



# Sleepy's

The Mattress Experts

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[http://planspolicies.planning.nsw.gov.au/index.pl?action=view\\_job&job\\_id=9217](http://planspolicies.planning.nsw.gov.au/index.pl?action=view_job&job_id=9217)

Dear Sir/Madam,

I write providing a submission to the 'Proposed Amendments to the Standard LEP' proposal.

Sleepy's Pty Ltd is a member of the Large Format Retail Association. We are a privately owned small business with 24 stores across all states with the exception of the Northern Territory and Western Australia. Our range includes mattresses, bases and bedding accessories.

Our stores are both franchised (10) and company owned (14).

There are three stores in NSW located at Prospect, opened in 2014 (company owned), Homebush and Auburn, both opened in 2013 (franchised). Each of these would cost about \$280,000 to fit out and stock today. Total investment at today's value approximately \$840,000.

Beds are not a frequent purchase from a changeover perspective with the average being replaced every 8-10 years. Typically, customer traffic is higher Thursday to Sunday with the highest volume on weekends.

Sleepy's is continuously searching for additional and appropriate sites in which to expand in NSW and strongly supports all definitions proposed particularly 'Specialised Retail Premises' which will replace 'Bulky Goods Premises.'

However, our store growth in NSW is slower than we would like.

Practically, one of the disadvantages of the current definition of 'Bulky Goods' in NSW is that it narrows down the options of available tenancies for Sleepy's to occupy.

With the current definition requiring a 'large area for handling, display or storage of goods and direct vehicular access to the tenancy', this drives up the floor size greater than we require and this in turn increases the development and therefore the occupancy cost.

To explain: We certainly need area to display our product and give the customer the widest range of options possible from which to choose depending on their requirements. Whilst some beds are sold off the floor, the vast majority are made to order (in Australia) and delivered to the customer direct from the supplier within 7-10 business days. This negates the need to hold large amounts of stock and therefore corresponding space for storage.

In addition, less than 5% of customers would actually take their bed home with them at or just after the time of purchase. In this case it would be required urgently, purchased off the floor or from a small number of stored items and transported by the customer. Very few require vehicular access and stock is delivered to and from the premises via the front door in most of the tenancies we occupy.

Being a larger product means it is not convenient for the customer and, secondly, we offer a delivery service and a service to take away the old mattress free of charge if the customer requires.

So our business model requires flexible tenancies for the reasons I have explained. Our smallest tenancy is 146 square metres and our largest is 565 square metres and not all located in Bulky Goods centres as currently classified.

In NSW we struggle to find suitable, cost effective options because the current definition stipulates a greater space and access requirement than otherwise is necessary. The option of either of the area for handling, display and storage of goods or, direct vehicle access is far more desirable and provides flexibility. 'Specialised Retail Premises' centres with a greater level of flexibility will become more attractive to new franchisees and our company store investment alike.

The proposed introduction of the 'Specialised Retail Premises' definition will ensure there is clarity, consistency and certainty. This can only benefit large format centres with an added number of truly specialised retailers trading within them making the centre more attractive to a wider range of customers for the full seven days of the trading week.

Thank you for the opportunity to provide this submission.

Yours faithfully,

Guy Elliott  
National Franchise Manager  
Sleepy's Pty Ltd