



For Immediate Release

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**OVERSTOCK.COM RESOLVES EXCESS INVENTORY DILEMMA  
FOR ONLINE & OFFLINE SUPPLIERS**

*Nearly 40 Percent Monthly Sales Growth + Strong Margins Equals  
Winning Business Strategy in E-tail Market*

**SALT LAKE CITY, UT — August 28, 2000** — Overstock.com today announced its leadership position as the best liquidation channel for excess inventory. Founded to bring shoppers the best deals online for brand name consumer merchandise, Overstock.com leverages the Internet to provide a clean, reliable channel of distribution that benefits both suppliers and customers.

“Excess inventory is one of the greatest financial burdens to manufacturers, retailers, e-tailers and catalog companies,” said Patrick Byrne, CEO of Overstock.com. “At Overstock.com, we have created a safe and dependable solution for suppliers by taking the excess inventory directly off their hands and liquidating it over the Internet at a substantial discount to consumers.”

overstock.com

**Ranked As a Premier Shopping Destination Online**

Tapping into the value retail market valued at approximately \$50 billion+, Overstock.com has been averaging 37% monthly sales growth and nearly 25% gross margins since re-launching its site last summer. During this time period, Overstock.com spent only \$6 million on marketing--approximately 1/20 of the amount spent by top e-tail sites--and increased its traffic 25-fold. Media Metrix ranked the company as the fastest growing Web site in December 1999, and recently advanced Overstock.com's ranking to the #25 most frequently trafficked e-tail Web site from the #7,000 overall Web site in June 1999.

**Delivering a More Effective Solution for Suppliers**

With current offline liquidation solutions, manufacturers often have no control over the final distribution of their products once they reach the “gray market” and thus run the risk of diluting their brand. For example, if a discontinued Cartier watch appeared at a steep discount in a retail store, it may discourage customers from buying newer, more expensive models of the brand. Overstock provides manufacturers with a one-stop liquidation channel to sell both large and small quantities of excess and close-out inventory quickly without disrupting sales by polluting traditional channels.

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**Offering Shoppers the Web's Deepest Discounts**

Bargain shoppers of traditional discount and liquidation stores usually experience the frustration and inconvenience of limited, low-quality products, remote outlet locations, poor customer service and long shopping lines. With the click of a mouse at Overstock.com, they buy high-quality, name-brand products at prices that are typically below wholesale cost, often below the manufacturer's cost, and unrivaled on the Web. The site also guarantees free shipping and allows shoppers to choose from among more than 37 product categories including kitchen appliances, computer hardware, and home audio equipment, and popular brands such as Sony, Toshiba, Minolta, Kodak, Samsonite, Fieldcrest and Waterford.

**Managed by *Fortune* 500 Executive Team & Board**

The business experience and expertise of Overstock.com's executive management team and board is a rarity among today's Internet start-ups. With a proven track record not only in retail and manufacturing, but also in technology management, new product development, sales and marketing, and finance, the executive management team has held senior positions with the Amos Tuck School of Business at Dartmouth College, Fechheimer Brothers (a Berkshire Hathaway operating company), Ford Motor Company, Icon Health and Fitness, McKinsey & Company, and PricewaterhouseCoopers.

Overstock.com's board of directors includes John Byrne, former CEO and Chairman of GEICO and Fireman's Fund; Gordon Macklin, former Chairman of Hambrecht & Quist and Fund American Enterprises, former president of the NASD, and a current director of White Mountains Holding, Inc. and MCI Worldcom, Inc.; and Gary Kennedy, former president of Oracle USA and current President and CEO of Tenfold Corporation.

**About Overstock.com**

Overstock.com is the Internet leader for name-brands at clearance prices. Privately held and well-capitalized, Overstock.com is located in Salt Lake City, Utah and can be found online at [www.overstock.com](http://www.overstock.com).

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