



**Overstock.com Announces Favorable Court Ruling in Rocker/Gradient Case**

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Looks Forward to Trial on the Merits

SALT LAKE CITY, July 9, 2008 /PRNewswire-FirstCall via COMTEX News Network/ -- Overstock.com, Inc. (Nasdaq: OSTK) announced today that the court in *Overstock.com et al. v. Gradient Analytics et al.* ruled favorably on a demurrer brought by Overstock Chairman & CEO Patrick Byrne, dismissing on statute of limitations grounds three causes of action, which Gradient had asserted as counterclaims against Byrne personally.

"The court wisely recognized that Gradient, having stalled for three years, should not now be filing counterclaims outside of their statute of limitations," said Byrne.

The court also restricted Gradient's fourth counterclaim for unfair business practices, disallowing the possibility of money damages on that claim, and limiting it only to possible injunctive relief if Gradient proves the claim at trial. On the dismissed claims against Byrne, the court granted Gradient leave to amend.

Jonathan Johnson, Overstock's SVP, Legal, said, "The defendant's eleventh hour counter-offensive will not succeed. We are looking forward to our day in court -- which is rapidly approaching." Overstock's claims against Gradient and Copper River are now set for trial on April 27, 2009.

In August of 2005, based on the sworn statements of ex-Gradient employees, Overstock filed its case against Gradient Analytics, Inc. and Copper River and their respective principals, alleging a scheme by which Gradient Analytics published false information supplied by Copper River about Overstock. At the time, Gradient published a flurry of negative reports on Overstock, which the California Court of Appeals referred to as "Carpenter Bombing," all of which were calculated, according to the complaint, to drive down the price of Overstock shares so Copper River could profit from its short sales of Overstock's shares. Substantially all the efforts of Gradient and Copper River to have the case dismissed have been rejected by reviewing courts.

Statements of the ex-Gradient employees can be viewed at: [http://www.overstock.com/cgi-bin/ir/ir.cgi?page=statetopopprfllkasa\\_jb-1151](http://www.overstock.com/cgi-bin/ir/ir.cgi?page=statetopopprfllkasa_jb-1151)

About Overstock.com

Overstock.com, Inc. is an online retailer offering brand-name merchandise at discount prices. The company offers its customers an opportunity to shop for bargains conveniently, while offering its suppliers an alternative inventory 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 moving to trial, the results of any trial or portion thereof, the strength of evidence of either side related to the litigation, as well as all such other risks as identified in our Form 10-K for the year ended December 31, 2007, our subsequent quarterly reports on Form 10-Q, or any amendments thereto, and our other subsequent filings with the Securities and Exchange Commission identify important factors that could cause our actual results to differ materially from those contained in our projections, estimates or forward-looking statements.

SOURCE: Overstock.com, Inc.

<http://www.overstock.com>