

EDITORIAL

13 November 2006



Bulky Goods Property Development Report

Bulky goods retailing has emerged as the fastest growing retailing sector in Australia, substantially contributing to economic growth and investment. We employ over 110,000 people directly and indirectly and account for over 20 per cent of all retail sales, or a massive \$33.5 billion annually, Australia wide.

Not only has bulky goods retailing become a popular format among retailers and consumers but it's also favoured by developers and investors who are increasingly pouring funds and resources into the development of bulky goods retail facilities around the country.

In 2005 a massive 440,000 square metres of new space was constructed in Australia for bulky goods retailing with predictions by BIS Shrapnel of even more in 2006.

The proliferation of property development is being driven by consumer demand for greater bulky goods retail precincts, the retailers who are keen to expand their store numbers, and developers and investors seeking to profit from the strength of the sector.

The Bulky Goods Retailers Association, the peak national body representing the retailers, aims to work openly with planners, developers, agents and investors to ensure new developments meet business, consumer and community need through informed, considered design and leasing strategies.

The BGRA also plays a critical role representing the interests of its members on planning policy issues, working with governments to develop laws that accurately reflect the sector in Australia today.

New developments must include the appropriate infrastructure for frequent load access and customer parking, the design mustn't create unnecessarily high occupancy costs, and it is essential that the mix of tenants be considered so as to ensure long-term success for every party committed to the development.

The BGRA aims to ensure future developments of bulky goods retail space are viable in the long-term for all involved, while creating retail facilities that add value to the community in keeping with environmental and other planning considerations.

As the bulky goods retail sector matures over the next five years, so too will the design of retail facilities. There will be a continued trend towards clustering of retailers in homemaker centres and out-of-centre developments. And an evolution in homemaker centre design is a likely outcome.

It is therefore vital that BGRA members continue to work openly with all stakeholders for the ongoing success and profitability of our sector.

For further information on the Bulky Goods Retailers Association contact Ms Philippa Kelly, Bulky Goods Retailers Association Executive Director, on (03) 9859 0534, 0412 787 505 or email pkelly@bgra.com.au.

For media enquiries, contact Angela Bishop, BishopCunliffe PR, on 03 9522 1100, 0414 392 181 or email angela@bishopcunliffe.com.au.