



Overstock Applauds Trial Court's Ruling in Gradient Case; Gradient Defendant Loses Dash for Exit as Court Sets September 9 Trial Date

February 12, 2008

Overstock eagerly to move to trial, believes it will expose widespread Wall Street corruption.

SALT LAKE CITY, Feb. 12 (PRNewswire-FirstCall) -- Overstock.com, Inc. (NASDAQ: OSTK) today announced that in *Overstock.com et al. v. Gradient Analytics et al.*, California Main Superior Court Judge Lynn O'Malley Taylor ruled against Gradient Defendant Matthew Kibber's bid to exit the case. In addition, Judge O'Malley has set the case for trial on September 9, 2008.

Jonathan Johnson, Overstock Senior Vice President of Legal said, "Once again, defendants' efforts to derail this case fall flat. In every instance the trial and appellate courts have ruled that Overstock has a "reasonable probability" of prevailing on every claim, just as the California Supreme Court declined Defendants' Petition for Review of those decisions. They are out of running room -- and we now have a trial date set, it's time to bring their conduct into the light of day."

Whistleblowers who worked at Gradient have provided detailed declarations outlining a scheme by which various hedge funds participate in ordering, reviewing and editing Gradient reports on numerous target companies while they practice pre-publication trading ahead of these reports that they effectively ghost-write. The witnesses identify several current and former Gradient executives, including Kibber, as playing a role in this scheme. The whistleblower declarations are available at http://www.overstock.com/cgi-bin/ostk.cgi?page=staticpage&file=ostk_sen111151.

Overstock.com et al. v. Gradient Analytics et al. alleges that Kibber, Gradient and other defendants, including the Copper River Partners (formerly Rocker Partners) hedge fund, colluded to publish such "stiff" reports about Overstock, making defamatory and false claims, in a manner that a California appellate court characterized as "target bombing." Overstock is suing for libel, unfair business practices and tortious interference. Kibber challenged the sufficiency of the Overstock complaint on several grounds, all of which Judge Taylor today rejected.

Overstock CEO Patrick Byrne said, "These broad-tossers have given us a two-and-a-half year cook's tour of the California appellate process. They engage in such legal posturing because they know this case will expose a widespread, illegal Wall Street practice that harms American companies and makes money at the expense of American investors. I look forward to the day when the scoundrels are no longer in a backroom seeing their orthodoxyes supported by bidtable regulators and insatiable New York financial journalists, but are instead sitting in a California courtroom trying to rationalize their schemes to twelve citizens."

About Overstock.com

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, headquartered in Salt Lake City, is a publicly traded company listed on the NASDAQ Global Market System and can be found online at <http://www.overstock.com>.

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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 exposing at trial widespread Wall Street corruption, moving to trial, the results of any trial or portion thereof, as well as all such other risks as identified in our Form 10-K for the year ended December 31, 2006, and all our subsequent filings with the Securities and Exchange Commission, 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.

SOURCE: Overstock.com, Inc.

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