



**COMPETITION TRIBUNAL  
REPUBLIC OF SOUTH AFRICA**

**Case No LM085Sep25**

In the large merger between:

Spar Group Limited

**Primary Acquiring Firm**

and

2nd Avenue Superspar and Tops 2nd Avenue,  
Witfield Superspar and Tops Witfield,  
The Square Superspar and Tops The Square, and  
Westwood Superspar and Tops Westwood

**Primary Target Firms**

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Panel	:	A Wessels (Presiding Member)
	:	A Ndoni (Tribunal Member)
	:	G Budlender (Tribunal Member)
Heard on	:	25 November 2025
Order issued on	:	25 November 2025
Reasons issued on	:	01 December 2025

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**REASONS FOR DECISION**

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**Approval**

- [1] On 25 November 2025, the Competition Tribunal ("Tribunal") unconditionally approved a large merger in terms of which SPAR Group Limited ("Spar") intends to acquire: (i) 2nd Avenue Superspar and Tops 2nd Avenue; (ii) Witfield Superspar and Tops Witfield; (iii) The Square Superspar and Tops The Square; and (iv) Westwood Superspar and Tops Westwood Spar (collectively "Target Firms").
- [2] The primary acquiring firm is Spar, a public company listed on the Johannesburg Stock Exchange which is not owned by a single firm.
- [3] Spar, its controlling firms, and its subsidiaries ("the Acquiring Group") are active in the wholesaling and retailing of grocery goods and liquor products. Regarding its wholesale activities, the Acquiring Group operates as a wholesale supplier and distribution centre of grocery and liquor products to independent Spar-branded retail stores who form part of the Spar Guild of Southern Africa NPC ("Spar Guild").

- [4] The Spar Guild is a voluntary trading group where members (who are independently owned Spar-branded retail stores), pay membership fees to Spar to use Spar's intellectual property (branding and business model) and centralised services.<sup>1</sup>
- [5] Spar itself operates and controls a limited number of Spar-branded retail stores.
- [6] The Target Firms are Spar-branded grocery and liquor products retail stores which are located in the Boksburg and Alberton areas.

#### *Indivisibility*

- [7] The Competition Commission ("Commission") found that the proposed transaction constitutes an indivisible transaction because the Target Firms are: (i) under common shareholding; (ii) the acquisition of the Target Firms is subject to one sale agreement; and (iii) the Target Firms are involved in the same line of business.

#### **Competition assessment**

- [8] In assessing the proposed transaction, the Commission considered the activities of the merger parties and found that the proposed transaction will result in a horizontal overlap because the merger parties are active in the retailing of grocery and liquor products. The Commission also found that the proposed transaction will result in a vertical overlap because the merger parties are active at different levels of the same value chain. Therefore, the Commission considered the effects of the proposed transaction on: (i) the market for the retail sale of grocery products; and (ii) the market for the retail sale of liquor products.
- [9] From a relevant geographic market perspective, the Commission considered a 3km radius from the Target Firms as the relevant geographic market in both markets (grocery retail and liquor retail) and found that only The Square Superspar and The Square Tops overlap geographically with the Acquiring Group's The Palms Superspar and The Palms Tops, which are located in the Boksburg area. Further, the Commission found that the merged entity will continue to face competition from numerous other grocery and liquor retailers within the 3km radius. These include Woolworths East Rand Retail, Food Lover's Market Boksburg, Pick n Pay Ravenswood, Shoprite Boksburg North and Checkers East Rand Mall, Central Liquor, Liquor City Boksburg West, Liquor City Satellite Checkers Liquor East Rand Retail, and Jumbo Liquor.
- [10] The Commission found that the proposed transaction will not result in any market share accretion in the ordinary sense because The Square Superspar and The Square Tops are already members of the Spar Guild and will continue as such post-merger.
- [11] The Commission found that the proposed transaction is unlikely to result in foreclosure concerns because:

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<sup>1</sup> Such as marketing, IT, warehousing and distribution.

- 11.1. pre-merger, the Target Firms procure █%-█% of their grocery requirements from the Acquiring Group, with the residual 30%-35% from a number of independent suppliers. The Commission contacted some of these independent suppliers who raised no concerns with the proposed transaction; and
- 11.2. pre-merger, the Target Firms procure █%-█% of their liquor requirements from the Acquiring Group, and the residual █%-█% from a number of independent suppliers. The Commission contacted some of these independent suppliers who raised no concerns with the proposed transaction.
- [12] Considering that a substantial amount of the Target Firms' grocery and liquor requirements are procured from the Acquiring Group pre-merger, the Commission concluded that the proposed transaction is unlikely to result in any foreclosure concerns.
- [13] Considering the above, we concur with the Commission that the proposed transaction does not substantially prevent or lessen competition in any relevant market.

### ***Public interest***

- [14] The merger parties submitted that the proposed transaction will not have a negative effect on employment. In particular, there will be no retrenchments or job losses that will arise from the proposed transaction, and the Target Firms' employees will be transferred to the Acquiring Group.<sup>2</sup>
- [15] The Commission engaged with the trade unions that represent the Target Firms' employees (South African Commercial, Catering and Allied Workers Union and Transport, Retail & General Workers Union) who raised no concerns with the proposed transaction.
- [16] The Acquiring Group has a 42.12% shareholding by Historically Disadvantaged Persons ("HDPs"), whereas the Target Firms have no HDP shareholding. Therefore, the proposed transaction will result an increase in HDP shareholding in the Target Firms.
- [17] Notwithstanding the increase in the Target Firm's HDP shareholding post-merger, the Commission found that approximately █% of independently owned Spar-branded retail grocery and liquor stores are owned by HDPs. As a result, the Commission invited the Acquiring Group to increase the number of HDP owned independent Spar-branded stores by prioritising the sale of the Target Firms to HDP purchasers if the Acquiring Group divests the Target Firms. The Acquiring Group undertook, in line with its publicly stated commitment to transformation, to commit to prioritising the sale of the Target Firms to a suitable

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<sup>2</sup> See page 76 of the record.

HDP purchaser when the Acquiring Group on-sells the Target Firms at a later stage.<sup>3</sup>

### **Conclusion**

- [18] For the reasons set out above, we conclude that the proposed transaction is unlikely to substantially prevent or lessen competition in any relevant market and does not raise any significant public interest issues.
- [19] In the circumstances, we unconditionally approved the proposed transaction.



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**Mr Andreas Wessels**

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**01 December 2025**

**Date**

**Ms Andiswa Ndoni and Adv Geoff Budlender SC concurring.**

Tribunal Case Manager: Ofentse Motshudi

For the Merger Parties: Chris Charter and Reece May of Cliffe Dekker Hofmeyr Inc and Heather Irvine and Lerato Nthathakane of Bowmans for the merger parties

For the Commission: Kgothatso Kgobe and Zanele Hadebe

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<sup>3</sup> See letter from the merger parties dated 3 November 2025, page 291 of the record.