



THE GLOBE AND MAIL 

October 11, 2011

Cash-for-gold rivals head to court

By ADRIAN MORROW
From Wednesday's Globe and Mail

Lawsuit pits rival store owners against each other after feud between the two allegedly involved customer stealing and a murder-for-hire plot

The bitter battle between a pair of midtown cash-for-gold businesses may be headed for court, with Jack Berkovits filing a \$3-million lawsuit accusing Harold Gerstel of repeatedly sending employees to harass his customers, trying to hire people to beat him up and playing a role in an alleged attempt to send a hit man after him.

Mr. Gerstel and employee Maria Konstan, who launched a suit of her own in July, in turn allege Mr. Berkovits tried to use a police investigation to squeeze \$250,000 from Mr. Gerstel.

"It's ridiculous, it's beyond belief," Mr. Gerstel said Tuesday, flatly rejecting Mr. Berkovits's allegations and arguing that his rival was the one stealing customers. "It's exactly the opposite of what happened."

None of the claims made by either side has been proven in court.

The strange saga began in 2008, when Mr. Berkovits's Omni Jewels, a fixture on the commercial strip of a largely Orthodox Jewish neighbourhood at Bathurst Street and Glencairn Avenue, entered the cash-for-gold market. This put it in competition with Mr. Gerstel, proprietor of Harold the Jewellery Buyer across the street.

The pair had known each other for years, attending the same synagogue and maintaining public profiles. Mr. Berkovits hosts a news radio talk show and Mr. Gerstel appears in his own late-night television commercials, inspecting gold and doling out wads of cash.

In court documents, Mr. Berkovits claims Mr. Gerstel and Ms. Konstan promptly tried to interfere with his business, threatening him - he says Ms. Konstan told him he was "about to go down," as he sat in his car at a red light one day - and dispatching sandwich board-wearing employees to direct Omni patrons to Harold's.

Things took a sinister turn when, he claims, Mr. Gerstel asked Clansie Hayoun, a 36-year-old window cleaner with a background in kickboxing, whether he could harm Mr. Berkovits. In the summer of 2010, Mr. Berkovits says in his suit, he was approached by Saeed Hosseini, a security guard for Mr. Gerstel, who told him the 72-year-old Ms. Konstan had offered \$50,000 to kill her employer's business rival. The police arrested Ms. Konstan but, last June, the charges were dropped.

In the interim, Mr. Gerstel's store went up in flames last December. Police believe a Molotov cocktail was thrown through the front window, but have no suspects.

The tussle has continued up Bathurst Street at Fairholme Avenue, where Mr. Berkovits opened a new shop, Easy

Cash for Gold, and Mr. Gerstel moved to a storefront nearby after his first place burned. One man, 47-year-old Warren Albert, would even walk into Easy Cash for Gold and persuade customers to come with him to Harold's, Mr. Berkovits alleges, adding that there were some days when he would divert every single Easy Cash patron away.

The two businesses argued their case in front of a Rabbinical court, but failed to settle matters. Ms. Konstan is suing both Mr. Berkovits and the police, whom she alleges didn't interview her before laying charges.

In court documents, Ms. Konstan says she never threatened Mr. Berkovits, but that he told her "I will destroy you first and then Harold," during the conversation at his car window.

She alleges the murder-for-hire plot was fabricated and, in the fall of 2010, mutual acquaintances of the two jewellers told Mr. Gerstel that Mr. Berkovits would stop co-operating with police - hurting the case against Ms. Konstan - and give Mr. Gerstel the Fairholme location if he paid \$250,000.

She continues to face a charge of breaching her bail conditions for allegedly getting too close to Mr. Berkovits's store said her lawyer, Barry Swadron.

A lawyer for Mr. Berkovits, who denies the allegations, said he has sworn statements from former employees of Mr. Gerstel substantiating his client's claims.

"He doesn't want more publicity, he doesn't want to give statements. He just wants this to end," Clayton Ruby said.

A police spokesman said the force planned to file a defence within a few days.

The Globe and Mail, Inc.



The Globe and Mail Inc. All Rights Reserved.. Permission granted for up to 5 copies. All rights reserved.

You may forward this article or get additional permissions by typing http://license.icopyright.net/3.8425?icx_id=/icopyright/?artid=2198108 into any web browser. The Globe and Mail, Inc. and The Globe and Mail logos are registered trademarks of The Globe and Mail, Inc. The iCopyright logo is a registered trademark of iCopyright, Inc.