

**STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP**

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

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934 or Section 30(h) of the Investment Company Act of 1940

| OMB APPROVAL                                 |           |
|--|-----------|
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|   |   |   |
|---|---|---|
| 1. Name and Address of Reporting Person*<br><u>Mateus-Tique Jaime</u><br><br>(Last) (First) (Middle)<br>C/O LIQUIDITY SERVICES, INC.<br>1920 L STREET, N.W., 6TH FLOOR<br><br>(Street)<br>WASHINGTON DC 20036<br><br>(City) (State) (Zip) | 2. Issuer Name and Ticker or Trading Symbol<br><u>LIQUIDITY SERVICES INC [ LQDT ]</u> | 5. Relationship of Reporting Person(s) to Issuer (Check all applicable)<br><input checked="" type="checkbox"/> Director <input checked="" type="checkbox"/> 10% Owner<br>Officer (give title below) Other (specify below) |
|   | 3. Date of Earliest Transaction (Month/Day/Year)<br>03/17/2010                        |   |
|   | 4. If Amendment, Date of Original Filed (Month/Day/Year)                              | 6. Individual or Joint/Group Filing (Check Applicable Line)<br><input checked="" type="checkbox"/> Form filed by One Reporting Person<br>Form filed by More than One Reporting Person                                     |

**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 Indirect Beneficial Ownership (Instr. 4)                   |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|------------|---------|---|--|---|
|                                 |                                      |  | Code                           | V | Amount  | (A) or (D) | Price   |   |  |   |
| Common Stock                    | 03/17/2010                           |  | s <sup>(1)</sup>               |   | 14,000  | D          | \$12.41 | 1,213,345   | D  |   |
| Common Stock                    | 03/18/2010                           |  | s <sup>(1)</sup>               |   | 14,000  | D          | \$12.48 | 1,199,345   | D  |   |
| Common Stock                    | 03/19/2010                           |  | s <sup>(1)</sup>               |   | 14,000  | D          | \$12.21 | 1,185,345   | D  |   |
| Common Stock                    |                                      |  |                                |   |   |            |         | 700,000   | I  | By the Jaime Mateus-Tique 2009 GRAT                                     |
| Common Stock                    |                                      |  |                                |   |   |            |         | 359,000   | I  | By the Em El 2007 Irrevocable Trust                                     |
| Common Stock                    |                                      |  |                                |   |   |            |         | 257,311   | I  | By the Jaime Mateus-Tique 2005 Qualified Grantor Retained Annuity Trust |
| Common Stock                    |                                      |  |                                |   |   |            |         | 30,400  | I  | By the Mateus-Tique Foundation  |

**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 Securities Underlying Derivative Security (Instr. 3 and 4) | 8. Price of Derivative Security (Instr. 5) | 9. Number of derivative Securities Beneficially Owned Following Reported Transaction(s) (Instr. 4) | 10. Ownership Form: Direct (D) or Indirect (I) (Instr. 4) | 11. Nature of Indirect Beneficial Ownership (Instr. 4) |
|--|--|--------------------------------------|--|--------------------------------|---|--|-----|--|-----------------|---|--|--|---|--|
|  |  |                                      |  | Code                           | V | (A)  | (D) | Date Exercisable   | Expiration Date |   |  |  |   |  |
| Employee Stock Option                      | \$11.77  |                                      |  |                                |   |  |     | (2)  | 02/01/2020      | Common Stock  | 18,612                                     | 18,612   | D   |  |
| Restricted Share Grant                     | \$10.7   |                                      |  |                                |   |  |     | (3)  | 02/01/2020      | Common Stock  | 3,364                                      | 3,364  | D   |  |

**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 Securities Underlying Derivative Security (Instr. 3 and 4) | 8. Price of Derivative Security (Instr. 5) | 9. Number of derivative Securities Beneficially Owned Following Reported Transaction(s) (Instr. 4) | 10. Ownership Form: Direct (D) or Indirect (I) (Instr. 4) | 11. Nature of Indirect Beneficial Ownership (Instr. 4) |       |
|--|--|--------------------------------------|--|--------------------------------|---|--|-----|--|-----------------|---|--|--|---|--|-------|
|  |  |                                      |  | Code                           | V | (A)  | (D) | Date Exercisable   | Expiration Date |   |  |  |   |  | Title |
| Employee Stock Option                      | \$12.02  |                                      |  |                                |   |  |     | (4)  | 10/01/2017      | Common Stock  | 76,000                                     |  | 76,000  | D  |       |
| Employee Stock Option                      | \$17.63  |                                      |  |                                |   |  |     | (5)  | 09/21/2016      | Common Stock  | 75,000                                     |  | 75,000  | D  |       |
| Employee Stock Option                      | \$7  |                                      |  |                                |   |  |     | (6)  | 12/21/2015      | Common Stock  | 30,000                                     |  | 30,000  | D  |       |

**Explanation of Responses:**

- The transactions reported in this Form 4 were effected pursuant to a Rule 10b5-1 trading plan adopted by the reporting person on December 12, 2006.
- These options have a one-year vesting period, such that 100% of this option grant will vest on February 1, 2011.
- These restricted shares have a one-year vesting period, such that 100% of this restricted share grant will vest on February 1, 2011.
- Twenty-five percent of this option grant vested on October 1, 2008 and thereafter 1/48th of the option grant will vest each month for thirty-six months.
- Twenty-five percent of this option grant vested on September 21, 2007 and thereafter 1/48th of the option grant will vest each month for thirty-six months.
- This option became fully vested on April 19, 2006.

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

03/19/2010

\*\* Signature of Reporting Person

Date

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

\* 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).

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, see Instruction 6 for procedure.

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 Number.