



#### Overstock.com and Palm Form New Relationship

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SALT LAKE CITY, Jun 11, 2003 /PRNewswire-FirstCall via COMTEX --  
Palm, Inc., the leading manufacturer of handheld computers, has selected leading Internet retailer Overstock.com, Inc. (Nasdaq: OSTR) to test and resell open-box and customer-returned Palm(TM) products in the U.S.  
"We conducted a rigorous review of many providers," said Dan Gilbert, Senior Director, Global Customer Service and Logistics for Palm Solutions Group. "When all was said and done, Overstock.com® was clearly the best choice for Palm. With millions of visitors each month, marketing acumen, and operations and fulfillment expertise, Overstock.com proved to Palm that it can get the job done in a way that protects the Palm brand."  
Under the agreement, Palm's U.S. retailers now return pre-approved open-box and customer-returned Palm handheld computers and Palm accessories to Overstock.com's Salt Lake City warehouse for testing and inspection. Products that meet strict quality standards are then resold on the Overstock.com website at [www.overstock.com/palmstore](http://www.overstock.com/palmstore), as well as Palm's own Store website, [www.store.palm.com](http://www.store.palm.com). This agreement is for U.S. handheld computers and accessories.  
"Palm is a franchise company with a marquee brand and it was gratifying to learn that they had selected Overstock.com to provide a comprehensive service for testing and reselling open-box and returned Palm merchandise," said Patrick Byrne, CEO of Overstock.com. "We feel that this is a significant recognition of the business model we have spent three years developing. We believe this model is applicable to other consumer technologies, and we hope to roll out similar programs for more companies in the future."  
Every open-box and customer-returned product must pass a thorough examination. Only products that are in like-new or almost new condition will be resold to consumers. The Overstock.com web site and the packaging will include a description of the condition of the products. Palm products found to be damaged or defective will not be repaired by Overstock.com or resold to consumers by Overstock.com.  
Open-box and customer-returned Palm handheld computers and accessories are available immediately through Overstock.com's store dedicated to Palm products ([www.overstock.com/palmstore](http://www.overstock.com/palmstore)), as well as through Palm's own Web Store.  
More information about the products, including pricing and availability, is available on Overstock.com. Availability of certain Palm products on Overstock.com may vary from day to day.  
About Overstock.com, Inc.  
Overstock.com, Inc. is an online "discount" retailer offering discount, brand-name merchandise for sale over the Internet. The company offers its customers an opportunity to shop for bargains conveniently, while offering its suppliers an alternative inventory liquidation distribution channel. Overstock.com is a publicly traded company listed on the NASDAQ National Market System, headquartered in Salt Lake City, and can be found online at [www.overstock.com](http://www.overstock.com).  
Overstock.com is a registered trademark of Overstock.com, Inc. Palm is a trademark of Palm, Inc. Other brands may be trademarks of their respective owners.  
This press release contains certain forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. Such forward-looking statements include, but are not limited to, statements regarding product availability, the amount customers can save, and the rollout of similar programs for other companies in the future. These forward-looking statements involve certain risks and uncertainties that could cause actual results to differ, including, but not limited to, our limited operating history, our ability to manage growth, a general downturn in economic conditions, and such other risks as identified in our Prospectus dated May 29, 2002, filed with the Securities and Exchange Commission, including our Form 10-K for the year ended December 31, 2002, and our Prospectus dated February 12, 2003, which contain and identify important factors that could cause the actual results to differ materially from those contained in our projections or forward-looking statements.  
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