

RYAN'S ABANDONED AND UNCLAIMED PROPERTY PRACTICE REDUCES CLIENT'S ESCHEAT LIABILITY

Description

The subject company is in the retail industry as a provider of specialty goods with more than 1,250 stores throughout North America. The company earns more than \$5 billion in revenue annually.

Issue

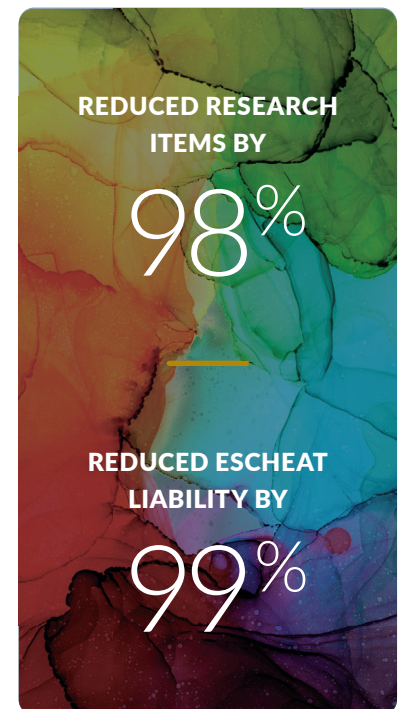
The company engaged Ryan to assist with mitigating its unclaimed property liabilities due to the state of Delaware. While the audit commenced in 2013, Ryan was not engaged until late 2019—after the company received a preliminary audit assessment of more than \$22 million. In addition to the large preliminary assessment, the company was tasked by the state and its third-party contract auditors with researching more than 20,000 items within a 60-day period to reduce the liability and comply with the Delaware expedited audit agreement.

Approach and Solution

Upon engagement, Ryan immediately jumped into negotiations with the state of Delaware to mitigate the liability and reduce the burden on the client by limiting the number of research items. Ryan worked behind the scenes to run alternative calculations and testing methodologies. This allowed our team members to leverage their in-depth knowledge and broad expertise to propose alternative resolutions to the state of Delaware.

Result

Ryan successfully negotiated sampling methodologies with the state to reduce the number of items for research to less than 500 (98% reduction). On behalf of the client, Ryan successfully negotiated alternative calculation strategies and a final settlement with the state of Delaware for a **total assessment of just under \$285,000** (99% reduction in liability from the original \$22 million).



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