



Overstock.com Victorious in Federal Lawsuit

August 21, 2013
SALT LAKE CITY, Aug. 21, 2013 (PRNewswire) – [Overstock.com, Inc.](#) (NASDAQ: OSTRK) announced the dismissal of a multi-million dollar federal class action lawsuit filed in the Eastern District of New York in 2009. The suit was brought by Cynthia Hines, a secretary working in a plaintiff's attorney law firm. Hines claimed she failed to understand the company's return policy and alleged breach of contract, common law fraud and New York consumer statute violations. Later Hines added other state consumer claims and asked for an injunction.
[8:00pm - http://photos.prnewswire.com/01/2013/08/21/130821014319564.0500](#)

Early on, Overstock.com identified the Hines suit as "lawyer-driven" – noting that Hines worked directly for the lawyer who filed the suit – and determined that settlement would not be an option, in keeping with its historical practice.

In the ruling dismissing the case, the court held that a consumer, acting reasonably, would first look for and understand a retailer's returns policy before finalizing a purchase transaction, noting, "Any consumer who failed to do so appears to have assumed the risk of such a cost in the event that the merchandise is returned."

The court also based part of the dismissal ruling on Hines' failure to clearly state necessary facts in her complaint.

"As a matter of fact, Overstock.com fights like a pit bull dog against extortionate lawsuits such as this and patent troll cases," said company Chairman and CEO Patrick Byrne. "Contingency fee lawyers such as Ms. Hines' employer should understand that we never make the economic calculation that most other firms do, of balancing the costs of fighting versus the costs of settling. We do not settle cases brought by lawyers just trying to make a few bucks abusing the legal system. As a matter of principle, we fight meritless lawsuits tooth and nail, and always will."

Byrne added that Hines' claims focused on the question of whether Overstock.com had properly disclosed to her that it could charge a full or partial return fee when a product is returned in questionable condition. Hines claimed she was not aware of the fee. At the time of Hines' claims and still, Overstock.com's website explains its returns policy clearly.

About Overstock.com
Overstock.com (NASDAQ: OSTRK) is an online discount retailer based in Salt Lake City, Utah that sells a broad range of products including furniture, toys, bedding, electronics, clothing, jewelry and cars. [Overstock.com](#), a fair trade department dedicated to selling artisan-crafted products from around the world offers additional unique items. [Main Street Branch Store](#) supports small businesses across the United States by providing them a national customer base. The Nielsen State of the Media, Consumer Usage Report placed Overstock.com among the top five most visited mass merchandiser websites in 2011. The NRF Foundation/American Express 2011 Customer Choice Awards ranked Overstock.com #4 in customer service among all U.S. retailers. Overstock.com sells internationally under the name O.co. Overstock.com [http://www.overstock.com](#) and [http://www.o.co](#) regularly posts information about the company and other related matters under [Investor Relations](#) on its website.

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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 Overstock.com's litigation policy. Additional information regarding factors that could materially affect results and the accuracy of the forward-looking statements contained herein may be found in the Company's Form 10-Q for the quarter ended June 30, 2013, which was filed with the SEC on July 25, 2013, and any subsequent filings with the SEC.

SOURCE: Overstock.com, Inc.

Media: Korie Burden, Overstock.com, Inc., +1-801-947-3116, kirade@overstock.com, or Investors: Mark Harden, Overstock.com, Inc., +1-801-947-5409, mharden@overstock.com