

The Sunday Business Post Online

Button Factory in examinership

06 February 2011

By Gavin Daly

Entertainment entrepreneurs Paddy Dunning, John Reynolds and Eoin Foyle stand to lose more than €800,000 they invested in the Button Factory venue in Temple Bar in Dublin, which has gone into examinership.

Dunning said that the three businessmen were the biggest creditors of Temple Lane Management, the company behind the Button Factory, which underwent a €1.7 million refurbishment in recent years. The firm sought examinership to restructure its debts and secure the 34 jobs at the venue, which is continuing “business as usual”.

Neil Hughes of accountancy firm Hughes Blake has been appointed interim examiner, and the examinership petition is due to be heard in full in the High Court on Friday.

Dunning said that the company was in talks with its landlord, the Temple Bar Cultural Trust, about reducing its rent.

It is also disputing a rates bill from Dublin City Council. Businesses in Temple Bar were once exempt from rates, and Dunning said that the business “didn’t foresee they would have to be paid”. The rates are currently €35,000 a year.

The business was also hit by a change to the licensing of venues, he said. A theatre licence previously cost €500 a year, but it now pays €500 each night that it operates, amounting to more than €180,000 for the past two years, said Dunning.

The bad weather in December also affected the venue, which Dunning said resulted in a loss of €100,000 in business from cancellations.

“The whole thing is to save the company and secure the jobs. We are adamant we are going to keep this show on the road. It’s like the Alamo -we’re holding the fort and we’re not going to lose this one,” said Dunning.

Dunning, who is also behind the Grouse Lodge recording studio in Westmeath and the new Wax Museum Plus, owns 50 per cent of the Button Factory, which is located at the same premises as the now-defunct Temple Bar Music Centre.

The other 50 per cent is split equally between Reynolds, the concert promoter and owner of the Pod venue, and Foyle, whose interests include the Cafe Bar Deli chain and the Market Bar in central Dublin.

Temple Lane Management had losses of €1.9 million at the end of June 2009, according to its latest accounts.