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**COURT OF APPEALS DECISION AFFIRMS \$6.8 MILLION JUDGMENT AGAINST
OVERSTOCK.COM FOR FALSE ADVERTISING**

Santa Cruz County District Attorney Jeffrey S. Rosell announced today that the First District Court of Appeal, affirmed a \$6.8 million judgment against internet retailer Overstock.com for engaging in false advertising and unlawful business practices. The lengthy trial that was the subject of the appeal was held before the Honorable Wynne S. Carvill in the Alameda County Superior Court in 2013. The Santa Cruz County District Attorney's Office's Consumer Protection Unit, in conjunction with the Alameda, Marin, Monterey, Napa, Santa Clara, Shasta, and Sonoma County District Attorney's Offices, prosecuted the case and handled the appeal.

The major issue at trial was Overstock's use of "advertised reference prices," which it labelled "list price," "compare at", or "compare." Overstock frequently displayed such reference prices in close proximity to its sales price, often with a purported discount. An example of such an advertisement is the following:

List Price:	\$999.00
Today's Price:	\$449.99
You save:	\$549.01 (55%)

The trial court found that Overstock had consistently used advertised reference prices created by various methods that were "designed to overstate the amount of savings to be enjoyed by shopping on the Overstock site".

Overstock appealed the decision. The Court of Appeal issued a detailed opinion on June 2, 2017, authored by the Honorable Justice Maria P. Rivera unanimously affirming the trial court's decision in its entirety. The justices concluded that, among other things, there was sufficient evidence to support the trial court's findings that Overstock engaged in false advertising, and that the trial court did not abuse its discretion in ordering \$6,828,000 in civil penalties and an injunction to prevent future violations. The Court of Appeal's decision will become final in 30 days. Overstock has not indicated whether it will seek to file a petition with the California Supreme Court to review the decision.