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November 29, 2006

RECEIVED
DEC 06 2006
OFFICE OF THE SEC

Ms. Nancy M. Morris
Secretary
Securities and Exchange Commission
Station Place, 100 F Street, NE
Washington DC 20549-1090

Subject: SR-NASDAQ-2006-040

Dear Ms. Morris:

Overstock.com is a Salt Lake City, Utah-based public company listed on the NASDAQ Stock Market (Ticker: OSTK). We write to express our strong displeasure with the NASDAQ's proposed fee changes that would automatically include a package of "issuer benefits" not previously required as part of the annual listing fee. We are confident that we can choose the best provider for our press release dissemination, EDGAR services, etc., and currently have very strong relationships with companies that provide those services. We do not want to be forced to defer those decisions to the NASDAQ, pay for services which we may not use, or double pay for services if we choose to maintain our current positive relationships.

It is wrong for the NASDAQ to force companies listed on its exchange to use the services of NASDAQ acquired companies, particularly those services that are not directly related to our listing on the NASDAQ Stock Market. Free market principles should determine who provides NASDAQ listed companies with such services – not edicts from the exchange (the high costs of changing exchanges practically forces listed companies to accept the proposed fee increases).

We request that you strike the proposed fee increase for the package of issuer benefits by amending the proposed rule change.

As part of our submission, I have included a copy of an email sent to us from PR Newswire, which happens to be the company we use for press release dissemination.

Sincerely,

David Chidester,
Chief Financial Officer
Overstock.com

# Kevin Moon

**From:** PR Newswire [update@prnewswire.com]

**Sent:** Monday, November 27, 2006 12:18 PM

**To:** Kevin Moon

**Subject:** Respond to NASDAQ Listing Fee Proposal

Dear PR Newswire Members and Friends:

In October, I wrote to share PR Newswire's perspective on a proposal by NASDAQ to bundle news distribution and other services into its 2007 listing fees. Today, I'm writing with an update on the status of that proposal and to ask for your participation in an important effort to help you retain freedom of choice in the newswire service you use.

The NASDAQ proposal, published last week in the Federal Register, seeks to increase annual listing fees anywhere from $6,500 to $20,000 for each issuer. To support the increase, NASDAQ will bundle into the fee, four news releases per year of up to 500 words each, provided by PrimeZone, the press release disseminator it acquired earlier this year, as well as limited webcasting and EDGAR services, which you may already be buying elsewhere.

NASDAQ has not disclosed how much of the rate increase will be appropriated for news relea ses or the other services, making it impossible for you to compare costs to other providers. Nor has NASDAQ made the program optional, meaning your company will be forced to use PrimeZone or accept paying twice to use your preferred wire service.

To be clear, we at PR Newswire welcome fair competition. In fact, our market-driven investment in newswire technology and distribution is why investors and the media can count on getting news about your company from PR Newswire (and other competitive news distributors) in thousands of places, wherever they seek information. By forcing listed companies to use its captive press release service, NASDAQ won't have incentive to make those same investments to retain your business; having very real implications for your company's message, reputation and value. You can confirm the media's level of awareness of PrimeZone news by contacting the media you rely on for coverage.

We believe it is vital that all companies have a choice of wire services without having to pay twice and that fair competition is necessary to ensure wide and full disclosure of relevant company news to all relevant distribution points in the marketplace. In our view, those elements are critical not only for individual listed companies to achieve the news impact and reputation they deserve, but also for the health and integrity of the capital markets overall.

**Publication of NASDAQ's proposed rule change in the Federal Register has triggered a 21-day period for public comment, which must be received by the SEC no later than December 12, 2006** in order to be considered by the SEC before making a final decision whether to approve, amend or begin disapproval proceedings related to the proposed rule change.

If you want to retain the freedom to choose your service providers without added cost to your company, you must make that known to decision makers at the SEC -- even if yo u have voiced your concerns to your NASDAQ representative. The SEC advises those wishing to comment to utilize one of the following methods:

**To send your comments electronically**, use the SEC's Internet comment form found under No. SR-NASDAQ-2006-040 on the following page: http://www.sec.gov/rules/sro/nasdaq.shtml. Or you can send an e-mail to rule-comments@sec.gov; be sure to include File No. SR-NASDAQ-2006-040 in the subject line.

**To send your comments by mail**, send them in triplicate to Nancy M. Morris, Secretary, Securities and Exchange Commission, Station Place, 100 F Street, NE, Washington, DC 20549-1090. Again, reference File Number SR-NASDAQ-2006-040 in any correspondence.

Your news releases communicate your company's key message s and support its reputation. By taking a small step to let your views be known, you can play a big role in retaining the freedom to choose the newswire provider you prefer. Again, please be sure to send your comments no later than December 12.

Sincerely Yours,

Dave Armon

Dave Armon
Chief Operating Officer
PR Newswire

P.S. To share your general comments with us, follow this link: feedback.

If you choose not to voice your concerns to the SEC, please tell us why.