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We are one of the fastest growing business in Australia. Over the past 3 years we have grown approx 300%. We are major lease holders. We have been dealing with all the major asset managers and landlords. Wesfield, AMP, Colonial, etc. We are sick to death of our leases being increased over 30% when it's time for renewal. On occasions we were told to either take it or leave it. It is like having a gun to your head. Leasing executives consistently lie, misrepresent and put renewals up for a Dutch auction. We are never given an option nor exclusivity so landlords are able to put another operator with the same usage next door to us or in the same centre. They are able to permit other businesses to offer identical products but in stealth.

When it's time to renew our leases, they tell us others are willing to pay \$X.XX for the site and that we must do the same otherwise we will lose our business. (We find out later that there were no others to begin with) Our franchisee agreed to pay the required amount the landlord insisted under duress.

The leasing executive apparently walked back into her office and screamed I renewed a lease at a 35% increase. Her colleagues applauded.

When we ask the landlord for rent relief they decline to even talk about the issue. One time a landlord did ask to see the Profit & Loss. The first thing they asked me if the franchisee and his family is working in the shop or did the franchisee have a manager on... and what car he drives and what his wages are. On this occasion the wages were approx 140k. Their comments were, well that's not a bad earner for a family of 4. Little do they realise that the wages were for a staff of 5 (including casuals)

Landlords are very interested in the profit of the shop. Hence the monthly turnover figures we are forced to provide. They use this to work out what the profits are so they can take more and leave the shop just barely surviving. By doing this the franchisee is forced to bring his family in to work 7 days to keep the shop alive. This is outrageous.

This is happening all the time, we are paying far more rent for smaller premises than the larger American chains in all our centres. If it was a level playing field, our prices would be a lot more competitive against the bigger chains. This would increase sales and market share. Not to mention keeping the money in Australia.

It can cost up to: 250k to fit out a shop to the landlord specifications. After the lease is over the landlords expect a face lift, which can cost up to 90k. Our franchisees have to try and recover the fit out costs and make a profit within five years otherwise they will cop a massive rent increase and the face lift.

We are finding it difficult to make a profit within the five years. So we rely on the next five years to make some decent profits. Whereas they are giving the American chains up to 15 years on their leases. This is unfair, unbalanced and bordering on discriminatory. All we ask is for a level playing field.