

LIQUIDITY SERVICES INC
Form SC 13G/A
February 14, 2008

SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

SCHEDULE 13G

(Rule 13d-102)

**INFORMATION TO BE INCLUDED IN STATEMENTS FILED PURSUANT
TO RULES 13d-1(b)(c), AND (d) AND AMENDMENTS THERETO FILED
PURSUANT TO RULE 13d-2(b).**

(Amendment No. 1)*

Liquidity Services, Inc.

(Name of Issuer)

Common Stock

(Title of Class of Securities)

53635B107

(CUSIP Number)

Edgar Filing: LIQUIDITY SERVICES INC - Form SC 13G/A

December 31, 2007

(Date of Event Which Requires Filing of this Statement)

Check the appropriate box to designate the rule pursuant to which this Schedule is filed:

Rule 13d-1(b)

Rule 13d-1(c)

Rule 13d-1(d)

* The remainder of this cover page shall be filled out for a reporting person's initial filing on this form with respect to the subject class of securities, and for any subsequent amendment containing information which would alter disclosures provided in a prior cover page. The information required on the remainder of this cover page shall not be deemed to be filed for the purpose of Section 18 of the Securities Exchange Act of 1934 (Act) or otherwise subject to the liabilities of that section of the Act but shall be subject to all other provisions of the Act (however, see the Notes).

SCHEDULE 13G

1 NAME OF REPORTING PERSONS

I.R.S. IDENTIFICATION NO. OF ABOVE PERSONS (ENTITIES ONLY)

ABS Capital Partners IV, L.P.

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP*

(a)

(b)

3 SEC USE ONLY

4 CITIZENSHIP OR PLACE OF ORGANIZATION

Delaware, USA

5 SOLE VOTING POWER

NUMBER OF

SHARES N/A

6 SHARED VOTING POWER

BENEFICIALLY

OWNED BY

EACH 0

7 SOLE DISPOSITIVE POWER

REPORTING

PERSON N/A

8 SHARED DISPOSITIVE POWER

WITH

0

9 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

0

10 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (9) EXCLUDES CERTAIN SHARES*

11 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (9)

0%

12 TYPE OF REPORTING PERSON*

PN (Limited Partnership)

***SEE INSTRUCTIONS BEFORE FILLING OUT!**

1 NAME OF REPORTING PERSONS

I.R.S. IDENTIFICATION NO. OF ABOVE PERSONS (ENTITIES ONLY)

ABS Capital Partners IV-A, L.P.

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP*

(a) ..

(b) ..

3 SEC USE ONLY

4 CITIZENSHIP OR PLACE OF ORGANIZATION

Delaware, USA

5 SOLE VOTING POWER

NUMBER OF

SHARES N/A

6 SHARED VOTING POWER

BENEFICIALLY

OWNED BY

EACH 0

7 SOLE DISPOSITIVE POWER

REPORTING

PERSON N/A

8 SHARED DISPOSITIVE POWER

WITH

0

9 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

0

10 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (9) EXCLUDES CERTAIN SHARES*

11 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (9)

0%

12 TYPE OF REPORTING PERSON*

PN (Limited Partnership)

1 NAME OF REPORTING PERSONS

I.R.S. IDENTIFICATION NO. OF ABOVE PERSONS (ENTITIES ONLY)

ABS Capital Partners IV-Offshore, L.P.

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP*

(a)

(b)

3 SEC USE ONLY

4 CITIZENSHIP OR PLACE OF ORGANIZATION

Cayman Islands

5 SOLE VOTING POWER

NUMBER OF

SHARES N/A

6 SHARED VOTING POWER

BENEFICIALLY

OWNED BY

EACH 0

7 SOLE DISPOSITIVE POWER

REPORTING

PERSON N/A

8 SHARED DISPOSITIVE POWER

WITH

0

9 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

0

10 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (9) EXCLUDES CERTAIN SHARES*

11 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (9)

0%

12 TYPE OF REPORTING PERSON*

PN (Limited Partnership)

1 NAME OF REPORTING PERSONS

I.R.S. IDENTIFICATION NO. OF ABOVE PERSONS (ENTITIES ONLY)

ABS Capital Partners IV-Special Offshore, L.P.

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP*

(a) ..

(b) ..

3 SEC USE ONLY

4 CITIZENSHIP OR PLACE OF ORGANIZATION

Cayman Islands

5 SOLE VOTING POWER

NUMBER OF

SHARES N/A
6 SHARED VOTING POWER

BENEFICIALLY

OWNED BY 0
EACH **7 SOLE DISPOSITIVE POWER**

REPORTING

PERSON N/A
8 SHARED DISPOSITIVE POWER
WITH

0

9 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

0

10 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (9) EXCLUDES CERTAIN SHARES*

11 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (9)

0%

12 TYPE OF REPORTING PERSON*

PN (Limited Partnership)

1 NAME OF REPORTING PERSONS

I.R.S. IDENTIFICATION NO. OF ABOVE PERSONS (ENTITIES ONLY)

ABS Partners IV, L.L.C.

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP*

(a) ..

(b) ..

3 SEC USE ONLY

4 CITIZENSHIP OR PLACE OF ORGANIZATION

Delaware, USA

5 SOLE VOTING POWER

NUMBER OF

SHARES

N/A
6 SHARED VOTING POWER

BENEFICIALLY

OWNED BY

EACH

0
7 SOLE DISPOSITIVE POWER

REPORTING

PERSON

WITH

N/A
8 SHARED DISPOSITIVE POWER

9 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

0

10 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (9) EXCLUDES CERTAIN SHARES*

0

11 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (9)

0%

12 TYPE OF REPORTING PERSON*

CO (Limited Liability Corporation)

1 NAME OF REPORTING PERSONS

I.R.S. IDENTIFICATION NO. OF ABOVE PERSONS (ENTITIES ONLY)

Donald B. Hebb, Jr.

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP*

(a) ..

(b) ..

3 SEC USE ONLY

4 CITIZENSHIP OR PLACE OF ORGANIZATION

United States of America

5 SOLE VOTING POWER

NUMBER OF

SHARES N/A
6 SHARED VOTING POWER

BENEFICIALLY

OWNED BY 0
EACH **7 SOLE DISPOSITIVE POWER**

REPORTING

PERSON N/A
8 SHARED DISPOSITIVE POWER
WITH

0
9 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

0
10 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (9) EXCLUDES CERTAIN SHARES* ..

11 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (9)

0%

12 TYPE OF REPORTING PERSON*

IN (Individual)

1 NAME OF REPORTING PERSONS

I.R.S. IDENTIFICATION NO. OF ABOVE PERSONS (ENTITIES ONLY)

Timothy T. Weglicki

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP*

(a) ..

(b) ..

3 SEC USE ONLY

4 CITIZENSHIP OR PLACE OF ORGANIZATION

United States of America

5 SOLE VOTING POWER

NUMBER OF

SHARES N/A
6 SHARED VOTING POWER

BENEFICIALLY

OWNED BY 0
EACH **7 SOLE DISPOSITIVE POWER**

REPORTING

PERSON N/A
8 SHARED DISPOSITIVE POWER
WITH

0

9 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

0

10 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (9) EXCLUDES CERTAIN SHARES*

11 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (9)

0%

12 TYPE OF REPORTING PERSON*

IN (Individual)

1 NAME OF REPORTING PERSONS

I.R.S. IDENTIFICATION NO. OF ABOVE PERSONS (ENTITIES ONLY)

John D. Stobo, Jr.

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP*

(a) ..

(b) ..

3 SEC USE ONLY

4 CITIZENSHIP OR PLACE OF ORGANIZATION

United States of America

5 SOLE VOTING POWER

NUMBER OF

SHARES N/A
6 SHARED VOTING POWER

BENEFICIALLY

OWNED BY 0
EACH **7 SOLE DISPOSITIVE POWER**

REPORTING

PERSON N/A
8 SHARED DISPOSITIVE POWER
WITH

0
9 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

0
10 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (9) EXCLUDES CERTAIN SHARES* ..

11 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (9)

0%

12 TYPE OF REPORTING PERSON*

IN (Individual)

1 NAME OF REPORTING PERSONS

I.R.S. IDENTIFICATION NO. OF ABOVE PERSONS (ENTITIES ONLY)

Phillip A. Clough

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP*

(a)

(b)

3 SEC USE ONLY

4 CITIZENSHIP OR PLACE OF ORGANIZATION

United States of America

5 SOLE VOTING POWER

NUMBER OF

SHARES 29,393
6 SHARED VOTING POWER

BENEFICIALLY

OWNED BY 0
EACH **7 SOLE DISPOSITIVE POWER**

REPORTING

PERSON 29,393
8 SHARED DISPOSITIVE POWER
WITH

0

9 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

29,393

10 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (9) EXCLUDES CERTAIN SHARES*

11 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (9)

0%

12 TYPE OF REPORTING PERSON*

IN (Individual)

1 NAME OF REPORTING PERSONS

I.R.S. IDENTIFICATION NO. OF ABOVE PERSONS (ENTITIES ONLY)

Frederic G. Emry

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP*

(a)

(b)

3 SEC USE ONLY

4 CITIZENSHIP OR PLACE OF ORGANIZATION

United States of America

5 SOLE VOTING POWER

NUMBER OF

SHARES N/A
6 SHARED VOTING POWER

BENEFICIALLY

OWNED BY 0
EACH **7 SOLE DISPOSITIVE POWER**

REPORTING

PERSON N/A
8 SHARED DISPOSITIVE POWER
WITH

0

9 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

0

10 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (9) EXCLUDES CERTAIN SHARES*

11 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (9)

0%

12 TYPE OF REPORTING PERSON*

IN (Individual)

1 NAME OF REPORTING PERSONS

I.R.S. IDENTIFICATION NO. OF ABOVE PERSONS (ENTITIES ONLY)

Ashoke Goswami

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP*

(a) ..

(b) ..

3 SEC USE ONLY

4 CITIZENSHIP OR PLACE OF ORGANIZATION

United States of America

5 SOLE VOTING POWER

NUMBER OF

SHARES N/A
6 SHARED VOTING POWER

BENEFICIALLY

OWNED BY 0
EACH **7 SOLE DISPOSITIVE POWER**

REPORTING

PERSON N/A
8 SHARED DISPOSITIVE POWER
WITH

0

9 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

0

10 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (9) EXCLUDES CERTAIN SHARES*

11 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (9)

0%

12 TYPE OF REPORTING PERSON*

IN (Individual

1 NAME OF REPORTING PERSONS

I.R.S. IDENTIFICATION NO. OF ABOVE PERSONS (ENTITIES ONLY)

Ralph S. Terkowitz

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP*

(a) ..

(b) ..

3 SEC USE ONLY

4 CITIZENSHIP OR PLACE OF ORGANIZATION

United States of America

5 SOLE VOTING POWER

NUMBER OF

SHARES N/A
6 SHARED VOTING POWER

BENEFICIALLY

OWNED BY 0
EACH **7 SOLE DISPOSITIVE POWER**

REPORTING

PERSON N/A
8 SHARED DISPOSITIVE POWER
WITH

0

9 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

0

10 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (9) EXCLUDES CERTAIN SHARES*

11 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (9)

0%

12 TYPE OF REPORTING PERSON*

IN (Individual)

1 NAME OF REPORTING PERSONS

I.R.S. IDENTIFICATION NO. OF ABOVE PERSONS (ENTITIES ONLY)

Laura L. Witt

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP*

(a) ..

(b) ..

3 SEC USE ONLY

4 CITIZENSHIP OR PLACE OF ORGANIZATION

United States of America

5 SOLE VOTING POWER

NUMBER OF

SHARES N/A
6 SHARED VOTING POWER

BENEFICIALLY

OWNED BY 0
EACH **7 SOLE DISPOSITIVE POWER**

REPORTING

PERSON N/A
8 SHARED DISPOSITIVE POWER
WITH

0

9 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

0

10 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (9) EXCLUDES CERTAIN SHARES*

11 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (9)

0%

12 TYPE OF REPORTING PERSON*

IN (Individual)

Item 1 (a) Name of Issuer:

The name of the issuer is Liquidity Services, Inc., a Delaware corporation (the Issuer).

Item 1 (b) Address of Issuer s Principal Executive Offices:

The principal executive office and mailing address of the Issuer is 1920 L Street, N.W., 6th Floor, Washington, D.C. 20036.

Item 2 (a) Name of Person Filing:

This Schedule is being filed by ABS Capital Partners IV, L.P., ABS Capital Partners IV-A, L.P., ABS Capital Partners IV-Offshore, L.P. and ABS Capital Partners IV-Special Offshore, L.P. (collectively referred to as the Funds); ABS Partners IV L.L.C., as the general partner of the Funds (the General Partner); and Donald B. Hebb, Jr., Phillip A. Clough, Timothy T. Weglicki, John D. Stobo, Jr., Frederic G. Emry, Ashoke Goswami, Ralph S. Terkowitz and Laura L. Witt, as the managing members of the General Partner (the Managers), and, collectively with the Funds and the General Partners, the Reporting Persons).

Item 2 (b) Address of Principal Business Office:

The principal business address of the Reporting Persons is c/o ABS Capital Partners, 400 East Pratt Street, Suite 910, Baltimore, Maryland 21202.

Item 2 (c) Citizenship:

ABS Capital Partners IV, L.P. and ABS Capital Partners IV-A, L.P. are organized in Delaware. ABS Capital Partners IV-Offshore, L.P. and ABS Capital Partners IV-Special Offshore, L.P. are organized in the Cayman Islands. The General Partner is organized in Delaware. The Managers are citizens of the United States.

Item 2 (d) Title of Class of Securities:

This Schedule 13G relates to the Common Stock, par value \$0.001 per share (the Common Stock).

Item 2 (e) CUSIP Number:

The CUSIP Number of the Common Stock is 53635B107.

Item 3 If This Statement is Filed Pursuant to §§240.13d-1(b) or 240.13d-2(b) or (c), Check Whether the Person Filing is a:

N/A

Item 4 Ownership.

The General Manager and each of the Managers disclaim beneficial ownership of the shares owned by the Funds except to the extent of their pecuniary interests.

(a) Amount beneficially owned:

ABS Capital Partners IV, L.P.: 0

ABS Capital Partners IV-A, L.P.: 0

ABS Capital Partners IV-Offshore, L.P.: 0

ABS Capital Partners IV-Special Offshore, L.P.: 0

The General Partner and the Managers (except for Phillip A. Clough): 0

Phillip A. Clough: 29,393 (includes 29,393 shares issuable upon exercise of a stock option)

(b) Percent of class:

ABS Capital Partners IV, L.P.: 0%

ABS Capital Partners IV-A, L.P.: 0%

ABS Capital Partners IV-Offshore, L.P.: 0%

ABS Capital Partners IV-Special Offshore, L.P.: 0%

The General Partner and the Managers: 0%

(c) Number of shares as to which the person has:

(i) Sole power to vote or to direct the vote:

ABS Capital Partners IV, L.P.: 0

ABS Capital Partners IV-A, L.P.: 0

ABS Capital Partners IV-Offshore, L.P.: 0

ABS Capital Partners IV-Special Offshore, L.P.: 0

The General Partner and the Managers (except for Phillip A. Clough): 0

Phillip A. Clough: 29,393 (consists of 29,393 shares issuable upon exercise of a stock option)

(ii) Shared power to vote or to direct the vote:

ABS Capital Partners IV, L.P.: 0

ABS Capital Partners IV-A, L.P.: 0

ABS Capital Partners IV-Offshore, L.P.: 0

ABS Capital Partners IV-Special Offshore, L.P.: 0

The General Partner and the Managers (except for Phillip A. Clough): 0

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(iii) Sole power to dispose or to direct the disposition of: 0

ABS Capital Partners IV, L.P.: 0

ABS Capital Partners IV-A, L.P.: 0

ABS Capital Partners IV-Offshore, L.P.: 0

ABS Capital Partners IV-Special Offshore, L.P.: 0

The General Partner and the Managers (except for Phillip A. Clough): 0

Phillip A. Clough: 29,393 (consists of 29,393 shares issuable upon exercise of a stock option)

(iv) Shared power to dispose or to direct the disposition of:

ABS Capital Partners IV, L.P.: 0

ABS Capital Partners IV-A, L.P.: 0

ABS Capital Partners IV-Offshore, L.P.: 0

ABS Capital Partners IV-Special Offshore, L.P.: 0

The General Partner and the Managers (except for Phillip A. Clough): 0

Item 5 Ownership of Five Percent or Less of a Class.

If this statement is being filed to report the fact that as of the date hereof the reporting person has ceased to be the beneficial owner of more than five percent of the class of securities, check the following “.”

Item 6 Ownership of More than Five Percent on Behalf of Another Person.

N/A

Item 7 Identification and Classification of the Subsidiary Which Acquired the Security Being Reported on By the Parent Holding Company or Control Person.

N/A

Item 8 Identification and Classification of Members of the Group.

Item 9 Notice of Dissolution of Group.

N/A

Item 10 Certifications.

N/A

SIGNATURE

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this statement is true, complete and correct.

Date: February 14, 2008

ABS Capital Partners IV, L.P.

By: /s/ James E. Stevenson, Jr.
Name: James E. Stevenson, Jr.
Title: Attorney-in-fact*

John D. Stobo, Jr.

By: /s/ James E. Stevenson, Jr.
Name: James E. Stevenson, Jr.
Title: Attorney-in-fact*

ABS Capital Partners IV-A, L.P.

By: /s/ James E. Stevenson, Jr.
Name: James E. Stevenson, Jr.
Title: Attorney-in-fact*

Phillip A. Clough

By: /s/ James E. Stevenson, Jr.
Name: James E. Stevenson, Jr.
Title: Attorney-in-fact*

ABS Capital Partners IV-Offshore, L.P.

By: /s/ James E. Stevenson, Jr.
Name: James E. Stevenson, Jr.
Title: Attorney-in-fact*

Frederic G. Emry

By: /s/ James E. Stevenson, Jr.
Name: James E. Stevenson, Jr.
Title: Attorney-in-fact*

ABS Capital Partners IV-Special Offshore, L.P.

By: /s/ James E. Stevenson, Jr.
Name: James E. Stevenson, Jr.
Title: Attorney-in-fact*

Ashoke Goswami

By: /s/ James E. Stevenson, Jr.
Name: James E. Stevenson, Jr.
Title: Attorney-in-fact*

ABS Partners IV, L.L.C.

By: /s/ James E. Stevenson, Jr.
Name: James E. Stevenson, Jr.
Title: Attorney-in-fact*

Ralph S. Terkowitz

By: /s/ James E. Stevenson, Jr.
Name: James E. Stevenson, Jr.
Title: Attorney-in-fact*

Donald B. Hebb, Jr.

By: /s/ James E. Stevenson, Jr.
Name: James E. Stevenson, Jr.
Title: Attorney-in-fact*

Laura L. Witt

By: /s/ James E. Stevenson, Jr.
Name: James E. Stevenson, Jr.
Title: Attorney-in-fact*

Timothy T. Weglicki

By: /s/ James E. Stevenson, Jr.
Name: James E. Stevenson, Jr.
Title: Attorney-in-fact*

* James E. Stevenson, Jr. is signing as attorney-in-fact pursuant to a power of attorney previously filed with the Securities and Exchange Commission on February 14, 2007, and hereby incorporated by reference herein. The power of attorney was filed as an attachment to a filing on Schedule 13G for Double-Take Software, Inc. on February 14, 2007.

INDEX TO EXHIBITS

Exhibit No.	Exhibit
99.1	Joint Filing Agreement, dated February 14, 2008, between ABS Capital Partners IV, L.P., ABS Capital Partners IV-A, L.P., ABS Capital Partners IV-Offshore, L.P., ABS Capital Partners IV-Special Offshore, L.P., ABS Partners IV, L.L.C., Donald B. Hebb, Jr., Timothy T. Weglicki, John D. Stobo, Jr., Phillip A. Clough, Frederic G. Emry, Ashoke Goswami, Ralph S. Terkowitz and Laura L. Witt