

SUBMISSION TO THE DEPARTMENT OF JUSTICE AND REGULATIONS

Draft for Comments regarding Review of the Warehousemen's Liens Act 1958 VIC February 2016

Prepared by National Storage Holdings Limited

CONTACT

General Counsel
National Storage Holdings Limited
ABN 38 166 572 845
Level 1, 10 Felix Street
Brisbane, Queensland, 4001
(07) 3218 8100
progers@nationalstorage.com.au

1. About National Storage

National Storage is one of the largest self-storage providers in Australia, with over 90 centres providing tailored storage solutions to more than 35,000 residential and commercial customers. In 2015, National Storage also entered the New Zealand market following arrangements to acquire a storage portfolio in Christchurch, New Zealand.

National Storage was established in December 2000, following the merger of Stowaway Self Storage, National Mini Storage and Premier Self Storage. While each company was a leader in its own right, the union consolidated over 30 years' experience in the industry and created a network of centres with the capacity to deliver tailored storage solutions for all domestic and commercial needs.

In December 2013, National Storage listed on the Australian Securities Exchange (ASX) forming National Storage REIT, the first publicly listed, internally managed and fully integrated owner and operator of self storage assets in Australia. In March 2015, National Storage was admitted to the ASX200. NSR is a stapled entity comprising units in the National Storage Property Trust and shares in National Storage Holdings Limited. The responsible entity of the trust is National Storage Financial Services Limited, a subsidiary of National Storage Holdings Limited.

NSR is the largest fully integrated self-storage group in Australia by number of owned centres, and the second largest by number of centres under operation and management.

2. Submissions

Dear Dr. Elizabeth Lanyon,

National Storage Holdings Limited ABN 38 166 572 845 ("National Storage") has read both the Department of Regulation and Justice's review of the *Warehousemen's Liens Act 1958* (Vic) and the Self Storage Association of Australasia's submissions pertaining to the review of the *Warehousemen's Liens Act 1958* (Vic) ("SSAA Submissions").

National Storage is in full and complete agreement with the recommendations contained in the SSAA Submission. However, we note that National Storage centres operate using a traditional self-storage model, as defined within part 4.1 of the SSAA Submissions. Accordingly, for those reasons listed in part 4.1 of the SSAA Submissions, the Act does not regulate the relationship between National Storage and its storers.

National Storage recommends the amendments extracted below and contained on page 3 of the SSAA Submissions be made to the Act:

- "(1) The Act should be amended to address the distinction between traditional Self Storage which is a license agreement and all other storage scenarios including warehousing which are an example of a bailment. The legislation should make it clear that traditional Self Storage is not caught by the Act. Only Self Storage where the Facility has keys and access to the Space, and thus is in a bailment relationship, should fall under the scope of the Act.
- (2) The general notice provisions in the Act should be amended to distinguish between storage where third party goods are permitted to be stored by the primary Storer. Where Storers are not permitted to store third party goods it should be a requirement that there is signed written agreement of this prohibition between the Storer and the Storage Facility. Where such an agreement is made neither party should be required to undertake these notice requirements given their redundant nature.
- (3) The Act should be amended to provide parameters for sending notices when dealing with Storers who have broken into the storage Facility and stored Goods, trespassed or otherwise engaged in unauthorised use of the Space which has resulted in the Facility having no contact details for a Storer. For example, the Act should allow for notice to be placed on the front door of the Space, advertised in a local newspaper or both.

- (4) Where the Act applies the Act should be amended so that Facilities wait three months prior to selling a non-paying Storers goods, not twelve.
- (5) Where the Act applies the Act should be amended so that public auction is not the only method of sale available to sell goods. Rather than the Act prescribing the method of sale the Act should prescribe a general duty for Facilities to 'take steps to obtain the best reasonably obtainable price'.
- (6) The default notice provisions in the Act should be amended to distinguish between storage that allows for third party goods to be stored and those that do not. This would mean that where no third party goods are stored, only the notice requirements that apply to the Storer should be required and all other notices including to third parties and in newspaper advertisements should not be required."

Sincerely,

Patrick Rogers

General Counsel

National Storage Holdings Limited