The situation arising in *In re Good Deal Supermarkets, Inc.*¹ [*Good Deal*] is not atypical of bankruptcy cases. On June 13, 1973, Good Deal Supermarkets, Inc. received $3,100 worth of potatoes on credit from the petitioners. On June 14, 1973, Good deal filed a petition in bankruptcy under Chapter XI of the Bankruptcy Act.² On June 19, 1973, within ten days of the receipt of the potatoes by Good Deal, the petitioner made demand for their return as provided under Section 12A: 2-702(2) of the New Jersey Statutes [Section 2-702].³ The petitioner received neither the potatoes nor the purchase price in response to this demand. Upon hearing in bankruptcy court, the judge found that the right claimed under Section 2-702(2) was a state lien, as defined within the Bankruptcy Act, and, as provided therein, was invalid against the trustee in bankruptcy.⁴

The purpose of this note is to examine the *Good Deal* decision and the arguments which militate against it, in light of the bases of the reclamation right under both pre-Code law and the Uniform Commercial Code [U.C.C.].

**RECLAMATION OF GOODS IN PRE-CODE LAW**

The right of a seller to reclaim goods delivered on credit to an insolvent buyer as provided under Section 2-702 of the Uniform Commercial Code is not a new concept. The voidance of sales contracts for fraud, and more specifically, for buyer's fraudulent misrepresentation as to either his intent to pay or his solvency has been a viable remedy under the pre-Code law of most states.⁵

Under the pre-Code law, voidance for fraud was often based upon some element of the buyer's financial status.⁶ *Manly v. Ohio*

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¹. 384 F. Supp. 887 (D.N.J. 1974) [hereinafter cited as *Good Deal*].
³. N.J. STAT. ANN. § 12A: 2-702 [hereinafter cited as Section 2-702] is identical to the official version of the Uniform Commercial Code including 1966 amendments.
⁴. *Good Deal* at 888.
⁵. 4A COLLIERS ON BANKRUPTCY ¶ 70.41, at 483 (14th ed.).
⁶. Id. at 484 n.3.
Shoe Co.\(^7\) sets out the basis pre-Code law test. There it was found a seller desiring to void a contract must prove either that the bankrupt concealed his involvency at the time of contracting and had no intention to pay the purchase price, or in the alternative, that the buyer made material false representation of his financial status that was justifiably relied upon by the seller.\(^8\) In addition, the goods had to be traced and identified by the defrauded seller, prior to arriving in the hands of an innocent party.\(^9\) Intent, misrepresentation, reliance, and insolvency at the time of the transaction were the elements of seller's proof prior to his successful reclamation in pre-Code law.\(^10\)

In several later decisions, however, the courts relaxed the standards in the required showing of intent and misrepresentation. In *Mac Leod v. Edelman*,\(^11\) the court found the buyer's knowledge of his own insolvency was at least prima facie evidence of his "intent not to pay."\(^12\) In *In re Woerderhoff Shoes Co.*,\(^13\) the court found that the implication of solvency was a material element of a credit sale and fraudulent concealment of such solvency was grounds for rescission of the contract, even absent the intent not to pay.\(^14\) The effect of the latter decision is a partial merger of the two tests, so that in instances under the pre-Code law, insolvency alone would satisfy the requirements for reclamation.

The generally enunciated principle for reclamation under pre-Code law was that buyer's fraud rendered the contract voidable. Demand by the seller for return of the goods acted to avoid the contract against all but a bona fide purchaser. The successful reclamation by the defrauded seller was in essence a retaking of the seller's own property.\(^15\)

\(^{7}\) 25 F.2d 384 (4th Cir. 1928) [hereinafter cited as *Manly*]. In this case the seller sold goods to bankrupt buyer on credit. The buyer received them while insolvent. Upon learning of buyer's insolvency the seller rescinded the sale and sought reclamation of his goods. The court upheld the validity of the reclamation in the face of buyer's bankruptcy.

\(^{8}\) *Manly* at 385.

\(^{9}\) *Id.* See also *In re Iowa Egg Co.*, 96 F. Supp. 390, 391 (S.D. Iowa 1951).

\(^{10}\) For a collection of cases exhibiting the pre-Code law approach to reclamation, see Annot. 59 A.L.R. 413-30 (1929).

\(^{11}\) 105 F.2d 995 (2d Cir. 1939).

\(^{12}\) *Id.* at 998.

\(^{13}\) 184 F. Supp. 479 (N.D. Iowa 1960), aff'd 297 F.2d 1 (8th Cir. 1961).

\(^{14}\) *Id.* at 485-86.

\(^{15}\) *Manly* at 385; *In re Stridachio*, 107 F. Supp. 486, 487 (D.N.J. 1952); see King, Reclamation Petition Granted: In Defense of the Defrauded Seller, 44 Ref. J. 81-82 (1970). Other theories have been enunciated by the courts to allow seller's reclamation upon rescission for fraud; see *In re Iowa Egg Co.*, 96 F. Supp. 390, 392 (S.D. Iowa 1951) for finding a con-
The U.C.C. codified a portion of the seller's common law right of reclamation under Section 2-702. The seller has been given statutory remedies in basically two situations, in both of which insolvency of the buyer and extension of credit by the seller are important elements. In Section 2-702(1) the seller may refuse or stop delivery, except for cash payment, upon finding his credit buyer insolvent. In Section 2-702(2), the seller may reclaim goods already delivered on credit to an insolvent buyer if demand is made within ten days of the receipt of the goods. If there has been written misrepresentation of solvency within the previous three months, the ten-day demand limitation does not apply.

There are two explicit limitations to Section 2-702(2). The last sentence of that subsection provides the seller may seek reclamation for buyer's misrepresentation of solvency only as provided within Section 2-702(2). This should eliminate use of the common law as a basis for reclamation. Secondly, subsection (3) subjects the
rights provided in subsection (2) to the rights of certain specified third parties.\textsuperscript{23}

The subsection (3) limitation is the focal point around which the controversy over reclamation has centered. The original draft of the Code subjected the rights of the reclaiming seller under subsection (2) to "the rights of a buyer in ordinary course or other good faith purchaser or lien creditor under this Article . . . ."\textsuperscript{24} This language was the focus of the controversy in \textit{In re Kravitz}\textsuperscript{25} in which it was found that since the rights of the trustee in bankruptcy were those of a lien creditor, the trustee would prevail over the reclaiming seller under Section 2-702(3) when the bankruptcy filing intervened between seller's delivery and demands.\textsuperscript{26}

In an apparent attempt to insulate the seller and his right of reclamation from the trustee, the New Jersey Code in 1962,\textsuperscript{27} and

\begin{footnotesize}
\begin{enumerate}
\item United States v. Wyoming Nat'l Bank, 15 UCC REP. SERV. 734 (10th Cir. 1974). \textit{But see In re Creative Bldgs., Inc.,} 498 F.2d 1 (7th Cir. 1974); and \textit{Mullen v. Sweetheart Cup Corp.,} 15 UCC REP. SERV. 828 (S.D. Fla. 1974), in which the reclamation petition was denied for failure to prove reliance, even though the statutory requirements had been met.

\item \textit{See text at note 21 infra.}
\item \textit{UCC § 2-702(3)} (1958 official text). \textit{See note 16 supra for text of § 2-702(3).}
\item 278 F.2d 820 (3d Cir. 1960).
\item This decision is a major cause of the turmoil centered upon section 2-702(2) as applied to the bankruptcy situation. For a partial listing of the many articles published regarding this decision and solution to the problems presented therein, see \textit{In re Federal's, Inc.,} 12 UCC REP. SERV. 1142, 1144 n.5. While it is beyond the purview of this article to discuss the ramifications of \textit{Kravitz} and as it has been already done at great length, it is necessary for an understanding of the evolution of reclamation to briefly state the case.

The factual pattern in \textit{Kravitz} was similar to \textit{Good Deal}. Pennsylvania law, however, included the lien creditor language under subsection (3) of Section 2-702 (see note 16 supra). The court decided that the language and cross-references of the Code did not establish the rights of the lien creditor vis-a-vis a reclaiming seller. Such rights were to be determined under Pennsylvania pre-Code law which provided that the lien creditor has rights superior to the reclaiming seller. The trustee, as a lien creditor prevailed over the reclaiming seller.

Although most state pre-Code law would have reached a contrary decision, other theories developed which would have reached this same result. Thus the Permanent Editorial Board for the Uniform Commercial Code recommended changes in subsection (3).

For a general discussion of \textit{Kravitz} and the theories for and against the reclaiming seller which developed around it, see 3A \textsc{Bender's U.C.C. Service, Sales and Bulk Transfers Under the U.C.C. § 13.03[4] [ii]}, at 13-26.2 to 13-27 (Duesenberg & King ed. 1974).

See also \textit{Mahon v. Stowers}, 94 S. Ct. 1628, 1628 n.3 (1974), for a recent rejection of the use of the right of reclamation under the pre-amended version of Section 2-702(3).

\end{enumerate}
\end{footnotesize}
the official Code version in 1966,28 were changed to delete the lien creditor language, thereby subjecting the rights of the seller only to good faith purchasers or others in the ordinary course.29 As of 1974, only 16 states had made the recommended deletion in Section 2-702(3).30

RECLAIMING SELLER v. TRUSTEE

In pre-Code law, the rights of the reclaiming seller for fraud experienced few problems in the intersection with the bankruptcy situation.31 Generally problems encountered centered about proof of the factual elements described in Manly. The basis for seller's reclamation was that fraud made the contract voidable and that demand for reclamation voided it against everyone except a bona fide purchaser.32 The trustee was not viewed as a bona fide purchaser for value at the time of filing, but as a lien creditor, taking the property of the bankrupt subject to all valid claims and equities thereupon, including the right of the defrauded seller to rescind and reclaim.33 The rights of the seller to reclaim were not generally diminished in the case of intervention of the buyer's bankruptcy.34

The reclaiming seller under the U.C.C. has not fared as well in confrontations with the trustee in bankruptcy. The Bankruptcy Act by Section 70(c)35 makes the trustee a hypothetical lien creditor

29. Section 2-702 (3), as amended, provides: The sellers' right to reclaim under subsection (2) is subject to the rights of a buyer in ordinary course or other good faith purchaser under this Article (Section 2-403). Successful reclamation of goods excludes all other remedies with respect to them. See Editorial Board Note on 1966 Amendment to § 2-702(3).
30. UNIFORM LAWS ANN.: U.C.C. § 2-702, Action in Adopting Jurisdic-
31. 4A COLLIERS ON BANKRUPTCY ¶ 70.41 at 483.
32. See text at note 15 supra. See e.g. Donaldson v. Farwell, 93 U.S. 631, 633 (1876).
33. Commercial Credit Co. v. Davidson, 112 F.2d 54, 56 (5th Cir. 1940).
34. 4A COLLIERS ON BANKRUPTCY ¶ 70.41, at 483, In re Meiselman, 105 F.2d 995 (2d Cir. 1939); California Conserving Co. v. D'Aranzo, 62 F.2d 528 (2d Cir. 1933).
35. 11 U.S.C. § 110(c) (1970). The trustee shall have as of the date of bankruptcy the rights and powers of: (1) a creditor who obtained a judgment against the bankrupt upon the date of bankruptcy, whether or not such a creditor exists, (2) a creditor who upon the date of bankruptcy obtained an execution returned unsatisfied against the bankrupt, whether or not such a creditor exists, and (3) a creditor who upon the date of bankruptcy obtained a lien by legal or equitable proceedings upon all property, whether or not coming into possession or control
at the time of filing bankruptcy serving to freeze the claims as of that time for subsequent distribution. If the bankruptcy intervened between the seller's delivery and demand, under the original version of Section 2-702(3) a conflict between the seller and the trustee ensued. A popular solution to this problem among the legal scholars was to drop the lien creditor language from subsection (3) in order to eliminate the trustee's right to interfere with the seller's reclamation. Such has not been the case.

At the time the official text of the U.C.C. was changed to drop the lien creditor language, Congress enacted changes in the Bankruptcy Act. The approach of the Act and the courts has been to provide equitable control over the debtor's assets, giving full effect to valid lien securities but eliminating claims which were merely priorities. Prior to 1966, the Act recognized the general validity of state statutory liens against the claim of the trustee in bankruptcy. The amendment was a conscious effort by Congress to eliminate quasi-liens which were nothing more than grants of priority in conflict with the federal scheme of distribution.

Amended Section 67b and 67c were the main remedial vehicles directed toward the state priorities problem. Section 67b provides that state created statutory liens are generally valid against the trustee in bankruptcy, except as provided in Section 67c. Section 67c provides several classes of state statutory liens which are not valid against the trustee in bankruptcy, including, under Section 67c (1) (A) of the court, upon which a creditor of the bankrupt upon a simple contract could have obtained such lien, whether or not such a creditor exists.

36. Id.
37. See the discussion of In re Kravitz at note 26 supra.
38. 4A COLLIER'S ON BANKRUPTCY ¶ 70.62A, at 720 n.68a, 723.
39. See In re Brannon, 62 F.2d 959, 962 (5th Cir. 1933) cert. denied 289 U.S. 742, 53 S. Ct. 692, 77 L.Ed. 1489 (1932), for a case in which the court distinguished between a true lien and a mere priority. See In re Baron, 185 F. Supp. 186, 188 (D. Conn. 1958) for such distinction being made in accord with the Act's provisions prior to 1966.
43. 11 U.S.C. 107(b), (c) (1970).
44. Id. subsection (b) states in part: except as otherwise provided in subdivision (c) of this section, statutory liens in favor of employees, contractors, mechanics, or any other class of persons, and statutory liens for taxes and debts owing to the United States or any state ... may, be valid against the trustee, even though arising or perfected while the debtor is insolvent and within four months prior to the filing of the petition ...
every statutory lien which first becomes effective upon the insolvency of the debtor, or upon distribution or liquidation of his property, or upon execution against his properly levied at the instance of one other than the lienors . . . .

In conjunction with this modification, a definition of "statutory lien" was inserted within the definitional section of the Act at Section 1 (29a). The definition provides that a statutory lien shall mean a lien arising solely by force of statute upon specified circumstances or condition, but shall not include any lien provided by or dependent upon our agreement to give security, whether or not such lien is also provided by or is also dependent upon statute and whether or not the agreement or lien is made fully effective by statute.

The test established by the two sections is an "economic test" whereby any lien provided by statute absent any agreement by the parties and first arising upon the insolvency of the debtor is to be invalid as against the trustee in bankruptcy.

THE COURT DECISION IN GOOD DEAL

In light of the foregoing, the Good Deal court upheld the decision of the bankruptcy judge, finding that the reclamation provision in the New Jersey enactment of Section 2-702 created a statutory lien by the terms of Section 1(29a) and 67b of the Bankruptcy Act, but that the lien was invalid as against the trustee under Section 67c (1)(A). The sole focus of the district court's terse opinion was upon the statutory lien issue. After briefly citing In re Federals, Inc. for support of its conclusion, the court analyzed
the language, purpose and effect of Section 2-702 as amended by
the New Jersey Legislature in 1962 against the purpose and effect
of the 1966 Amendment to the Bankruptcy Act.

The court noted that New Jersey had excised the "lien creditor"
language in subsection (2) of Section 2-702 shortly after the In re
Kravitz decision. The court characterized the change as an "obvi-
ous attempt to circumvent the holding in Kravitz and insure priority
status to a reclaiming seller," but emphasized that in spite of
this effort, if the statute was determined to be a lien, it would by
its own terms be a statutory lien under the Bankruptcy Act Section
67c (1) (A). In such case the seller could not prevail against the
trustee.

While the court recognized that the state's purpose in enacting
Section 2-702 was only to create an evidentiary change to ease the
burden of proving fraud, it found that when viewed realistically
the section provided special benefits for a special class of creditors
by providing a special priority. Indeed the statute provided the
very type of evil which the federal statute was attempting to elim-
inate and in doing so was frustrating the "federally-created order
of priorities just as surely as those states created priorities specifi-
cally designated as 'liens'. To allow the seller to assert his right
of reclamation in a bankruptcy proceeding would be animical to
the very purposes of the Bankruptcy Act." Thus the reclamation
right was in conflict with the federal statute and the federal statute
controlled.

ANALYSIS OF THE COURT'S DECISION

The decision in Good Deal leaves unconsidered many of the ar-
guments that undermine the court's rationale. The key determina-
tion is the court's finding the Subsection 2-702(2) was in fact a stat-
utory lien first arising upon the insolvency of the buyer, a finding
which fits the subsection into the pigeonhole created by Section 67c
(1) (A). This determination should be a two step process: first to
establish the reclamation right under 2-702(2) as a "statutory lien";

within the Code but only in the pre-Code law. Under Michigan pre-Code
law the seller wins, if he can prove fraud. For the proof of fraud, the seller
used Section 2-702(2) as conclusive of fraud. The bankruptcy judge found
this section created a statutory lien within § 67c(1) (A) of the Bankruptcy
Act, and thus was invalid against the trustee. In re Federal's, Inc. is being
appealed to the district court.

50. Good Deal at 888.
51. Id.
52. Id. at 888-89.
53. Id. at 889.
second to establish that the reclamation right first arises upon the buyer's insolvency.\textsuperscript{54} The Good Deal court presented limited discussion of the first consideration and conclusory discussion of the second.

**Does Reclamation Right Equal Statutory Lien?**

The definition of "statutory lien" provided in Section 1(29a) is actually only a definition of "statutory."\textsuperscript{55} That the right arising in Section 2-702(2) fits the definition of "statutory" appears likely. The terms of the statute itself provides that the seller may not base his claim for misrepresentation of insolvency upon anything other than this statute.\textsuperscript{56}

However, there appears to be a distinction between a lien and the right of reclamation under Section 2-702(2).\textsuperscript{57} A lien gives a claim or charge upon property which secures or guarantees the payment of a debt.\textsuperscript{58} An essential element of a lien, therefore, is the existence of the debt to which the property in question may be subjected for satisfaction. The right of reclamation is in contradiction of the debt element. The right to reclaim exists because the contract which might have created the debt does not exist; thus the debt itself does not exist.\textsuperscript{59} The right in the goods may not be in satisfaction of a debt but in satisfaction of restitution principles upon the avoidance of the contract by the seller.

The Good Deal court cited *In re Trahan*\textsuperscript{60} for its determination that the practical effect of the right of reclamation in Section 2-
702 was the overriding consideration in determining its status as a lien.\textsuperscript{61} In re Trahan was a federal district court decision which construed the “vendor’s privilege” under Louisiana law as a statutory lien under the Bankruptcy Act.\textsuperscript{62} That court found that although the privilege was different in nature from the common law lien, it was close in nature to the statutory lien, and as such it “cannot be excluded from definitional coverage under Section 1 (29a) merely because . . . [it] uses the word ‘privilege’ instead of the word ‘lien’ . . . .”\textsuperscript{63}

The \textit{nature} of the “privilege” and the statutory lien are similar because both provide a security for a debt owed the seller by the buyer, arising solely by statute. However, this debt element is lacking in the reclamation right considered by the Good Deal court under Section 2-702(2). The right to reclaim is based upon a voided contract and the expressed absence of the debt element. The court does not discuss this distinction nor does it show any other grounds for the similarity in \textit{nature} of the statutory lien and the reclamation right.

Another generally recognized characteristic of a lien lies in the creditor’s right to obtain a deficiency judgment if execution upon the property proves insufficient to satisfy the debt. By the expressed terms of Subsection 2-702(3), resort to the buyer upon insufficiency of funds from the property is specifically excluded: “Successful reclamation of the goods excludes all other remedies with respect to them.” The lack of a deficiency remedy deprives this section of a common characteristic of a lien.

A third consideration in characterizing the reclamation right as a statutory lien is whether this right was in fact intended to be included within the provisions of Section 67b, 67c and 1(29a). The stated purpose of the amendment is to attack “disguised priorities,” which frustrate the distribution of the property of the debtor.\textsuperscript{64} The right of reclamation by its common law origin refers to the goods in the hands of the buyers as the seller’s own.\textsuperscript{65} This

\begin{itemize}
\item \textsuperscript{61} Good Deal at 889.
\item \textsuperscript{62} 283 F. Supp. at 623. The vendor’s privilege, LA. CIV. CODE Act. 3227, provides:
  
  He who has sold to another any movable property, which is not paid for, has a preference on the price of his property, over the other creditors of that purchaser, whether the sale was made on credit or without, if the property still remains in the possession of the purchaser.
  
  So that although the vendor may have taken a note, and or either acknowledgement from the buyer, he still enjoys the privilege.
\item \textsuperscript{63} 283 F. Supp. at 623.
\item \textsuperscript{64} See text at note 39 supra.
\item \textsuperscript{65} In re Stridacchio, 107 F. Supp. 486 (D.N.J. 1952); Manly at 385.
\end{itemize}
concept comports with the avoidance of the contract due to the buyer's fraud as abrogating the buyer's right to the goods. Upon such principle the distribution of the buyer's assets would not be frustrated because these goods should not be included within the accounting of his assets.

WHEN DOES THE RECLAMATION RIGHT ARISE?

There is a question as to whether the right of reclamation under subsection (2) is included within the Section 67c (1) (A) invalidation of a lien which "first becomes effective upon the insolvency of the debtor . . . ."66 The Good Deal court summarily states that the right to reclaim under Section 2-702(2) by its own terms arises upon the insolvency of the buyer.67 This interpretation fails to recognize that the U.C.C. and the Bankruptcy Act each define insolvency as used within their own provisions. The U.C.C. defines "insolvent" in Section 1-201(23) in the equity sense as one who either has ceased to pay his debts in the ordinary course of business or cannot pay his debts as they become due or insolvent within the meaning of the federal bankruptcy law.

The Bankruptcy Act provides a balance sheet test of insolvency under Section 1 (19):

A person shall be deemed insolvent within the provisions of this title whenever the aggregate of his property . . . shall not at a fair valuation be sufficient in amount to pay his debts . . . .

The situation may arise that a person may not be able to pay his debts under strict application of the definitions, as they fall due, which would satisfy the U.C.C. test for insolvency, but would not satisfy the bankruptcy test. In such case, the right to reclaim would arise prior to and independent of insolvency in the Bankruptcy Act, and thus not fall within Section 67c (1) (A).68

Secondly it is arguable that Section 2-702(2) does not become

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67. Good Deal at 888.
68. This argument may be weakened by the fact that in some forms of bankruptcy, the equity test of insolvency is employed in the alternative with the balance sheet test. This is in spite of the seemingly clear attempt of Congress to create a singular test. For example, the requirements for filing petitions under Chapter XI arrangements state the debtor must claim to be "insolvent or unable to pay his debts as they become due." 11 U.S.C. § 723 (1970). It is to be recognized, however, that even by this language there is only one definition of "insolvency" employed, i.e., the balance sheet test. The equity test is spelled out as the alternative. *See generally* 1 Colliers on Bankruptcy ¶ 1.19, at 97-106 (14th ed.).
effective upon the insolvency of the buyer but rather upon the fraud of the buyer evidenced by receiving the goods while insolvent. It is not the involvency itself which creates the right under Section 2-702(2), but the misrepresentation of solvency to the buyer which is satisfied by receiving goods while insolvent. This is evidenced by the stated purpose of Subsection 2-207(2) to extend the protection given to the seller who has sold and delivered to an insolvent buyer. The statutory extension lies in providing an objective standard for determining fraud, including both malicious and innocent misrepresentation. The official comment to the section itself suggests that "[s]ubsection (2) takes as its baseline the proposition that any receipt of goods on credit by an insolvent buyer amounts to a tacit business misrepresentation of solvency and therefore is fraudulent as against the particular seller." (Emphasis added.)

CONCLUSION

The court in In re Good Deal Supermarkets, Inc. has taken a major step in changing the commercial law of most states. By including the seller's rights of reclamation of Section 2-702(2) of U.C.C. within the bankruptcy definition of a statutory lien and its condition subjecting such liens which arise upon buyer's insolvency to the trustee in bankruptcy, the court has disrupted a familiar element of commercial law. Under pre-Code law and the U.C.C. the buyer's fraud has been grounds for reclamation by the seller, a right generally upheld in the bankruptcy situations as well. The disruption of this practice by the Good Deal court has occurred without a full discussion of several arguments which militate against both its conclusion that the right is a statutory lien and its conclusion that it first arises upon the insolvency of the buyer. Without disposition of these arguments, much of the impact of the decision will be lost.

69. For example, if the buyer receives the goods prior to insolvency, the right to reclaim will not arise when he becomes insolvent. It is the effect of receipt of the goods and insolvency together which create the right. That effect is fraud.
70. See text at notes 12-14 supra.
71. U.C.C. § 2-702, Comment 2. But see Elliott v. Bumb, 356 F.2d 749 (9th Cir. 1966), in which the court found a statute which attempted to do away with the common law requirement of "traceability" (see text at note 9 supra) was a priority in derogation of the federal bankruptcy law. This may be distinguishable in that the absence of traceability would do away with the "fiction" of the seller reclaiming his own goods. See King, Reclamation Petition Granted: In Defense of the Defrauded Seller, 44 Ref. J. 81, 82 (1970).
State's should be forewarned, however, that the 1966 amendment to Section 2-702(3) will not alleviate the reclamation problems attendant to the bankruptcy situation as long as the *Good Deal* decision stands. The thrust of the amendment has been thwarted by the court in *Good Deal*.

Richard L. Anderson—'76