

Press release: Monday 29th June 2009

### **P&V supports French VAT cut on eating out as Europe becomes more affordable**

French accommodation specialist P&V hopes that the recent announcement of VAT cuts in restaurants and cafés throughout France will entice British tourists back to the country and offset the weakness of the Pound against the Euro. Together with P&V's 'Eurobuster' discounts of up to 45 per cent off all properties until November 2009, the company is keen to position France as an affordable choice for a family holiday.

As of 1<sup>st</sup> July 2009, VAT on all restaurants and cafés in France will be slashed from 19.6 per cent to 5.5 per cent leading to big savings for consumers. This will translate into a saving of approximately 10 per cent when passed onto customers, meaning a meal typically costing €15 (£13) will be reduced to around €13.20 (£11.40). The move aims to boost consumer spending in the busy summer period throughout France.

The VAT cuts will also be particularly welcomed during the upcoming ski season as cash-strapped Brits look for more affordable options when heading to the Alps. In the 2008/2009 season, French mountain resorts came under fire for their inflated prices, but it is hoped that this recent action by the French government will allow restaurateurs to reduce prices for the coming season.

Nicolas Rochedy who runs the Chabichou hotel and restaurant in Courchevel in France's Three Valleys, which has been awarded two Michelin stars, commented: "It is important for us to support British skiers, particularly in the current climate. From December, we will be passing on the VAT reductions to all of our customers. Although some products are exempt from the cut, such as alcohol, the majority of our most popular dishes will be reduced for the customer. Skiers will therefore notice that their lunchtime meal, bottled water and cup of coffee will be largely reduced from last year's prices.

"As well as being able to reduce costs for the customer, the VAT reductions will also mean better service and salary increases for staff, as well as more employment at resorts. We therefore welcome the tax cuts as a way of both improving customer service and encouraging more visitors to the Three Valleys – a view that is shared by other hotels and restaurants in the region," he added.

Cathy Rankin, UK sales and marketing manager for P&V added:

"We are proactively trying to offset the effects of the weak pound by introducing 'Eurobusting' offers of up to 45% off all of our properties in the summer break. The VAT cut in restaurants compliments this as many of our customers rely on good value local restaurant food during their stay."

P&V's 'Eurobuster' campaign is basing its prices on the Euro to Sterling exchange rate of summer 2008 (£1 to €1.28), when holidays were around 22 per cent cheaper than earlier this month (£1 to €1.05). The offer is available on all P&V properties on all dates, including the school summer holidays, up until November 2009. Discounts can also be combined with any other P&V offer currently available, including the 15 per cent early booking discount or the 20 per cent discount on stays over two weeks. Full details are available at: [http://www.pv-holidays.com/beatstheeuro\\_ms](http://www.pv-holidays.com/beatstheeuro_ms) using the promotional code 8258.

**Ends**

**About P&V**

P&V (also known as Pierre & Vacances or PV-Holidays) is the number one provider of holiday residences, villages and hotels all over France. It offers self-catering and hotel holidays in France, Spain, Italy, Morocco, Tunisia, Switzerland and the Caribbean through its five brands: Pierre & Vacances, Maeva, Residences MGM, Latitudes Hotels and Adagio City Aparthotel.

**Further information**

For further consumer information on P&V, please visit: [www.pv-holidays.com](http://www.pv-holidays.com) or telephone: 0870 026 7144.

Visit the P&V blog at <http://blog.pv-holidays.com>.

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