

ECONOMIC ASSESSMENT

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**PROPOSED BUNNINGS
WAREHOUSE and
ASSOCIATED BULKY GOODS CENTRE,
GLADESVILLE**

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EXECUTIVE SUMMARY

Introduction Section 1

This Report has been prepared for Bunnings Group Limited (Bunnings) by Leyshon Consulting Pty Ltd. The Report relates to a Planning Proposal which has been lodged with Ryde Council (Council) by planning consultants DFP in relation to land situated at 461 Victoria Road, Gladesville.

The development concept for the site envisages the following floorspace:

- Bunnings Warehouse ... 15,255 sq.m.
- Bulky goods tenancies ... 21,885 sq.m.
- Commercial building (existing) ... 1,200 sq.m.
- Total floorspace ... 38,340 sq.m..

Overview of Potential Impact Section 2

Subsequent to lodgment of the planning proposal, Council has requested additional information be provided regarding the potential impact of a Bunnings Warehouse developed in Gladesville on existing hardware stores in Ryde LGA.

Bunnings stores also contain a garden and landscaping component which is ancillary to the main hardware and building supplies business. Advice concerning the possible impact of this component on garden centres in Ryde is also required.

There is clear legal precedent in Australia in general, and New South Wales in particular, which establishes that the impact of a given retailer on the sales of its competitors is not, per se, a relevant planning matter.

Existing Hardware Stores

There are four hardware stores operating in Ryde LGA at present namely:

- ▶ Weils Thrifty Link, Gladesville
- ▶ Seymour Building Supplies, Gladesville
- ▶ Taffa's West Ryde Mitre 10 Handy
- ▶ Coxs Road Thrifty Link.

The four stores are very small ranging in size from 80 sq.m. to 1,100 sq.m.. None provide on-site parking and all carry a very limited range of hardware.

Each stores appears to focus on meeting what best can be described as "convenience" hardware needs as opposed to the more comprehensive hardware-related shopping trips catered for by Bunnings, Woolworths Masters and the larger Mitre 10 Mega stores.

EXECUTIVE SUMMARY

Overview of Potential Impact Cont'd

Bulky Goods Spending

Excluding spending on hardware and home renovations/improvements, total available annual bulky goods spending in the Gladesville trade area in 2011 is estimated at some \$232 million (\$2011).

Available bulky goods spending is forecast to grow to \$279.1 million by 2021. This translates into a real increase in annual available spending of +\$47.1 million (\$2011) between 2011-21.

Hardware and Related Spending

Annual available spending on hardware and selected home renovations/improvements is estimated to increase from \$191.8 million in 2011 to \$230.9 million in 2021. This translates into a real increase in annual available spending of +\$39.1 million (\$2011) between 2011-21.

Hardware and Garden Centre Impacts Section 3

Hardware Stores

It is unlikely the combined annual sales of the four existing hardware stores would exceed \$15 million (\$2011) at present. If the proposed Bunnings Warehouse was to receive approval, its annual sales are estimated to be in the range of \$27 to \$32 million in 2016 (\$2011).

Fully 90% (that is, \$24.3 to \$28.8 million; \$2011) of the proposed Bunnings' estimated sales would be derived from its trade area in 2016. The balance (\$2.7 to \$3.2 million) would be sourced from trade sales.

Although catering to quite different market segments the four existing hardware stores are likely to experience some impact. That said, it is highly improbable Bunnings would threaten their viability, given these stores focus on meeting the market for convenience hardware goods.

The major impact of a new Bunnings at Gladesville would be felt chiefly by other Bunnings Warehouse stores such as those at Artarmon, Ashfield, Castle Hill, Parramatta and Auburn.

EXECUTIVE SUMMARY

Hardware and Garden Centre Impacts Cont'd

Garden Centres

The largest garden centre in Ryde LGA is Eden Gardens. Eden Gardens is located on a 1.8 hectare site and services a regional market. It is most unlikely to be affected by what is a relatively limited garden centre "offer" at the proposed Bunnings.

The other garden centre in Ryde LGA is Sherringtons which in association with Australian Native Landscapes (ANL) has a market leading position in the provision of bulk landscape supplies in the Sydney Region. Bunnings would not pose a competitive threat to Sherringtons/ANL.

Bulky Goods Impact Section 4

Existing Supply

Neither Ryde LGA nor surrounding areas contain any major bulky goods centres at present.

Beyond Ryde LGA the largest concentrations of bulky goods floorspace of relevance are found at:

▶	Artarmon/St Leonards	...	50,000 sq.m.
▶	Castle Hill	...	100,000 sq.m.
▶	Auburn	...	130,000 sq.m.
▶	Rhodes	...	27,000 sq.m.
▶	North Parramatta	...	30,000 sq.m..

Available Spending

Total annual available bulky goods spending in the trade area in 2011 is estimated at \$232.0 million (\$2011) and is forecast to rise to \$252.4 million by 2016 (\$2011). Broadly, this volume of available spending would support between 56,000 and 72,000 m² of bulky goods floorspace.

Potential Impact

A substantial under-supply of bulky goods floorspace exists in the Gladesville trade area at present. This is estimated to be in the order of 40,000 to 57,000 m². The proposed development at Gladesville is planned to contain only 21,885 m² of bulky goods space. Given the extent of the existing under-supply of space it can be accommodated within the local retail system without having a detrimental impact.

EXECUTIVE SUMMARY

Bulky Goods Impact Cont'd

The impact of the proposed development's bulky goods component on any of the major bulky goods centres in the surrounding region is likely to be in the range of -6% to -10%. Impacts in this range fall within the widely accepted "low/medium" category of impact and generally are considered to be acceptable.

Impact on Light Industrial Area Section 6

The subject site comprises approximately 3.8 hectares and accounts for 15.9% of the Gladesville Light Industrial Area.

The Gladesville Light Industrial Area is home to a wide range of small to medium-scale industrial premises including a significant number of automotive uses located along Buffalo Road.

A recent field inspection of the area found that quite a few premises within the Gladesville Light Industrial Area are currently vacant.

The subject site in its current state is only partially occupied by industrial activities. Consequently, it is difficult to assess how important this particular 3.8 hectare parcel is in terms of the regional supply of light industrial land. As things currently stand, this land is making only a minimal contribution to maintaining industrial employment in Ryde LGA.

It is considered unlikely the proposed development of the site will lead to increasing land values in the balance of the Gladesville Light Industrial Area with concomitant adverse outcomes for existing industrial uses.

Employment Generation Section 6

The current employment level on the Gladesville site cannot be determined accurately but is likely to not exceed 50 employees.

Existing buildings on the site contain a total of some 21,940.2 sq.m.. If these buildings were fully occupied for industrial and related purposes, they could generate on-site employment of 258 to 400 positions depending on the type of tenants in the various buildings.

EXECUTIVE SUMMARY

Employment Generation Cont'd

If the proposed development proceeds it is likely to generate on-site employment of:

▶	Bunnings Warehouse	...	150
▶	Bulky Goods Centre	...	337
▶	Commercial Building	...	50
▶	Total	...	537

Clearly the proposed development will contribute in a major way to the retention and creation of employment in the Gladesville Light Industrial Area in particular and in Ryde LGA more generally.



1

INTRODUCTION

1.1 Background

This Report has been prepared for Bunnings Group Limited (Bunnings) by Leyshon Consulting Pty Ltd. The Report relates to a Planning Proposal which has been lodged with Ryde Council (Council) in relation to land at 461 Victoria Road, Gladesville.

We understand that DFP Planning Consultants (DFP), on behalf of Bunnings, lodged a Planning Proposal in March 2012 for development of a major hardware store and bulky goods centre on land at 461 Victoria Road, Gladesville.

The subject site has an area of 3.834 hectares. It has a frontage to Victoria Road (albeit with the ground level of the site being well below Victoria Road). There are also frontages to Frank Street in the west and College Street in the north. The site is currently zoned IN2 under Ryde Local Environmental Plan (LEP) 2010.

The DFP report outlined a development concept for the site which envisages the following floorspace:

- Bunnings Warehouse ... 15,255 sq.m.
- Bulky goods tenancies ... 21,885 sq.m.
- Commercial building (existing) ... 1,200 sq.m.
- Total floorspace ... 38,340 sq.m..

The Planning Proposal submitted to Council incorporated a report prepared by ourselves for Bunnings in July 2009 (*Economic Need Assessment – Major Hardware Store in Ryde LGA*).

Our 2009 report examined the need for a major Bunnings hardware store in Ryde LGA. It was prepared in the context of a potential application to be made by Bunnings for the rezoning of land in Ryde LGA to develop a major hardware store. The report incorporated demographic and spending analysis together with the findings of a survey of 300 Ryde LGA residents which obtained information regarding their hardware shopping patterns. The analysis of available spending detailed in the report included an estimation of the quantum of available spending generated in Ryde LGA on hardware, home renovations and related bulky goods-type merchandise categories.

Our 2009 report concluded there was substantial latent demand within Ryde LGA for both additional bulky goods-type floorspace in general, and floorspace devoted to hardware and home renovation/improvement goods and services in particular.

1.2 Additional Information

Subsequent to the lodging of the Planning Proposal in March 2012, officers of Council have requested certain additional information be provided concerning the economic effects of the proposed development. The additional information being sought can be summarised as follows:

- ▶ an assessment of the impact of the proposed development on existing hardware stores in Ryde LGA
- ▶ an assessment of the impact of the proposed development on relevant bulky goods precincts
- ▶ an assessment of the impact of the proposal on existing centres in Ryde LGA

- ▶ an assessment of the impact of the proposed development on the Gladesville Light Industrial Area.

This Report provides information on these issues having regard to the fact that what is before the Council is a Planning Proposal and not a Development Application. Hence the additional information provided is somewhat more general than that which might be required if Council were assessing a Development Application.

2 OVERVIEW of POTENTIAL IMPACT

2.1 Legal Context

As noted above, Council has requested additional information as to the potential impact of a Bunnings Warehouse on existing hardware stores in Ryde LGA.

Bunnings stores also contain a garden and landscape component which is ancillary to the main hardware and building supplies business. The issue of any potential impact on garden centres is also addressed in this Report.

At the outset, it should be noted that there is clear legal precedent in Australia in general, and New South Wales in particular which establishes that the impact of a given retailer on the sales of its competitors is not per se a relevant planning matter.

We also note that Draft State Environmental Planning Policy (Competition) 2010 (*hereafter* Competition SEPP 2010) makes it explicitly clear that the likely impact of proposed commercial development on the commercial viability of another commercial development is not a matter to be taken into consideration by a consent authority for the purposes of determining a development application under Part 4 of the Act to carry out proposed development.

Draft Competition SEPP 2010 does, however, make it clear that competitive impacts may be taken into consideration if a proposed development is likely to have an adverse impact (in net terms) on the

extent and adequacy of existing facilities available to the local community. That is, commercial impacts must be evaluated in the context of the extent to which a proposed development would “make good” any loss of existing facilities that might be experienced through additional competition.

2.2 Existing Hardware Stores

There are four existing hardware stores operating in Ryde LGA at present. These are:

- ▶ Weils Thrifty Link, Gladesville
- ▶ Seymour Building Supplies, Gladesville
- ▶ Taffa's West Ryde Mitre 10 Handy
- ▶ Coks Road Thrifty Link.

As can be noted from TABLE 2.1, these stores are very small ranging in size from 80 sq.m. to 1,100 sq.m.. None provide on-site parking and all carry a very limited range of hardware. Furthermore, each appears to focus on meeting what best can be described as “convenience” hardware needs as opposed to the more comprehensive hardware-related shopping trips catered for by Bunnings, Woolworths Masters and the larger Mitre 10 Mega stores.

TABLE 2.1
EXISTING HARDWARE STORES – RYDE LGA, 2012

Store ...	Chain	Location	Estimated Area (Sq.M.)
Seymour Building Supplies	True Value	Gladesville	¹ 1,100
Taffa's	Mitre 10 Handy	West Ryde	330
Weils	Thrifty Link	Gladesville	450
Coks Road	Thrifty Link	North Ryde	80

Note 1: Includes open yard area.

Source: Leyshon Consulting Survey, May 2012.

None of the four stores could be described as an “anchor tenant” of the centres in which they are located. One of the stores, Seymour Building Supplies in Gladesville, appears to have a significant orientation toward supplying the trade sector as opposed to retail customers. Taffa’s at West Ryde operates under the banner of “Mitre 10 Handy” a marketing description used by the Mitre 10 chain to describe smaller stores which focus on convenience hardware purchases. Hence these stores provide a limited range of basic hardware-related products.

Weils in Gladesville occupies some 450 sq.m.. The store carries a limited range of hardware but its trading potential is restricted by the lack of off-street parking. The Thrifty Link store at Coxs Road, North Ryde is a very small store of about 80 sq.m. and, accordingly, stocks only a very basic range of hardware and related products.

2.3 Available Retail Spending

For the purposes of this Report the estimates of available retail spending on hardware and related products contained in our 2009 have been updated. The updating process has taken into account recent data released by the ABS from its 2009-10 *Household Expenditure Survey* (HES) as well as changes in prices and incomes during the period 2009-12.

We have also expanded our definition of the trade area which we consider would apply to the proposed Gladesville Bunnings. We now consider the trade area would include Hunters Hill as well as Ryde LGA. We consider that residents of this combined area would shop at the proposed Gladesville Bunnings and the associated bulky goods centre in preference to those located in any other part of the Sydney Region.

The updated available expenditure data are provided at APPENDIX A to this Report for the years 2011, 2016, and 2021 (TABLES A1-A3) respectively. The estimates are provided at constant prices (\$2011). The detailed spending data provided in APPENDIX A has been summarised in TABLE 2.2 below to show spending growth for each major category between 2011-21.

TABLE 2.2
SUMMARY of AVAILABLE BULKY GOODS, HARDWARE and HOME
RENOVATIONS SPENDING – GLADESVILLE TRADE AREA, 2011-21
(\$2011)

Category ...	2011	2016	2021	Increase 2011-21
Core Bulky Goods	\$137.8	\$149.9	\$165.8	\$28.0
Ancillary Bulky Goods	\$94.2	\$102.5	\$113.3	\$19.1
Sub-Total – Bulky Goods	\$232.0	\$252.4	\$279.1	\$47.1
Hardware	\$45.9	\$50.0	\$55.3	\$9.4
Home Renovations & Improvements	\$145.9	\$158.8	\$175.6	\$29.7
Sub-Total – Hardware + Home Renovations & Improvements	\$191.8	\$208.8	\$230.9	\$39.1
Total	\$423.8	\$461.2	\$510.0	\$86.2

Errors due to rounding.

Source: Leyshon Consulting Estimates, June 2012.

2.3.1 Hardware and Related Spending

Estimates of annual available spending on hardware products and selected components from the home renovations and improvements expenditure category between 2011-21 have also been prepared (APPENDIX A refers).

As can be noted from TABLE 2.2, annual available spending on hardware and selected home renovations/improvements is estimated to increase as follows:

- ▶ 2011 ... \$191.8 mil pa
- ▶ 2016 ... \$208.8 mil pa
- ▶ 2021 ... \$230.9 mil pa.

In total, therefore, annual available spending on hardware products and related home improvements is forecast to increase in real terms by +\$39.1 million (\$2011) between 2011-21.

2.3.2 Bulky Goods Spending

As indicated above, total available annual bulky goods spending (excluding spending on hardware and home renovations/improvements) is estimated at some \$232 million in 2011 (\$2011) and is projected to increase as follows:

- ▶ 2011 ... \$232.0 mil pa
- ▶ 2016 ... \$252.4 mil pa
- ▶ 2021 ... \$279.1 mil pa.

This translates into a real increase in annual available spending of +\$47.1 million (\$2011) between 2011-21.

3 **HARDWARE and GARDEN CENTRE IMPACTS**

3.1 Introduction

Our 2009 report found there was a significant shortage of hardware stores—particularly major hardware stores—in Ryde LGA. Unsurprisingly, therefore, the survey of residents' hardware purchasing patterns also conducted in 2009 found evidence of significant “escape” expenditure on hardware and related products flowing out of Ryde LGA to other localities such as Artarmon, Ashfield and Thornleigh.

At a general level it is difficult to be precise about the impact of a major Bunnings Warehouse on the small convenience-oriented hardware stores found in the trade area at present. The reason being that these types of stores mainly cater to a completely different market to that serviced by Bunnings. In summary, the impact of a Bunnings Warehouse is more likely to be experienced by medium-to-large hardware stores rather than small convenience-oriented stores.

That said, there is one major practical difficulty confronting any attempt to assess the economic impact of a Bunnings Warehouse of the scale proposed at Gladesville on surrounding small hardware stores—namely that there is no publicly available information on the average sales of small hardware stores in Australia. Accordingly, it is extremely difficult, if not impossible, to undertake an impact assessment which would have an acceptable degree of accuracy.

3.2 Available Hardware Spending

As indicated in TABLE 2.2 total available annual spending on hardware products in the trade area is estimated to be some \$45.9 million in 2011 and to increase to \$50 million by 2016 (\$2011).

In addition, total available annual spending on home renovations and improvements is estimated at \$145.9 million in 2011 rising to an estimated \$158.8 million in 2016 (\$2011). Hardware stores are a major beneficiary of this type of expenditure.

3.3 Sales Impact – Existing Stores

In preparing this Report we undertook an inspection of existing hardware stores in the trade area. We consider it unlikely the combined annual sales of the four stores identified above would exceed \$15 million (\$2011) at present. If the proposed Bunnings Warehouse was to receive approval, we estimate its annual sales could be in the range of \$27 to \$32 million in 2016 (\$2011). Of this, we further estimate \$24.3 to \$28.8 million (or 90%) would be derived from spending by retail customers and the balance (\$2.7 to \$3.2 million) from trade sales.

Hence, if the proposal proceeds, in 2016 the sales derived from the trade area of existing hardware stores plus Bunnings would be in the range of \$39.3 to \$43.8 million per annum (\$2011). That is, the combined sales of these stores would be less than the available spending generated by trade area residents on hardware products alone in 2016 (\$50 million [\$2011]).

In theory, therefore, there is no reason why a Bunnings Warehouse could not be developed at Gladesville and have no impact on the sales

of the existing four hardware stores. That is, there is sufficient available spending generated in the trade area for existing stores to maintain their sales in real terms despite the opening of a Bunnings at Gladesville.

In reality, however, the four existing stores are likely to experience some impact. Nevertheless, it is highly improbable Bunnings would threaten their viability given these stores focus on meeting the market for convenience hardware goods.

In our view, the major impact of a new Bunnings at Gladesville will be felt chiefly by other Bunnings Warehouse stores such as those at Artarmon, Ashfield, Castle Hill, Parramatta and Auburn.

3.4 Impact on Garden Centres

As noted previously, all Bunnings stores contain a garden and landscaping component. Accordingly, some impact on existing garden centres in Ryde LGA is possible if the proposed Gladesville store proceeds.

The largest garden centre in Ryde LGA is Eden Gardens located on a 1.8 hectares site on Lane Cove Road near its intersection with Fontenoy Road. Given its size, Eden Gardens services a regional market and is most unlikely to be affected by what is a relatively restricted garden centre "offer" at the proposed Bunnings.

The other garden centre in Ryde LGA is Sherringham's which is located at the corner of Wicks and Waterloo Roads, North Ryde. This centre focusses particularly on the provision of landscaping supplies through an association with Australian Native Landscapes (ANL). A Bunnings store at Gladesville would not pose a competitive threat to Sherringham's/ANL which has a market leading position in bulky landscaping supplies in the Sydney Region.

4

BULKY GOODS IMPACT

4.1 Existing Bulky Goods Supply

Neither Ryde LGA nor surrounding areas contain any **major bulky goods centres** at present. There are a number of individual bulky goods outlets in various locations within Ryde LGA including Domayne and Officeworks on Ryde Road. There are also a number of small stores selling homewares and related products at Top Ryde and the Macquarie Centre as well as some premises selling discounted bedding and furniture in light industrial areas in Ryde LGA including one on nearby Buffalo Road.

In addition there are a number of stores selling some products which would be classified as bulky goods-type merchandise—for instance, Myer, Big W, Target, JB Hi-Fi, Dick Smith and the like. These stores are located within major shopping centres such as Top Ryde and the Macquarie Centre. That said, in relation to department stores like Myer and discount department stores (DDSs) such as Big W and Target, sales of “bulky goods” merchandise comprise only a very small proportion of their total turnover.

Beyond Ryde LGA the major concentrations of bulky goods floorspace of relevance are found at the following locations:

▶	Artarmon/St Leonards	...	50,000 sq.m.
▶	Castle Hill	...	100,000 sq.m.
▶	Auburn	...	130,000 sq.m.
▶	Rhodes	...	27,000 sq.m.
▶	North Parramatta	...	30,000 sq.m..

Smaller concentrations of bulky goods outlets are found along major arterial roads to the east of Ryde such as Victoria Road, Drummoyne and Parramatta Road at Ashfield/Leichhardt.

4.2 Available Spending

As indicated in TABLE 2.2, total available bulky goods spending in the trade area in 2011 is estimated at \$232.0 million (\$2011) and is forecast to rise to \$252.4 million by 2016 (\$2011). Broadly, this volume of available spending would support between 56,000 and 72,000 m² of bulky goods floorspace assuming average sales of \$3,500 to \$4,500 per sq.m. per annum are achieved.

Taking into account existing bulky goods premises—as well as a proportion of the floorspace contained in department stores and DDSs (to account for those sales which could be classified as “bulky goods” in nature)—we estimate that at present the trade area is likely to contain at most around 15,000 m² of such space. Comparing this estimate to the volume of bulky goods floorspace which could be supported by available spending highlights clearly the substantial under-supply of such floorspace in the trade area at present. In summary, the extent of the under-supply of bulky goods floorspace is in the order of 40,000 to 57,000 m². Given the proposed development at Gladesville is planned to contain only 21,885 m², the existing under-supply of space suggests it can be accommodated within the local retail system without having a detrimental impact.

4.3 Impact on Existing Centres

The tenancy mix of the proposed bulky goods space has not been determined as yet. It is difficult, therefore, to estimate with any degree

of accuracy what its potential impact might be on other relevant centres.

Nonetheless, for the purposes of this Report we have prepared a preliminary estimate of what we consider possibly could be the impact of the development's proposed bulky goods component on other centres assuming the development achieved annual sales of around \$90 million in 2016 (\$2011). This level of turnover would accord with the average sales levels being achieved by leading bulky goods centres in Australia. We stress, however, that the actual turnover achieved (should the development proceed) will be highly dependent on the quality of tenants ultimately attracted to the Gladesville site.

In broad terms, we would expect around 85% of sales at the proposed centre to originate from spending by trade area residents. A relatively significant proportion of the centre's sales (15%) are expected to come from "passing trade" given its location on Victoria Road which is a significant arterial road within the Sydney Region.

On this basis, some \$76.5 million (\$2011) of the proposed bulky goods centre's total turnover in 2016 is likely to originate from spending by trade area residents. This is equivalent to approximately 30% of total available bulky goods retail spending estimated for the trade area in 2016 (\$252.4 million; \$2011). Hence, fully 70% of available bulky goods spending in 2016 (\$175.9 million; \$2011) would remain available to other centres and precincts in which bulky goods stores are located.

As indicated in TABLE 4.1 the estimated impact of the proposed bulky goods component of the development on any of the major bulky goods centres in the surrounding region is likely to be in the range of -6% to -10%. Impacts in this range fall within the generally accepted

"low/medium" category of impact and generally are considered to be acceptable. Impacts on the Gladesville centre and Top Ryde are expected to be minimal (that is, less than 5%) due to neither of these centres containing significant bulky goods-type traders.

TABLE 4.1
ESTIMATED IMPACT of PROPOSED BUNNINGS DEVELOPMENT on
RELEVANT BULKY GOODS CENTRES/PRECINCTS, 2016 (\$2011)

Centre/Precinct ...	Estimated Sales, 2016 (\$ Mil. per annum)	Impact on 2016 Sales (\$ Mil. per annum)	% Impact
Castle Hill	\$450.0	(\$30.0)	(6.7)
Rhodes	\$120.0	(\$7.0)	(5.8)
Artarmon/St Leonards	\$180.0	(\$15.0)	(8.3)
Auburn (Parramatta Road)	\$520.0	(\$30.0)	(5.8)
Ryde Centres	\$45.0	(\$2.5)	(5.6)
Other Centres	n.a.	(\$5.5)	n.a.

Source: Leyshon Consulting Estimates, May 2012.

5 IMPACT on LIGHT INDUSTRIAL AREA

Council has asked for comment on the potential impact of the proposed Bunnings development on the existing Gladesville Light Industrial Area. We understand this area comprises some 23.8 hectares and is one of only two areas identified for light industrial activities in Ryde LGA. The other (comprising 5.9 hectares) is located just to the east of the West Ryde town centre. The subject site comprising as it does approximately 3.8 hectares therefore constitutes 15.9% of the Gladesville Light Industrial Area.

The Gladesville Light Industrial Area is home to a wide range of small to medium-scale industrial premises including a significant number of automotive uses located along Buffalo Road. These appear to serve a regional market in terms of automotive services, smash repairs and the like. In addition, the area contains some non-industrial uses including indoor recreation, childcare facilities and office uses.

The area also contains a number of sites which are used for older, traditional industrial-type uses. One example is the CBM Timber Yard on Buffalo Road. This site appears to be a prime candidate for redevelopment.

Finally, there are also a significant number of smaller industrial unit complexes accessed off College Street. These provide accommodation for a wide range of companies providing industrial services, warehousing and distribution functions.

Our recent field inspection of the area found that quite a few premises within the Gladesville Light Industrial Area are currently vacant. Higher vacancy levels are comparatively common in many industrial areas in the Sydney Region at this time with leasing agents throughout Sydney having reported declining demand for industrial premises since the onset of the GFC.

It is also possible that the current vacancy level is consistent with the findings of the City of Ryde Employment Study 2010 which, among other things, found that demand for traditional industrial uses in Ryde LGA will tend to decrease in the near future.

It is impossible to be definitive about the potential impact of the proposed development on the balance of the Gladesville Light Industrial Area. For instance, the subject site in its current state is only partially occupied by industrial activities. Consequently, it is difficult to assess how important this particular 3.8 hectare parcel is in terms of the regional supply of light industrial land. As things currently stand, this land is making only a minimal contribution to maintaining industrial employment in Ryde LGA.

In the context of its proposed redevelopment, regard also needs to be had to the constraints which apply to this particular site compared with many other sites zoned for industrial uses. Effectively the Gladesville site is below ground level. This reduces its attractiveness to industrial activities which rely to some extent on visibility to passing traffic for their success. Examples of such businesses include vehicle servicing and repair, self storage operators, manufacturing and warehousing premises with a showroom component and the like.

The other issue which is sometimes raised in terms of the use of industrial land for forms of quasi-retailing is whether or not conversion

In our opinion, this issue may be relevant if, for example, a change in zoning was being contemplated which would make bulky goods retailing permissible throughout the entire Gladesville Light Industrial Area. As this is not the case, it is unlikely development of the subject site (as proposed) will lead to increasing land values in the balance of the Gladesville Light Industrial Area with concomitant adverse outcomes for existing industrial uses.

In any event, with the exception of the subject site, the balance of land in the Gladesville Light Industrial Area is either intensively developed and/or lacks exposure to major roads such as Victoria Road. This makes such land unsuitable for redevelopment for bulky goods retailing which typically requires main road frontage to trade successfully. This suggests that the proposed development can coexist with the uses found in the balance of the area without it adversely affecting either the role of the area or the existing uses found within it.



EMPLOYMENT GENERATION

The proposed Bunnings development at Gladesville will increase local employment opportunities. The extent of current employment on the site cannot be determined accurately but is likely to not exceed 50 employees.

We understand that the existing buildings on the site contain some 21,940.2 sq.m. of floorspace. If these buildings were fully occupied for industrial and related purposes, theoretically they could generate on-site employment of 258 to 400 positions depending on the type of tenants in the various buildings.

If the proposed Bunnings development proceeds, we estimate the following employment is likely to be created on-site:

▶	Bunnings Warehouse	...	150
▶	Bulky Goods Centre	...	337
▶	Commercial Building	...	50
▶	Total	...	537

Hence, while the proposal involves the change in the use of the site from industrial to bulky goods retailing and timber and building supplies, the total employment growth to be gained by such a change is very significant at the local level. The proposed development will, therefore, contribute in a major way to the retention and creation of employment in the Gladesville Light Industrial Area in particular and in Ryde LGA more generally.



APPENDIX A

TABLE A1: Estimated Available Bulky Goods Spending - Ryde Hunters Hill Bunnings 2012 Trade Area, 2011 (\$2011)

	Hunters Hill LGA	Ryde LGA	TOTAL
Population 2011	14,663	107,307	121,970
Average Spending (\$2011)	12,927	11,743	11,885
Total Retail Spend (\$m) (\$2011)	189.5	1260.1	1449.6
Spending by Category			
Core Bulky Goods			
0701 Furniture and floor coverings	8.2	50.3	58.4
0703 Household appliances	4.9	31.9	36.8
110101 Audio-visual equipment and parts	5.8	36.8	42.6
TOTAL CORE BULKY GOODS	18.8	119.0	137.8
Ancillary Bulky Goods			
0702 Blankets, household linen and household furnishings	4.3	23.9	28.1
0704 Glassware, tableware, cutlery and household utensils	1.9	12.2	14.1
110102 Home computer equipment (including pre-packaged software)	3.0	20.4	23.4
1101051001 Camping equipment	0.3	1.4	1.7
100105 Motor vehicle parts and accessories purchased separately	3.6	23.3	26.9
TOTAL ANCILLARY BULKY GOODS	13.1	81.1	94.2
Hardware			
0705010101 Lawnmowers (including electric)	0.1	0.8	1.0
0705010201 Gardening tools	0.3	1.8	2.1
0705010301 Other hand and power tools	1.1	6.6	7.7
0705019999 Tools and other household durables nec	1.5	9.6	11.1
0801010101 Nails, screws and other fasteners	0.1	0.8	0.9
0801010601 Trees, shrubs and plants	0.7	4.6	5.3
0801010701 Other gardening products	0.7	4.4	5.2
0801010801 Swimming pool chemicals	0.3	2.6	2.9
0801019999 Household non-durables nec	1.3	8.6	9.9
TOTAL HARDWARE	6.1	39.9	45.9
Home Renovations/Improvement			
010106 Repairs and maintenance (materials only)	3.5	31.4	34.9
Capital Housing Costs: 16010103 Additions and extensions	4.9	22.3	27.3
Capital Housing Costs: 16010104 Internal renovations	7.2	35.7	42.9
Capital Housing Costs: 16010105 Insulation	0.1	0.9	1.1
Capital Housing Costs: 16010107 Outside building	1.7	9.6	11.3
Capital Housing Costs: 16010109 Other outside improvements	4.0	24.5	28.5
TOTAL HOME RENOVATIONS/IMPROVEMENT	21.5	124.5	145.9
Total Bulky Goods	59.4	364.5	423.8

TABLE A2: Estimated Available Bulky Goods Spending - Ryde Hunters Hill Bunnings 2012 Trade Area, 2016 (\$2011)

	Hunters Hill LGA	Ryde LGA	TOTAL
Population 2011	15,000	111,300	126,300
Average Spending (\$2011)	13,586	12,342	12,490
Total Retail Spend (\$m) (\$2011)	203.8	1373.7	1577.5
Spending by Category			
Core Bulky Goods			
0701 Furniture and floor coverings	8.8	54.8	63.6
0703 Household appliances	5.2	34.8	40.0
110101 Audio-visual equipment and parts	6.2	40.2	46.4
TOTAL CORE BULKY GOODS	20.2	129.7	149.9
Ancillary Bulky Goods			
0702 Blankets, household linen and household furnishings	4.6	26.0	30.6
0704 Glassware, tableware, cutlery and household utensils	2.1	13.3	15.4
110102 Home computer equipment (including pre-packaged software)	3.2	22.2	25.5
1101051001 Camping equipment	0.3	1.5	1.8
100105 Motor vehicle parts and accessories purchased separately	3.8	25.4	29.3
TOTAL ANCILLARY BULKY GOODS	14.0	88.4	102.5
Hardware			
0705010101 Lawnmowers (including electric)	0.1	0.9	1.1
0705010201 Gardening tools	0.3	2.0	2.3
0705010301 Other hand and power tools	1.1	7.2	8.4
0705019999 Tools and other household durables nec	1.6	10.4	12.0
0801010101 Nails, screws and other fasteners	0.1	0.8	0.9
0801010601 Trees, shrubs and plants	0.7	5.0	5.7
0801010701 Other gardening products	0.8	4.8	5.6
0801010801 Swimming pool chemicals	0.3	2.9	3.2
0801019999 Household non-durables nec	1.3	9.4	10.8
TOTAL HARDWARE	6.5	43.5	50.0
Home Renovations/Improvement			
010106 Repairs and maintenance (materials only)	3.7	34.2	38.0
Capital Housing Costs: 16010103 Additions and extensions	5.3	24.3	29.6
Capital Housing Costs: 16010104 Internal renovations	7.8	38.9	46.6
Capital Housing Costs: 16010105 Insulation	0.1	1.0	1.2
Capital Housing Costs: 16010107 Outside building	1.8	10.5	12.3
Capital Housing Costs: 16010109 Other outside improvements	4.3	26.7	31.0
TOTAL HOME RENOVATIONS/IMPROVEMENT	23.1	135.7	158.8
Total Bulky Goods	63.8	397.3	461.2

TABLE A3: Estimated Available Bulky Goods Spending - Ryde Hunters Hill Bunnings 2012 Trade Area, 2021 (\$2011)

	Hunters Hill LGA	Ryde LGA	TOTAL
Population 2011	15,700	117,200	132,900
Average Spending (\$2011)	14,279	12,971	13,126
Total Retail Spend (\$m) (\$2011)	224.2	1520.3	1744.4
Spending by Category			
Core Bulky Goods			
0701 Furniture and floor coverings	9.6	60.6	70.3
0703 Household appliances	5.7	38.5	44.3
110101 Audio-visual equipment and parts	6.8	44.4	51.3
TOTAL CORE BULKY GOODS	22.2	143.6	165.8
Ancillary Bulky Goods			
0702 Blankets, household linen and household furnishings	5.1	28.8	33.8
0704 Glassware, tableware, cutlery and household utensils	2.3	14.7	17.0
110102 Home computer equipment (including pre-packaged software)	3.6	24.6	28.1
1101051001 Camping equipment	0.3	1.7	2.0
100105 Motor vehicle parts and accessories purchased separately	4.2	28.1	32.4
TOTAL ANCILLARY BULKY GOODS	15.5	97.9	113.3
Hardware			
0705010101 Lawnmowers (including electric)	0.2	1.0	1.2
0705010201 Gardening tools	0.4	2.2	2.6
0705010301 Other hand and power tools	1.2	8.0	9.3
0705019999 Tools and other household durables nec	1.8	11.5	13.3
0801010101 Nails, screws and other fasteners	0.1	0.9	1.0
0801010001 Trees, shrubs and plants	0.8	5.5	6.3
0801010701 Other gardening products	0.9	5.3	6.2
0801010001 Swimming pool chemicals	0.3	3.2	3.5
0801019999 Household non-durables nec	1.5	10.4	11.9
TOTAL HARDWARE	7.2	48.1	55.3
Home Renovations/Improvement			
010106 Repairs and maintenance (materials only)	4.1	37.9	42.0
Capital Housing Costs: 16010103 Additions and extensions	5.8	26.9	32.8
Capital Housing Costs: 16010104 Internal renovations	8.5	43.0	51.6
Capital Housing Costs: 16010105 Insulation	0.2	1.1	1.3
Capital Housing Costs: 16010107 Outside building	2.0	11.6	13.6
Capital Housing Costs: 16010109 Other outside improvements	4.8	29.6	34.3
TOTAL HOME RENOVATIONS/IMPROVEMENT	25.4	150.2	175.6
Total Bulky Goods	70.2	439.7	509.9

**ECONOMIC NEED
ASSESSMENT**
~
**MAJOR HARDWARE STORE
in
RYDE LGA**

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DISCLAIMER

This Report has been prepared solely for the purposes recorded at Section 1 of the Report and solely for the benefit of the party to whom the report is addressed. No third party is entitled to rely upon this Report for any purpose without the written consent of Leyshon Consulting Pty Ltd having first been sought and obtained.

This Report involves the making of future projections. Those projections are grounded upon the facts and matters contained in this Report. Some or all of those facts and matters comprise assumptions and/or representations upon which Leyshon Consulting Pty Ltd has relied but about which it has no knowledge of its own. By reason of this, Leyshon Consulting Pty Ltd cannot warrant or represent the correctness or accuracy of such assumptions and/or representations. It follows that, while the projections contained in this Report are made with care and judgment, Leyshon Consulting Pty Ltd cannot confirm, warrant or guarantee that actual results achieved will be consistent with the results projected by this Report.



EXECUTIVE SUMMARY

Introduction Section 1

This Report has been prepared for Bunnings Group Limited (Bunnings) by Leyshon Consulting Pty Ltd. The Report presents an analysis of the need for a major Bunnings hardware store in Ryde Local Government Area (LGA). The Report has been prepared in the context of a potential application by Bunnings for the rezoning of land in Ryde LGA to develop a major hardware store.

At present, Bunnings does not have a hardware store of any size in Ryde LGA. The nearest Bunnings stores are found at Thornleigh, Carlingford, Artarmon and Auburn.

Existing Services Section 2

There are only a limited number of hardware stores within Ryde LGA at present namely:

- ▶ Coxes Road Hardware at North Ryde
- ▶ Taffa's Mitre 10 at West Ryde
- ▶ Weils Mitre 10 at Gladesville.

Each of these stores is relatively small by contemporary standards and offers a comparatively restricted range of products.

Demand Estimates Section 3

Ryde LGA had an estimated resident population (ERP) in 2006 of 100,962 persons.

By 2016—assuming the growth rates of the recent past are generally maintained—the population of Ryde LGA should reach some 108,923 person, an increase of +7,961 persons over 2006 levels.

Annual available **bulky goods-type** spending in Ryde is estimated to rise from \$367.4 million in 2009 to \$405.3 million in 2016—an increase in annual spending of +\$38.0 million (\$2009).

Annual available spending on **hardware, home renovations and improvements** is estimated to increase from \$162.6 million per annum in 2009 to \$179.4 million per annum in 2016—an increase of +\$16.8 million in annual available spending (\$2009).

EXECUTIVE SUMMARY

Demand Estimates Cont'd

Broadly, Ryde LGA could support approximately 53,895 sq.m. of bulky goods-type floorspace at present and in the order of 50,800-65,000 sq.m. of hardware and home renovations and improvements-type floorspace.

The absence of any major bulky goods centre or any major hardware stores in Ryde LGA suggests a significant under-supply of such space exists. This in turn implies a very substantial level of "escape expenditure" is flowing out of Ryde LGA to centres/precincts located in areas such as Rhodes, Auburn, North Parramatta, Artarmon/St Leonards, Alexandria and the like.

Based on the extent of the projected spending growth for bulky goods in general, and hardware/home renovations and improvements services in particular we conclude a substantial need exists for the provision of this type of floorspace within Ryde.

Survey Results Section 4

To obtain a more detailed understanding of the need for a major hardware store in Ryde LGA Leyshon Consulting designed and oversights the conduct of a telephone survey of 300 residents of Ryde LGA.

The survey found that hardware stores are visited relatively frequently. For example, about a quarter of the sample had visited a hardware store in the past week while a further 19% had visited a hardware store in the past two to three weeks.

As far as Ryde residents are concerned, the most frequently visited stores were:

▶ Bunnings Artarmon	...	16%
▶ Cox's Road Hardware, North Ryde	...	14%
▶ Bunnings Auburn	...	13%
▶ Taffa's Mitre 10 Handy, West Ryde	...	12%
▶ Bunnings Carlingford	...	7%
▶ Bunnings Thornleigh	...	7%
▶ Weils Mitre 10 Handy, Gladesville	...	6%.

The survey also probed attitudes toward the provision of hardware stores in Ryde. Overall, 40% of respondents reported some level of dissatisfaction with the **quality/range** of hardware stores in the Ryde area.

EXECUTIVE SUMMARY

Survey Results Cont'd

Close to a third (32%) of respondents indicated they were either "very dissatisfied" or "dissatisfied" with the **price competitiveness** of hardware stores in the Ryde area.

Meanwhile, about one half of respondents (51%) described their attitude as either being "somewhat dissatisfied", "dissatisfied" or "very dissatisfied" with their **proximity** to hardware stores.

The survey findings point clearly to a significant level of dissatisfaction on the part of Ryde residents with the range, competitiveness and accessibility of hardware stores.

Conclusion Section 5

There are no major hardware stores located within Ryde LGA at present.

Substantial latent demand exists, however, for both bulky goods-type floorspace in general and floorspace devoted to hardware, home renovations and improvements goods and services in particular.

We conclude an overwhelming case exists for the rezoning of land in Ryde to facilitate the development of a major hardware store of the type envisaged by Bunnings.



1

INTRODUCTION

This Report has been prepared for Bunnings by Leyshon Consulting Pty Ltd. The Report presents an analysis of the need for a major Bunnings hardware store in Ryde Local Government Area (LGA).

We understand that for a number of years Bunnings has been endeavouring to find a suitable site in Ryde LGA for a major hardware store. To date, the only suitable sites identified have required rezoning to permit such a development.

In broad terms, retail hardware stores in Australia can be divided into three categories viz:

- * **Small** ... generally convenience-oriented stores offering a restricted range of merchandise in areas of <1,000 sq.m.. Such stores are often found in traditional commercial centres—for instance, Thrifty Link, Mitre 10 Handy
- * **Medium** ... generally stores of between 1,000-3,500 sq.m. with a medium range of merchandise. These stores can include a small timber yard and nursery and are found in centres or industrial areas—for instance, Mitre 10 and independents
- * **Major/Large** ... large format stores providing a very wide range of merchandise, dedicated trade desk, drive-through timber yard and nursery. Generally such stores occupy between 4,000-12,500 sq.m.—examples include Bunnings, Mitre 10 Mega, Magnet Mart.

2

EXISTING SERVICES

There are only a limited number of retail hardware stores within Ryde LGA at present. The locations of these stores are shown in FIGURE 2.1.

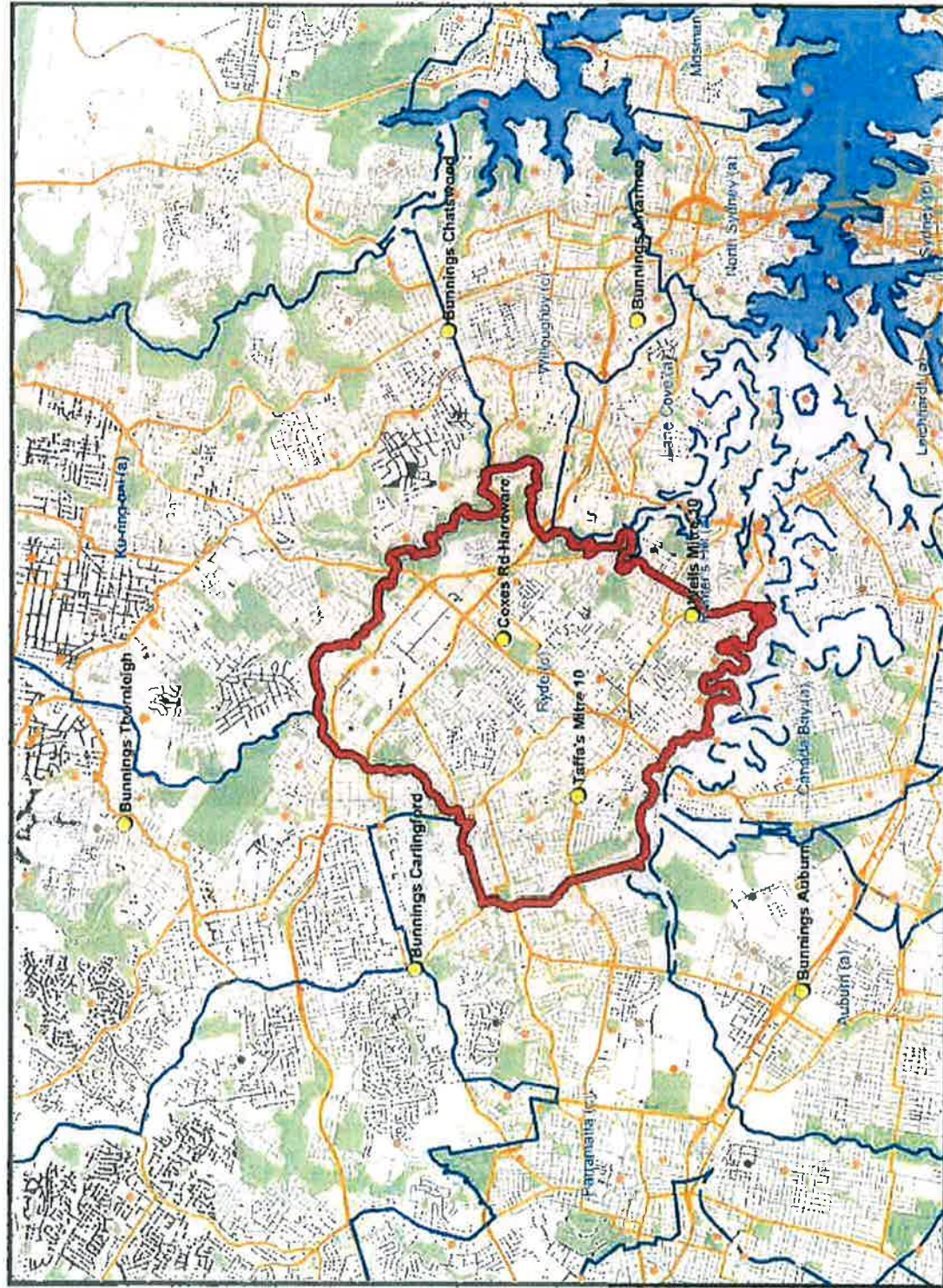
The three most significant stores are:

- ▶ Coxes Road Hardware at North Ryde
- ▶ Taffa's Mitre 10 at West Ryde
- ▶ Weils Mitre 10 at Gladesville.

Each of the stores is relatively small by contemporary standards and offers a relatively restricted range of products.

The hardware stores operated by Bunnings in suburbs close to Ryde are at Thornleigh and Carlingford. To the south of Ryde LGA Bunnings operated store at Auburn.

FIG 2.1: Hardware Stores Ryde LGA



Data Source:

Print Date: 28 July 2009

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Based on data provided under license from FSHA Australia Limited

At present, Bunnings do not have a hardware store of any size in Ryde LGA. The nearest Bunnings stores are found at Thornleigh, Carlingford, Artarmon and Auburn. Some of these stores were not developed by Bunnings themselves but were "inherited" following the acquisition of the former BBC hardware chain in 2002.

In analysing the need for a major Bunnings hardware store in Ryde LGA we have undertaken the following tasks:

- ▶ identified the location of existing hardware stores in and adjacent to Ryde LGA
- ▶ prepared estimates of annual available expenditure generated in relevant merchandise categories in Ryde LGA to 2016
- ▶ estimated the potential demand for bulky goods/hardware floorspace in Ryde LGA to 2016
- ▶ undertaken a survey of 300 households in Ryde to determine their current shopping patterns with respect to hardware and satisfaction levels with existing hardware stores.

3

DEMAND ESTIMATES

3.1 Introduction

We have prepared an estimate of the demand for bulky goods in general, and hardware and related services in particular, in Ryde LGA for the period 2009-16. This analysis has focussed on the demand generated by resident spending. In addition, considerable demand across these merchandise categories is generated by local tradesmen.

Any major Bunnings hardware store would attract shoppers from outside Ryde LGA. In this instance, however, the analysis of demand has been confined to Ryde itself so as to provide Council with a clear understanding of the potential local demand for hardware services.

3.2 Demographics

TABLE 3.1 summarises the demographic characteristics of the population residing in Ryde LGA at the 2006 Census.

TABLE 3.1
SUMMARY of KEY DEMOGRAPHIC ATTRIBUTES of RYDE LGA
POPULATION and COMPARATIVE DATA for SYDNEY
STATISTICAL DIVISION (SSD), 2006(% Population)

Variable ...	Ryde LGA	SSD
Population Count, 2006 (No. Persons)	96,948	4,119,190
Age Structure		
0-9 years	11.3	13.0
10-19	11.1	13.1
20-29	16.1	14.6
30-39	15.7	15.6
40-49	15.1	14.7
50-59	12.1	12.2
60+	18.6	16.8
Household Structure		
Couples & Children	23.6	36.1
Couples Only	33.6	24.3
Single Parents	9.3	11.4
Other	1.9	1.5
Total Family	68.4	73.3
Non-Family Households		
Lone Person	26.6	22.6
Group	5.0	4.1
Total Non-Family	31.6	26.7
Average Household Size (persons/dwelling)	2.72	2.68
Occupational Structure		
Managers	13.7	13.2
Professionals	29.3	23.8
Technicians & Trade Workers	11.3	12.7
Community & Personal Service Workers	7.2	8.0
Clerical & Administrative Workers	17.7	16.7
Sales Workers	9.0	9.5
Machinery Operators & Drivers	3.4	6.0
Labourers	6.6	8.0
Inadequately Described/Not Stated	1.8	2.1
Unemployment Rate	4.7	5.3

TABLE 3.1
SUMMARY of KEY DEMOGRAPHIC ATTRIBUTES of RYDE LGA
POPULATION and COMPARATIVE DATA for SYDNEY
STATISTICAL DIVISION (SSD), 2006 (% Population)

Variable ...	Ryde LGA	SSD
Annual Household Income		
Nil/Negative	2.3	1.5
\$0-\$7,799	1.7	1.6
\$7,800-\$12,999	4.9	4.9
\$13,000-\$18,199	6.6	6.4
\$18,200-\$25,999	3.8	4.4
\$26,000-\$33,799	9.0	9.4
\$33,800-\$41,599	6.2	6.3
\$41,600-\$51,999	6.9	7.1
\$52,000-\$62,399	10.9	10.9
\$62,400-\$72,799	4.8	5.6
\$72,800-\$88,399	8.5	8.6
\$88,400-\$103,999	7.6	7.4
\$104,000-\$129,999	7.9	7.9
\$130,000-\$155,999	9.2	8.7
Above \$156,000	9.7	9.3
Average Household Income (\$2006)	\$74,436	\$73,724

Source: Australian Bureau of Statistics (ABS) Census, 2006.

As indicated in TABLE 3.1, the population in Ryde LGA had a comparatively similar age structure to the Sydney Statistical Division (SSD) in 2006 albeit with a somewhat smaller proportion of children/teenagers than the SSD (22.4% compared with 26.1%). The proportion of young adults (those aged 20-29 years) was somewhat higher than the SSD average (16.1% versus 14.6%). Similarly the proportion of older residents (60+ years) was also higher than the SSD average (18.6% versus 16.8%).

In terms of household structure, Ryde LGA had a significantly lower proportion of traditional family households (that is, couples plus

dependent children; 23.6% versus 36.1% and a significantly higher proportion of couple only families (33.6% versus 23.3%). The proportion of lone person households in Ryde was also higher than the SSD average in 2006 (26.6% versus 22.6%).

In terms of occupational structure, Ryde LGA was broadly similar to the SSD in 2006 apart from a significantly higher proportion of professionals (29.3%) compared with 23.8% in the SSD. Meanwhile the proportion employed as machine operators, drivers and labourers was lower than the SSD average (10% versus 14%).

The unemployment rate in Ryde LGA in 2006 was 4.7% somewhat below the 5.3% in the SSD in 2006.

The average household income in Ryde in 2006 was estimated at \$74,436 per household per annum (\$2006)—only about 1% above the SSD average of \$73,724 per household per annum.

3.3 Projected Population Growth

As indicated in TABLE 3.2, Ryde LGA had an estimated resident population (ERP) in 2006 of 100,962 persons.

TABLE 3.2
ESTIMATED RESIDENT POPULATION – RYDE
LGA, 2006-16 (No. Persons)

Year ...	PTA
2006	100,962
2009	104,248
2011	105,563
2013	106,894
2016	108,923
Increase 2006-09	3,286

TABLE 3.2
ESTIMATED RESIDENT POPULATION – RYDE
LGA, 2006-16 (No. Persons)

Year ...	PTA
Increase 2009-11	1,315
Increase 2011-13	1,331
Increase 2013-16	2,029
Increase 2006-16	7,961

Source: ABS 2006 and Leyshon Consulting
 Projections, June 2009.

According to the ABS, the average annual population growth rate in Ryde between 2002-07 averaged some + 0.65% per annum. As can be noted from TABLE 3.2, by 2016—assuming the growth rates of the recent past are generally maintained—the population of Ryde LGA should reach some 108,923 person, an increase of +7,961 persons since 2006.

3.4 Projected Spending Growth

Taking into account the population projection for Ryde LGA (as set out in TABLE 3.2) estimates have been prepared of available bulky goods and hardware expenditure generated in the LGA between 2009-16.

To facilitate this analysis, estimates also have been prepared of average annual per capita retail spending levels based on data from the following sources:

- ▶ ABS 2006 Census
- ▶ ABS 2003-04 Household Expenditure Survey
- ▶ ABS Consumer Price Index 2006-09
- ▶ ABS average weekly earnings, New South Wales 2006-09.

Taking the above data sources into account, we estimate that in 2009 average household expenditure on all retail goods and services in Ryde LGA is some \$10,906 per household per annum (\$2009).

In recent years, retail expenditure levels have grown in real terms, that is over and above the rate of inflation in the Consumer Price Index (CPI). In particular, expenditure on bulky goods and related products grew much faster than general retail spending between 2004-08. During this period spending on bulky goods typically grew at real rates of between 4.0% and 6.0% per annum compared to general spending growth rates of around 2.0% to 2.5% per annum.

Current depressed economic conditions have significantly impacted the sale of discretionary products. In this regard we note the bulky goods sector includes a significant component of goods such as televisions, home computing, electronics and certain types of furniture all of which essentially involve discretionary spending. It is unlikely the sales of these types of products will return to robust levels until there is improvement in economic conditions in Australia in general and New South Wales in particular.

For this reason, and having regard to the demography of the trade area, we have assumed the following real growth rates with respect to household retail expenditure levels up to 2016:

►	2009-10	...	0.0% per annum
►	2010-11	...	+0.5% per annum
►	2011-16	...	+1.0 % per annum.

For the purposes of analysis we have defined bulky goods and hardware type spending by reference to specific expenditure categories used by the ABS in the 2003-04 Household Expenditure Survey.

For the purposes of this Report we have identified a range of household expenditure categories which we consider form part of the general pool of available bulky goods-type spending. These categories are derived from the 2003-04 Household Expenditure Survey (HES) undertaken by the ABS and include the following:

- ▶ furniture and floor coverings
- ▶ household furnishings and equipment
- ▶ electrical appliances/whitegoods
- ▶ household non-durables
- ▶ motor vehicles, parts and accessories
- ▶ audio visual equipment and parts
- ▶ home computer equipment
- ▶ selected recreational equipment
- ▶ hardware and related products
- ▶ expenditure on home renovations and improvements (part only).

A full listing of the expenditure categories used in our analysis is provided at APPENDIX A to this Report.

As indicated in TABLE 3.3 (and summarised in TABLE 3.4), annual available **bulky goods-type** spending in Ryde is estimated to rise from \$367.4 million in 2009 to \$405.3 million in 2016—an increase in annual spending of +\$38.0 million (\$2009).

Annual available spending on **hardware, home renovations and improvements** meanwhile is estimated to increase from \$162.6 million per annum in 2009 to \$179.4 million per annum in 2016—an increase of +\$16.8 million in annual available spending (\$2009).

TABLE 3.3
ESTIMATED TOTAL AVAILABLE BULKY GOODS SPENDING – RYDE LGA,
2009-16 (\$2009)

Factor ...	2009	2011	2013	2016
Population, 2009 (No. Persons)	104,248	105,563	106,894	108,923
Average Retail Spending (\$ per capita pa)	\$10,906	\$10,961	\$11,181	\$11,520
Total Available Spending (\$ Mil. pa)	\$1,136.9	\$1,157.1	\$1,195.2	\$1,254.8
Bulky Goods Spending (\$ Mil. pa)				
Core				
Furniture & Floor Coverings	\$62.7	\$63.8	\$65.9	\$69.2
Household Appliances	\$35.9	\$36.6	\$37.8	\$39.6
Audio Visual Equipment/Parts	\$33.1	\$33.7	\$34.8	\$36.5
Sub-Total	\$131.7	\$134.1	\$138.5	\$145.3
Ancillary				
Blankets, Household Linen, Household Furnishings	\$19.2	\$19.6	\$20.2	\$21.2
Glassware, Tableware, Cutlery & Households Utensils	\$12.3	\$12.5	\$12.9	\$13.5
Home Computer Equipment (including pre-packaged software)	\$16.7	\$17.0	\$17.5	\$18.4
Camping & Recreation Goods	\$0.8	\$0.8	\$0.8	\$0.9
Motor Vehicle Parts & Accessories	\$24.1	\$24.6	\$25.4	\$26.6
Sub-Total	\$73.1	\$74.5	\$76.8	\$80.6
Hardware & Related	\$38.7	\$39.3	\$40.6	\$42.7
Home Renovations & Improvements	\$123.9	\$126.1	\$130.2	\$136.7
Total Available Bulky Goods Spending	\$367.4	\$374.0	\$386.1	\$405.3

Note: Errors due to rounding.

Source: Leyshon Consulting Estimates, June 2009.

3.5 Growth in Floorspace Demand

The estimates of growth in available spending on bulky goods, hardware, home renovations and improvement products outlined above can be converted into a nominal demand for additional floorspace.

In relation to traditional bulky goods (defined as those items under Core and Ancillary bulky goods in TABLE 3.3), we consider an appropriate average sales rate to adopt is some \$3,800 per sq.m. per annum. This rate has been adopted having regard to industry data on the performance of selected bulky goods centres across a wide range of national chain tenants.

In relation to the expenditure on hardware and related merchandise categories, industry data suggests that a range of sales from \$2,500 to \$3,200 per sq.m. per annum is appropriate.

In summary (TABLE 3.4 refers) we estimate total available spending on Core plus Ancillary bulky goods in 2009 is \$204.8 million (\$2009). In broad terms, therefore, Ryde LGA could support approximately 53,895 sq.m. of bulky goods-type floorspace at present. This excludes floorspace devoted to hardware and related activities.

TABLE 3.4
SUMMARY of ESTIMATED GROWTH in AVAILABLE BULKY
GOODS-TYPE/HARDWARE SPENDING by CATEGORY – RYDE
LGA, 2009-16 (\$2009; \$Mil p.a.)

Factor ...	2009	2016	Growth 2009-16
Total Core Bulky Goods	\$131.7	\$145.4	\$13.7
Total Ancillary Bulky Goods	\$73.1	\$80.6	\$7.5
Total Hardware	\$38.7	\$42.7	\$4.0
Total Home Renovations/Improvement	\$123.9	\$136.7	\$12.8
Total Bulky Goods/Hardware/Home Renovation & Improvements	\$367.4	\$405.4	\$38.0

Note: Errors due to rounding.

Source: Leyshon Consulting Estimates TABLE 3.3, June 2009.

Based on annual available expenditure of \$162.6 million on hardware, home renovations and improvements in 2009, Ryde LGA could support

in the order of 50,800-65,000 sq.m. of floorspace devoted to these types of uses.

Although we had not conducted a detailed audit of existing bulky goods/hardware-type floorspace within Ryde LGA for the purposes of this Report, the absence of any major bulky goods centre or any major hardware stores in the LGA suggests a significant under-supply of such space exists. This in turn implies a very substantial level of "escape expenditure" is flowing out of Ryde LGA to centres/precincts located in areas such as Rhodes, Auburn, North Parramatta, Artarmon/St Leonards, Alexandria and the like.

It is our conclusion—based on the extent of the projected spending growth for bulky goods in general, and hardware/home renovations and improvements services in particular—that a substantial need exists for the provision of this type of floorspace within Ryde LGA to meet an already significant and growing need. Moreover, the level of need for these types of services will only increase with further population and spending growth between 2009-16.

4

SURVEY RESULTS

4.1 Introduction

To obtain a more detailed understanding of the need for a major hardware store in Ryde LGA Leyshon Consulting designed and oversighted the conduct of a telephone survey of residents of Ryde LGA. The objective of the survey was to determine residents' current shopping patterns at hardware stores and their satisfaction levels with the existing hardware services on offer.

A sample of 300 households was obtained with all interviews conducted with someone within the household familiar with the household's shopping patterns for hardware and related products.

A copy of the questionnaire used in the survey (administered by market research firm ekas) is provided at APPENDIX B to this report. The detailed tabular survey results are provided at APPENDIX C.

The sample was stratified to obtain a representative spread of interviews across the suburbs comprising Ryde LGA. A breakdown of the number of interviews by suburb is provided in TABLE 1 (APPENDIX C).

The key findings of the survey are discussed below.

4.2 Frequency of Hardware Store Visitation

The frequency with which respondents visit hardware stores is detailed in TABLE 2, APPENDIX C.

As indicated in CHART 1, TABLE 2 hardware stores are visited relatively frequently. A quarter of the sample had visited a hardware store in the past week while a further 19% had visited a hardware store in the past 2 to 3 weeks. Overall, two thirds (64%) of respondents had visited a hardware store within the past month.

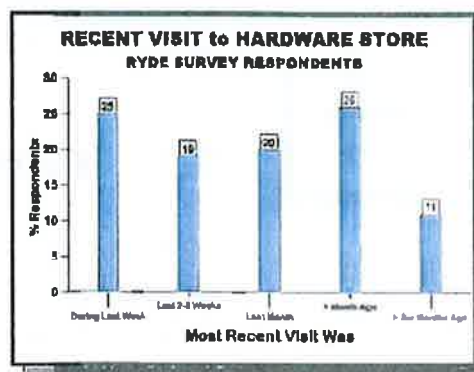


CHART 1

Source: Table 2 Survey Results

4.3 Hardware Store Last Visited

Information on the hardware store last visited by respondents was obtained (CHART 2, TABLE 3 refers).

Individual hardware stores last visited by survey respondents in rank order were as follows:

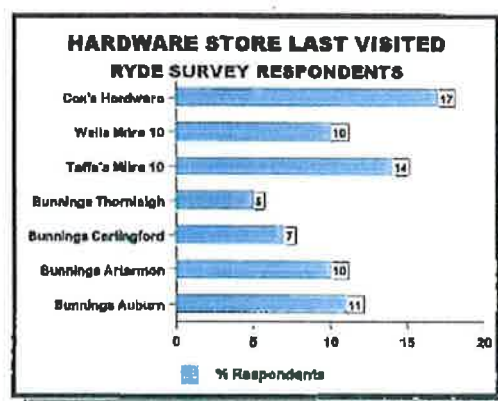


CHART 2

Source: Table 3 Survey Results

▶ Cox's Road Hardware, North Ryde	...	17%
▶ Taffa's Mitre 10 Handy, West Ryde	...	14%
▶ Bunnings Auburn	...	11%
▶ Weils Mitre 10 Handy, Gladesville	...	10%
▶ Bunnings Artarmon	...	10%
▶ Bunnings Carlingford	...	7%
▶ Bunnings Thornleigh	...	5%.

In our opinion it is notable that while there was significant recent patronage of relatively small hardware stores within the Ryde area, residents are still prepared to drive considerable distances to visit major hardware stores operated by Bunnings at Auburn, Artarmon, Carlingford and Thornleigh.

Respondents were also asked which store they patronised **most frequently** (CHART 3, TABLE 4 refers). In summary, the most frequently visited stores were:

▶ Bunnings Artarmon	...	16%
▶ Cox's Road Hardware, North Ryde	...	14%
▶ Bunnings Auburn	...	13%
▶ Taffa's Mitre 10 Handy, West Ryde	...	12%
▶ Bunnings Carlingford	...	7%
▶ Bunnings Thornleigh	...	7%
▶ Weils Mitre 10 Handy, Gladesville	...	6%.

As indicated above, Bunnings Artarmon was the most frequently visited store (16%) followed by the Cox's Road hardware store at North Ryde (14%) and Bunnings at Auburn (13%).

The data starkly highlights the fact that residents of Ryde are, on a regular basis, travelling quite some distance to patronise major hardware stores well outside Ryde LGA.

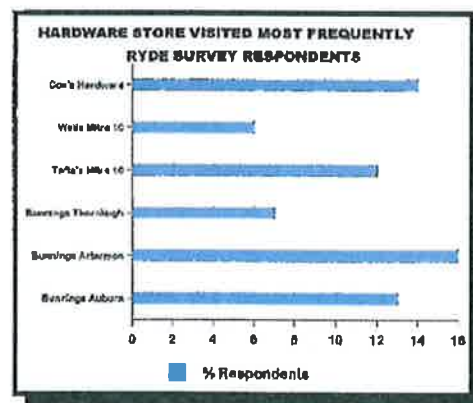


CHART 3

Source: Table 4 Survey Results

4.4 Hardware Products Purchased

Respondents were asked about the types of products they purchased on their last visit to a hardware store (TABLE 5, APPENDIX C refers).

The types of goods most frequently purchased were as follows:

▶	nails/screws/fixings	...	26%
▶	gardening equipment	...	20%
▶	electrical goods	...	15%
▶	tools	...	15%
▶	paint	...	14%
▶	plumbing products	...	12%.

4.5 Satisfaction with Hardware Services

4.5.1 Range and Quality

Respondents were asked how satisfied they were with the quality and range of hardware stores in the Ryde area (CHART 4, TABLE 6 refers). Less than half (42%) of the sample indicated they were either "satisfied" or "very satisfied" with the quality/range of hardware stores in the Ryde area.

A further 15% said they were "somewhat dissatisfied" while 25% were either "dissatisfied" or "very dissatisfied" with the quality and range of hardware stores in the Ryde area. Thus, overall 40% of respondents expressed some level of dissatisfaction with this issue.



CHART 4

Source: Table 6 Survey Results

4.5.2 Price Competitiveness

Respondents were also asked how satisfied they were with the price competitiveness of hardware stores in the Ryde area (CHART 5, TABLE 7 refers)

Slightly more than a third (34%) of respondents indicated that they were either "very satisfied" or "quite satisfied" with the price competitiveness of hardware stores in the Ryde area. A similar proportion (32%) expressed varying levels of dissatisfaction—18% described themselves as being either "dissatisfied" or "very dissatisfied" while 14% described themselves as "somewhat dissatisfied".



CHART 5

Source: Table 7 Survey Results

4.5.3 Residents' Proximity to Stores

Respondents were also asked about their level of satisfaction with the proximity of hardware stores to the suburb in which they lived (CHART 6, TABLE 8 refers).

Overall about one third (34%) were either "very satisfied" or "satisfied" with their proximity to hardware stores. Almost the same



CHART 6

Source: Table 8 refers.

proportion (32%) described their attitude as either being "dissatisfied" or "very dissatisfied" with their proximity to hardware stores while 19% described themselves as being "somewhat dissatisfied".

In total, therefore, the majority of the sample (51%) expressed some degree of dissatisfaction with the proximity of local hardware stores to their place of residence.

Based on our past experience in conducting such surveys the data obtained in this instance points clearly to a significant level of dissatisfaction with the range, competitiveness and accessibility of hardware stores on the part of Ryde residents.

There is no doubt that if a major Bunnings hardware store was to be developed in Ryde LGA it would address the level of dissatisfaction which exists among residents by reducing the need for them to travel to more distant stores, substantially widening the range of hardware and related products available locally and, importantly, introducing substantial new price competition to the hardware sector in Ryde LGA.

4.6 Survey Sample Demography

Data on the sex and age of respondents is provided in TABLES 9 and 10 in APPENDIX C respectively. Data on a household type is provided in TABLE 11.

5

CONCLUSION

As indicated in this Report, there are no major hardware stores located within Ryde LGA. Nevertheless, substantial latent demand exists for both bulky goods-type floorspace in general and floorspace devoted to hardware, home renovations and improvements goods and services in particular.

We have estimated demand generated within Ryde LGA in 2009 for **traditional bulky goods floorspace** at approximately 53,895 sq.m.. The demand for **hardware, home renovations and improvements** floorspace meanwhile is estimated to range between 50,800-65,000 sq.m. at present. The demand for floorspace will increase by 2016 due to growth in annual available spending of an estimated + \$38.0 million (\$2009).

The survey of 300 households in Ryde LGA undertaken as part of this study reveals considerable locally-generated expenditure is "escaping"—that is, flowing out of Ryde LGA to hardware and bulky goods-type stores located at Artarmon, Auburn, Thornleigh and Carlingford.

Survey respondents reported a significant level of dissatisfaction with the range and quality, price competitiveness and accessibility of hardware stores in Ryde.

Taking the above factors into account, we conclude an overwhelming case exists for the rezoning of land in Ryde to facilitate the development of a major hardware store of the type envisaged by Bunnings.



APPENDIX A

APPENDIX A

BULKY GOODS EXPENDITURE CATEGORIES

(by ABS Household Expenditure Survey (HES) Category)

CORE

Furniture and floor coverings (0701)
Household appliances (0703)
Audio-visual equipment and parts (110101)

ANCILLARY

Blankets, household linen and household furnishings (0702)
Glassware, tableware, cutlery and household utensils (0704)
Home computer equipment (including pre-packaged software) (110102)
Camping equipment (1101051001)
Motor vehicle parts and accessories purchased separately (1100105)

HARDWARE and RELATED

Lawnmowers (including electric) (0705010101)
Gardening tools (0705010201)
Other hand and power tools (0705010301)
Tools and other household durables nec (0705019999)
Nails, screws and other fasteners (0801010101)
Trees, shrubs and plants (0801010601)
Other gardening products (0801010701)
Swimming pool chemicals (0801010801)
Household non-durables nec (0801019999)

HOME RENOVATIONS and IMPROVEMENTS

Repairs and maintenance (materials only) (010106)

CAPITAL HOUSING COSTS

Additions and extensions (16010103)
Internal renovations (16010104)
Insulation (16010105)
Outside building (16010107)
Other outside improvements (16010109)

APPENDIX B

1. How recently have you visited a hardware store?

- i. During last week
- ii. Last 2-3 weeks
- iii. Last month
- iv. More than a month ago
- v. More than 6 months ago

2. Can you recall which hardware store you last visited?

- i. Bunnings Thornleigh
- ii. Bunnings Carlingford
- iii. Bunnings Artarmon
- iv. Bunnings Chatswood
- v. Seymour Building Supplies Gladesville (Victoria Road)
- vi. Cox's Road Hardware North Ryde
- vii. Taffa's Mitre 10 Handy West Ryde (Chatham Rd)
- viii. Weils Mitre 10 Handy Gladesville (Victoria Road)
- ix. Lane Cove Hardware & Builders' Supplies (Longueville Rd)
- x. Lindfield Hardware (Belfore Lane)
- xi. Turramurra Hardware (Pacific Hwy)
- xii. Other store (please specify) _____

3. Which store do you visit most frequently?

- i. Bunnings Thornleigh
- ii. Bunnings Carlingford
- iii. Bunnings Artarmon
- iv. Bunnings Chatswood
- v. Seymour Building Supplies Gladesville (Victoria Road)
- vi. Cox's Road Hardware North Ryde
- vii. Taffa's Mitre 10 Handy West Ryde (Chatham Rd)
- viii. Weils Mitre 10 Handy Gladesville (Victoria Road)
- ix. Lane Cove Hardware & Builders' Supplies (Longueville Rd)
- x. Lindfield Hardware (Belfore Lane)
- xi. Turramurra Hardware (Pacific Hwy)
- xii. Other store (please specify) _____

4. On your last visit, can you recall what products you purchased? (permit multiple answers)

- I. Paint
- II. Timber
- III. Tools
- IV. Gardening Equipment
- V. Electrical Goods
- VI. Storage Products
- VII. Landscaping
- VIII. Nails/Screws/Fixings
- IX. Cleaning Products
- X. Plumbing Products
- XI. Other Products

5. How satisfied are you with the quality and range of hardware stores in the Ryde area?

- i. Very satisfied
- ii. Satisfied
- iii. Somewhat satisfied
- iv. Somewhat dissatisfied
- v. Dissatisfied
- vi. Very dissatisfied
- vii. Unsure

6. How satisfied are you with the price competitiveness of hardware stores in the Ryde area?

- i. Very satisfied
- ii. Satisfied
- iii. Somewhat satisfied
- iv. Somewhat dissatisfied
- v. Dissatisfied
- vi. Very dissatisfied
- vii. Unsure

7. How satisfied are you with the proximity of major hardware stores to your suburb?

- I. Very satisfied
- II. Satisfied
- III. Somewhat satisfied
- IV. Somewhat dissatisfied
- V. Dissatisfied
- VI. Very dissatisfied
- VII. Unsure

8. We would like to obtain some brief demographic details from you.

a. Age:

- 18-29 years
- 30-39 years
- 40-49 years
- 50-59 years
- 60+ years

b. Household Type:

- Couple + dependents
- Couple only
- Couple + non-dependents
- Single parent
- Single person
- Group household
- Other (please specify) _____

c. Name of suburb _____

APPENDIX C

TABLE 1	PANEL #BY# Q8C. SUBURB	PAGE 1
TABLE 2	PANEL #BY# Q1. RECENT VISIT TO HARDWARE STORE	PAGE 2
TABLE 3	PANEL #BY# Q2. HARDWARE STORE LAST VISITED	PAGE 3
TABLE 4	PANEL #BY# Q3. HARDWARE STORE VISIT MOST FREQUENTLY	PAGE 5
TABLE 5	PANEL #BY# Q4. PRODUCTS PURCHASED ON LAST VISIT	PAGE 7
TABLE 6	PANEL #BY# Q5. LEVEL OF SATISFACTION WITH QUALITY/RANGE OF HARDWARE STORES IN RYDE AREA	PAGE 9
TABLE 7	PANEL #BY# Q6. LEVEL OF SATISFACTION WITH PRICE COMPETITIVENESS OF HARDWARE STORES IN RYDE AREA	PAGE 10
TABLE 8	PANEL #BY# Q7. LEVEL OF SATISFACTION WITH PROXIMITY OF HARDWARE STORES IN SUBURB	PAGE 11
TABLE 9	PANEL #BY# Q8. GENDER	PAGE 12
TABLE 10	PANEL #BY# Q8A. AGE	PAGE 13
TABLE 11	PANEL #BY# Q8B. HOUSEHOLD TYPE	PAGE 14

SUBURB														
Total	Denistone East	Denistone West	East Ryde	Macquarie Park	Marsfield	Meadowbank	North Ryde	Putney	Ryde	Tennyson Point	West Ryde	Eastwood	Gladesville	Melrose Park
388 100%	11 100%	6 100%	2 100%	7 100%	17 100%	37 100%	8 100%	19 100%	63 100%	4 100%	35 100%	37 100%	27 100%	4 100%
11 4%	11 100%													
6 2%	6 100%													
2 1%		2 100%												
7 2%			7 100%											
17 6%				17 100%										
37 12%				37 100%										
8 3%				8 100%										
32 11%							32 100%							
19 3%								19 100%						
63 21%									63 100%					
4 1%										4 100%				
35 12%											35 100%			
37 12%												37 100%		
27 5%													27 100%	
4 1%														4 100%

	SUBURB														
	Total	Denistone East	Denistone West	East Ryde	East Marquarie Park	Marshallfield Headoubank	North Ryde	Putney	Ryde	Tennison Point	West Ryde	Eastwood	Gladesville	McIntosh Park	
RESPONDENTS	388 100%	11 3%	6 2%	2 1%	7 2%	17 4%	37 10%	8 2%	32 8%	19 5%	63 16%	4 1%	35 9%	27 7%	100%
Q1. RECENT VISIT TO HARDWARE STORE															
During last week	74 25%	2 18%	1 17%	1 58%	5 71%	2 12%	5 14%		18 31%	2 28%	21 33%		14 48%	6 16%	1 25%
Last 2-3 weeks	57 15%	1 9%	3 58%	1 58%		5 25%	5 14%	1 13%	8 25%	2 28%	18 16%		7 28%	8 22%	1 25%
Last month	60 20%	3 27%			1 14%	3 18%	9 24%	3 38%	3 9%	1 16%	19 16%	1 25%	7 28%	11 38%	1 25%
More than a month ago	77 26%	4 36%	1 17%		1 14%	3 18%	14 38%	3 38%	7 22%	4 48%	16 25%	2 58%	6 17%	7 19%	1 25%
More than 6 months ago	32 11%	1 9%	1 17%			4 24%	4 11%	1 13%	4 13%	1 18%	6 16%	1 25%	1 3%	5 14%	3 11%

	SUBURB									
	Denistone East	Denistone West	East Macquarie Park	North Ryde	Putney Ryde	Ryde Kennington Point	West Eastwood Ryde	Gladesville	Melrose Park	
Total	11 100%	6 100%	7 100%	8 100%	32 100%	63 100%	4 100%	37 100%	27 100%	4 100%
RESPONDENTS	388 100%									
Q2.HARDWARE STORE LAST VISITED										
NETT Bunnings RESPONDENTS	5 45%	6 100%	4 57%	5 63%	8 25%	6 44%	1 25%	14 40%	26 78%	9 33%
Bunnings Auburn	2 18%	1 17%	1 14%	2 25%	1 3%	2 17%	3 9%	3 9%	1 3%	4 15%
Bunnings Artarmon	3 10%	3 50%	2 29%		6 19%	3 5%	2 6%	2 6%	1 3%	3 11%
Bunnings Carlingford	1 9%	2 33%			1 18%	2 3%	2 6%	2 6%	9 24%	
Bunnings Thornleigh	2 18%				1 3%	1 2%	2 6%	2 6%	7 19%	
Bunnings Lidcombe	12 4%		1 14%		1 3%	1 2%	1 25%	4 11%	2 5%	1 25%
Bunnings North Parramatta	9 3%		1 6%		1 3%	1 2%		1 3%	1 3%	
Bunnings Chatswood	8 3%		2 12%		3 8%	2 3%		1 3%	1 3%	
Bunnings Ashfield	6 2%			1 13%		2 3%		1 3%	1 3%	1 4%
Other Bunnings	21 7%		2 12%	2 25%	1 3%	5 8%	1 3%	1 3%	3 8%	1 4%
NETT Mitre 10 RESPONDENTS	74 25%	1 50%		2 25%	2 6%	4 29%	2 50%	17 49%	5 14%	15 56%
Tappa's Mitre 10 Handy West Ryde (Chateau Rd)	41 14%	1 50%		2 25%	1 3%	8 13%	17 49%	5 14%	5 14%	25 25%
Mells Mitre 10 Handy Gladesville (Victoria Rd)	38 10%				3 30%	10 16%	2 50%		15 56%	

	SUBURB														
	Total	Denistone East	Denistone West	East Ryde	East Macquarie Park	Marshall Park	Headsubank	North Ryde	Putney	Ryde	Tommyson Point	West Ryde	West Eastwood	Gladesville	Helrose Park
RESPONDENTS	368 100%	11 3%	6 2%	7 100%	17 100%	37 100%	8 100%	32 100%	10 100%	63 100%	4 100%	35 100%	37 100%	27 100%	4 100%
Q2. HARDWARE STORE LAST VISITED															
Other Nitre 10	3 1%					1 3%		2 6%							
Cox's Road Hardware North Ryde	58 17%			2 29%	5 29%	6 16%		22 69%		12 19%		1 3%	2 5%		
Seymour Building Supplies Gladesville (Victoria Road)	3 1%			1 14%						1 2%				1 4%	
Other	16 5%	1 9%			1 6%		1 13%			3 5%	1 25%	3 9%	4 11%	2 7%	
Don't know	1 6%									1 2%					

	SUBURB													
	Total	Denistone East	Denistone West	East Macquarie Ryde	Horsfield Park	Headoubank Ryde	North Ryde	Putney Ryde	Ryde Tennison Point	West Ryde	Eastwood	Gladesville	Melrose Park	
RESPONDENTS	369 100%	11 3%	6 2%	2 100%	7 100%	17 100%	37 100%	8 100%	32 100%	19 100%	63 100%	4 100%	37 100%	27 100%
Q3 HARDWARE STORE VISIT MOST FREQUENTLY														
NETT Bunnings RESPONDENTS	177 59%	6 55%	6 100%	1 50%	5 71%	19 59%	31 84%	4 50%	11 34%	8 80%	32 51%	3 75%	18 51%	25 60%
Bunnings Artaroon	47 16%	4 67%	4 67%	3 43%	3 100%	10 31%	13 35%	10 31%	6 18%	2 6%	2 6%	2 50%	2 50%	4 15%
Bunnings Auburn	39 13%	2 18%	1 17%	1 50%	1 14%	2 25%	3 8%	2 25%	3 30%	3 30%	13 21%	4 11%	2 50%	4 15%
Bunnings Thornleigh	20 7%	2 18%	2 18%	2 100%	2 100%	2 12%	3 8%	3 8%	1 25%	2 6%	2 6%	2 50%	9 24%	1 4%
Bunnings Lidcombe	14 5%	1 9%	1 17%	1 100%	1 14%	2 12%	2 50%	2 25%	3 30%	5 14%	5 14%	1 25%	1 25%	1 25%
Bunnings Carlingford	12 4%	1 17%	1 17%	1 100%	1 100%	2 100%	2 50%	2 50%	1 25%	1 25%	2 6%	3 75%	3 8%	4 11%
Bunnings Ashfield	11 4%	1 17%	1 17%	1 100%	1 100%	2 100%	2 50%	1 13%	2 28%	2 28%	2 6%	2 50%	1 25%	2 7%
Bunnings North Parramatta	11 4%	1 9%	1 17%	1 100%	1 100%	3 13%	3 8%	1 13%	1 18%	1 18%	2 6%	2 50%	2 50%	1 4%
Bunnings Chatswood	4 1%	1 17%	1 17%	1 100%	1 100%	1 6%	2 50%	2 25%	1 25%	1 25%	1 25%	1 25%	3 8%	1 4%
Other Bunnings	19 6%	1 17%	1 17%	1 100%	1 100%	2 12%	5 14%	5 14%	1 3%	1 10%	4 6%	1 25%	1 25%	1 4%
NETT Mitre 10 RESPONDENTS	56 19%	3 27%	1 50%	1 100%	1 100%	1 6%	2 50%	2 25%	2 6%	1 10%	13 21%	1 25%	15 43%	5 14%
Taffa's Mitre 10 Handy West Ryde (Chateau Rd)	35 12%	3 27%	1 50%	1 100%	1 100%	2 25%	1 3%	2 25%	8 13%	8 13%	8 13%	15 43%	15 43%	5 14%
Bells Mitre 10 Handy Gladesville (Victoria Rd)	17 6%	1 17%	1 17%	1 100%	1 100%	1 6%	1 3%	1 10%	1 10%	1 10%	5 8%	1 25%	1 25%	10 37%

	SUBURB														
Total	Denistone East	Denistone West	East Macquarie Park	Marsfield	Headbank	North Ryde	Putney	Ryde	Innisbrook Point	West Eastwood	Gladesville	Meirrose Park			
RESPONDENTS	388 100%	11 3%	6 2%	2 100%	7 18%	17 4%	37 10%	8 2%	32 8%	18 5%	63 16%	4 1%	35 9%	27 7%	4 1%
Q3. HARDWARE STORE VISIT MOST FREQUENTLY															
Other Mitre 10	4 1%					1 0%	1 0%		2 0%						
Cox's Road Hardware North Ryde	43 11%				1 0%	5 1%	4 1%		17 4%	13 3%	3 0%				
Seagour Building Supplies Gladesville (Victoria Road)	2 0%													2 0%	7%
Other	17 4%	1 0%			1 0%	1 0%			2 0%	4 1%	1 0%		1 0%	2 0%	
No particular store	3 0%												3 0%	7%	
Don't know	2 0%	1 0%											1 0%		2%

EXAS (Mainly)
TABLE 5

PANEL #BX* Q4. PRODUCTS PURCHASED ON LAST VISIT

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	SUBURB									
	Total	Denistone East	Denistone West	East Macquarie Ryde	Maristfield Park	Healdsbrook Ryde	Pulney Ryde	Ryde Temposon Point	West Eastwood Ryde	Gladesville Park
RESPONDENTS	388 100%	11 100%	6 100%	2 100%	7 100%	17 100%	37 100%	8 100%	32 100%	10 100%
Q4. PRODUCTS PURCHASED ON LAST VISIT										
Nails/Screws/Fixings	78 26%	1 9%	1 17%	1 50%	2 27%	5 29%	11 30%	1 30%	5 16%	2 20%
Gardening Equipment	59 20%	3 27%	2 33%	2 29%	2 29%	9 24%	5 14%	10 16%	4 11%	1 7%
Electrical Goods (Light globes and batteries)	45 15%	3 27%	1 17%	1 14%	1 14%	5 29%	3 8%	13 21%	3 9%	2 7%
Tools	44 15%	1 9%	1 17%	1 14%	1 14%	5 29%	5 14%	9 14%	7 20%	4 19%
Paint	42 14%	2 14%	2 33%	1 14%	1 14%	5 12%	5 14%	12 19%	6 17%	3 11%
Plumbing Products	35 12%	3 27%	1 17%	1 14%	1 14%	8 22%	1 3%	4 6%	2 6%	1 4%
Timber	22 7%	1 17%	1 17%	1 14%	1 14%	2 12%	4 11%	3 5%	3 9%	1 4%
Cleaning Products	22 7%	1 9%	1 17%	1 14%	1 14%	5 14%	5 14%	5 8%	6 17%	1 4%
Landscaping	12 4%	1 17%	1 17%	2 29%	2 29%	1 6%	1 3%	1 2%	1 3%	2 7%
Storage Products	10 3%	1 9%	1 17%	1 14%	1 14%	1 6%	1 3%	3 5%	1 3%	1 4%
Cement/Sand/Plaster/ Concrete	9 3%	1 17%	1 17%	2 29%	2 29%	1 6%	1 3%	1 2%	2 5%	3 11%
Outdoor furniture/ Shade cloth/ Tarpaulin	9 3%	1 17%	1 17%	1 14%	1 14%	1 6%	1 3%	2 3%	1 3%	2 7%
Locks/Keys	5 2%	1 9%	1 17%	1 14%	1 14%	1 6%	1 3%	2 3%	1 3%	1 4%
Gift Voucher	3 1%	1 17%	1 17%	1 14%	1 14%	1 6%	1 3%	1 2%	1 3%	1 4%

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		SUBURB									
Total	Demistone East	Demistone West	East Ryde	Macquarie Park	Marsfield	Meadowbank	North Ryde	Putney Ryde	Ryde Tempsom Point	West Eastwood Ryde	Gladesville McLross Park
RESPONDENTS	389 100%	11 3%	6 2%	2 100%	17 4%	37 100%	8 100%	32 100%	18 100%	53 100%	4 100%
Q4. PRODUCTS PURCHASED ON LAST VISIT											
Other products	33 11%	2 18%	1 50%		1 6%	2 5%	1 13%	6 19%	1 10%	9 14%	3 11%
Don't know/Can't recall	23 6%	1 9%			1 6%	5 14%		3 9%	3 5%	1 3%	5 11%
No purchase	3 1%								1 2%	2 6%	
TOTALS	454 151%	17 155%	11 105%	2 100%	23 135%	69 152%	9 113%	53 166%	18 188%	101 168%	6 159%

EWAS (Mainly)
TABLE 6

RYDE HARDWARE - 22/05/2009

PANEL 800* Q5.LEVEL OF SATISFACTION WITH QUALITY/RANGE OF HARDWARE STORES IN RYDE AREA

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	SUBURB												
	Total	Denistone East	Denistone West	East Ryde	Macquarie Park	Karsfield Headbank	North Ryde	Putney Ryde	Ryde Tennison Point	West Ryde	Eastwood	Gladesville	Helrose Park
RESPONDENTS	386 100%	11 3%	6 2%	7 2%	17 4%	37 10%	8 2%	32 8%	10 3%	63 16%	4 1%	27 7%	108 28%
Q5. LEVEL OF SATISFACTION WITH QUALITY/RANGE OF HARDWARE STORES IN RYDE AREA													
Very satisfied (5)	38 10%			1 3%	4 11%	4 11%	1 13%	11 34%	9 14%	2 6%	4 15%	2 7%	58 15%
Satisfied (5)	86 22%	4 36%	1 17%	3 43%	1 6%	5 14%	3 38%	13 41%	7 32%	13 37%	8 22%	5 19%	5 13%
Somewhat satisfied (4)	46 12%	4 36%	1 17%	1 14%	1 6%	3 8%		2 6%	11 17%	7 20%	7 26%	1 4%	25 6%
Somewhat dissatisfied (3)	46 12%	1 9%	3 50%		3 18%	9 24%	2 25%	5 16%	1 10%	3 9%	10 27%	3 11%	3 8%
Dissatisfied (2)	43 11%	2 18%		2 29%	6 35%	7 19%	1 13%	1 3%	1 10%	7 20%	6 16%	4 15%	4 11%
Very dissatisfied (1)	33 9%	1 17%				7 19%	1 13%	1 3%	1 10%	3 9%	5 14%	3 11%	1 3%
Unsure	8 2%				2 12%	2 5%					1 3%	1 4%	
MEANS	3.76	3.91	3.17	4.50	4.14	3.60	3.11	3.75	4.04	4.10	3.09	3.73	4.25
STD. DEVIATION	1.59	1.14	1.33	0.71	1.57	1.72	1.66	1.75	1.25	1.52	1.66	1.51	2.36

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SUBURB															
Total	Denlstone East	Denlstone West	East Ryde	Macquarie Park	Marsfield	Headbank	North Ryde	Putney	Ryde	Tennyson Point	West Ryde	Eastwood	Gladesville	Willoughby	Mcrose Park
300 100%	11 100%	6 100%	2 100%	7 100%	17 100%	37 100%	8 100%	32 100%	10 100%	63 100%	4 100%	35 100%	37 100%	27 100%	4 100%
PRICE COMPETITIVENESS OF HARDWARE STORES IN RUDE AREA															
13 4%	1 9%	1 50%					1 13%	3 9%		6 10%					1 25%
89 30%	4 36%		3 43%	4 24%	9 24%		2 25%	16 50%	2 20%	17 27%	2 50%	15 43%	8 22%	6 22%	1 25%
55 18%	2 18%	2 33%	1 14%	2 12%	6 16%		1 13%	7 22%	3 30%	11 17%		3 9%	10 27%	6 22%	1 25%
42 14%		1 17%		2 12%	5 14%			3 9%	2 20%	9 14%		5 14%	6 16%	7 26%	1 25%
37 12%	4 36%	3 50%	2 29%	3 18%	3 8%		1 13%			9 14%	1 25%	6 17%	5 14%		
19 6%					4 11%		1 13%			7 11%		3 9%	1 3%	3 11%	
45 15%			1 14%	6 35%	10 27%		2 25%	3 9%	3 30%	4 6%	1 25%	3 9%	7 19%	5 19%	
3.77	2.83	4.50	3.83	3.64	3.48		3.83	4.66	4.88	3.68	4.88	3.66	3.63	3.55	4.58
1.39	0.98	2.12	1.47	1.23	1.45		1.94	0.81	0.82	1.57	1.73	1.47	1.16	1.38	1.29

		SUBURB														
Total		Denistone East	Denistone West	East Ryde	Macquarie Park	Marsfield	Headbank	North Ryde	Putney	Ryde	Tennyson Point	West Ryde	Eastwood	Gladesville	Melrose Park	
RESPONDENTS		399 100%	11 100%	6 100%	2 100%	7 100%	17 100%	37 100%	8 100%	32 100%	19 100%	63 100%	4 100%	27 100%	4 100%	
Q7. LEVEL OF SATISFACTION WITH PROXIMITY OF HARDWARE STORES IN SUBURB																
Very satisfied (6)	39 10%		1 50%	1 14%		2 5%		2 5%	11 34%	1 10%	3 5%	2 6%	7 26%	2 50%		
Satisfied (5)	79 24%	3 27%	1 50%	3 43%	3 18%	7 19%	2 25%	2 25%	19 31%	5 27%	17 27%	11 31%	6 16%	4 15%		
Somewhat satisfied (4)	42 14%	3 27%	1 17%		2 12%	2 5%	2 25%	2 25%	2 6%		11 17%	7 28%	8 22%	1 4%	2 50%	
Somewhat dissatisfied (3)	56 19%	2 10%	3 50%		2 12%	12 32%	1 13%	1 13%	6 19%	8 13%		4 11%	18 27%	8 30%		
Dissatisfied (2)	56 19%	2 10%		3 43%	6 35%	7 19%	1 13%	1 13%	1 3%	2 20%	15 24%	7 28%	8 22%	3 11%		
Very dissatisfied (1)	38 13%	1 9%	2 33%		3 18%	7 19%	1 13%	1 13%	2 6%	2 20%	7 11%	3 9%	5 14%	4 15%		
Unsure	5 2%				1 6%		1 13%				2 3%	1 3%				
MEANS	3.49	3.45	2.50	5.50	2.75	3.03	3.43	3.43	4.56	3.70	3.41	3.65	3.85	3.70	5.00	
STD. DEVIATION	1.59	1.37	1.22	0.71	1.44	1.52	1.51	1.51	1.52	1.95	1.52	1.56	1.29	1.01	1.15	

		SUBURB													
Total		Denistone East	Denistone West	East Ryde	Macquarie Park	Marstfield Park	Headbank	North Ryde	Putney	Ryde	Tennyson Point	West Ryde	Eastwood	Gladesville	Malrose Park
300	100%	11	6	7	17	37	8	32	10	53	4	35	37	27	4
		18%	18%	18%	18%	18%	18%	18%	18%	18%	18%	18%	18%	18%	18%
152	51%	5	2	4	18	22	3	12	4	34	1	22	17	12	2
		45%	33%	57%	53%	59%	38%	38%	48%	54%	25%	63%	46%	44%	58%
148	49%	6	4	3	7	15	5	28	6	29	3	13	28	15	2
		55%	67%	43%	41%	41%	63%	63%	68%	48%	75%	37%	54%	56%	58%

RESPONDENTS

Q8 GENDER

Male

Female

Total	SUBURB													
	Denistone East	Denistone West	East Ryde	Macquarie Park	Karsfield Park	Headsbank	North Ryde	Putney	Ryde	Temmyson Point	West Ryde	Eastwood	Gladesville	McJannet Park
300 100%	11 100%	6 100%	2 100%	7 100%	17 100%	37 100%	8 100%	32 100%	10 100%	63 100%	35 100%	27 100%	4 100%	
14 5%								2 6%		3 5%	2 6%	3 8%	4 15%	
45 15%	3 27%	1 17%		2 12%	10 27%			2 6%	1 10%	9 14%	1 3%	4 11%	6 22%	
65 22%	1 9%	3 50%	1 25%	1 6%	5 14%	1 3%	12 38%	12 38%	2 28%	13 21%	1 3%	11 16%	6 15%	2 50%
72 24%	1 9%	2 33%	1 50%	7 41%	11 30%	5 13%	5 15%	6 19%	4 40%	11 17%	7 20%	10 27%	7 26%	
104 35%	6 55%		5 71%	7 41%	11 30%	2 5%	2 25%	10 31%	3 30%	27 43%	9 26%	14 38%	5 22%	2 50%

EWAS (Mainly)
TABLE 11

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PANEL WB14 Q8B. HOUSEHOLD TYPE

SUBURB														
Total	Denistone East	Denistone West	East Macquarie Park	Marsfield	Westbank	North Ryde	Pittney	Ryde	Tennyson Point	West Eastwood	Gladesville	Melrose Park		
308 100%	11 100%	6 100%	2 100%	7 100%	17 100%	37 100%	8 100%	32 100%	10 100%	63 100%	4 100%	35 100%	27 100%	4 100%
104 35%	3 27%		2 29%	14 82%	13 35%	6 75%	9 28%	2 26%	22 35%	13 35%	11 31%	9 33%		
89 27%	4 36%	3 50%	1 23%	2 23%	6 16%	1 13%	19 31%	4 46%	17 27%	13 35%	10 25%	6 22%	1 25%	
53 18%	3 27%		1 43%	3 43%	10 27%	1 13%	7 22%	2 26%	10 16%	4 11%	5 14%	4 15%	1 25%	
24 8%		2 33%		1 6%	2 5%		2 6%	2 26%	5 8%		2 6%	4 15%	1 25%	
14 5%					3 8%		3 9%		2 3%		1 3%	3 11%		
12 4%					2 5%		1 13%		2 3%		1 25%			1 25%
13 4%	1 9%	1 17%			1 3%				5 8%	2 5%	2 6%	1 4%		

