a bit of time to get established and we need to let things settle down.

For us to take a new shop on board at the moment it would need to be more profitable than any of our existing shops. A new shop would have to be making £10,000 more a year so that's why we'd have to opt for another five shops to warrant the next jump up.

## What makes a good shop?

Just in the last year I get people phoning me nearly every week offering me shops and in that time nobody has offered me anything that I could make a profit on.

I would say the bottom 15 per cent of shops have become unviable in the last year with the new gambling fees, TurfTV, etc, so anything you could make a living out of has now gone. You must have quality shops these days to survive.

in the country. It's not really for us to tell the customer what they should be betting on.

## What do you do away from your betting shops?

I've got other business interests including a house building company which is doing well as land is a lot cheaper than it was. We built eight houses in the winter and we've sold all of those and we're aiming to build 50 houses a year

We've always been very selective choosing shops and we'll spend £250,000 to get the right premises with the right fittings, typically with 1000 square feet customer space so that they're big enough to fit in all the facilities. Choosing the right location is make or break for a business.

## How is turnover holding up?

Turnover remains buoyant although over the counter turnover is down. My main concern is if the government decide to tax the FOBTs anymore or place limitations on the number of FOBTs.

This would effectively be the death knell for many shops, if you took them away 50 per cent of the shops in this country would close down. I'd say around 50 per cent of our takings come from the FOBTs and we've also spent a lot of money upgrading our shops to provide the correct facilities for those machines. Increased costs are a major issue along with the increase in red tape which applies to most businesses these days. Every few months there's another new regu-

lation that we have to act on, the new gambling laws have probably cost my small firm an additional £50,000 per year and these changes have been no benefit to me at all.

longer term. We've also got a bar and nightclub which have been successful.

## What about the future of the industry?

I still love the gambling industry and if you do it right there is no reason why it shouldn't be a good business – although it's never easy. Bookmaking has been in the family a long time and I would hate to be out of it.

## Are you concerned about the recent study that the Gambling Commission carried out into underage gambling?

Underage gambling is not a problem at all. Seventeen year olds and under are not interested in horse betting. We've trained our staff to be very vigilant with regards youngsters coming into the shops. Certainly, following the Gambling Commission's exercise, we've made sure our staff have been reminded about the risks and the need to be more observant.

## Are you concerned about horse racing losing its mantle as your main betting product?

Racing is definitely in decline, as I mentioned the FOBTs are the main source of turnover but our younger customers are only interested in sport be it football, and the Barclays Premier League, or other sports. I think the balance will con-

I really enjoyed it when we had the first shop, just going to work everyday and seeing what it threw up. I still get a buzz out of opening new shops as you never quite know how it's going to work out

But we have to be able to make these shops work and that's why we're going to sit on our hands for the time being and perhaps divert my business resources into other directions for the next year or so.

# PRIDMORE BOOKMAKERS



Shaun and Roy Pridmore with former England footballer Tony Cottee (centre) at the recent opening of their Canvey Island shop