

LIQUIDITY SERVICES INC  
Form 4  
October 09, 2007

**FORM 4**

UNITED STATES SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

OMB APPROVAL

OMB Number: 3235-0287  
Expires: January 31, 2005  
Estimated average burden hours per response... 0.5

Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

**STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES**

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person \*  
Brown Benjamin Ronald

2. Issuer Name and Ticker or Trading Symbol  
LIQUIDITY SERVICES INC  
[LQDT]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)

3. Date of Earliest Transaction (Month/Day/Year)  
10/04/2007

\_\_\_\_ Director \_\_\_\_\_ 10% Owner  
 Officer (give title below) \_\_\_\_\_ Other (specify below)  
Chair, Tech Adv Comm; CTO, GL, LLC

C/O LIQUIDITY SERVICES, INC., 1920 L STREET, N.W., 6TH FLOOR

(Street)

4. If Amendment, Date Original Filed (Month/Day/Year)

6. Individual or Joint/Group Filing (Check Applicable Line)  
 Form filed by One Reporting Person  
\_\_\_\_ Form filed by More than One Reporting Person

WASHINGTON, DC 20036

(City) (State) (Zip)

**Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned**

| 1. Title of Security (Instr. 3) | 2. Transaction Date (Month/Day/Year) | 2A. Deemed Execution Date, if any (Month/Day/Year) | 3. Transaction Code (Instr. 8) | 4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5) | 5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4) | 6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4) | 7. Nature of Ownership (Instr. 4) |
|---------------------------------|--------------------------------------|----------------------------------------------------|--------------------------------|-------------------------------------------------------------------|-----------------------------------------------------------------------------------------------|----------------------------------------------------------|-----------------------------------|
|                                 |                                      |                                                    |                                | (A) or (D)                                                        | Price                                                                                         |                                                          |                                   |
|                                 |                                      |                                                    |                                | Code                                                              | V                                                                                             | Amount                                                   |                                   |
| Common Stock                    | 10/04/2007                           |                                                    | S <sup>(1)</sup>               | 5,000                                                             | D                                                                                             | \$ 12.1                                                  | 426,367 <sup>(2)</sup> D          |
| Common Stock                    | 10/05/2007                           |                                                    | S <sup>(1)</sup>               | 5,000                                                             | D                                                                                             | \$ 12.55                                                 | 421,367 D                         |
| Common Stock                    | 10/05/2007                           |                                                    | S <sup>(1)</sup>               | 5,000                                                             | D                                                                                             | \$ 13                                                    | 416,367 D                         |
| Common Stock                    | 10/05/2007                           |                                                    | S <sup>(1)</sup>               | 7,500                                                             | D                                                                                             | \$ 13.5                                                  | 408,867 D                         |
|                                 | 10/05/2007                           |                                                    | S <sup>(1)</sup>               | 2,400                                                             | D                                                                                             | \$ 14                                                    | 406,467 D                         |

|              |            |                  |       |   |         |         |   |
|--------------|------------|------------------|-------|---|---------|---------|---|
| Common Stock |            |                  |       |   |         |         |   |
| Common Stock | 10/09/2007 | S <sup>(1)</sup> | 7,600 | D | \$ 14   | 398,867 | D |
| Common Stock | 10/09/2007 | S <sup>(1)</sup> | 5,514 | D | \$ 14.5 | 393,353 | D |

|              |  |  |  |  |  |         |   |                                                                        |
|--------------|--|--|--|--|--|---------|---|------------------------------------------------------------------------|
| Common Stock |  |  |  |  |  | 156,694 | I | By the Benjamin R. Brown 2005 Qualified Grantor Retained Annuity Trust |
|--------------|--|--|--|--|--|---------|---|------------------------------------------------------------------------|

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

**Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.**

SEC 1474 (9-02)

**Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned**  
(e.g., puts, calls, warrants, options, convertible securities)

| 1. Title of Derivative Security (Instr. 3) | 2. Conversion or Exercise Price of Derivative Security | 3. Transaction Date (Month/Day/Year) | 3A. Deemed Execution Date, if any (Month/Day/Year) | 4. Transaction Code (Instr. 8) | 5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5) | 6. Date Exercisable and Expiration Date (Month/Day/Year) | 7. Title and Amount of Underlying Securities (Instr. 3 and 4) | 8. Price of Underlying Security (Instr. 3 and 4) |                            |
|--------------------------------------------|--------------------------------------------------------|--------------------------------------|----------------------------------------------------|--------------------------------|-----------------------------------------------------------------------------------------|----------------------------------------------------------|---------------------------------------------------------------|--------------------------------------------------|----------------------------|
|                                            |                                                        |                                      |                                                    |                                |                                                                                         | Date Exercisable                                         | Expiration Date                                               | Title                                            | Amount or Number of Shares |
|                                            |                                                        |                                      |                                                    |                                |                                                                                         | Code                                                     | V (A) (D)                                                     |                                                  |                            |
| Employee Stock Option                      | \$ 12.89                                               |                                      |                                                    |                                |                                                                                         | <sup>(3)</sup> 03/30/2016                                | Common Stock                                                  | 75,000                                           |                            |

## Reporting Owners

Reporting Owner Name / Address

Relationships

Director 10% Owner Officer

Other

Brown Benjamin Ronald  
C/O LIQUIDITY SERVICES, INC.  
1920 L STREET, N.W., 6TH FLOOR  
WASHINGTON, DC 20036

Chair, Tech Adv Comm; CTO, GL, LLC

## Signatures

/s/ James E. Williams, by power of  
attorney

10/09/2007

\_\_Signature of Reporting Person

Date

## Explanation of Responses:

- \* If the form is filed by more than one reporting person, *see* Instruction 4(b)(v).
- \*\* Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).
- (1) The transactions reported in this Form 4 were effected pursuant to a Rule 10b5-1 trading plan adopted by the reporting person on September 11, 2007.
- (2) This Form 4 corrects a clerical error in the number of shares of the Company's Common Stock previously reported as being directly owned by the reporting person thereby increasing his direct beneficial ownership of Common Stock by 522 shares.
- (3) One-quarter of the options vested on March 30, 2007, with the remaining options vesting in monthly installments through March 30, 2010.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.