

# Cladding firm Fairview Architectural hits the wall ahead of Federal Court class action fight

**A cladding company facing a class action lawsuit has entered administration, saying the legal costs threatened the company. But opponents say the business will still be held to account.**

Helen Kempton, The Burnie News

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THE manufacturer of aluminium cladding at the centre of a Federal Court class action has gone into voluntary administration but an industry expert says the company will not be able to dodge its financial obligations.

The Federal Court last month issued an advertisement inviting Tasmanians financially affected by having to rectify buildings because of dangers associated with a certain aluminium cladding to be part of a class action against the manufacturer.

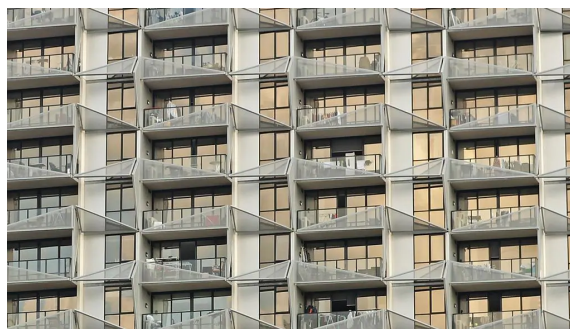
The class action involves Vitrabond PE and Vitrabond FR-branded aluminium composite panel cladding against the manufacturer Fairview Architectural.


The case is expected to go to court at the end of next year.

Fairview said it had initiated a voluntary administration of its business “following a series of company and industry challenges – including COVID-19”.

“Fairview has spent almost \$1.5 million defending a class action claim brought against it and the cost of continual legal defence threatened the company in the long term,” it said.

The company said if the administration process “goes as intended” it was hoped Fairview’s business would survive.



 The Lacrosse building in the Docklands in Melbourne caught fire in 2014. Picture: Scott Barbour/Getty

Industry expert Daron Hodder said Fairview would still be held to account despite going into administration and he expected the class action to be successful.

“This is a slap in the face to the court. But with 1500 parties already registered and another 1500 expected to do so, COVID-19 will not be able to be used as an excuse to dodge obligations,” Mr Hodder said.

The company had been directed by the court to advertise, by July 15, asking those with their product on buildings to join the class action.

“The product was not fit for purpose but it still being used. The repair bill in Australia is expected to be \$3-4 billion,” Mr Hodder said.

Omni Bridgeway Limited, formerly IMF Bentham, and William Roberts Lawyers are working together to investigate and bring viable claims for compensation on behalf of people and entities with property interests

in buildings on which the cladding is installed.

The money sought involves the cost of removing and replacing the cladding, the cost of rectification, increases in insurance premiums, the costs of building safety assessment and the consequent reduction of building values.

You can be a member in the class action if your building has been fitted with either product, but you can register even if you are unsure about the brand of cladding on your building.



The deadly Grenfell Tower fire in west London in June 2017. Picture: Natalie Oxford / AFP

An audit of Tasmanian buildings containing aluminium composite panels was conducted in 2018, after the deadly Grenfell Tower blaze in London and the 2014 fire at the Lacrosse Building in Victoria.

Forty-two of 43 Tasmanian buildings investigated during the audit were classified as low risk for fire. The other, the LGH, required remediation works.

The State Government then moved to regulate aluminium composite cladding use in Tasmania.

[helen.kempton@news.com.au](mailto:helen.kempton@news.com.au)