

INSIGHTS + NEWS

The Deal quotes Mark Powers in “Sports Authority Latest Retailer to Include Augmented Goods in GOB Sales”

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Mark Powers was quoted in an article published by The Deal on March 22 discussing the practice of retail liquidators supplementing a closing store’s existing merchandise with new product. The strategy, termed “augmentation,” permits liquidators to sell additional merchandise, but can confuse consumers who may purchase products that have been stripped of a store’s warranty. Augmentation is one of many practices used in going-out-of-business sales that may conflict with interests of other parties involved in a store closure, including vendors, landlords and merchandise brands.

“Mark Powers... said that courts are ‘more likely [in bankruptcy situations] to relax restrictions’ in GOB statutes, including augmentation, signage, time limits and advertising, to benefit debtors.”

“Today more than 10 or 20 years ago, [judges] are somewhat more willing to relax some of the state law GOB restrictions’ in bankruptcies.”

“Courts are mindful that there are many different parties with a stake in how a liquidation [turns out], including landlords, state and local authorities, consumers and the bankruptcy estate. Judges will relax restrictions generally speaking in terms of method or manner of conducting the sale so long as consumer protection or health and safety restrictions are upheld.”

Subscribers may read “Sports Authority Latest Retailer to Include Augmented Goods in GOB Sales” on The Deal’s website [HERE](#).