Cladding class actions widen claims over Alucobond, Vitrabond

<u>Michael Bleby</u> Senior Reporter

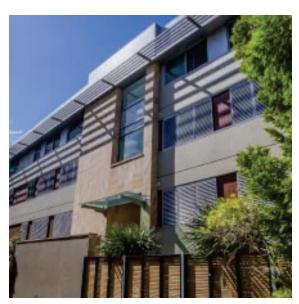
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Apartment owners seeking damages in the country's first combustible cladding class actions now wield a bigger stick against the suppliers and manufacturers of Alucobond and Vitrabond panels after a judge last week ruled they could expand their claims under Australian Consumer Law.

Claimants in the two separate, but similar cases, were given leave in the Federal Court to add claims for false or misleading representations and misleading conduct against the manufacturers of Alucobond polyethylene-core cladding and Vitrabond polyethylene-core cladding.

The expanded claims against Alucobond supplier Halifax Vogel Group and manufacturer 3A Composites as well as Vitrabond supplier Fairview Architectural add to the existing claims under Australian Consumer Law that the combustible panels failed to meet acceptable quality standards. They add to pressure the IMF Bentham-backed claimants are putting on the respondents to settle the case that does not kick off until late next year.

"These are additional claims that the claimants might be successful on subject to establishing supplier and manufacturer. Louise Kennerley manufacturers' liability," said Gavin Beardsell, an investment director of litigation funder IMF Bentham.



Owners of the 17-unit Shore Apartments in Sydney's Dolls Point are leading the action the against the Alucobond

"We haven't really got too far down the road, but would welcome the opportunity to at some point in the proceedings explore the possibility of resolving the proceedings and avoiding a trial." The amendments were prompted by Federal Court ruling in November that found Johnson & Johnson negligent over the testing and sale of pelvic mesh implants, as well as by a separate class action against faulty Takata air bags. None of the respondents had objected to the amended pleadings but applicants — or their funder — would have to pay the "thrown away" costs incurred by respondents for matters already prepared but which were no longer part of the case due to the amendments, Mr Beardsell said.

"What that means in this case, we don't know yet," he said.

Representatives of HVG, Fairview and 3A Composites were contacted for comment.

"Fairview wishes to respect the court process, yet Fairview's cladding products have always had documentation demonstrating compliance with the required codes and regulations applying at the time," a spokesman told *The Australian Financial Review*.

Neither HVG nor 3A Composites responded.

Both class actions are being led by identified owners corporations — those of the 17-apartment Shore Dolls Point building in Sydney's southern suburbs in the case of Alucobond and owners of the 185-unit Solis Apartments complex in western Sydney's Warwick Farm against Fairview — but the number and identity of other members of the class actions remain unknown.

Mr Beardsell would only say the funder had had "large numbers" of buildings register for the action and said the lack of public registers of cladding-affected buildings — in contrast to New Zealand, where the largest cities have listed their buildings — made it difficult to know how many could potentially sign up.

"My best estimate, based on what we've seen, is hundreds of buildings in our class," Mr Beardsell said.