

New uBid CEO unveils a multi-channel strategy for liquidating overstock

InternetRetailer.com

April 28, 2008

Seven months after taking over as CEO of uBid.com Holdings Inc., owner of uBid.com, Jeffrey D. Hoffman has unveiled a multi-channel strategy for revitalizing the online auctioneer of excess merchandise.

Besides selling manufacturers' excess inventory on its existing auction site, uBid.com, which is being redesigned, the company plans to also sell merchandise through several new channels. These include selling products at fixed prices at a new web site called uBuy, through a business-business site for large-volume transactions called uBiz, and licensing its auction technology to host charity and private auctions.

In addition, uBid will sell offline when opportunities arise, as it has done this year in Florida to liquidate the stock of a chain of appliance stores. "Washers and dryers are large and they don't lend themselves to the Internet because of shipping," Hoffman says. "So for the first time we sold offline."

He says uBid used its online customer database, accumulated over more than a decade of liquidating excess inventory, to contact consumers near the Florida locations where uBid was selling the merchandise, and also gave customers who came to the sales coupons they could use online.

Hoffman says the company plans to have an interim version of its new uBuy.com site up and running later this spring while it develops a list of requirements for the full-blown site.

In order to develop the new sites and enhance the existing one, uBid today announced deals with several service providers. These include engaging Channel Intelligence to optimize uBid.com's exposure on comparison shopping engines, Omniture for web site analytics, Digital Dialogue for improving the customer experience on uBid.com and ExactTarget for e-mail marketing.

For the third quarter ended Sept. 30, uBid.com Holdings Inc. reported revenue of \$9.72 million, down 32% from \$14.37 million in the same quarter last year. The company reported a net loss of \$2.2 million in the 2007 quarter, compared with a loss of \$2.7 million the year before.

- <http://www.internetretailer.com/dailyNews.asp?id=26187>