

Tycoons flex their muscles in battle of the city malls

By [Adrienne Carlisle](#)

20 Mar 2009

Two Eastern Cape business tycoons, who have been friends for over 26 years with joint business dealings, are at war over a shopping centre development in Grahamstown.

The legal battle is over the building of a SuperSpar in Grahamstown which will directly compete with the local Pick n Pay.

Mark Shelton, who runs the Pick n Pay franchise, and Robert Beer, who owns the Pepper Grove Mall in which Pick n Pay is the anchor tenant, are to go head-to-head in the Grahamstown High Court at the end of March over Beer's plans to build a new mall, with a SuperSpar, within metres of Pepper Grove Mall.

Shelton is asking the high court to order Beer to stop all construction at the new mall, called Plumtree Mall, pending a decision by Makana Municipality for approval of the building plans.

Beer purchased several adjacent residential properties for the development. The area has been flattened, safety boarding erected and some construction work started.

Shelton, who claimed Beer did not have municipal permission to build, is also asking for an order against Beer to force him to comply with a "tacit" agreement that neither would do anything to prejudice the "success and growth" of their enterprises. The "underlying" agreement formed an integral part of verbal discussions between him and Beer.

Court papers claimed Beer would not develop or facilitate the development of another national retailer to operate a supermarket in direct competition with Shelton's.

Shelton said Beer's Plumtree Mall development would breach this underlying agreement. Shelton also said Beer had developed a piece of land nearby which accommodated a BP petrol garage and a Kwikspar run by Beer's sister Jill .

Although he said he regarded the Kwikspar as just a "convenience store", he sought, and was given, an assurance from Beer that it would not be allowed to expand into a SuperSpar.

To ensure it did not happen, Shelton bought adjacent residential property as a "precautionary measure". Beer, in turn, acquired additional property adjacent to Pepper Grove Mall, which he intended to develop as a complex that would include a SuperSpar.

Shelton discovered that Beer intended cancelling the lease of one of his Pepper Grove Mall tenants, Grahamstown's only

cinema complex, Roxbury Cinemas , which was behind on its rental, and demolishing the cinemas to make room for the expansion of Plumtree and the SuperSpar.

Shelton scotched these plans by buying an interest in the cinemas and paying the arrears. However, Beer altered his plans and proceeded with construction.

He is opposing the application. The matter is set down to be heard on 26 March 2009.

Source: Daily Dispatch

Published courtesy of



For more, visit: <https://www.bizcommunity.com>