

LIQUIDITY SERVICES INC  
Form SC 13G/A  
February 14, 2012

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549**

**SCHEDULE 13G  
(Rule 13d-102)**

**Information Statement Pursuant to Rules 13d-1  
Under the Securities Exchange Act of 1934  
(Amendment No. 1)\***

**Liquidity Services, Inc.**

(Name of Issuer)

**Common Stock**

(Title of Class of Securities)

**53635B107**

(CUSIP Number)

**December 31, 2011**

Date of Event Which Requires Filing of the 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).

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- |     |   |
|-----|---|
| 1.  | Name of Reporting Person<br>S.S. or I.R.S. Identification No. of Above Person<br>Trigran Investments, Inc.  |
| 2.  | Check the Appropriate Box if a Member of a Group<br>(a) <input type="radio"/><br>(b) <input checked="" type="radio"/>   |
| 3.  | SEC Use Only  |
| 4.  | Citizenship or Place of Organization<br>Illinois company  |
| 5.  | Sole Voting Power<br>0  |
| 6.  | Shared Voting Power<br>464,430 shares of Common Stock   |
| 7.  | Sole Dispositive Power<br>0   |
| 8.  | Shared Dispositive Power<br>464,430 shares of Common Stock  |
| 9.  | Aggregate Amount Beneficially Owned by Each Reporting Person<br>464,430 shares of Common Stock  |
| 10. | Check Box if the Aggregate Amount in Row (9) Excludes Certain Shares <input type="radio"/>  |
| 11. | Percent of Class Represented by Amount in Row (9)<br>Approximately 1.6% as of December 31, 2011 (based on 29,496,162 shares of Common Stock issued and outstanding per Form 10-K dated December 9, 2011). |
| 12. | Type of Reporting Person<br>IA/CO   |

Number of  
Shares  
Beneficially  
Owned by  
Each  
Reporting  
Person With

CUSIP No. 53635B107

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- |     |   |
|-----|---|
| 1.  | Name of Reporting Person<br>S.S. or I.R.S. Identification No. of Above Person<br>Douglas Granat   |
| 2.  | Check the Appropriate Box if a Member of a Group<br>(a) <input type="radio"/><br>(b) <input checked="" type="radio"/>   |
| 3.  | SEC Use Only  |
| 4.  | Citizenship or Place of Organization<br>U.S. Citizen  |
| 5.  | Sole Voting Power<br>0  |
| 6.  | Shared Voting Power<br>464,430 shares of Common Stock   |
| 7.  | Sole Dispositive Power<br>0   |
| 8.  | Shared Dispositive Power<br>464,430 shares of Common Stock  |
| 9.  | Aggregate Amount Beneficially Owned by Each Reporting Person<br>464,430 shares of Common Stock  |
| 10. | Check Box if the Aggregate Amount in Row (9) Excludes Certain Shares <input type="radio"/>  |
| 11. | Percent of Class Represented by Amount in Row (9)<br>Approximately 1.6% as of December 31, 2011 (based on 29,496,162 shares of Common Stock issued and outstanding per Form 10-K dated December 9, 2011). |
| 12. | Type of Reporting Person<br>IN/HC   |

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- |   |   |  |
|---|---|--|
| 1.  | Name of Reporting Person<br>S.S. or I.R.S. Identification No. of Above Person<br>Lawrence A. Oberman  |  |
| 2.  | Check the Appropriate Box if a Member of a Group<br>(a) <input type="radio"/><br>(b) <input checked="" type="radio"/>   |  |
| 3.  | SEC Use Only  |  |
| 4.  | Citizenship or Place of Organization<br>U.S. Citizen  |  |
| Number of<br>Shares<br>Beneficially<br>Owned by<br>Each<br>Reporting<br>Person With | 5.  | Sole Voting Power<br>0                                     |
|   | 6.  | Shared Voting Power<br>464,430 shares of Common Stock      |
|   | 7.  | Sole Dispositive Power<br>0                                |
|   | 8.  | Shared Dispositive Power<br>464,430 shares of Common Stock |
| 9.  | Aggregate Amount Beneficially Owned by Each Reporting Person<br>464,430 shares of Common Stock  |  |
| 10.   | Check Box if the Aggregate Amount in Row (9) Excludes Certain Shares <input type="radio"/>  |  |
| 11.   | Percent of Class Represented by Amount in Row (9)<br>Approximately 1.6% as of December 31, 2011 (based on 29,496,162 shares of Common Stock issued and outstanding per Form 10-K dated December 9, 2011). |  |
| 12.   | Type of Reporting Person<br>IN/HC   |  |

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- |     |   |
|-----|---|
| 1.  | Name of Reporting Person<br>S.S. or I.R.S. Identification No. of Above Person<br>Steven G. Simon  |
| 2.  | Check the Appropriate Box if a Member of a Group<br>(a) <input type="radio"/><br>(b) <input checked="" type="radio"/>   |
| 3.  | SEC Use Only  |
| 4.  | Citizenship or Place of Organization<br>U.S. Citizen  |
| 5.  | Sole Voting Power<br>0  |
| 6.  | Shared Voting Power<br>464,430 shares of Common Stock   |
| 7.  | Sole Dispositive Power<br>0   |
| 8.  | Shared Dispositive Power<br>464,430 shares of Common Stock  |
| 9.  | Aggregate Amount Beneficially Owned by Each Reporting Person<br>464,430 shares of Common Stock  |
| 10. | Check Box if the Aggregate Amount in Row (9) Excludes Certain Shares <input type="radio"/>  |
| 11. | Percent of Class Represented by Amount in Row (9)<br>Approximately 1.6% as of December 31, 2011 (based on 29,496,162 shares of Common Stock issued and outstanding per Form 10-K dated December 9, 2011). |
| 12. | Type of Reporting Person<br>IN/HC   |

Number of  
Shares  
Beneficially  
Owned by  
Each  
Reporting  
Person With

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**Item 1(a)** Name of Issuer:  
Liquidity Services, Inc.  
**Item 1(b)** Address of Issuer's Principal Executive Offices:  
1920 L Street, N.W., 6th Floor  
Washington, D.C. 20036

**Item 2(a)** Name of Person Filing

**Item 2(b)** Address of Principal Business Office

**Item 2(c)** Citizenship  
Trigran Investments, Inc.

630 Dundee Road, Suite 230

Northbrook, IL 60062

Illinois company

Douglas Granat

630 Dundee Road, Suite 230

Northbrook, IL 60062

U.S. Citizen

Lawrence A. Oberman

630 Dundee Road, Suite 230

Northbrook, IL 60062

U.S. Citizen

Steven G. Simon

630 Dundee Road, Suite 230

Northbrook, IL 60062

U.S. Citizen

**2(d)** Title of Class of Securities:  
Common Stock

**2(e)** CUSIP Number:  
53635B107

- Item 3**      **If this statement is filed pursuant to Rules 13d-1(b), or 13d-2(b) or (c), check whether the person filing is a:**
- (a)                        Broker or dealer registered under section 15 of the Exchange Act;
  - (b)                        Bank as defined in section 3(a)(6) of the Exchange Act;
  - (c)                        Insurance company as defined in section 3(a)(19) of the Exchange Act;
  - (d)                        Investment company registered under section 8 of the Investment Company Act;
  - (e)                        An investment adviser in accordance with Rule 13d-1(b)(1)(ii)(E);
  - (f)                        An employee benefit plan or endowment fund in accordance with Rule 13d-1(b)(1)(ii)(F);
  - (g)                        A parent holding company or control person in accordance with Rule 13d-1(b)(1)(ii)(G);
  - (h)                        A savings association as defined in Section 3(b) of the Federal Deposit Insurance Act;
  - (i)                        A church plan that is excluded from the definition of an investment company under section 3(c)(14) of the Investment Company Act;
  - (j)                        Group, in accordance with Rule 13d-1(b)(1)(ii)(J).

If this statement is filed pursuant to Rule 13d-1(c), check this box.

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**Item 4 Ownership:(1)**

- (a) Amount beneficially owned:  
  
Incorporated by reference to Item 9 of the cover page pertaining to each reporting person.
- (b) Percent of class:  
  
Incorporated by reference to Item 11 of the cover page pertaining to each reporting person.
- (c) Number of shares as to which such person has:
  - (i) Sole power to vote or to direct the vote:  
  
Incorporated by reference to Item 5 of the cover page pertaining to each reporting person.
  - (ii) Shared power to vote or to direct the vote:  
  
Incorporated by reference to Item 6 of the cover page pertaining to each reporting person.
  - (iii) Sole power to dispose or to direct the disposition of:  
  
Incorporated by reference to Item 7 of the cover page pertaining to each reporting person.
  - (iv) Shared power to dispose or to direct the disposition of:  
  
Incorporated by reference to Item 8 of the cover page pertaining to each reporting person.

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(1) Douglas Granat, Lawrence A. Oberman and Steven G. Simon are the controlling shareholders and sole directors of Trigran Investments, Inc. and thus may be considered the beneficial owners of shares beneficially owned by Trigran Investments, Inc.

**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:**

Owners of accounts managed by Trigran Investments, Inc. have or may have the right to receive or the power to direct the receipt of dividends from, or the proceeds from the sale of, securities held in their accounts. No such account has such power with respect to more than five percent of the class of securities to which this Schedule 13G relates.

**Item 7 Identification and Classification of the Subsidiary Which Acquired the Security Being Reported on By the Parent Holding Company:**

Not Applicable.

**Item 8 Identification and Classification of Members of the Group:**

Not Applicable.

**Item 9 Notice of Dissolution of Group:**

Not Applicable.



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**Item 10 Certification:**

By signing below I certify that, to the best of my knowledge and belief, the securities referred to above were not acquired and are not held for the purpose of or with the effect of changing or influencing the control of the issuer of the securities and were not acquired and are not held in connection with or as a participant in any transaction having that purpose or effect.

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

Dated this 14th day of February, 2012.

**TRIGRAN INVESTMENTS, INC.**

By: /s/ Lawrence A. Oberman  
Name: Lawrence A. Oberman  
Its: Executive Vice President

/s/ Lawrence A. Oberman  
Lawrence A. Oberman

/s/ Douglas Granat  
Douglas Granat

/s/ Steven G. Simon  
Steven G. Simon

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**INDEX TO EXHIBITS**

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**EXHIBIT 1: Agreement to Make a Joint Filing**

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