

# DECATHLON

## SUBMISSION

Submission in respect of: Proposed definition of "Bulky Goods Premises"

Prepared for Decathlon (Australia) Pty Ltd | December 2017

13 December 2017

The Director  
Employment Policy and Systems  
GPO Box 39  
SYDNEY NSW 2001



PLANNING DEVELOPMENT PROPERTY

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Dear Sir/Madam,

**RE: Submission in respect of: Proposed definition of "Bulky Goods Premises"**

**Our Ref: 17191**

KDC Pty Ltd (KDC) has prepared this submission in relation to the matters identified above on behalf of its client, Decathlon Pty Ltd.

**Decathlon Introduction**

Decathlon is one of the world's largest sporting goods creators, trading over 1,200 stores across 30 different countries. Originating from Lille, France in 1976, Decathlon's success has since spread throughout Europe, Russia, Africa, South & North America Asia, and has now made its way to Australia.

At Decathlon, every member of the team is driven to create quality and affordable sports products so as many people as possible worldwide can enjoy sport more. For more than 20 years, Decathlon has been creating its own passion brand products (private label products). From research & development to retail, design, production and logistics Decathlon innovate at every step of the supply chain to offer sports user's technical and desirable sporting goods always at the lowest possible prices, making sporting goods across 70 different sports truly accessible to all.

An example of Decathlons product range includes:



The Decathlon Sports Labs is the centre of expertise dedicated to research of the human body. The Sports Labs contribute to product design and innovation through their research and studies on the behaviour of the

body in sport environments. The philosophy of creation by researching sports users in their natural environment will enable some of Decathlon's passion brands to develop products right here in Australia, providing unique opportunities for Australian sports entrepreneurs.

By localizing the research and development by studying the human body in sporting environments, Decathlon's Sports Warehouses and Sports Leaders help to develop 2,800 new products and 40 patents on a yearly basis. As a result of this localized product development, internationally Decathlon's 25 passion brands have created 15,000 unique sports products for 70 different sports which are exclusively available only at Decathlon.

A passion to make the pleasure and benefits of sport accessible to all is shared across 80,000 Decathletes worldwide. This shared passion places a Decathlon store at the heart of the local sports community, creating unique opportunities both on-site and off-site for local communities to participate in new sporting experiences.



#### **Decathlon Sports Warehouse Operations:**

- i) Retail sale of sporting goods, equipment, footwear, textiles with the ancillary sale of food and drinks stuffs
- ii) Free 7 day product hire with the "test-it-love-it" commercial policy
- iii) Free-to-use sports, leisure and recreation facilities on site
- iv) The Dec' Sports Café
- v) The Decca' Grill sporting club BBQ fundraiser
- vi) Free-to-use customer toilets and showers
- vii) Workshop for sporting goods and equipment maintenance and customization
- viii) Click and Collection of online orders
- ix) Picking, packing and distribution of online order to the local community



**Decathlon Sports Warehouse Requirements:**

- i) Existing buildings with a GLA or 3 – 4,000 sqm GLA
- ii) Development sites of 0.7ha up to 1.5ha
- iii) 200 free-to-use car parking spaces
- iv) 400 sqm of multi sports, leisure and recreation courts.



**Decathlon Sports Warehouse New South Wales Expansion Plans:**

In December 2017, Decathlon Australia Pty Ltd was proud to open its first Sports Warehouse within New South Wales, Inner West Council Suburb of Tempe.

Decathlon’s Tempe Sports Warehouse created 80 full and part time roles within the local community with new jobs created across all of Decathlon’s multiple supply chains.

The continued expansion of Decathlon’s Sports Warehouse across New South Wales could deliver between 15-20 new Decathlon Sports Warehouses, creating over 2,000 new roles for sports entrepreneurs in communities across New South Wales at a planned investment in excess of \$300,000,000.

15-20 new Decathlon Sports Warehouses each with a GLA of between 3-4,000sqm GLA would result in Decathlon Australia Pty Ltd needing to acquire 80,000 sqm GLA of new, modern retail premises; suitable stock is not readily available within New South Wales.

Each Decathlon store will bring 400 sqm of free-to-use sports, leisure and recreation facilities. 20 new Decathlon Sports Warehouse could deliver up to 8,000sqm of free-to-use sports, leisure and recreation facilities to communities within New South Wales.

The changes recommended within this submission would provide greater certainty to the continued investment by Decathlon Australia Pty Ltd within New South Wales.



The Department of Planning and Environment (DP&E) has recently notified the public of a proposed new definition of the land use currently described as “bulky goods premises” within the Standard Instrument Local Environmental Plan (SILEP). Whilst Decathlon agree with the need to revise the NSW definition to better suit the changing nature of retailing and to better support retailers through such change, it is considered that the proposed revised definition is just one of a suite of changes needed in retail sector planning in New South Wales.

The current definition of bulky goods premises:

***bulky goods premises*** means a building or place the principal purpose of which is the sale, hire or display of bulky goods, being goods that are of such size or weight as to require:

(a) a large area for handling, display or storage, and

(b) direct vehicular access to the site of the building or place by members of the public for the purpose of loading or unloading such goods into or from their vehicles after purchase or hire,

and including goods such as floor and window supplies, furniture, household electrical goods, equestrian supplies and swimming pools, but does not include a building or place used for the sale of foodstuffs or clothing unless their sale is ancillary to the sale or hire or display of bulky goods.

The draft revised definition on notification by the Department replaces the word “and” with “or” in this existing definition, thereby requiring a land use to satisfy only one of the two criteria to be considered bulky goods premises. This change is supported by Decathlon from the viewpoint that it is less restrictive and will allow for some flexibility in order for large format retailers such as Decathlon to adapt to retailing changes.

Furthermore, it is considered there is wider change needed in New South Wales to facilitate the retail sector’s response to the changing demands and expectations of the communities it serves. It is imperative that the NSW planning system be sufficiently flexible to support this sector given ever evolving and changing community behaviour; and to plan and respond effectively to the identified drivers<sup>4</sup>. The minor amendment of the bulky goods definition in the SILEP is but one of a series of planning reforms necessary if the retail sector is to be effectively supported in order to continue and improve its economic performance and the various social contributions it makes throughout NSW.

The Retail Expert Advisory Committee (REAC) published its Independent Report earlier this year, making various recommendations to change the NSW Planning framework to better reflect and support the retail sector. Decathlon supports the Department of Planning and Environment’s (DP&E) revised definition of “bulky goods premises;” as well as other recommendations contained in the REAC report.

In comparison to NSW, the Victorian planning framework provides greater flexibility for retail activities and locations; thereby promoting a balanced relationship between residential and retail land uses based on demand, to facilitate a more sustainable urban form. Specifically, in Victoria a broad definition is provided for ‘restricted retail premises’ which includes:

*“Land used to sell or hire:*

*a) automotive parts and accessories;*

*b) camping, outdoor and recreation goods;*

*c) electric light fittings;*

*d) animal supplies including equestrian and pet goods;*

*e) floor and window coverings;*

*f) furniture, bedding, furnishings, fabric, manchester and homewares;*

*g) household appliances, household electrical goods and home entertainment goods;*

*h) party supplies;*

*i) swimming pools;*

*j) office equipment and supplies;*

*k) baby and children's goods, children's play equipment and accessories;*

*l) sporting, cycling, leisure, fitness goods and accessories; Or,*

*m) goods and accessories which;*

*(a) Require a large area for handling, display and/or storage of goods; OR*

*(b) Require direct vehicular access to the building by customers for the purpose of loading or unloading goods into or from their vehicles after purchase or hire, It does not include the sale of food, clothing and footwear unless their sale is ancillary to the primary use..."*

In order for the retail sector to be innovative and creative it requires innovative planning; such as the provision of flexible definitions and increased locations for a variety of retail activities and formats. It is recommended that NSW adopt a similar definition to the Victorian land use definition above, in order to facilitate the desired outcome of appropriately located retail activities as part of well balanced, sustainable and liveable urban form.

This is particularly relevant in relation to the recent exhibition of the draft Greater Sydney Regional Plan. In planning for Greater Sydney over the next 20 – 40 years it is imperative that provision be made for suitably located land available for a variety of retail activities, including large retail formats such as Decathlon. The focus on rigid zones is not effective in facilitating the changing nature of the retail sector.

It is recommended that the focus be placed on the provision of suitable locations for retail activities; with broader definitions of what those retail activities may be, in line with the Victorian experience and in line with market demand. Further guidance and parameters for the assessment of what constitutes a suitable retail activity in identified permissible locations would provide support for this sector.

Finally, engagement with the retail sector must be part of the planning reform process in NSW to ensure well-informed and effective planning reforms facilitate the growth of the retail sector.

Thank you for the opportunity to forward this submission on behalf of our client in relation to these important planning reforms. We look forward to the DP&E's response as well as involvement in future consultation and engagement processes associated with the NSW retail planning reforms.

Yours faithfully,



Steve O'Connor  
**Partner**  
**KDC Pty Ltd**