FORM 4

UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

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

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP

OMB APPROVAL

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

Rallo James M (Last) (First) (Middle) C/O LIQUIDITY SERVICES, INC. 1920 L STREET, N.W., 6TH FLOOR (Street) LIQUIDIT 3. Date of Earl 05/14/2014							me and Ticker or Trading Symbol ITY SERVICES INC [LQDT]						5. Relationship of Reporting Person(s) to Issuer (Check all applicable) Director Officer (give title Other (specify					
						3. Date of Earliest Transaction (Month/Day/Year) 05/14/2014							X Officer (give title Other (specify below) CFO, Treasurer, President RSCG					' ´
1920 L S	TREET,	N.V	V., 6TH FLOO	R		4. If Am	endment. Date o	f Original	Filed	(Month/Dav	/Year)	-	6. Indi	vidual or J	loint/Grour) Filing	(Check Ap	plicable
l	NGTON	DC	:	20036			, , , , , , , , , , , , , , , , , , , ,			(, , ,		Line)	Form fi	led by One	e Repo	orting Perso	n
(City)		(Sta	ite)	(Zip)										Person	1			
			Tal	ole I - Nor	n-Deriva	ative S	ecurities Acc	quired,	Disp	osed of	or Ben	efic	cially	Owned				
Da			2. Transaction Date (Month/Day/Year)		2A. Deemed Execution Date, if any (Month/Day/Year	Code (Instr.		4. Securities Acquired (A) Disposed Of (D) (Instr. 3, 4 5)			4 and Securities Beneficiall Owned Fol		ly	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership			
								Code	v	Amount	(A) or (D)	Pri	ice	Reported Transacti (Instr. 3 a	ion(s)			(Instr. 4)
Common	Stock													14,	065		I	By James M. Rallo 401k
Common	Stock													8,0	000		I	By James M. Rallo IRA
Common	Stock													7,8	385		I	By Kimberly Rallo IRA
Common	Stock													4,6	525		I	By Kimberly Rallo SIMPLE IRA
Common	Stock													68	35		I	By James M. Rallo Cust. Michael Rallo MD UTMA
Common	Stock													40	60		I	By James M. Rallo Cust. Melissa Rallo MD UTMA
							curities Acqu Is, warrants,							wned				
1. Title of Derivative Security (Instr. 3)	e of 2. 3. Transaction titve Conversion Date Execution Date, or Exercise (Month/Day/Year) if any		d 4. Date, Tr	ansaction	5. Number of	6. Date Exercisa Expiration Date (Month/Day/Year		able and	7. Title and Am of Securities Underlying Derivative Secu (Instr. 3 and 4)		ount 8	6. Price of Derivative Security Instr. 5)	9. Number of derivative Securities Beneficially Owned Following Reported Transaction((Instr. 4)	e s Illy	10. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	Beneficial Ownership ct (Instr. 4)		

		-	able II - Deriv	ative	Secu	rities	Acq	uired, Dis	posed of,	or Beneficially ple securities)		Owned			
1. Title of	2.	3. Transaction	3A. Deemed	€ode	v	6A)Numl	_	Date Expentis Elakero	Expiration is Datable and	7it Të tle an	of	8. Price of	9. Number of	10.	11. Nature
Derivative Security (Instr. 3)	Conversion or Exercise Price of Derivative Security	Date (Month/Day/Year)	Execution Date, if any (Month/Day/Year)	Transa Code (8)	action of		Expiration Date (Month/Day/Year)		of Securities Underlying Derivative Security (Instr. 3 and 4)		Derivative Security (Instr. 5)	derivative Securities Beneficially Owned Following Reported Transaction(s) (Instr. 4)	Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	of Indirect Beneficial Ownership (Instr. 4)	
				Code	v	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares				
Employee Stock Option	\$7.48							(1)	10/01/2018	Common Stock	2,338		2,338	D	
Employee Stock Grant	\$15.47							(2)	10/01/2020	Common Stock	4,172		4,172	D	
Employee Stock Option	\$15.47							(3)	10/01/2020	Common Stock	6,678		6,678	D	
Employee Stock Grant	\$15.47							(4)	10/01/2020	Common Stock	5,526		5,526	D	
Employee Stock Grant	\$31.11							(5)	10/01/2021	Common Stock	3,723		3,723	D	
Employee Stock Option	\$31.11							(6)	10/01/2021	Common Stock	12,358		12,358	D	
Employee Stock Grant	\$38.09							(7)	10/01/2022	Common Stock	3,753		3,753	D	
Employee Stock Grant	\$38.09							(8)	10/01/2022	Common Stock	5,003		5,003	D	
Employee Stock Option	\$38.09							(9)	10/01/2022	Common Stock	3,335		3,335	D	
Employee Stock Option	\$38.09							(10)	10/01/2022	Common Stock	3,335		3,335	D	
Employee Stock Grant	\$29.47							(11)	07/18/2023	Common Stock	12,216		12,216	D	
Employee Stock Grant	\$29.47							(12)	07/18/2023	Common Stock	28,503		28,503	D	
Employee Stock Option	\$29.47							(13)	07/18/2023	Common Stock	24,871		24,871	D	
Employee Stock Option	\$29.47							(14)	07/18/2023	Common Stock	58,031		58,031	D	
Employee Stock Grant	\$21.99							(15)	10/01/2023	Common Stock	4,692		4,692	D	
Employee Stock Grant	\$21.99							(16)	10/01/2023	Common Stock	4,691		4,691	D	
Employee Stock Option	\$21.99							(17)	10/01/2023	Common Stock	9,938		9,938	D	
Employee Stock Option	\$21.99							(18)	10/01/2023	Common Stock	9,938		9,938	D	
Employee Stock Grant	\$13.57	05/14/2014		A		44,215		(19)	05/14/2024	Common Stock	44,215	\$0	44,215	D	

Explanation of Responses:

- 1. Twenty percent of this option grant vested on October 1, 2009 and thereafter 1/60th of the option grant will vest each month for forty-eight months.
- 2. Twenty-five percent of this restricted stock grant vested on October 1, 2011 and thereafter 1/4th of the restricted stock grant will vest on October 1 of each year for three years.
- 3. Twenty-five percent of this option grant vested on October 1, 2011 and thereafter 1/48th of the option grant will vest each month for thirty-six months.
- 4. These restricted shares will vest, if at all, based on the Issuer's achievement of certain financial milestones.
- 5. Twenty-five percent of this restricted stock grant vested on October 1, 2012 and thereafter 1/4th of the restricted stock grant will vest on October 1 of each year for three years.
- $6.\ Twenty-five percent of this option grant vested on October 1, 2012 and thereafter 1/48th of the option grant will vest each month for thirty-six months.$
- $7. \ Twenty-five percent of this restricted stock grant vested on October 1, 2013 and thereafter 1/4th of the restricted stock grant will vest on October 1 of each year for three years.$
- 8. These restricted shares will vest, if at all, based on the Issuer's achievement of certain financial milestones.
- 9. Twenty-five percent of this option grant vested on October 1, 2013 and thereafter 1/48th of the option grant will vest each month for thirty-six months.
- 10. This option becomes exercisable, if at all, based on the Issuer's achievement of certain financial milestones.
- 11. Twenty-five percent of this restricted stock grant will vest on July 1, 2014 and thereafter 1/4th of the restricted stock grant will vest on July 1 of each year for three years.

- 12. These restricted shares will vest, if at all, based on the Issuer's achievement of certain financial milestones.
- 13. Twenty-five percent of this option grant will vest on July 18, 2014 and thereafter 1/48th of the option grant will vest each month for thirty-six months.
- 14. This option becomes exercisable, if at all, based on the Issuer's achievement of certain financial milestones.
- 15. Twenty-five percent of this restricted stock grant will vest on October 1, 2014 and thereafter 1/4th of the restricted stock grant will vest on October 1 of each year for three years.
- 16. These restricted shares will vest, if at all, based on the Issuer's achievement of certain financial milestones.
- 17. Twenty-five percent of this option grant will vest on October 1, 2014 and thereafter 1/48th of the option grant will vest each month for thirty-six months.
- 18. This option becomes exercisable, if at all, based on the Issuer's achievement of certain financial milestones.
- 19. Fifty percent of this restricted stock grant will vest on November 1, 2015 and thereafter 1/4th of the restricted stock grant will vest on November 1 of each year for two years.

/s/ James E. Williams, by 05/16/2014 power of attorney

** 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.

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