

WebHouse Club and Perfect YardSale Press Releases that are not archived on the priceline.com Website

Press Release #70

Priceline . com Announces Plans To License Its Business Model, Technology And Brand To New Affiliate Licensee Startup: The WebHouse Club

09/21/1999

Business Wire

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STAMFORD, Conn.--(BUSINESS WIRE)--Sept. 21, 1999--

--New company expands priceline.com's patented business method from big-ticket infrequent purchases (e.g., cars, airline tickets, mortgages), into every-day, high- frequency items in the \$660 billion grocery industry

--Privately-held priceline.com licensee expects to raise \$65 million in first-round financing from Vulcan Ventures Inc. (the investment organization of Paul G. Allen), Wit Capital's Arista Fund, Goldman Sachs and Walker Digital

--11 million NY/NJ/CT shoppers will be able to use the new licensee's service to save money by naming their own private prices and then get those prices when they shop at over 600 participating supermarkets and grocery stores

--In return for licensing and marketing support, priceline.com will receive royalties and warrants to acquire a majority interest in the WebHouse Club exercisable under certain contingent conditions

Priceline.com (Nasdaq: PCLN) today announced plans to license its patented name-your-price business method and affiliated trademark, technology and software systems to a new privately-held startup.

The new company, The Priceline.com WebHouse Club Inc., will provide priceline.com with ongoing royalties and has granted priceline.com warrants enabling it to acquire a majority interest in the new firm under certain contingent conditions. Consumers will access the WebHouse Club from priceline.com's Web site home page.

The WebHouse Club will make it possible for consumers to use the Internet to save money by naming their own private prices for retail products before they go shopping, and then get those prices at their favorite stores. Consumers are free to shop at any participating store they choose.

Over 600 major supermarkets and grocery stores have agreed to participate in the WebHouse Club network. The Club will launch on November 1st in the NY metro area via a television ad campaign featuring William Shatner (see related WebHouse Club release).

"The WebHouse Club demonstrates vividly that priceline.com's name-your-price model is scalable across almost any product category," said Jay S. Walker, priceline.com's founder and Vice Chairman. "Priceline.com will continue its rapid growth in the travel, financial services and automotive sectors while the WebHouse Club focuses its resources entirely to the retail-store segment of buyer-driven commerce. By initially allowing consumers to name their price for products in more than 140 frequently-purchased grocery categories, and eventually expanding to a much wider variety of retail categories, the increased traffic to priceline.com as a whole will also contribute to the growth of priceline.com's airline, hotel and other businesses."

The privately-held WebHouse Club expects to receive \$65 million in its first round of financing from investors including Vulcan Ventures Inc. (the investment organization of Paul G. Allen), Wit Capital's Arista Fund, Walker Digital, various private investors and Goldman Sachs, the New York-based global investment banking firm.

Priceline.com will not be able to control the operations of the WebHouse Club and therefore will not consolidate the results of the WebHouse Club operations in its financial statements.

"While priceline.com continues to aggressively expand our travel, automotive and financial services, we also recognize that our business model has tremendous potential in the retail-store sector," said Richard S. Braddock, priceline.com's Chairman and CEO. "To accelerate our entry into this new sector, we have chosen to employ a new business development model of licensing our technology and brand to promising new affiliate licensee startup companies. A licensing structure allows outside investors to provide the significant infusion of new capital a startup requires, allows us to tap the strength of the priceline.com brand name and assures enhanced speed to market. By not contributing capital, priceline.com minimizes its own financial risk while retaining the right to acquire a majority of the startup when it satisfies certain contingent conditions (including achievement of minimum revenue targets). What's more, a startup environment, with its own unique risk/reward scenario allows the licensee to recruit the best entrepreneurial talent in the market, which is exactly what the WebHouse Club has done," added Braddock.

Though the WebHouse Club's inaugural service is for grocery-store items in the NY metro area, the club has announced plans to expand its name-your-price network of retail stores both geographically and to other retail categories in the future.

About priceline.com

Priceline.com is the patented Internet pricing system that enables consumers to achieve significant savings by naming their own price for goods and services. Priceline.com takes consumer offers and then presents them to sellers who can fill as much of that guaranteed demand as they wish at price points determined by buyers.

Priceline.com's "virtual" business model allows for rapid scaling using the Internet. Because the Company electronically collects consumer demand, it can fill this demand directly with sellers or by using proprietary databases. Priceline.com does not maintain or warehouse inventories in any of its product lines.

Priceline.com's business system currently sells multiple services to its customers across three distinct product categories: a travel service that offers leisure airline tickets and hotel rooms, a personal finance service that offers home mortgages, refinancing and home equity loans, and an automotive service unit that sells new cars in southern California, Connecticut, Florida, New Jersey, eastern Pennsylvania and metropolitan New York.

This press release may contain forward-looking statements that are made pursuant to the safe-harbor provisions of the Private Securities Litigation Reform Act of 1995. Expressions of future goals and similar expressions including, without limitation, "may," "will," "believes," "should," "could," "hope," "expects," "expected," "does not currently expect," "anticipates," "predicts," "potential," and "forecast," reflecting something other than historical fact are intended to identify forward-looking statements, but are not the exclusive means of identifying such statements. These forward-looking statements involve a number of risks and uncertainties, including the timely development and market acceptance of products and technologies and other factors described in the Company's filing with the Securities and Exchange Commission. The actual results may differ materially from any forward-looking statements due to such risks and uncertainties. The Company's undertakes no obligations to revise or update any forward-looking statements in order to reflect events or circumstances that may arise after the date.

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14:02 EDT SEPTEMBER 21, 1999

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Press Release #72

New York-Area Consumers Line Up At The WebHouse Door To Name Their Own Price For Groceries

09/24/1999

Business Wire
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STAMFORD, Conn.--(BUSINESS WIRE)--Sept. 24, 1999--

... Overnight, more than 1,000 consumers request advance memberships in the **WebHouse** Club, with launch day still a month away

... Priceline.com total traffic surges 18% as consumers nationwide respond to **WebHouse** Club announcement and visit Web site for more information

Its all about saving money. That's the message New York-area consumers are sending to the **WebHouse** Club, a privately held priceline.com licensee. Beginning November 1st, the **WebHouse** Club will allow consumers to name their own private prices and then get those prices when they shop at over 600 participating supermarkets and grocery stores in the New York/New Jersey/Connecticut area.

On September 21st, the **WebHouse** Club issued its inaugural press release. In the first 24 hours since the announcement was issued over 1,000 consumers visited the **WebHouse** Club introductory page at www.priceline.com and asked that their names be put on a special advance list for **WebHouse** Club memberships.

Total traffic for the priceline.com Web site also was up significantly. Priceline.com experienced an 18% surge in consumer traffic to its Web site following the **WebHouse** Club announcement. The Web site contains additional information on the **WebHouse** Club and will host the new name-your-own-price service for groceries when it launches.

"I've spent my career seeing consumers react this way to saving money," said Jonathan Otto, President and CEO of the **WebHouse** Club and former owner of RockBottom drug stores. "Even with no advertising and our service launch still more than a month away, the **WebHouse** Club has struck that chord with shoppers who want to name their own price and save up to 50% each week on their grocery bills."

The **WebHouse** Club will be available to 11 million NY/NJ/CT shoppers on the priceline.com Web site beginning November 1st. **WebHouse** Club members will be able to name their own private prices for groceries in more than 140 different categories, including beef, cereal, diapers, soda, beer, pet food and more.

WebHouse Club members will be able to get their private prices at their favorite participating supermarkets. Shop Rite, A&P, King Kullen, Waldbaum's, D'Agostino, Gristede's and The Food Emporium are some of the stores that have agreed to take part in the program. Over 1,200 New York-area stores are expected to join the **WebHouse** Club network by January 15, 2000, and the company has announced a goal of 25,000 stores in a national rollout by the end of 2000.

Consumers will be able to sign up for **WebHouse** Club memberships through advertisements and promotions in their local newspaper, by visiting their local participating **WebHouse** Club supermarkets or by visiting the **WebHouse** Club directly at priceline.com.

There is no charge to obtain a **WebHouse** Club membership. New members are also eligible to receive \$10 in free groceries (one per household) by activating their membership and trying the service.

About the **WebHouse** Club

The **WebHouse** Club is a new company licensed by priceline.com and backed by \$65 million in first-round financing from Vulcan Ventures Inc. (the investment organization of Paul G. Allen), Wit Capital's Arista Fund, Walker Digital, various private investors and Goldman Sachs, the New York-based global investment banking firm.

Priceline.com has agreed to license its patented system, brand name and certain technology to the **WebHouse** Club. In return, priceline.com will be entitled to ongoing royalty payments once a minimum sales threshold has been achieved and has received warrants allowing it to purchase a majority equity stake in the **WebHouse** Club under certain contingent conditions. Priceline.com will not be able to control the operations of the **WebHouse** Club and therefore will not consolidate the results of the **WebHouse** Club operations in its financial statements.

The **WebHouse** Club is the first company to use the Internet to allow consumers to reduce prices in local retail stores before they go shopping. It employs a virtual business model that can be scaled to cover almost any type of retail activity. The company's plans for rapid growth will allow it to serve millions of online customers without the need to build warehouses or distribution centers. It does so by using the Internet to deliver prices rather than products, leveraging existing consumer shopping behavior and the thousands of supermarkets, drugstores and retail outlets in the U.S. retail/distribution infrastructure already in place.

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Press Release #81

Cash Registers Start Ringing Early In New York Area For The Priceline.com **WebHouse Club**

11/02/1999

Business Wire

(Copyright (c) 1999, Business Wire)

STAMFORD, Conn.--(BUSINESS WIRE)--Nov. 2, 1999--

72 Hours after Launch, Privately Held Name-your-price Grocery Service is Registering a Sale Every 9 Seconds, 24 Hours a Day

WebHouse Club Members Buying 20% More Than Typical In-store Grocery Purchases

New Yorkers evidently recognize a bargain when they see one. On Saturday, the priceline **WebHouse** Club quietly opened its doors to let New York-area consumers name their own price for more than 140 categories of groceries. Saturday's pre-opening was followed Monday morning by the launch of an extensive TV, radio and newspaper ad campaign featuring William Shatner.

After just 72 hours of operation, the priceline **WebHouse** Club was registering a sale every 9 seconds and had moved more than 31,000 items off the shelves of the 650 participating supermarkets in the tri-state area, which covers portions of New York, New Jersey and Connecticut.

"After three days, we're exceeding the daily volume of the biggest supermarket in the New York area, and our average transaction is 20% higher than the typical in-store grocery transaction," said Jay S. Walker, founder of the **WebHouse** Club. "This means we're providing consumers with exceptional savings on national brands all across the store, and delivering significant incremental volume to our retail partners. We expected the **WebHouse** Club to be a compelling consumer proposition, but this initial response took even us by surprise."

The **WebHouse** Club allows consumers to name prices that are substantially lower than those available in any grocery store or supermarket-- well below even sale and warehouse club prices. Unlike other Internet grocery buying services, **WebHouse** Club enables consumers to get their bargains on-line--up to half-off--then pick up the items conveniently at their favorite grocery stores. More than 650 area stores are participating in the tri-state area.

The **WebHouse** Club is a privately held affiliate licensee of priceline.com (Nasdaq: PCLN). Customers access the service by going to priceline.com's Web site on the Internet (www.priceline.com) and selecting the **WebHouse** Club from the various name-your-price services available to them (leisure airline tickets, hotel rooms, home mortgage and new cars). Since the **WebHouse** Club is a privately held affiliate licensee of priceline.com, **WebHouse** Club financial results will not be included in priceline.com's future financial statements.

To use the new service, consumers simply log onto priceline.com from their home or office computers and name their own price before they go to their favorite grocery stores. Consumers

get their groceries at any of the more than 650 participating grocery stores in the New York, New Jersey and Connecticut metropolitan area. Major grocery chains that are taking part in the venture include A&P, Pathmark, Stop & Shop, King Kullen, ShopRite, Gristede's, D'Agostino, Waldbaum's, the Food Emporium, Food Town and Super Food Mart. The **WebHouse** Club's New York introduction is the first phase of a national rollout that will get underway in 2000.

How It Works

To use the **WebHouse** Club consumers log onto priceline.com from their home or office computers before they go to the grocery store. After entering the **WebHouse** Club, members can select from hundreds of grocery items. After choosing their two favorite brands for each product category, they can name their own prices and find out in 60 seconds whether their prices have been accepted. Members lock in their prices by pre-paying with a credit card while they're still on-line.

Before logging off, members print out a pre-paid grocery list that they can take with them to their favorite participating store. This pre-paid grocery list includes information verifying the products consumers purchased through the **WebHouse** Club. At the check-out counter, one swipe of a shopper's priceline **WebHouse** Club card completes the process.

Millions Of "\$10 In Free Groceries" Cards Being Distributed

To introduce the **WebHouse** Club to shoppers, millions of free priceline **WebHouse** Club membership cards are being distributed to New York-area consumers. Each card (one per household) entitles its user to obtain \$10 worth of free groceries at savings up to 50% below regular store prices. Shoppers can use the cards at any participating **WebHouse** Club grocery store. New York-area consumers can get their free **WebHouse** Club membership card in one of three ways: in their local newspaper, by requesting a card on the priceline.com Web site, or from their favorite participating supermarket.

During the next two weeks, millions of **WebHouse** Club cards and information sheets will be distributed to shoppers at supermarket check-out counters. To activate the card and receive \$10 worth of free half-price groceries, consumers simply enter the number found on the back of each individually numbered card the first time they log onto the **WebHouse** Club.

William Shatner To Introduce **WebHouse** Club

The new service is being introduced to New York-area residents through a \$25 million TV, radio and newspaper advertising campaign featuring world-famous actor William Shatner. In the campaign's TV ads, Shatner uses his home PC to demonstrate how easy it is to use the **WebHouse** Club. **WebHouse** Club radio ads feature Shatner musing in off-beat ways about the prices of several household products including mouthwash, tuna, frozen french fries and grape jelly.

The Web House Club Savings Process

Step 1: Consumers name and print their prices

For each product they want, consumers name their price and enter two or more of their favorite brands for each product category.

The priceline **WebHouse** Club asks consumers to name at least two of their favorite brands (i.e. Duracell and Energizer, Hefty and Glad, Brawny and Bounty, etc.). This allows the company to work with competing manufacturers to identify one that will accept lower prices named over the Internet, in order to be certain those consumers will purchase their products when they go to the store.

After consumers name their price for as many items as they want, they submit their requests for consideration. Within 60 seconds, the **WebHouse** Club selects accepted requests and chooses one of the member's favorite brands. Prices are immediately locked-in and charged to the consumer's preferred credit card. Consumers then print out their 'Prepaid Grocery List' from their home or office computer.

Step 2: Go to the store

Members take their pre-paid grocery list, along with their free **WebHouse** Club membership card, to their favorite participating store. Items pre-paid on the Internet can be picked up at any store in the **WebHouse** Club network. Using their pre-paid grocery list just as they would any shopping list, members place the items in their cart. At check-out, consumers separate **WebHouse** Club groceries from other groceries as **WebHouse** Club groceries are pre-paid. One swipe of the consumer's **WebHouse** Club card guarantees that consumers get the prices they named on-line before they came to the store.

About The priceline **WebHouse** Club, Inc.

Based in Stamford Connecticut, the priceline **WebHouse** Club is the creation of Walker Digital, Inc, the intellectual property laboratory that originated the priceline.com system. The **WebHouse** Club is a privately held affiliate licensee of priceline.com.

Priceline.com has licensed its patented business system, brand and certain technology to the **WebHouse** Club. In return, priceline.com will be entitled to ongoing royalty payments once a minimum sales threshold has been achieved and has received warrants allowing it to purchase a majority equity stake in the **WebHouse** Club under certain contingent conditions. Prior to the exercise of this warrant, the results of the **WebHouse** Club will not be included in priceline.com's financial statements.

The **WebHouse** Club's management team consists of some of the most accomplished names in retail and grocery store innovation, including the co-founders of such successful retail ventures as Sam's Club, RockBottom Drug Stores and Catalina Marketing. The **WebHouse** Club recently received \$65 million in first-round financing from Vulcan Ventures, Wit Capital's Arista Fund and Goldman Sachs.

About priceline.com

Priceline.com is the patented Internet pricing system that enables consumers to achieve significant savings by naming their own price for airline tickets, hotel rooms, new cars, mortgages and home refinancing. Priceline.com presents consumer price offers to sellers who can fill as much of that guaranteed demand as they wish at price points determined by buyers.

Priceline.com's "virtual" business model allows for rapid scaling using the Internet. Because the Company electronically collects consumer demand, it can fill this demand directly with sellers or by using proprietary databases. Priceline.com does not maintain or warehouse any inventories in any of its product lines.

Priceline.com's business system currently sells multiple services to its customers across three distinct product categories: a travel service that offers leisure airline tickets and hotel rooms, a personal finance service that offers home mortgages, refinancing and home equity loans, and an automotive service unit that sells new cars in southern California, Connecticut, Florida, New Jersey, eastern Pennsylvania and metropolitan New York.

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Press Release #82

Grocery Shoppers Always Get Lowest Prices Through Priceline.com's WebHouse Club

11/03/1999
Business Wire
(Copyright (c) 1999, Business Wire)

STAMFORD, Conn.--(BUSINESS WIRE)--Nov. 3, 1999--There's nothing consumers like more than a guarantee of getting the lowest possible prices when they shop. And that's exactly what the Priceline.com **WebHouse** Club delivers - the lowest possible prices, every time, for groceries in over 140 different categories. The name-your-own-price **WebHouse** Club grocery service is available now in the New York metro area and can be accessed through www.priceline.com.

The **WebHouse** Club makes it possible for members to name their own price for groceries and then get those prices at their favorite supermarket. More than 650 grocery stores around New York, Connecticut and New Jersey are participating in the **WebHouse** Club, including A&P, Pathmark, Stop & Shop, King Kullen, ShopRite, Gristede's, D'Agostino, Waldbaum's, the Food Emporium, Food Town and Super Food Mart.

In addition to allowing members to name their own price for groceries, the **WebHouse** Club also carries a lowest price guarantee. If a member names a price for an item and her favorite store is offering that item for less, the **WebHouse** Club will honor the lower price by crediting the difference to the member's **WebHouse** Club account. The credited amount can then be used toward a future **WebHouse** Club purchase. To obtain the credit, members simply notify the **WebHouse** Club by calling toll-free 1-800-741-3163, or through email (coupons@webhouse.priceline.com).

"Months ago, when we began building the **WebHouse** Club, we wanted to ensure that we protected the consumer, so one of the first features we designed was a program that would guarantee that shoppers receive the lowest price," said Jon Otto, Chief Executive Officer of the **WebHouse** Club.

The **WebHouse** Club typically allows consumers to name prices that are lower than those available in any grocery store or supermarket, well below even sale and warehouse club prices. **WebHouse** Club members are able to name their prices in more than 140 leading grocery categories, including beef, chicken, soda, cereal, diapers, detergent, paper products and more. If a participating store is running a special with a lower price than the price named by the **WebHouse** Club shopper, then the customer will always receive the lower price.

The **WebHouse** Club is a privately held licensee of priceline.com (Nasdaq: PCLN). Customers access the service by going to priceline.com's Web site on the Internet (www.priceline.com) and selecting the **WebHouse** Club from the various name-your-price services available to them (leisure airline tickets, hotel rooms, home mortgage and new cars).

Priceline.com has licensed its patented business system, brand and certain technology to the **WebHouse** Club. In return, priceline.com has received warrants to purchase a majority equity stake in the **WebHouse** Club under certain contingent conditions. Prior to the exercise of this warrant, the results of the House Club will not be included in priceline.com's future financial statements.

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15:42 EST NOVEMBER 3, 1999

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Press Release #86

Priceline.com's WebHouse Club Scores with Over 15,000 Members in its First Week; Members Save More Than \$12 On Each Visit to Their Local Grocery Store

11/08/1999
Business Wire
(Copyright (c) 1999, Business Wire)

STAMFORD, Conn.--(BUSINESS WIRE)--Nov. 8, 1999--Underscoring how consumers love a bargain, Priceline's **WebHouse** Club has attracted over 15,000 members in just its first week as they successfully named their own price for over 188,000 grocery items through the Internet at the priceline.com web site. Each member has saved on average \$12 per store visit on a basket of more than 10 grocery items.

"Our best customers are saving \$35 per store visit, in a shopping cart filled with 25 different grocery items, proving the more you buy, the more you save" said Jay S. Walker, founder of the Priceline **WebHouse** Club Inc. "The **WebHouse** Club represents the perfect synergy between clicks and mortar and bricks and mortar since our members go to their favorite local stores to pick up their groceries."

And what items are **WebHouse** Club members pricing most often? Not surprisingly, they are the same high value items that shoppers always fill their carts with. In order, the top five products are diapers, chicken, cola, steaks, and orange juice.

The **WebHouse** Club makes it possible for members to name their own price for groceries and then pick up those items at their favorite grocery stores. More than 650 grocery stores in New

York, Connecticut and New Jersey are participating in the **WebHouse** Club. They include A&P, ShopRite, D'Agostino, Stop & Shop, King Kullen, Gristede's, Waldbaums, the Food Emporium, Food Town, Super Food Mart and Pathmark. Shoppers interested in becoming a member to the **WebHouse** Club may call toll-free 1-800-741-3163.

In addition to allowing members to name their own price for groceries, the **WebHouse** Club also carries a lowest price guarantee. If a member names a price for an item and his/her favorite store is offering that item for less, the **WebHouse** Club will honor the lower price by crediting the difference to the member's **WebHouse** Club account. The credited amount can then be used toward a future **WebHouse** Club purchase. To obtain the credit, members simply notify the **WebHouse** Club by calling the toll-free number (1-800-741-3163), or through email (coupons@webhouse.priceline.com).

The **WebHouse** Club typically allows consumers to name prices that are lower than those available in any grocery store or supermarket, well below even sale and warehouse club prices. **WebHouse** Club members are able to name their prices in more than 140 leading grocery categories.

The **WebHouse** Club is a privately held licensee of priceline.com (Nasdaq:PCLN). Customers access the service by going to priceline.com's Web site on the Internet (www.priceline.com) and selecting the **WebHouse** Club from the various name-your-price services available to them (leisure airline tickets, hotel rooms, home mortgage and new cars).

Priceline.com has licensed its patented business system, brand and certain technology to the **WebHouse** Club. In return, priceline.com has received warrants to purchase a majority equity stake in the **WebHouse** Club under certain contingent conditions. Prior to the exercise of this warrant, the results of the House Club will not be included in priceline.com's future financial statements.

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Press Release #88

Grand Union To Join Priceline's WebHouse Grocery Service

11/12/1999

Dow Jones Business News

(Copyright (c) 1999, Dow Jones & Company, Inc.)

STAMFORD, Conn. -(Dow Jones)- Priceline.com said Friday that 220 Grand Union Co. supermarkets will begin participating in its service that lets consumers name their own price for groceries.

Priceline.com (PCLN) said the supermarkets will join the service in the coming weeks through **WebHouse** Club, a privately held licensee of Priceline.com that lets customers name their own prices for selected groceries on Priceline's Internet site. Customers then pick up the groceries at participating stores.

Wayne, N.J.-based Grand Union (GUCO) has stores in six northeastern states. Priceline.com said with these additions, about 900 supermarkets are participating in **WebHouse** Club.

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Press Release #89

Priceline.com WebHouse Club Soars Past 1,000 Participating Grocery Stores

11/15/1999

Business Wire

(Copyright (c) 1999, Business Wire)

Key Food is Latest Chain to Join Program, Adding More than 120 Stores To Roster

STAMFORD, Conn.--(BUSINESS WIRE)--Nov. 15--The Priceline **WebHouse** Club announced today that it has soared past 1,000 participating grocery stores in the New York metro area as more than 120 Key Food stores will join the "name your own price for groceries" service in the upcoming weeks.

Key Food Stores Co-Op, Inc., based in Brooklyn, N.Y., operates 124 stores in the New York area, including Brooklyn, Queens and the Bronx. On Friday, the **WebHouse** Club announced it passed its 900-store milestone when The Grand Union Company said its 220 stores will soon

become participants in the breakthrough service that allows shoppers who go to www.priceline.com on the Internet to name their own prices on over 140 product categories.

Key Food will begin accepting **WebHouse** Club member cards as soon as **WebHouse** Club's computer system is fully integrated and tested with that of Key Food.

"Key Food puts the **WebHouse** Club over the top with over 1,000 grocery stores participating in giving shoppers in the New York metro area savings," said Jonathan Otto, Chief Executive of the **WebHouse** Club. "Our members can save 20%, 30% and even up to 50% on items everyone steers their grocery carts to, including chicken, meat, colas, diapers and detergent. Our momentum continues to build."

Priceline **WebHouse** Club Inc. (www.priceline.com), a privately held licensee of [priceline.com](http://www.priceline.com) (Nasdaq: PCLN), allows customers to name their own price for hundreds of leading grocery items on the Internet. Members choose from over 140 product categories representing on excess of 600 national brand choices. **WebHouse** Club members, after naming their price for groceries can then get their items at their choice of over 1,000 participating stores in the New York metro area including New York, New Jersey and southwestern Connecticut. Launched November 1, 1999, **WebHouse** Club is saving its members on average \$12 per basket on each visit to the grocery store; that is five times the average savings of shoppers who use coupons. Members have named their price on over a quarter of a million different grocery items in **WebHouse** Club's first two weeks of operation. To date, the **WebHouse** Club has priced over \$1 million in grocery items and currently prices one grocery item every three seconds, 24 hours a day. In addition to Key Food, other retail chains that are supporting the **WebHouse** Club include A&P, ShopRite, Waldbaums, FoodTown, King Kullen, Stop & Shop, the Food Emporium, Gristede's, D'Agostino, Super Food Mart, Grand Union and Pathmark.

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11:07 EST NOVEMBER 15, 1999

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Press Release #91

Priceline.com WebHouse Club Adds 2nd Major Market By Expanding to Philadelphia & Southern New Jersey with "Name Your Own Price for Groceries" Service

11/16/1999
Business Wire
(Copyright (c) 1999, Business Wire)

STAMFORD, Conn.--(BUSINESS WIRE)--Nov. 16, 1999--

. . . Rollout Accelerated to Meet Consumer Demand

. . . National Rollout Expected in Second Quarter 2000

The Priceline.com **WebHouse** Club said today it is expanding its service to cover the Philadelphia metro area, including southern New Jersey. The expansion will increase its coverage area by more than three million consumers. Consumers will be able to name their own price for groceries beginning on Friday, November 19th.

The expansion into the Philadelphia metro area comes less than a week after The Grand Union Company and Key Food Stores Co-op Inc. stores agreed to become participating **WebHouse** Club grocery stores. Currently over 1,000 participating supermarkets from a dozen leading chains support the **WebHouse** Club program in the New York metro area. Shoppers in the Philadelphia metro area will be able to use their Priceline.com **WebHouse** Club membership cards and name their own price for groceries on the Internet (www.priceline.com) at participating ShopRite, Grand Union and other major grocery stores to be announced shortly.

"We've received thousands of requests from the Philadelphia area from consumers who want to name their own prices for groceries for 20%, 30% and up to 50% off over 140 different product categories," said Jonathan Otto, Chief Executive of the **WebHouse** Club. "Originally, our plans were to add markets outside the New York metro area after January 1st, but customer demand was so high we decided to begin our expansion just two weeks after our New York launch."

"The expansion into Philadelphia underscores how rapidly the **WebHouse** can increase its reach," said Jay S. Walker, founder of the **WebHouse** Club. "Our virtual business model has no need to build warehouses, purchase inventory or to manage delivery logistics using commercial labor and trucks. Nor do we need to establish a 'pick and pack' infrastructure. We completely avoid the capital and labor intensive nature of typical online grocers. Our relationships with the leading grocery chains give the **WebHouse** Club the effective benefit of an \$8 billion in-place infrastructure with millions of square feet of retail and warehouse space," said Mr. Walker, who added that the **WebHouse** Club plans to be available on a national basis by the second quarter of 2000.

The **WebHouse** Club is a licensee of Priceline.com, the online service that allows consumers to name their prices for airline tickets, hotel rooms, home mortgages and automobiles. Last week, Priceline.com said it received record leisure airline ticket offers from customers in the New York area during the **WebHouse** Club's debut week. Airline ticket offers in the New York metro area jumped by 26.7% to a new record. The New York area increase is 134% greater than the 11.4% week-to-week increase in ticket offers reported in priceline.com's other major metro areas for the same period (also a single-week offer record for priceline.com.)

Priceline **WebHouse** Club Inc. (www.priceline.com), a privately held licensee of priceline.com (Nasdaq: PCLN), allows customers to name their own price for hundreds of leading grocery

items on the Internet. Members choose from over 140 product categories representing on excess of 600 national brand choices. **WebHouse** Club members, after naming their price for groceries can then get their items at their choice of over 1,000 participating stores in areas including New York, New Jersey and southwestern Connecticut. Launched November 1, 1999, **WebHouse** Club is saving its members on average \$12 per basket on each visit to the grocery store. Members have named their price on over a quarter of a million different grocery items in **WebHouse** Club's first two weeks of operation. To date, the **WebHouse** Club has priced more than \$1 million in grocery items and is at a current around-the-clock rate of one item every three seconds. In addition to Key Food, other retail chains that are supporting the **WebHouse** Club include A&P, ShopRite, Grand Union, Waldbaums, FoodTown, King Kullen, Stop & Shop, the Food Emporium, Gristede's, D'Agostino, Super Food Mart and Pathmark

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11:36 EST NOVEMBER 16, 1999

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Press Release #93

Priceline.com's WebHouse Club Members Continue to Come Back for Savings

11/18/1999
Business Wire
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STAMFORD, Conn.--(BUSINESS WIRE)--Nov. 18, 1999--

- More than 50% of **WebHouse** Club members are repeat customers
- Cola tops list of most popular items priced by **WebHouse** Club members
- **WebHouse** Club members continue to save on average \$12 per basket

It's one thing to offer a great service and have consumers try it once. It's quite another to have them return to use it again. That is precisely what is happening with Priceline's **WebHouse** Club where consumers name their own prices for groceries on the Internet.

In the last 24 hours, repeat customers represented more than 50% of the **WebHouse** Club members who, naming their own prices for groceries, saved on average \$12 per visit to their favorite grocery store. The **WebHouse** Club began offering its breakthrough pricing service in the New York, New Jersey and Connecticut on November 1st.

And what are the **WebHouse** Club members pricing when they visit the site at www.priceline.com to select from over 140 product categories representing over 600 national brand choices? According to the latest data, cola is the No. 1 requested, followed by orange juice, chicken breasts, diapers, paper towels and yogurt.

Not only are **WebHouse** Club members returning to the site and then going to one of the over 1,000 participating grocery stores to pick up their groceries and save, but these members are buying more items. **WebHouse** Club members are purchasing more grocery items approximately 23% grocery items.

"Consumers clearly know a good deal when they click upon it," said Jay S. Walker, founder of the **WebHouse** Club. "Shoppers who visit the **WebHouse** Club site realize it is easy to navigate and it only takes a few minutes to name their own price prices, leading to savings of 20%, 30% and up to 50% on popular items that they always buy when shopping." With the average savings of \$12 per basket, that means that **WebHouse** Club members are saving more than \$1 per minute during a 10-minute visit to the **WebHouse** Club site.

The impressive repeat usage among **WebHouse** Club members comes as the service is expanding. Earlier this week, the **WebHouse** Club said it was accelerating its growth outside the New York metro area to the Philadelphia metro area. And last week, the **WebHouse** Club said that The Grand Union Company and Key Food Stores Co-Op Inc., will soon become participating supermarkets in the **WebHouse** Club.

Priceline **WebHouse** Club Inc. (www.priceline.com), a privately held licensee of [priceline.com](http://www.priceline.com) (Nasdaq: PCLN), allows customers to name their own price for hundreds of leading grocery items on the Internet. Members choose from over 140 product categories representing on excess of 600 national brand choices. **WebHouse** Club members, after naming their price for groceries can then get their items at their choice of over 1,000 participating stores in areas including New York, New Jersey, southwestern Connecticut and the Philadelphia metro area. Launched November 1, 1999, **WebHouse** Club is saving its members on average \$12 per basket on each visit to the grocery store. Members have named their price on over a quarter of a million different grocery items in **WebHouse** Club's first two weeks of operation. To date, the **WebHouse** Club has priced over \$1 million in grocery items and is at a current around-the-clock rate of one item every three seconds. In addition to Key Food, other retail chains that are supporting the **WebHouse** Club include A&P, ShopRite, Waldbaums, FoodTown, King Kullen, Stop & Shop, the Food Emporium, Gristede's, D'Agostino, Super Food Mart, Grand Union and Pathmark.

CONTACT: For Further Press Information: Middleberg + Associates Hillary Herskowitz 212/699-2642 hillary@middleberg.com or The **WebHouse** Club Kevin Goldman 203-905-6472
15:13 EST NOVEMBER 18, 1999

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Press Release #97

Priceline WebHouse Club Membership Exceeds 40,000 in First Month of

11/29/1999

PR Newswire

(Copyright (c) 1999, PR Newswire)

STAMFORD, Conn., Nov. 29 /PRNewswire/ -- In its first month of operation, the Priceline **WebHouse** Club has attracted over 40,000 members who have successfully named their own price for groceries on the Internet and then get those groceries at their favorite local supermarket. The **WebHouse** Club has priced over 500,000 items at almost 1,100 leading New York area supermarket chains.

On an average day, more than 1,000 new members logged onto the **WebHouse** Club in November and named their own prices on groceries. **WebHouse** Club members saved an average of \$12 per shopping trip on a basket with approximately 10 items per trip. Products priced most often by **WebHouse** Club members are diapers, chicken, cola, steaks and orange juice.

The **WebHouse** Club launched on November 1st for consumers in New York, New Jersey and southwestern Connecticut. In response to record traffic and demand, the service expanded two weeks later to the Philadelphia metro area. Additional market announcements are expected shortly. The **WebHouse** Club plans to offer its "name your own price" for groceries service nationwide by the second quarter of 2000.

"The **WebHouse** Club represents a whole new way for consumers to save money on groceries using the Internet to name their own prices," said Jay S. Walker, founder of the Priceline **WebHouse** Club Inc. "Many of our customers save \$20 to \$30 on groceries while still getting their favorite national brands from their local supermarket. We are thrilled to have tens of thousands of customers in just one month and we look forward to making the **WebHouse** Club available to shoppers throughout the nation in the first half of 2000."

About Priceline **WebHouse** Club:

Priceline **WebHouse** Club Inc. (<http://www.priceline.com>), a privately held licensee of priceline.com (Nasdaq: PCLN), allows customers to name their own price for hundreds of leading grocery items on the Internet. Members choose from over 140 product categories representing an excess of 600 national brand choices. **WebHouse** Club members, after naming their price for groceries can then get their items at their choice of over 1,000 participating stores in areas including New York, New Jersey and southwestern Connecticut. In its first month, the **WebHouse** Club lets consumers name their price on over 500,000 items and is at a current around-the-clock rate of one item every seven seconds. In addition to Key Food, other retail chains that are supporting the **WebHouse** Club include A&P, ShopRite, Grand Union,

Waldbaums, FoodTown, King Kullen, Stop & Shop, the Food Emporium, Gristede's, D'Agostino, Super Food Mart and Pathmark.

/CONTACT: Kevin Goldman of The **WebHouse** Club, 203-905-6472; or Hillary Herkowitz of Middleberg and Associates, 212-699-2642, for Priceline **WebHouse** Club Inc./ 15:56 EST

Contact: /CONTACT: Kevin Goldman of The **WebHouse** Club, 203-905-6472; or Hillary Herkowitz of Middleberg and Associates, 212-699-2642, for Priceline **WebHouse** Club Inc./ 15:56 EST

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Press Release #101

Priceline WebHouse Club Reaches 50,000 Member Milestone; Average Savings Increase to \$12.75 from \$12 Per Grocery Basket

12/06/1999

PR Newswire

(Copyright (c) 1999, PR Newswire)

STAMFORD, Conn., Dec. 6 /PRNewswire/ -- The Priceline **WebHouse** Club announced today it reached a milestone: it has enrolled more than 50,000 members who have named their own price for groceries and saved up to 50 percent at their favorite local supermarkets.

The **WebHouse** Club continues to offer its members steady growth on the amount they save: members are now saving on average \$12.75 per basket with approximately 10 items per trip, up from earlier savings of \$12. On an average day, more than 1,500 new members log onto the **WebHouse** Club. Products priced most often by **WebHouse** Club members are diapers, chicken, cola, steaks and orange juice.

The **WebHouse** Club, located at <http://www.priceline.com> on the Internet, launched on November 1 with 1100 grocery stores in New York, New Jersey and southwestern Connecticut. In response to record traffic and demand, the service expanded two weeks later to the Philadelphia metro area. Because the **WebHouse** Club requires no infrastructure, warehouses or trucks, additional markets are expected to be announced shortly. The **WebHouse** Club plans to offer its "name your own price" for groceries service nationwide by the second quarter of 2000.

"The increase in savings for **WebHouse** Club members to \$12.75 demonstrate both the value and the acceptance of this new and exciting way to save money using the Internet," said Jonathan Otto, Chairman and Chief Executive of the **WebHouse** Club. "It's fast, easy and free to become

a **WebHouse** Club member and then name your own price for groceries and immediately save 20%, 30%, up to 50%, by simply shopping at your favorite local supermarket."

About Priceline **WebHouse** Club:

Priceline **WebHouse** Club Inc. (<http://www.priceline.com>), a privately held licensee of priceline.com (Nasdaq: PCLN), allows customers to name their own price for hundreds of leading grocery items on the Internet. Members choose from over 140 product categories representing on excess of 600 national brand choices. **WebHouse** Club members, after naming their price for groceries can then get their items at their choice of over 1,000 participating stores in areas including New York, New Jersey and southwestern Connecticut. Launched November 1, 1999, **WebHouse** Club is saving its members on average \$12 per basket on each visit to the grocery store.

Members have named their price on over a third of a million different grocery items in **WebHouse** Club's first two weeks of operation. To date, the **WebHouse** Club has priced over \$1 million in grocery items and is at a current around-the-clock rate of one item every five seconds. In addition to Key Food, other retail chains that are supporting the **WebHouse** Club include A&P, ShopRite, Grand Union, Waldbaums, FoodTown, King Kullen, Stop & Shop, the Food Emporium, Gristede's, D'Agostino, Super Food Mart and Pathmark.

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Press Release #107

Now You Can Name Your Own Price for Pantyhose ...Number 1 Requested Item Added to the WebHouse Club

12/13/1999
PR Newswire
(Copyright (c) 1999, PR Newswire)

STAMFORD, Conn., Dec. 13 /PRNewswire/ -- Now you can name your own price for pantyhose. After selling 1 million grocery items in its first 40 days, the Priceline **WebHouse**

Club has received thousands of suggestions of which products to add to the over 150 product categories already available. And pantyhose are far and away the number one new product requested by **WebHouse** Club members.

The **WebHouse** Club announced today that this week it is adding 10 new product categories, including pantyhose, to its "name your own price" for groceries service on the Internet at <http://www.priceline.com>.

The other new categories are fresh and frozen seafood, hot cereals, mayonnaise, olive oil, flour, frozen fruit juices, frozen breakfast sausages, cold and flu remedies and lipstick. Now more than 160 product categories representing in excess of 600 national brand choices are available to **WebHouse** Club members.

The **WebHouse** Club is distinct from all other online grocery services because it partners with major local retail chains, such as A&P, ShopRite, Grand Union and Stop & Shop. The **WebHouse** Club allows consumer to get best of both worlds: significant discount savings available only on the Internet and the convenience of shopping at their favorite local grocery stores for those savings. Since its launch on November 1 in the New York metro area, the **WebHouse** Club enrolled over 50,000 members.

Unlike coupon savings, which average \$3 to \$4 per shopping trip, **WebHouse** Club members currently save an average of 12.75 per trip on an average purchase of 32.00. Products priced most often by **WebHouse** Club members are diapers, orange juice, beef, milk and chicken. "Women have told us the products they would like to name their own price for and pantyhose was far and away the number one request," said Jonathan Otto, Chairman and Chief Executive of the **WebHouse** Club. "We envision a run on pantyhose as **WebHouse** Club members name their own price and save up to 50% off their favorite brand."

About Priceline **WebHouse** Club:

Priceline **WebHouse** Club Inc. (<http://www.priceline.com>), a privately held licensee of priceline.com (Nasdaq: PCLN), allows customers to name their own price for hundreds of leading grocery items on the Internet. **WebHouse** Club members agree to be flexible among their favorite brands and let the **WebHouse** Club choose from among these brands after the members name their own price. The **WebHouse** Club members, after naming their prices, can then get their items at their choice of more than 1,200 participating stores in areas including New York, New Jersey, southwestern Connecticut and Philadelphia. Retail chains that are supporting the **WebHouse** Club include A&P, Key Food, ShopRite, Grand Union, Waldbaums, FoodTown, King Kullen, Stop & Shop, the Food Emporium, Gristede's, D'Agostino, Super Food Mart and Pathmark.

/CONTACT: Robert Padgett of The **WebHouse** Club, 203-905-7650; or Hillary Herkowitz of Middleberg and Associates, 212-699-2522, for Priceline **WebHouse** Club Inc./ 09:53 EST

Contact: /CONTACT: Robert Padgett of The **WebHouse** Club, 203-905-7650; or Hillary Herkowitz of Middleberg and Associates, 212-699-2522, for Priceline **WebHouse** Club Inc./
09:53 EST

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Press Release #108

Priceline WebHouse Club 'Name Your Own Price' for Groceries Service to Expand to Washington, D.C. and Baltimore Markets After Selling 1 Million Grocery Items in First 40 Days in New York Market

12/13/1999

PR Newswire

(Copyright (c) 1999, PR Newswire)

... 10 New Product Categories Added to 150 Current Categories

STAMFORD, Conn., Dec. 13 /PRNewswire/ -- The Priceline **WebHouse** Club announced today it will expand to the Baltimore and Washington, D.C. markets in the first week of January, significantly ahead of its original schedule and after selling 1 million grocery items in its first 40 days since launching in the New York metro area. The **WebHouse** Club enables consumers to name their own price for groceries in the Internet and get those items at their favorite local supermarkets at savings of up to 50 percent.

The **WebHouse** Club is distinct from all other online grocery services because it partners with major local retail chains, such as A&P, ShopRite, Grand Union and Stop & Shop. The **WebHouse** Club allows consumer to get best of both worlds: significant discount savings available only on the Internet and the convenience of shopping at their favorite local grocery stores for those savings. Since launching on November 1 in the New York metro area, the **WebHouse** Club has enrolled over 50,000 members.

Unlike coupon savings, which average \$3 to \$4 per shopping trip, **WebHouse** Club members currently save an average of \$12.75 per trip on an average purchase of \$32.00 in grocery items. Products priced most often by **WebHouse** Club members are diapers, orange juice, beef, milk and chicken.

The **WebHouse** Club also announced today that it is adding 10 new categories to the already 150 available product categories. These new categories are available immediately and bring the total number of national brands available to **WebHouse** Club members to over 600. The

company currently has approximately 1,200 supermarkets as its partners and expects to expand to 1,500 participating retailers with the addition of the markets announced today.

The **WebHouse** Club launched on November 1 for consumers in New York, New Jersey and southwestern Connecticut on the Internet at <http://www.priceline.com>. In response to strong traffic and demand, the service expanded two weeks later to the Philadelphia metro area. Additional markets will be announced shortly. The **WebHouse** Club is expected to offer its "name your own price" for groceries service nationwide by the second quarter of 2000. With the addition of the Washington, D.C. and Baltimore markets, the **WebHouse** Club will cover approximately 14 million households.

"Selling one million items in 40 days since launch combined with thousands of e-mails we received convinced us to expand the **WebHouse** Club with the 'name your own price' savings formula as quickly as possible," said Jonathan Otto, Chairman and Chief Executive of the **WebHouse** Club. "Given that we partner with local retailers and do not have to make investments to build an infrastructure of warehouses and trucks, we can scale rapidly. We are pleased to announce our expansion into the Baltimore and Washington, D.C. markets." About Priceline **WebHouse** Club:

Priceline **WebHouse** Club Inc. (<http://www.priceline.com>), a privately held licensee of [priceline.com](http://www.priceline.com) (Nasdaq: PCLN), allows customers to name their own price for hundreds of leading grocery items on the Internet. **WebHouse** Club members agree to be flexible among their favorite brands and let the **WebHouse** Club choose from among these brands after the members name their own price. The **WebHouse** Club members, after naming their prices, can then get their items at their choice of more than 1,200 participating stores in areas including New York, New Jersey, southwestern Connecticut and Philadelphia. Retail chains that are supporting the **WebHouse** Club include A&P, Key Food, ShopRite, Grand Union, Waldbaums, FoodTown, King Kullen, Stop & Shop, the Food Emporium, Gristede's, D'Agostino, Super Food Mart and Pathmark.

/CONTACT: Robert Padgett of The **WebHouse** Club, 203-905-7650; or Hillary Herkowitz, Middleberg and Associates, 212-699-2522, for The **WebHouse** Club/ 09:53 EST
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Press Release #111

Priceline WebHouse Club Sells 2nd Million Grocery Items Just 20 Days After Reaching 1 Million Mark-Most Successful 'Clicks and Mortar' Rollout in Internet History

12/30/1999

PR Newswire

(Copyright (c) 1999, PR Newswire)

... New Yorkers Buy More Groceries Online This Holiday Season Than any Other Item, Including Toys, Books and Music ... Over 1,000 Grocery Stores in New York Metro Area Team with Priceline's

Brand to Successfully Implement "Clicks and Mortar" on the Internet

STAMFORD, Conn., Dec. 30 /PRNewswire/ -- What is the most popular Internet item this holiday season among consumers in the New York metro area? Surprise; it's groceries.

In the Internet age, stories about phenomenal growth are plentiful and virtually taken for granted. Even so, here's one for the record books: After selling 1 million grocery items in its first 40 days, the Priceline **WebHouse** Club took only half that time, 20 days, to sell an additional 1 million items, bringing the total to 2 million items in just its New York metropolitan area launch.

The **WebHouse** Club, which enables consumers to name their own price for groceries on the Internet and then get those groceries at their favorite local supermarkets, is the first e-commerce on the Internet to emphasize consumer savings over delivery convenience. The **WebHouse** Club, unlike other Internet grocery services, lets consumers' save money on essential grocery items-up to 50 percent off-every week.

Prior to the **WebHouse** Club, major competing retailers, such as grocery chains, had never worked together using the Internet to allow millions of consumers to save money by naming their own prices. With the **WebHouse** Club, members name their own price for groceries on the Internet at <http://www.priceline.com>, and shop at any of over 1,100 participating grocery stores in the New York metro area representing virtually every major chain, including A&P, KeyFood, ShopRite, Grand Union and Stop & Shop.

Just how popular is using the Internet to save money on groceries? From a standing start, the **WebHouse** Club at [priceline.com](http://www.priceline.com) has become one of the most popular e-commerce Internet sites in New York, that's how popular! **WebHouse** Club members are currently pricing over 500,000 grocery items every week on the Internet. And 65% of the 15,000 new members each week in metro New York say they first tried the **WebHouse** Club because of a recommendation from a family member, friend or colleague.

The **WebHouse** Club is the best example to date of the business model known as "clicks and mortar," where the power of the Internet is used in combination with the advantages of traditional retailers. Retailing has always had the advantage of local stores, centrally located, and merchandise that is immediately available. The Internet is able to scale rapidly and provide

information to everyone with access to a computer. **WebHouse** Club partners with established local grocery stores and offers consumers a new bargain: save money while shopping at their favorite local grocery store. **WebHouse** Club members trade off home delivery for substantial savings-members save an average of \$12.75 per shopping trip on a basket of groceries totaling \$32.

This holiday season, online shopping is growing dramatically in almost every sector, including groceries. Consumers in the New York metro area bought more grocery items on the Internet through the **WebHouse** Club than toys, books or CDs. The 2 million grocery items that **WebHouse** Club members have purchased represents the fastest growing online category in the nation's largest market.

And what were New Yorkers buying through the **WebHouse** Club? According to the most recent data, the top 10 most popular items that **WebHouse** Club members named their own prices for were: diapers, steaks, chicken, breakfast cereal, milk, cola, detergent, coffee, orange juice and potato chips.

The rush to save money on groceries on the **WebHouse** Club in metro New York has had a dramatic spillover effect on the Priceline.com web site. Priceline.com has sold airline tickets at a rate two to three times faster in the New York metro area than any other market since the introduction of the **WebHouse** Club on November 1.

"We believe **WebHouse** Club model will become the dominant way consumers will use the Internet to shop for everyday goods, including groceries," said Jay Walker, founder of the **WebHouse** Club. "The **WebHouse** Club 'click and mortar' model has been extraordinarily successful and is now poised for rapid growth. All great revolutions in retail have been about saving the consumer money. For example, Wal-Mart is all about savings while 7-Eleven is about convenience. That's why Wal-Mart is far larger than 7-Eleven. In the past, the local grocers offered convenience but warehouse clubs provided superior prices. Now with Priceline for groceries on the Internet, customers can get the savings of a warehouse club with the convenience of their local grocery store."

About Priceline **WebHouse** Club:

Priceline **WebHouse** Club Inc. (<http://www.priceline.com>), a privately held licensee of priceline.com (Nasdaq: PCLN), allows customers to name their own price for hundreds of leading grocery items on the Internet. Members choose from over 175 product categories representing an excess of 600 national brand choices. **WebHouse** Club members, after naming their price for groceries can then get their items at their choice of over 1,100 participating stores in areas including New York, New Jersey and southwestern Connecticut and the Philadelphia metro area. Beginning in January, the **WebHouse** Club will be available in Baltimore and Washington, D.C., significantly ahead of its original schedule. The **WebHouse** Club expects to be available nationally in the second quarter of 2000. Launched November 1, 1999, **WebHouse** Club is saving its members on average \$12.75 per basket on each visit to the grocery store. Members have named their price on over 2 million different grocery items in **WebHouse** Club's first eight weeks of operation. To date, the **WebHouse** Club has priced millions of dollars in

grocery items and is at a current around-the-clock rate of one item every five seconds. Retail chains that are supporting the **WebHouse** Club include A&P, ShopRite, Grand Union, Waldbaums, FoodTown, KeyFood, King Kullen, Stop & Shop, the Food Emporium, Gristede's, D'Agostino, Super Food Mart and Pathmark.

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Contact: /CONTACT: Kevin Goldman of The **WebHouse** Club, 203-905-6472; or Hillary Herkowitz of Middleberg and Associates, 212-699-2522, for Priceline **WebHouse** Club/ 11:03 EST

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Press Release #120

Priceline Perfect YardSale Turns the Internet Into a Fast, Safe, Guaranteed Market for Neighbors to Buy and Sell the Quality Goods They No Longer Use

01/19/2000

PR Newswire

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Today, Atlanta Becomes First Market for new Service

New Neighbor-to-Neighbor Markets System has a Dozen Patents Pending
ATLANTA, Jan. 19 /PRNewswire/ -- Cancel the lease on that storage garage where the old exercise bike, lawnmower, VCR and refrigerator are gathering dust! Priceline.com (Nasdaq: PCLN), the patented Internet pricing system that has enabled millions of consumers to name their price for everything from leisure airline tickets to groceries, is at it again.

The Priceline Perfect **YardSale** (TM) will be a nationwide network of local Internet-based markets that enable buyers to purchase quality used goods at up to 90% savings with a full money-back guarantee, and enable sellers to safely and quickly turn household items they'd love to sell into easy cash. The Priceline Perfect **YardSale** , which launches in Atlanta today, is being offered by Perfect **YardSale** , a privately held company that has licensed priceline.com's Name-Your-Own-Price business system and brand.

Perfect **YardSale** 's first Atlanta customer will be Georgia Governor Roy Barnes. Governor Barnes will use the Web site during a special event today at the Georgia Governor's Mansion. Proceeds of the sale will be donated to local charities. At the event, Governor Barnes will

underscore the important role that innovative, high-tech companies like Perfect **YardSale** play in the Atlanta metro area, and in Georgia as a whole.

Perfect **YardSale** is the only Internet-based market-maker dedicated exclusively to the buying and selling of high-quality used goods. Its introduction will, for the first time, provide average Americans with readily- available buyers for the used items around their house, such as exercise bikes, tools, lawnmowers, appliances, binoculars, skis and sports gear, and more. Perfect **YardSale** will create a series of local geographic markets for major cities and towns that can be accessed through the priceline.com Web site. Perfect **YardSale** will be available in all major U.S. markets by the end of this year.

According to independent research conducted by Opinion Research Corporation International of Princeton, NJ, the potential market for Perfect **YardSale** is substantial, and includes a wide range of consumers who do not actively participate in the online auction marketplace.

In a study of 1,014 U.S. adults, Opinion Research found that:

- * A projected 101 million U.S. adults currently have used items in their homes that they would like to sell.
- * Adults who have items to sell estimate that those items are worth an average of \$87 each.
- * 76% said they do not plan to hold their own yard, tag or garage sale to sell these items.

Σ 93% said they have never participated in an online auction.

Σ

- * A projected 115 million U.S. adults, said they would be comfortable buying or selling their items through a system (like Perfect **YardSale**) where buyers and sellers meet face-to-face to examine the item and conclude the sale.
- * A projected 131 million U.S. adults, said they would prefer to buy an item from their neighbor at an 80% discount, if it was in good condition, as opposed to buying a similar item brand-new.

Perfect **YardSale** heard similar comments from the numerous focus groups it conducted over the past year. On average, Perfect **YardSale** found that millions of consumers have a dozen or more ordinary, non-collectable items in their household, with an average value of \$50 to \$200, that they would love to sell and turn into cash if it was fast and easy to do.

Actually selling those items, according to focus group participants, was easier said than done. Most focus group members didn't want to go through the hassle of setting up a yard sale or haggle as strangers try to push the price lower. Those who tried online auctions found almost no

buyers willing to bid up the price for a commonly available item like an exercise bike or lawn mower.

And in most cases, focus group members said that person-to-person selling lacked privacy, security and the all-important guarantee to cover any problems if something goes wrong with the product. Aside from those who donated the items to charity, over 90% of all focus group members said they normally just keep their unwanted items and store them in garages, closets, attics and private out-of-home storage facilities.

Consumers said that, of all the methods available, they preferred the yard sale format for selling second-hand goods and would gladly use that format in the future on the Internet if it could be adapted to fit their needs.

The "perfect yard sale" in their minds would result in completed sales in minutes, not days or weeks. Every sale would be backed by a no-questions-asked guarantee and extended warranty. Buyers and sellers would be able to remain anonymous, if they chose to, for as long as they chose. And, most importantly, all items could be inspected and actually used by the buyer before payment is made.

"Today, online auctions and classified ads address less than 1% of the potential market for quality second-hand goods," said Jay S. Walker, founder of priceline.com and Perfect **YardSale**. "On-the-lawn yard sales make up the bulk of today's second-hand goods sales, but our research indicates that they address just 2% or 3% of the potential market. Just as online auctions enabled a national flea market auction on the Internet, Perfect **YardSale** has been created to provide a compelling alternative to on-the-lawn yard sales and capture the other 97% of the market."

Walker continued, "Perfect **YardSale** delivers a major consumer benefit because it does not depend on the goodwill of a private seller's reputation. Instead, it is a commercial market system with ironclad guarantees backed by a substantial, well-known company.

"Perfect **YardSale** listings to find the right item, consumers simply describe what they want and what they want to pay and let Perfect **YardSale** find a local seller with just the right item. Unlike auctions, where there's always upward price pressure and competition among buyers to drive prices higher, Perfect **YardSale** offers simple take-it-or-leave-it pricing.

"There's no haggling -- just name your own price. And most importantly, consumers can shop with confidence. Priceline Perfect **YardSale** stands behind every sale, guaranteeing total satisfaction for buyers and sellers. Buyers get to inspect the merchandise before taking possession, get a 7-day, no-questions-asked, money-back guarantee and a 30-day warranty on every item they buy. Perfect **YardSale** uses credit cards for all transactions, so no cash or checks change hands. For buyers, this system is the best, safest way to purchase quality used goods.

"For sellers, Perfect **YardSale** meets their three most important criteria: it's fast, safe and hassle-free," Walker added. "Unlike auctions or classifieds that can take days or weeks to move an item, Perfect **YardSale** can sell an item in as little as 1 hour. And Perfect **YardSale** never identifies

sellers until after the sale is agreed to (and then only with the sellers' permission). This means no phone calls at all hours or strangers showing up at your doorstep unannounced."

Perfect **YardSale** leverages the power of the Internet with the sophistication of its own dozen-plus patent-pending systems and proprietary software. The result is a unique, highly scaleable Internet-based service that delivers a valuable new service for both buyers and sellers.

Here's how Perfect **YardSale** works for buyers:

- 1) Buyers visit Perfect **YardSale** and walk through a simple questionnaire that helps them describe the type of item they want to buy and the price they want to pay.
- 2) Buyers give Perfect **YardSale** a time limit to find them a buyer.
- 3) Buyers guarantee their willingness to buy with a major credit card (their card will only be charged after they physically inspect the item and agree to buy it).
- 4) The buyer specifies whether he or she is willing to go to the seller's home or place of business to inspect the item, or whether the seller should come to the buyer's home or place of business with the item. If the buyer is willing to have the item shipped by the seller, he can tell us so.
- 5) Perfect **YardSale** then locates a seller in the Perfect **YardSale** database who is willing to sell the item at the buyer's price and according to the buyer's delivery terms. The entire process typically takes an hour. (If Perfect **YardSale** finds a seller whose selling price is close to a buyer's offer price, it will tell the seller how far off he is).
- 6) If a seller is found at the buyer's price, both parties are notified by e-mail and they arrange to meet locally to transfer the item. The buyer then inspects the item and decides whether to accept it. At that point, Perfect **YardSale**'s 7-day money-back guarantee and 30-day warranty take effect.

There is never a membership fee or charge for buyers to make a purchase request through Perfect **YardSale** .

Here's how Perfect **YardSale** works for sellers:

- 1) Sellers visit Perfect **YardSale** and describe the item or items they have for sale and the price they're willing to accept. (To help them set reasonable prices, Perfect **YardSale** displays all the prices at which similar or identical items have sold. Sellers can also give

Perfect **YardSale** a secret minimum price at which they're willing to sell the item. The secret minimum price never appears online).

- 2) Sellers specify whether they're willing to go to the buyer to complete the sale or if the buyer has to come to their home or office. They will also be able to specify if they are willing to ship an item to a buyer.
- 3) Perfect **YardSale** will match the seller's offer to any buyer at or above the seller's minimum or asking price. If there are multiple sellers of similar items, the seller with the most price flexibility will be chosen first for a waiting buyer.
- 4) If no buyers are waiting, the seller can give Perfect **YardSale** a timeframe to keep his offer alive.
- 5) Once Perfect **YardSale** finds a buyer, the buyer and seller use e-mail to arrange to meet at a mutually convenient time and place and the buyer inspects the item. If the item is satisfactory, the buyer gives the seller a special code to share with Perfect **YardSale** . Only the buyer has this code and it signifies that he has inspected the item and has possession of it. Perfect **YardSale** then charges the buyer's credit card for the price he named and deposits funds into the seller's priceline ATM account after the 7-day guarantee period expires.
- 6) If a seller's item doesn't sell, sellers can also choose to have their item donated to charity.

Like most Internet based services, Perfect **YardSale** is very inexpensive for consumers. Sellers pay a small listing fee to place items for sale and agree to a small success fee ranging from \$1 to \$5 if their item is sold. At their option, sellers can pay an additional \$1 to receive special alert e-mails if Perfect **YardSale** receives a buyer offer that's just below their listed price. They can also choose to pay a \$1 fee for priority service if they need to sell their item more quickly.

Perfect **YardSale** is rich in other unique features for buyers and sellers, including:

- * No Haggling! Buyers simply give the price they want to pay and Perfect **YardSale** works to find a seller willing to accept that price.
- * Complete privacy. Perfect **YardSale** never reveals the identities of either buyers or sellers until they want to be identified to the other party.
- * Inspect before you buy. No payments are made until after the buyer inspects the item, agrees to take it and is completely satisfied with

it.

- * Safe, cashless transactions. Since Perfect **YardSale** is credit card-based, there are never any transfers of cash or personal checks from buyer to seller.
- * Buy and sell in as little as an hour. No waiting for days or weeks for a sale to take place.
- * Hundreds of item categories to choose from, including appliances, baby items, cameras and optics, computers and office equipment, electronics, exercise equipment, musical instruments, lawn and garden equipment, sporting goods and more.
- * The **YardSale** Buyer Satisfaction Guarantee. All buyers receive a 7-day money-back guarantee and a 30-day warranty for all Perfect **YardSale** purchases.
- * Instant status checking. With just a couple mouse-clicks, buyers or sellers can instantly check on the status of their Perfect **YardSale** offer.
- * My Perfect **YardSale** Profile. Buyers or sellers who use Perfect **YardSale** more than once can store their personal profiles and credit information so they can retrieve and use it without having to re-type it into the system.
- * A "Buyers-Waiting" list displays the number of buyers waiting at that moment to purchase particular items on Perfect **YardSale** . Great for sellers looking to make quick sales!
- * The **YardSale** "hot items" list. Every day, **YardSale** shows its top-selling items and typical sales prices for those items.
- * **YardSale** pricing recommendations. For all items, **YardSale** will review typical sales prices and advise buyers and sellers which prices are most likely to result in a sale. Buyers and sellers can pick a recommended price or set their own.

Like the Priceline WebHouse Club, Perfect **YardSale** is an independently financed company that has agreed to license priceline.com's business system, technology and brand. In return, priceline.com has received warrants allowing it to take an equity stake in the company under certain contingent conditions. Until those warrants are exercised, the financial results of Perfect **YardSale** will not be included in priceline.com's financial statements.

/CONTACT: Kevin Goldman of Priceline Perfect **YardSale** , 203-905-6472/ 14:28 EST

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Press Release #128

Advisory Issued to Clarify Media Reporting Of Farmer Jack Priceline.com WebHouse Club Program

02/14/2000

PR Newswire

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The following is released by Farmer Jack to clarify media reporting of the Farmer Jack Priceline.com **WebHouse** Club Program:

All a customer needs is a computer with Internet access, a printer, a valid credit card and the activated Priceline **WebHouse** Club Card, available at all Farmer Jack Supermarkets in Michigan.

There are three ways customers can get the FREE Priceline **WebHouse** Club Card:

1) Go to any Farmer Jack Supermarket customer service desk

Σ Go online to www.priceline.com

3) Call toll free 800-206-0111 and use Code 7877

Before a customer goes to the store to shop for groceries, they need to visit www.priceline.com:

Σ They name their own price for groceries - and can save up to 1/2 off!

Σ

* The first time a customer goes online, they will be asked to activate the FREE Card, available at all Farmer Jack Supermarkets in Michigan, and enter their credit card information.

* Customers will know online within approximately 60 seconds if the

prices they named were accepted and prepaid through their credit card.

- * A Customer then prints out the Prepaid Grocery List and takes it, along with the activated card, to any participating Farmer Jack Supermarket to do their shopping.

When customers get to Farmer Jack:

- * Customers shop for their groceries, and at checkout, separate their Priceline **WebHouse** Club groceries from any additional items. They're prepaid, so the items are rung up separately.
- * Customers can use their Farmer Jack Bonus Savings Club cards to earn Baby Club points and Northwest WorldPerks Bonus Miles. Customers should present Bonus Savings Club card to the cashier upon checkout.
- * Customers swipe their Priceline **WebHouse** Club Card through the terminal, choosing DEBIT as their payment type. Enter the Priceline PIN number which appears on the lower right-hand corner of their Prepaid Grocery List.
- * Customers should ignore the price shown at the register. No matter what the store price, they pay only the price they named online.
- * If customers have any questions on the program, please refer to Priceline.com Customer Hotline at 800-741-3163.

NOTE TO EDITORS: The program is not a shopping or delivery service; the grocery order will not be ready for pickup at Farmer Jack Supermarkets.

The Priceline **WebHouse** Club Program is available at all 101 Farmer Jack Supermarket locations in Michigan.

Priceline prices will NOT be reflected on the Farmer Jack receipt, nor will the customer receive any correspondence from Farmer Jack on their Priceline account balance.

CONTACT: Angie Bournias of Creative Services, 313-259-4950, or Bournias@Franco.com, for Farmer Jack Supermarkets. 16:04 EST

Contact: CONTACT: Angie Bournias of Creative Services, 313-259-4950, or Bournias@Franco.com, for Farmer Jack Supermarkets. 16:04 EST

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Press Release #129

Priceline WebHouse Club Passes 200,000-Member Mark In New York After Three Months Of Operation

02/18/2000

PR Newswire

(Copyright (c) 2000, PR Newswire)

- * New service for groceries is now used by almost 10% of households in the New York metro area that shop through the Internet (or 3% of the total households in the New York area)

Σ Priceline for groceries sells over 7.5 million items in 90 days

Σ

- * Service adds over 20 new product categories, bringing total to more than 700 different items now available
- * Pop culture embraces Priceline for Groceries as "Saturday Night Live" spoofs William Shatner TV commercial
- * New half-price token program enhances value for consumers by delivering even more savings in a new, convenient way

STAMFORD, Conn., Feb. 18 /PRNewswire/ -- The Priceline **WebHouse** Club, which allows members to name their own price for groceries on the Internet and then get those items at their favorite local supermarket, announced today that more than 200,000 New York-area families are now using the familiar green **WebHouse** grocery card to name their own prices for groceries on the Internet and ignore the prices at the cash register. **WebHouse** Club now believes the service is being used by almost 10 percent of the households in the region that shop on the Internet.

The Priceline **WebHouse** Club continues to be one of the fastest growing e-commerce services on the Internet. On average, the service adds over 15,000 households to its membership list per week. Adding to the buzz about Priceline for groceries, on Feb. 13, NBC's "Saturday Night Live" spoofed the new priceline.com commercials, which feature company spokesman William Shatner "singing" in a nightclub recalling the beatnik era. The following day, priceline for groceries had one of its strongest sales days ever, with 14,000 customers purchasing over 180,000 items.

According to an independent survey, approximately 85 percent of **WebHouse** Club members are repeat users and the average **WebHouse** Club member tells 16 friends, family and colleagues about how much he or she saves by using the service.

"Hundreds of thousands of New York-area families are finding that the green **WebHouse** Club card gives them the ability to reduce their weekly grocery budgets by up to 50 percent," said Jay S. Walker, founder of the **WebHouse** Club and priceline.com (Nasdaq: PCLN). "When people name their own price at home and can then simply ignore the price on the cash register at the store, they can feel the power of the Internet to change their lives for the better."

Since launching just a little more than three months ago, the **WebHouse** Club has priced over 7.5 million grocery items. The company prices over 8,000 grocery items an hour, 24 hours a day, 7 days a week, except during peak shopping hours when it prices over 20,000 items an hour. The **WebHouse** Club has also recently added more than 20 new grocery categories, including olive oil, batteries, frozen juice blends and cherry tomatoes.

Priceline for groceries makes good on the promise of the Internet by empowering the consumer. Priceline **WebHouse** Club WebWebwh members name their own prices for groceries on the Internet and then get those items at any of their favorite supermarkets. The Priceline **WebHouse** Club is able to expand rapidly because it does not have to build warehouses, order and maintain inventory, purchase delivery trucks nor train drivers.

New half-price tokens make saving 50% on groceries even easier

WebHouse Club today also announced several enhancements of its grocery service, including free half-price tokens, which allow members to immediately get 50 percent off average store prices on the more than 700 grocery items available on the Priceline **WebHouse** Club. Members receive six half-price tokens when they join the **WebHouse** Club and receive additional tokens when they respond to offers from **WebHouse** Club's many New York sponsors.

The half-price tokens, which will be introduced this weekend, replace " **WebHouse** Dollars", a more complex program where members previously saved up dollars for grocery discounts. Unlike **WebHouse** Dollars, tokens require no calculation -- just one half-price token will automatically lock-in half-price savings on more than 85 percent of Priceline for groceries items. Members can get half-off more expensive items by using two, three or four tokens.

For example, a half-gallon of ice cream that normally sells for \$4.29 in the store will automatically cost a **WebHouse** Club member only \$2.15 with one half-price token; a 1.5 pound package of ground beef selling for \$2.84 at the store will cost just \$1.42 with one half-price token.

Priceline for groceries will convert existing **WebHouse** Dollars to half-price tokens on a one-to-one basis. If they choose, members can get a one-time cash credit in the amount of their **WebHouse** Dollars that will be subtracted from their total credit card bill on their next Priceline for groceries purchase.

About Priceline **WebHouse** Club

Priceline **WebHouse** Club is a privately held licensee of priceline.com. Priceline for groceries members name their price for groceries on the Internet and then get those groceries at up to half-

off at their favorite local supermarket. Since its introduction three months ago in the New York City metropolitan area, the **WebHouse** Club has enrolled over 200,000 members who save an average of \$13 on each shopping trip.

WebHouse Club members, after naming their price for groceries on the Internet, then get their items at their choice of nearly 1,500 participating stores in areas including New York, New Jersey and southwestern Connecticut, including A&P, ShopRite, Grand Union, Waldbaum's, KeyFood, King Kullen, Stop & Shop, the Food Emporium, Gristede's, D'Agostino's, Super Food Mart and Pathmark. Other cities currently participating in the **WebHouse** Club are Philadelphia, the Baltimore and Washington, D.C. metro areas, the Detroit metro area and southeastern Virginia. Discounts in the system are supported by over two-dozen major manufacturers and more than 50 national sponsors. The **WebHouse** Club expects to be available nationally in the second quarter of 2000.

/CONTACT: Robert Padgett of Priceline **WebHouse** Club, 203-905-7650/ 08:51 EST

Contact: /CONTACT: Robert Padgett of Priceline **WebHouse** Club, 203-905-7650/ 08:51 EST

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Press Release #132

New At priceline.com: Name Your Own Price For Gasoline On The Internet, Then Get Your Price At A Local Gas Station!

02/25/2000

PR Newswire

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The petroleum industry's next consumer breakthrough:

From pump your own gas to price your own gas

Save 10 to 20 cents a gallon or more on every fill-up

Lock in your own price for up to a full month's worth of gas

- Let Priceline WebHouse Club pick the gas station from three of your favorites

Use the Internet to get gas prices lower than anywhere else

- Consumers prepay their price online, so they can ignore the price at the pump
- 4 million priceline.com customers and WebHouse Club customers will receive Priceline for **Gasoline** cards absolutely free
- Local gas stations nationwide can team up with priceline and directly benefit from the e-commerce revolution

STAMFORD, Conn., Feb. 25 /PRNewswire/ -- With the cost of **gasoline** at a 10-year high, an estimated 170 million adult drivers in the U.S. are wondering -- what can I do about it? The answer may surprise you. Now, the most powerful force in the history of commerce -- the Internet -- is about to help consumers substantially reduce their **gasoline** costs.

Starting May 20th, Priceline WebHouse Club, a licensed affiliate of priceline.com (Nasdaq: PCLN), will launch a new service that makes it possible for drivers to simply ignore the price at the pump. Instead, they can go to priceline.com on the Internet and name their own price for up to 50 gallons of gas a month. After locking in their price in 60 seconds or less, drivers can get their gas at local major-brand gas stations selected by Priceline WebHouse Club. The service will be offered in cities and towns across the U.S.

With Priceline for **Gasoline**, drivers can expect to save 10 to 20 cents a gallon, and sometimes more. The secret to the savings? Priceline WebHouse Club gets money from several sources to significantly lower the gas prices its customers pay. For example, participating local gas stations pay WebHouse Club a few cents per gallon to get incremental business coming to their stations. In addition, the Priceline for **Gasoline** service will have paid online advertising, with some of those ad dollars used to reduce customers' gas prices. And, at launch, over 100 national sponsors will contribute to Priceline WebHouse Club customers' gas purchases in return for customers' agreeing to try their products and services.

Finally, Priceline WebHouse Club expects major oil companies to support the system with additional savings in return for getting new customers for their **gasoline** and related products, as well as for the oil companies' own proprietary **gasoline** credit cards.

"The Internet promises to change people's lives for the better in meaningful ways," said Jay S. **Walker**, founder of the Priceline WebHouse Club and priceline.com. "Until recently, the Internet has been primarily about convenience when shopping online for books, software, and music. WebHouse Club takes a different approach -- Priceline WebHouse Club is about saving money on the everyday items for tens of millions of consumers, beginning with groceries and now, **gasoline**."

A recent survey by Opinion Research Corporation International of Princeton, NJ, shows that consumers are very aware of rising gas prices and are actively looking for alternative ways to reduce the prices they're paying. 90% of drivers who buy gas for their own vehicles, or 153 million U.S. adults, remember the per-gallon price they paid for their last fill-up. More than half

of all those drivers now say that price always or frequently dictates their selection of gas stations. Many of the drivers said they would be willing to switch stations for a 10- to 20-cents a gallon discount. More than half of those drivers surveyed said they expect even higher gas prices in the next six months.

Walker continued, "This is the perfect time for consumers to do something about the high cost of gas. It's the battle of the titans -- the global Internet vs. global gas prices. OPEC was a force to increase the cost of gas. Now, the Internet is the new counter-force to lower it."

It's As Easy As 1-2-3 To Name Your Price for Gas

Naming your own price for **gasoline** on the Net is as fast and easy as using an ATM machine. Consumers simply follow these 3 simple steps:

1. Get a Priceline for **Gasoline** gas card -- Priceline WebHouse Club will express-mail you one free.

To name your own price for gas you'll need to get a Priceline for **Gasoline** gas card, which is yours free from Priceline WebHouse Club. (The blue gas card is different from the green card used by WebHouse grocery shoppers.) Cards are available by request 24 hours a day at the priceline.com Web site. All four million previous priceline.com customers and all WebHouse Club members will automatically receive a Priceline for **Gasoline** gas card free in the mail. There is no charge of any kind to get a gas card.

The first time you come to the priceline.com Web site to name your price for gas, simply enter the identification number on the back of your priceline gas card and provide priceline with a major credit card or debit card account number.

Your Priceline for **Gasoline** gas card acts like a "magic credit card" allowing you to pay no attention to the price at the pump just by using your gas card at the gas station chosen for you by WebHouse Club.

2. Tell Priceline WebHouse Club the price-per-gallon you want to pay.

At the priceline.com Web site, you choose the grade of gas you want the per-gallon price you want to pay, and tell us how many gallons you want (up to 50 gallons per household per month). You then pre-approve three or more local gas stations you are willing to get your gas at. In 60 seconds or less, you'll receive a yes-or-no answer on your per-gallon price. If your price is accepted, that price is immediately locked in for up to 50 gallons of gas. Once your price is locked in, your credit or debit card on file is charged for the purchase and we'll give you the name and address of the designated local station where you can get your gas. Of course, if your price isn't accepted, there's no cost and you can try again the following day.

3. Go get your gas (and pay no attention to the price at the pump)!

Drive to the gas station selected by priceline from your pre-approved list and get your gas. Ignore the big price signs; forget about the price at the pump. You've already pre-paid for your

gas, at your price. After each fill-up, Priceline WebHouse Club will automatically e-mail you your receipt and tell you how much gas you have left at your price. You can also come to the Web site at any time and quickly review your account and remaining gallons.

The Priceline for Gas triple guarantee means you can't lose

1. You can't overpay.

If the price at the pump is ever lower than the price you named online, no matter what the reason, you pay the lower price. Priceline WebHouse Club will refund your credit card for any difference.

2. Un-pumped gas is automatically refunded to your credit/debit card.

With Priceline for **Gasoline**, you don't need to keep track of your gas purchases. Priceline WebHouse Club will send you a receipt after each purchase with a reminder of how many gallons you have left. If for any reason you haven't pumped all of your pre-paid gas, the unused amount is automatically carried over to the following week. Any pre-paid, un-pumped gas at the end of 30 days is fully refunded.

3. You can always get a few extra gallons at your price.

If you need more **gasoline** than you've pre-paid for at priceline, you can pump up to two extra gallons per fill-up at your priceline price. If you need more gas at that time, just pump it and you'll be charged the pump price for the extra gallons.

Priceline WebHouse Club's **gasoline** service on the Internet is as fast and easy as using the ATM at your local bank. "Give us just 3 minutes online and you can get your **gasoline** for up to an entire month at your price," said T. Scott Case, president of the WebHouse Club **gasoline** group. "And you can name your price anywhere there's an Internet connection -- at home, at work, at a local school or library. As always, with priceline your privacy is assured. We never give out, sell or rent your name or personal data to anyone without your express permission."

About WebHouse Club

The WebHouse Club, a licensed affiliate of priceline.com that allows consumers to name their prices online and get their products at a major local retailer. The company launched its first service for groceries in the NY metropolitan area on November 1, 1999. In its first 13 weeks of operation, WebHouse Club has enrolled over 200,000 active members (equal to over 3% of all households in the NY metro area) with over 85% of sales already coming from repeat members.

The WebHouse Club has been the fastest growing priceline service ever, with over 7.5 million grocery items sold to date. In the NY and Philadelphia areas, members are on track to purchase over 50 million grocery items in 2000.

To put the WebHouse sales in context, on an average day priceline sells approximately 1,000 airline tickets to NY-area consumers (about 3% of all leisure tickets sold). During the same period, in the same market, the priceline WebHouse Club is currently selling over 125,000 grocery items daily. Most members use the service once or more each week to get savings of 20-

30% in 175 grocery categories. By teaming up with local grocery stores the WebHouse Club delivers savings, not groceries. With no warehouses or inventory, priceline for groceries has quickly become the largest online grocery service in the US and the Internet's #1 e-commerce sales leader in terms of items.

WebHouse Club is now available in metro New York, Philadelphia, Baltimore, Washington, DC, and Detroit. The service has announced its planned expansion to Boston and central Michigan markets within the next 30 days and a full national rollout of its grocery service by year end.

Priceline WebHouse Club is an affiliated licensee of priceline.com. In return for licensing priceline's business model, intellectual property and brand, priceline.com receives royalties from WebHouse Club and has also received warrants allowing priceline.com to take a majority equity interest in WebHouse Club under certain contingent conditions. Priceline.com has provided no capital to WebHouse Club, which has raised capital from private sources. Financial results from WebHouse Club will not be included in priceline.com's financial results until those warrants are executed.

/CONTACT: Robert Padgett of Priceline WebHouse Club, 203-905-7650/ 07:43 EST

Contact: /CONTACT: Robert Padgett of Priceline WebHouse Club, 203-905-7650/ 07:43 EST

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Press Release #133

Note: In some cases, it is difficult to tell the difference between a news story and a press release. This apparently was a follow-up of the prior press release, an interview with Jay Walker by Peter Loftus of Dow Jones who picked up material from Press Release #132 and added some of Jay's words to give it a slightly different slant. In effect, this is a verbal press release from the founder, and is an example of how he so elegantly manipulated the media. It is the equivalent of a written press release, and I am including it in the sequence.

—DH

Priceline Sees Gas Sales Adding 5 Million Users Over 2 Yrs

02/25/2000

Dow Jones News Service

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By Peter Loftus

NEW YORK -(Dow Jones)- **Priceline** .com Inc. (PCLN) founder and Chairman Jay S. Walker said he expects the Web retailer's new gasoline service to attract 5 million new customers over the next two years.

Priceline , which currently has 4 million customers and is adding about 1 million per quarter, said Friday it would allow customers to name their own prices for gasoline beginning in May. The Stamford, Conn., company has pioneered name-your-own-price sales of airline tickets, hotel rooms and groceries.

Priceline is promising savings of 10 cents to 20 cents per gallon of gasoline with the new service. The timing of **Priceline** 's announcement seems ideal because U.S. gas prices are near a 10-year high, with a national average this week of \$1.41 per gallon.

But Walker said the launch of the gasoline service amid such price levels was a coincidence. He told Dow Jones Newswires that **Priceline** secured patents for the technology behind the service about four years ago, and began seriously planning the effort 18 months ago.

"We're just fortunate that gas prices are so much in the news, and so our announcement has drawn extra attention," Walker said. "But the truth of it is, if gas prices were 99 cents a gallon, customers would still be happy about it - maybe even more so."

Walker expects the first-time customers who are lured by lower gasoline prices will end up buying more than just gas. He expects that once these customers begin browsing through **Priceline** 's Web site, they'll also buy airline tickets and other products.

These additional sales of other products will result in further cuts in **Priceline** 's overall customer-acquisition costs, Walker said, at a time when many Internet firms are seeing such costs rise.

"The big benefit here for **Priceline** shareholders is that we can continue to drive down the cost of customer acquisitions, drive up our customer count and drive up lifetime value of each customers," Walker said.

Priceline expects the gasoline service to generate revenue from several sources. Service stations and oil companies will pay **Priceline** to steer customers their way, Walker said. Non-gasoline merchants will pay **Priceline** to offer additional savings on gas prices to customers who buy their products.

And in a **Priceline** first, it will run advertisements on its gasoline service Web sites, Walker said. The company previously hasn't run ads on its other services.

Gasoline is just the latest in a series of products and services that **Priceline** plans to marry to the name-your-own-price system. Walker said there would be much more to follow, although he

wasn't specific. "I believe you're going to see **Priceline** in almost every major consumer and business market in the country," he said.

Priceline shares rose 1/4 to 57 in late-afternoon trading on volume of 1.9 million, compared with the daily average of 3.4 million.

-Peter Loftus, Dow Jones Newswires; 201-938-5267; peter.loftus@dowjones.com

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Press Release #135

Consumers Buy Record 10 Million Grocery Items At Priceline WebHouse Club in First 120 Days of Operation

03/06/2000

PR Newswire

(Copyright (c) 2000, PR Newswire)

... Half-Price Tokens are a hit with consumers who get 50 percent off millions of grocery items using Priceline's **WebHouse** Club

... **WebHouse** Club sets sales record for second weekend in a row with over half-million items sold

... Record 15,000 new members join in two days as **WebHouse** Club expands in Baltimore, Washington, D.C. and Detroit with advertising support

... Total **WebHouse** Club member base now exceeds a quarter-million

... **WebHouse** Club Web site benefits from tens of thousands of requests for Priceline for Gasoline cards that will allow drivers to save 10 cents to 20 cents per gallon starting the week prior to Memorial Day

STAMFORD, Conn., March 6 /PRNewswire/ -- Ten million of anything is a lot. Priceline **WebHouse** Club, which allows members to name their own price for groceries on the Internet and then get those items at their favorite local supermarket, announced today that it has sold 10 million grocery items in its first 120 days of operation, in what the company believes is an Internet unit sales volume record.

Contributing to the popularity of the Priceline **WebHouse** Club are new Half-Price Tokens, introduced three weeks ago. These "virtual" tokens, which are awarded free when **WebHouse** Club members try sponsor services, allow members to automatically lock in guaranteed 50 percents savings on any grocery item on the Priceline **WebHouse** Club web site. This means members can get half-price groceries on over 800 brands in 175 grocery categories.

Over the past two record-setting weekends, Priceline for Groceries sold a total of more than 1 million grocery items, hundreds of thousands of which were purchased with Half-Price tokens. The Priceline **WebHouse** Club is on the Internet at <http://www.priceline.com>.

Priceline for Groceries also added a record 15,000 new members over the March 4-5 weekend as the company expanded its service in Baltimore, Washington, D.C. and Detroit and launched adverting campaigns in each market featuring celebrity spokesman William Shatner. The Priceline **WebHouse** Club now has more than 250,000 members, making it one of the fastest growing e-commerce services on the Internet and the fastest growing Priceline service ever.

On February 26, the Priceline **WebHouse** Club announced it was adding a new way for consumers to save money -- Priceline for Gasoline. Priceline **WebHouse** Club will allow consumers to save 10 to 20 cents at their local gas station, beginning May 20, 2000, the weekend prior to the Memorial Day weekend. Widely covered in the national media, including over 500 television stories, Priceline's "name your price" for gasoline has increased traffic to Priceline and the Priceline **WebHouse** Club sites. Priceline **WebHouse** Club is benefiting from tens of thousands of consumers visiting the site to request Priceline for Gasoline cards.

Priceline for Gasoline is based on a simple, easy-to-use proposition. Priceline **WebHouse** Club members will be able to name three national brand gas stations that are convenient to them and name their price for gasoline, for 10 to 20 cents or more off the pump price. Priceline for Gasoline selects the gas station from among the three pre-selected by the member. The consumer then goes to that station and ignores the price at the pump. Priceline **WebHouse** Club members can get up 50 gallons at any one time at their price.

"The savings at Priceline is the big wow for consumers," said Jay S. Walker, co-founder of the Priceline **WebHouse** Club. "When consumers can use the Internet to save 10 to 20 dollars a week on groceries and 10 to 30 cents a gallon on gasoline, their reaction is electric. That is what the Priceline formula is all about.

"Repetition and loyalty at **WebHouse** Club is extremely high," said Walker. "Even with our substantial compound growth, over 80 percent of all sales are coming from repeat customers and, with the opportunity to get half off their groceries, consumer are assured of getting the kind of meaningful savings that make a real difference on a family budget."

About **WebHouse** Club

Priceline **WebHouse** Club, a licensed affiliate of [priceline.com](http://www.priceline.com), allows consumers to name their prices online and get their products at a major local retailer. The company launched its first service for groceries in the New York metropolitan area on November 1, 1999. In its first 16 weeks of operation, **WebHouse** Club has enrolled 250,000 active members (over 3 percent of

all households in the NY metro area) in four major markets with over 85 percent of sales already coming from repeat members.

The **WebHouse** Club has been the fastest growing Priceline service ever, with over 10 million grocery items sold to date. In New York, Philadelphia, Baltimore, Washington, D.C., and Detroit, members are on track to purchase over 75 million grocery items in 2000.

To put the **WebHouse** Club sales in context, on an average day priceline.com sells approximately 1,000 airline tickets to New York-area consumers (about 3 percent of all leisure tickets sold). In the same market, the priceline **WebHouse** Club is currently selling over 140,000 grocery items daily. Most members use the service once or more each week to get savings of 20 percent to 30 percent in 175 grocery categories. By teaming up with local grocery stores the **WebHouse** Club delivers savings, not groceries. With no warehouses or inventory, the **WebHouse** Club formula has been an outstanding success in the grocery category.

WebHouse Club is now available in metro New York, Philadelphia, Baltimore, Washington, DC, and Detroit. The service has announced its planned expansion to Boston and central Michigan markets within the next 30 days and a full national rollout of its grocery service by summer.

The company recently announced a new service, Priceline for Gasoline, the first service that allows consumers to use the Internet to lock in lower gas prices before they go to a local gas station. The service, to be available nationwide at priceline.com beginning May 20, 2000, will enable consumers to save 10-20 cents per gallon by naming their own price for gas online and then letting priceline choose the local gas station from among the consumer's pre-approved list of acceptable stations. When consumers get to the station, they use a free card provided by priceline to get their gas and simply ignore the posted price at the pump. All grades of self-service gas will be available (full service will be available in New Jersey and Oregon). Priceline **WebHouse** Club is an affiliated licensee of priceline.com. In return for licensing priceline's business model, intellectual property and brand, priceline.com receives royalties from **WebHouse** Club and has also received warrants allowing priceline.com to take a majority equity interest in **WebHouse** Club under certain contingent conditions. Priceline.com has provided no capital to **WebHouse** Club, which has raised capital from private sources. Financial results from **WebHouse** Club will not be included in priceline.com's financial results until those warrants are executed.

/CONTACT: Robert Padgett, 203-905-7650, robert.padgett@priceline.com, or Sara Littlefield, 203-905-7674, sara.littlefield@priceline.com, both of Priceline **WebHouse** Club/
10:13 EST

Contact: /CONTACT: Robert Padgett, 203-905-7650, robert.padgett@priceline.com, or Sara Littlefield, 203-905-7674, sara.littlefield@priceline.com, both of Priceline **WebHouse** Club/
10:13 EST

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Press Release #137

Shaw's and Star Markets Team Up With Priceline WebHouse Club To Offer Shoppers Up to Half Off Grocery Bills

03/27/2000

PR Newswire

(Copyright (c) 2000, PR Newswire)

EAST BRIDGEWATER, Mass., March 27 /PRNewswire/ -- Shaw's Supermarkets has signed an agreement with Priceline **WebHouse** Club for Star Markets customers in the Boston area to obtain savings through the www.priceline.com web site. The program will be rolled out to all of Shaw's store locations, throughout New England, in the near future.

To get those savings, customers log onto www.priceline.com before going to any Star Markets store location. While in the web site the customer can choose from hundreds of name brand grocery items and select the price they want to pay. A total of 44 Star Markets will offer the service beginning April 2, 2000.

"Priceline **WebHouse** Club is another great way customers can save when they shop at Star Market," said Bernard Rogan, Spokesperson for Shaw's Supermarkets and Star Markets. The service is easy to use and complements the special values and double coupons we already offer each week."

How the **WebHouse** Club Works

After logging onto www.priceline.com, shoppers choose two or more national brands for each item they wish to purchase and select a price they want to pay. Within 60 seconds, they find out whether their prices have been accepted. Once they have chosen all their items, they lock in their prices by prepaying with a credit card and print out a grocery list to take to the store. Shoppers receive a prepaid Priceline **WebHouse** Club Card, which they use at the store to pay for their groceries at the checkout counter.

About Priceline **WebHouse** Club

Priceline **WebHouse** Club Inc., a privately held licensee of [priceline.com](http://www.priceline.com) (Nasdaq: PCLN), allows customers to name their own price for hundreds of leading grocery items on the Internet. Members choose from 200 product categories representing more than 800 national brand choices.

WebHouse Club members may get their items at their choice of more than 2,000 participating stores in areas including New York City, Boston, western New York, Philadelphia, Baltimore, Washington, D.C., Detroit and parts of Virginia and North Carolina. The **WebHouse** Club is expected to be available nationally by the end of the summer.

Since it was launched four months ago, the **WebHouse** Club has enrolled more than 350,000 members who save an average of \$15 on each shopping trip.

About Shaw's and Star Markets

Shaw's Supermarkets, Inc. manages 124 Shaw's stores, 44 Star Markets and 4 distribution centers throughout the six New England states. The company serves more than 4 million customers each week and has over 30,000 associates. During the most recently completed fiscal year total sales were approximately \$4.0 billion. Shaw's is a wholly owned subsidiary of J Sainsbury plc of London, England.

/CONTACT: Bernard Rogan of Shaw's Supermarkets, 508-350-3316, or pager, 1-800-LESHAWS; or Robert Padgett of Priceline **WebHouse** Club, 203-905-7650/ 16:34 EST

Contact: /CONTACT: Bernard Rogan of Shaw's Supermarkets, 508-350-3316, or pager, 1-800-LESHAWS; or Robert Padgett of Priceline **WebHouse** Club, 203-905-7650/ 16:34 EST

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Press Release #138

March Madness: As Priceline WebHouse Club Adds New Cities, Sales Accelerate 500 Percent in Three Weeks

03/31/2000

PR Newswire

(Copyright (c) 2000, PR Newswire)

- Priceline families get 10 million additional grocery items in only 21 days, bringing total to date to 20 million items - Priceline **WebHouse** Club poised to reach half-million household membership mark by early next week

- Priceline **WebHouse** Club adds over 200,000 families in March alone - Strong repeat business and new market launches in cities including Boston and Detroit contribute to fueling rapid growth

STAMFORD, Conn., March 31 /PRNewswire/ -- March Madness has hit grocery shopping. Sales have taken off at Priceline **WebHouse** Club, growing at a pace 500 percent faster in the last three weeks compared with the company's first four months of operation.

Priceline for groceries said it expects its membership to hit the half-million household mark by early next week.

Priceline **WebHouse** Club, which allows its members to name their own price for groceries on the Internet and shop for those items at their favorite local supermarket at savings of up to half off, announced today that in the month of March alone, it priced 10 million grocery items -- doubling to 20 million the total number of grocery items sold on its Web site since its launch on November 1, 1999.

This month, more than 200,000 consumers joined the Priceline **WebHouse** Club. The company attributed its rapid growth to launches in key markets, such as Boston, Washington, D.C., Baltimore and Detroit, as well as strong repeat business.

"Priceline for groceries is becoming a weekly shopping habit for our members, with 85 percent of our business coming from repeat customers," said Jay S. Walker, founder of the Priceline **WebHouse** Club.

During the past week alone, Priceline **WebHouse** Club members made 200,000 transactions and priced more than 2.3 million items, a 20 percent increase over the previous week.

How the **WebHouse** Club Works

To use the **WebHouse** Club, consumers log onto <http://www.priceline.com> from their home or office computers before they go to the grocery store. After entering the **WebHouse** Club, members can select from hundreds of grocery items. After choosing two or more national brands for each category, consumers can name their own prices and find out within 60 seconds whether their prices have been accepted. Members lock in their prices by pre-paying with a credit card while they're still online.

Before logging off, members print out a pre-paid grocery list that they can take with them to their favorite local participating store. This pre-paid grocery list includes information verifying the products consumers purchased through the **WebHouse** Club. At the checkout counter, one swipe of a shopper's Priceline **WebHouse** Club card completes the process. Shoppers can get their Priceline **WebHouse** Club card at participating supermarkets or by requesting one from the **WebHouse** Club web site.

About the Priceline **WebHouse** Club

Priceline **WebHouse** Club Inc. (<http://www.webhouse.priceline.com>), a privately held licensee of priceline.com (Nasdaq: PCLN), allows customers to name their own price for hundreds of leading grocery items on the Internet. Members choose from 200 product categories representing more than 800 national brand choices.

WebHouse Club members, after naming their price for groceries, can then get their items at their choice of more than 3,000 participating stores in areas including New York, Philadelphia, Boston, Hartford, western and central Massachusetts, Baltimore, Washington, D.C., Detroit and

southeastern Virginia. Since launching four months ago in the New York City metropolitan area, the **WebHouse** Club has enrolled more than 450,000 members who save an average of \$15 on each shopping trip.

/CONTACT: Robert Padgett of Priceline **WebHouse** Club, 203-905-7650, robert.padgett@priceline.com; Ivy Mollenkamp, Rogers & Cowan, 310-201-8831, imollenkam@shandwick.com, for Priceline **WebHouse** Club/ 10:19 EST

Contact: /CONTACT: Robert Padgett of Priceline **WebHouse** Club, 203-905-7650, robert.padgett@priceline.com; Ivy Mollenkamp, Rogers & Cowan, 310-201-8831, imollenkam@shandwick.com, for Priceline **WebHouse** Club/ 10:19 EST

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Press Release #143

James McGill Joins Priceline WebHouse Club as Executive Vice President And Chief Information Officer

04/21/2000
PR Newswire
(Copyright (c) 2000, PR Newswire)

STAMFORD, Conn., April 21 /PRNewswire/ -- Priceline **WebHouse** Club, the rapidly expanding e-commerce business where consumers name their own price for products and services on the Internet and get them at local retail stores, announced today that James McGill has been appointed executive vice president and chief information officer beginning May 1.

He will lead the company's technology group as the **WebHouse** Club expands its grocery service across the country and launches its gasoline service nationally on May 20. The technology group is responsible for developing and operating the technical environment that will support Priceline **WebHouse** Club's expansion into new markets and enable the company to process even greater volumes of customer transactions. McGill will report to Jonathan Otto, chief executive officer of Priceline **WebHouse** Club.

McGill has over 25 years experience in technology management. He most recently served at Morgan Stanley Dean Witter as a managing director in the information technology department for the institutional securities businesses. That operation processed hundreds of thousands of transactions per day in more than 50 currencies. Additionally, McGill was one of five members of the IT management committee that oversaw all global technology operation for the businesses.

"Since our launch five months ago, we have been enhancing our technology capabilities as we expand our groceries service across the country and as we prepare to launch our name-your-own-price gasoline service nationwide in May," said Jay S. Walker, founder of the Priceline **WebHouse** Club. "Jim's expertise and experience will be invaluable as millions of new consumers take advantage of savings offered by the Priceline **WebHouse** Club by the end of 2000."

From 1991 to 1995, McGill served as president of Prediction Company, a securities trading firm he co-founded that currently operates exclusively for Union Bank of Switzerland.

From 1987 to 1991, McGill served as senior vice president of software products and vice president of product development at Telebit Corporation, a data communications company. Prior to that he held management positions in several technology companies.

McGill holds a Ph.D. in physics from the University of California at Santa Cruz.

About the Priceline **WebHouse** Club

Priceline **WebHouse** Club Inc. (<http://www.priceline.com>), a privately held licensee of priceline.com (Nasdaq: PCLN), allows customers to name their own price for hundreds of leading grocery items on the Internet. Members choose from 200 product categories representing more than 800 national brand choices.

WebHouse Club members, after naming their price for groceries, can then get their items at their choice of nearly 4,000 participating stores in areas including New York, Philadelphia, Boston, Hartford, western and central Massachusetts, Baltimore, Washington, D.C., Detroit and southeastern Virginia.

Since launching on November 1, 1999 in the New York City metropolitan area, the **WebHouse** Club has enrolled more than 600,000 members who save an average of \$15 on each shopping trip. Members have named their price on over 25 million different grocery items.

/CONTACT: Caroline Mendoza of Priceline **WebHouse** Club, 203-905-6605 or caroline.mendoza@priceline.com/ 11:25 EDT

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Press Release #147

Priceline WebHouse Club and ADVO Inc. Form Strategic Alliance

05/10/2000

Business Wire

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STAMFORD/WINDSOR, Conn.--(BUSINESS WIRE)--May 10, 2000--

Nation's fastest-growing online retail service to work with nation's largest targeted direct mail marketing company

WebHouse Club members will have more options than ever to save on groceries and gasoline through expanded sponsorship program

Priceline **WebHouse** Club, where consumers name their own price for retail items and shop for them at a discount at local stores, has formed a strategic alliance with ADVO, Inc., the nation's largest direct mail marketing company, both companies announced today.

The agreement will allow Priceline **WebHouse** Club and ADVO to enhance both companies' brands and business strategies. Collectively, the companies will develop internet-based marketing solutions for ADVO's 24,000 clients and 600 sales associates, in conjunction with Priceline **WebHouse** Club's Half-Price token loyalty program - - which its members use to automatically lock-in 50 percent savings off average store prices - - as well as the Priceline for Gasoline service, which launches this summer.

"We are excited to be working with Priceline **WebHouse** Club," said Gary Mulloy, Chairman and CEO of ADVO. "This alliance will help to bring additional value-added products and services to our traditional client base, which includes leading retailers and service providers on the national, regional and local levels." Mr. Mulloy noted that the alliance will be managed as part of ADVO's ShopWise.com subsidiary.

"Our alliance with ADVO will allow Priceline **WebHouse** Club to develop new products and services that will provide our customers with many more opportunities to participate in sponsor promotions and to save significantly on groceries and gasoline each and every week, " said Jay S. Walker, founder of the Priceline **WebHouse** Club.

About the Priceline **WebHouse** Club Partner Program

Priceline **WebHouse** Club developed the Partner Program as a unique marketing proposition that leverages three powerful elements in today's market:

- Internet traffic generated by priceline.com brand advertising.

- Consumers' desire to save money, which is the key element to priceline.com's business model.
- Third party companies' need to gain and retain new customers.

When these three elements are employed using the most tested and effective marketing tools, the Partner Program benefits the consumer, **WebHouse** Club, and third party companies (Partners).

The Partner Program motivates consumers to participate both in **WebHouse** and Partners' businesses with dual incentives: a savings reward (Half-Price Tokens, which can be used to get groceries at 50 percent off); and an offer for a trial, sample or discount from the Partner. Both are in return for the customer's willingness to be introduced to the Partner via an online Quick-Survey, a visit to the Partner's Web site, an application to receive a Partner's service, or a purchase a Partner's product.

How the **WebHouse** Club Works

To use the **WebHouse** Club, consumers log onto <http://www.priceline.com> from their home or office computers before they go to the grocery store. After entering the **WebHouse** Club, members can select from hundreds of grocery items. After choosing two or more national brands for each category, consumers can name their own prices and find out within 60 seconds whether their prices have been accepted. Members lock in their prices by pre-paying with a credit card while they're still online.

Before logging off, members print out a pre-paid grocery list that they can take with them to their favorite local participating store. This pre-paid grocery list includes information verifying the products consumers purchased through the **WebHouse** Club. At the checkout counter, one swipe of a shopper's Priceline **WebHouse** Club card completes the process. Shoppers can get their Priceline **WebHouse** Club card at participating supermarkets or by requesting one from the **WebHouse** Club web site.

About the Priceline **WebHouse** Club

Priceline **WebHouse** Club Inc. (<http://www.WebHouse.priceline.com>), a privately held licensee of priceline.com (Nasdaq: PCLN), allows customers to name their own price for products and services on the Internet and get them at local retail stores. Currently, more than 650,000 members save an average of \$15 each week on their grocery bills with the Priceline **WebHouse** Club.

Priceline **WebHouse** Club members, after naming their price for groceries, can then get their items at their choice of nearly 4,000 participating stores throughout the northeast and portions of the southeast and Midwest.

About ADVO

ADVO (NYSE: AD) is the nation's largest full-service targeted direct mail marketing services company with annual revenues of over \$1 billion. ADVO specializes in shared and solo direct mail services and provides Microtargeting(c) solutions at an affordable price for its clients' print advertising needs. The Company's core shared mail program is distributed nationally to approximately 60 million households weekly. An additional 28.5 million households can be reached, on a shared mail basis, through ADVO's National Network Extension (A.N.N.E.). ADVO's wholly owned subsidiary, MailCoups, Inc., produces Super Coups, a cost-effective, direct mail-based advertising solution for local neighborhood businesses which utilizes an envelope format. ADVO has 20 mail processing facilities and 65 sales offices nationwide. ADVO's corporate headquarters are located at One Univac Lane, Windsor, Connecticut 06095. The Company can be visited at its Web site at www.advo.com.

The forward-looking statements in this report are based upon current information and expectations and are subject to risks and uncertainties in the Company's operations and business environment. Such risks and uncertainties include, but are not limited to, changes in customer demand and pricing, the possibility of consolidation throughout the retail sector, postal and paper prices, the efficiencies achieved with technology upgrades, and other general economic factors.

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13:30 EDT MAY 10, 2000

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Press Release #149

Priceline WebHouse Club Announces Partnership with Essential.com

05/16/2000
PR Newswire
(Copyright (c) 2000, PR Newswire)

Alliance Expected to Generate up to \$15 Million in Revenue for
Name-Your-Own-Price Internet Grocery Service

STAMFORD, Conn., May 16 /PRNewswire/ -- Priceline **WebHouse** Club, where consumers name their own price for retail items on the Internet and get them at a discount at local retail

stores, announced today its second group of national sponsors, including a program from Essential.com -- the Web's energy and communications marketplace -- that is expected to generate up to \$15 million in revenue. The agreement expands the choices available to Priceline **WebHouse** Club members to save up to half off on their groceries when they participate in sponsor promotions.

Priceline **WebHouse** Club members accumulate "virtual" Half-Price Tokens to automatically lock in guaranteed 50 percent savings on any grocery item on the Priceline **WebHouse** Club Web site (<http://www.priceline.com>). Essential.com will offer savings on telephone services to Priceline **WebHouse** Club customers who agree to try one of its offerings. In exchange, **WebHouse** Club members will receive Half-Price Tokens that they will use to lock in savings of 50 percent off average store prices.

"We are pleased to announce our relationship with Essential.com," said Jay S. Walker, co-founder of the Priceline **WebHouse** Club. "Our national sponsors will provide our customers with many more opportunities to participate in sponsor promotions and to save significantly on groceries each and every week."

Essential.com offers one-stop shopping for a variety of branded Essential Services, including Electricity, Internet Access, and Telephone services. In addition to Essential.com, other national sponsors of the Priceline **WebHouse** Club include American Express Publishing, Quicken-Intuit, TurboTax, The Wall Street Journal, FTD and Grolier BD.

About the Priceline **WebHouse** Club

Priceline **WebHouse** Club Inc. (<http://www.webhouse.priceline.com>), a privately held licensee of priceline.com (Nasdaq: PCLN), allows customers to name their own price for hundreds of leading grocery items on the Internet. Members choose from 240 product categories representing more than 1,000 national brand choices. **WebHouse** Club members, after naming their price for groceries, can then get their items at their choice of more than 4,000 participating stores throughout the northeast, southeast and portions of the Midwest.

Since launching on November 1, 1999, in the New York City metropolitan area, the **WebHouse** Club has enrolled more than 650,000 members who save an average of \$15 on each shopping trip. Members have named their price on over 30 million different grocery items.

/CONTACT: Caroline Mendoza of Priceline **WebHouse** Club, 203-905-6605 or caroline.mendoza@priceline.com/ 10:11 EDT

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Press Release #152

Priceline WebHouse Club Adds Net2Phone to Sponsor Program That Offers Customers Half Off on Groceries

06/01/2000

PR Newswire

(Copyright (c) 2000, PR Newswire)

- * Priceline **WebHouse** Club adds Net2Phone -- priceline.com's anchor provider of long distance services -- to its growing number of sponsors who offer members Half-Price tokens in exchange for trying products and services
- * 90 percent of Priceline **WebHouse** Club members have already used the Half-Price Tokens program and locked in savings of 50 percent off average store prices

STAMFORD, Conn., June 1 /PRNewswire/ -- Priceline **WebHouse** Club, where consumers name their own price for retail items on the Internet and shop for them at a discount at local retail stores, announced today that long-distance provider Net2Phone has become a new sponsor for the company's fast-growing online grocery service. Net2Phone is priceline.com's anchor provider of long distance services.

Net2Phone (Nasdaq: NTOP), a leading provider of Internet-based communications services, becomes the latest in a growing list of sponsors of the Priceline **WebHouse** Club, a private licensee of priceline.com (Nasdaq: PCLN). The Net2Phone promotion allows **WebHouse** Club customers to receive up to 14 half-price tokens with the customer's initial purchase of Net2Phone Direct, Net2Phone's prepaid calling card, with up to 100 free minutes. Priceline **WebHouse** Club members use these "virtual" tokens to automatically lock in guaranteed 50 percent savings off average store prices on any grocery item on the **WebHouse** Club Web site (<http://www.priceline.com>).

"We are excited to have Net2Phone join our growing list of national sponsors, which are expected to generate a total of an additional \$20 million in revenue for the Priceline **WebHouse** Club this year alone," said Jay S. Walker, founder of the Priceline **WebHouse** Club. "The sponsor program has proven very popular, both with our members who get their groceries at half-off for participating in sponsor promotions, and with the sponsors themselves who can showcase their products and services to potential new customers through the Priceline **WebHouse** Club."

"Priceline.com's innovative talents combined with its unique forms of distribution provide excellent benefits to Net2Phone -- but more importantly to the customers, as they will be saving on both long distance and groceries," said Cliff Sobel, chairman of Net2Phone. "Priceline.com's

business model has been successful across the board, and we are pleased to be expanding our relationship to include the **WebHouse** Club."

About the Priceline **WebHouse** Club Partner Program

Priceline **WebHouse** Club developed the Partner Program as a unique marketing proposition that leverages three powerful elements in today's market:

- * Internet traffic generated by priceline.com brand advertising.
- * Consumers' desire to save money, which is the key element to priceline.com's business model.

- * **Third party companies need to gain and retain new customers.**

When these three elements are employed using the most tested and effective marketing tools, the Partner Program benefits the consumer, **WebHouse** Club, and third party companies (Partners). The Partner Program motivates consumers to participate both in **WebHouse** and Partners' businesses with dual incentives: a savings reward (Half-Price Tokens, which can be used to get groceries at 50 percent off); and an offer for a trial, sample or discount from the Partner. Both are in return for the customer's willingness to be introduced to the Partner via an online Quick-Survey, a visit to the Partner's Web site, an application to receive a Partner's service, or a purchase a Partner's product.

About Net2Phone

Net2Phone's IP telephony services save consumers more than 50 percent off average long distance rates. Users do not need a computer or an Internet service provider in order to make phone calls using Net2Phone's services. Calls are routed over Net2Phone's global IP network, enabling clear transmission of calls worldwide.

In addition, Net2Phone currently provides name-your-own-price for long distance service on Priceline. The service enables U.S.-based consumers to call almost anywhere in the world for blocks of 60 minutes, 120 minutes or more. Customers can also name their own price for blocks of long distance time for calls to a specified country and to call multiple designated locations.

How the **WebHouse** Club Works

To use the **WebHouse** Club, consumers log onto <http://www.priceline.com> from their home or office computers before they go to the grocery store. After entering the **WebHouse** Club, members can select from hundreds of grocery items. After choosing two or more national brands for each category, consumers can name their own prices and find out within 60 seconds whether their prices have been accepted. Members lock in their prices by pre-paying with a credit card while they're still online.

Before logging off, members print out a pre-paid grocery list that they can take with them to their favorite local participating store. This pre-paid grocery list includes information verifying the products consumers purchased through the **WebHouse** Club. At the checkout counter, one swipe of a shopper's Priceline **WebHouse** Club card completes the process. Shoppers can get

their Priceline **WebHouse** Club card at participating supermarkets or by requesting one from the **WebHouse** Club web site.

About the Priceline **WebHouse** Club

Priceline **WebHouse** Club Inc. ([http://www. WebHouse .priceline.com](http://www.WebHouse.priceline.com)), a privately held licensee of priceline.com (Nasdaq: PCLN), allows customers to name their own price for products and services on the Internet and get them at local retail stores. Currently, more than 700,000 members save an average of \$15 each week on their grocery bills with the Priceline **WebHouse** Club.

Priceline **WebHouse** Club members, after naming their price for groceries, can then get their items at their choice of more than 4,500 participating stores throughout the northeast, southeast and Midwest.

Beginning this summer, consumers will be able to name their price for gasoline on the Internet with Priceline for Gasoline and save up to 20 cents a gallon off the price at the pump.

/CONTACT: Caroline Mendoza of Priceline **WebHouse** Club, 203-905-6605, or caroline.mendoza@priceline.com; or Sarah Hofstetter of Net2Phone, 201-928-2882, or sarah@net2phone.com/ 08:31 EDT

Contact: /CONTACT: Caroline Mendoza of Priceline **WebHouse** Club, 203-905-6605, or caroline.mendoza@priceline.com; or Sarah Hofstetter of Net2Phone, 201-928-2882, or sarah@net2phone.com/ 08:31 EDT

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Press Release #154

Prodigy Partners With Priceline WebHouse Club to Offer Name-Your-Own-Price Savings On Groceries

06/06/2000
Business Wire
(Copyright (c) 2000, Business Wire)

WHITE PLAINS, N.Y.--(BUSINESS WIRE)--June 6, 2000--

New Prodigy Members Can Save Up to Half-Off at the Supermarket

Prodigy Communications Corporation today announced it has become a sponsor of the Priceline **WebHouse** Club Internet grocery service, where consumers name their own price for retail items and shop for them at a discount at local retail stores. Under the sponsorship offering, Priceline **WebHouse** Club members who sign up with Prodigy Internet service will receive a number of virtual Half-Price tokens, which are used to lock-in savings of up to 50 percent on any grocery item on the **WebHouse** Club Web site (www.priceline.com).

Priceline **WebHouse** Club members will continue receiving Half-Price tokens for every month they subscribe to Prodigy Internet for up to three years at a special rate of \$19.95 a month.

"Priceline **WebHouse** Club uses cutting-edge technology to benefit consumers, which is why they are natural fit for us, since we are known as one of the most technologically advanced ISP providers," said David Trachtenberg, President and COO of Prodigy.

"This sponsorship offer with Prodigy provides our members with even more opportunities to participate in sponsor promotions and to save significantly on groceries each and every week," said Jay S. Walker, founder of Priceline **WebHouse** Club.

How the **WebHouse** Club Works:

To use the **WebHouse** Club, consumers log onto <http://www.priceline.com> from their home or office computers before they go to the grocery store. After entering the **WebHouse** Club, members can select from 1,000 national brand choices in 240 product categories. After choosing two or more national brands for each category, consumers can name their own prices and find out within 60 seconds whether their prices have been accepted. Members lock in their prices by pre-paying with a credit card while they're still online.

Before logging off, members print out a pre-paid grocery list that they can take with them to their favorite local participating store. This pre-paid grocery list includes information verifying the products consumers purchased through the **WebHouse** Club. At the checkout counter, one swipe of a shopper's Priceline **WebHouse** Club card completes the process. Shoppers can get their Priceline **WebHouse** Club card at participating supermarkets or by requesting one from the **WebHouse** Club web site.

About the Priceline **WebHouse** Club:

Priceline **WebHouse** Club Inc. (<http://www.webhouse.priceline.com>), a privately held licensee of [priceline.com](http://www.priceline.com) (Nasdaq: PCLN), allows customers to name their own price for hundreds of leading grocery items on the Internet.

Priceline **WebHouse** Club members, after naming their price for groceries, can then get their items at their choice of more than 4,000 participating stores throughout the northeast and in portions of the southeast and Midwest.

Since launching on November 1, 1999 in the New York City metropolitan area, the **WebHouse** Club has enrolled more than 750,000 members, who save an average of \$15 on each shopping trip. Members have named their price on over 30 million different grocery items.

About Prodigy Communications Corporation (www.prodigy.com):

Prodigy Communications Corporation (NASDAQ: PRGYA), one of the country's largest Internet service providers, delivers fast and reliable Internet access and user-friendly Internet-based products, services and information resources to help its members untap the potential of the Internet to improve their lives. Prodigy utilizes a nationwide network covering more than 850 cities in all 50 states allowing more than 90% of the United States population to access the Prodigy Internet(R) service with a local telephone call. Prodigy tailors its services and technology to three fast-growing Internet markets: consumers, small business owners and the U.S. Hispanic population. Prodigy Internet(R) features best-of-breed content, Prodigy Instant Messaging, Prodigy Chat, and Prodigy Online Communities combined with the accessibility and freedom of direct access to the World Wide Web for all users. Prodigy Biz Corporation, a division of Prodigy, offers a powerful suite of specially designed Internet products and services for small business owners. Prodigy(R) en espanol, is the nation's first-ever, fully bilingual Spanish/English-language Internet service created especially for the U.S. Spanish-speaking population.

This press release contains forward-looking statements that involve a number of risks and uncertainties. Among the important factors that could cause actual results to differ materially from those indicated by such forward-looking statements are the expected benefits from the agreement with Priceline **WebHouse** or its early termination, intense competition in the Company's industry, subscriber turnover, disruption in the Company's network services or in other services provided by third parties, as well as the risk factors detailed from time to time in the Company's periodic reports and registration statements filed with the Securities and Exchange Commission. Prodigy's business and operations are operated by a limited partnership, called Prodigy Communications Limited Partnership, of which Prodigy is the general partner and owns an approximate 57% interest.

CONTACT: Prodigy Mary Matalobos, 914/448-2113 Lesia Figueira, 914/448-1203 or **WebHouse** Club Robert Padgett/Priceline 203/905-7650
08:36 EDT JUNE 6, 2000

Contact: CONTACT: Prodigy Mary Matalobos, 914/448-2113 Lesia Figueira, 914/448-1203 or **WebHouse** Club Robert Padgett/Priceline 203/905-7650
08:36 EDT JUNE 6, 2000

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Press Release #156

Priceline WebHouse Club Announces Plans to Expand Name-Your-Own-Price(SM) Grocery Service Nationally With the Addition of the Kroger Co.

06/08/2000

PR Newswire

(Copyright (c) 2000, PR Newswire)

... Starting today, Kroger, the nation's largest supermarket chain, joins Safeway, Albertson's, Ahold USA and other major chains already providing **WebHouse** Club savings to customers ...

Starting mid-summer, **WebHouse** Club to be available in more than 10,000 local supermarkets

STAMFORD, Conn., June 8 /PRNewswire/ -- Priceline **WebHouse** Club today announced a series of new market expansions that will culminate later this summer in the nationwide availability of the company's Name-Your-Own-Price(SM) grocery service, with the addition of the Kroger Co., the nation's largest supermarket chain with more than 2,300 stores coast-to-coast.

Kroger becomes the first supermarket chain to announce a phased-in, market-by-market national expansion of the Priceline for Groceries service, where consumers can name their own price for groceries on the Internet and save up to half off when they shop at participating local retail stores. Kroger joins other national and regional chains, including Safeway, Albertson's and Ahold USA that already offer **WebHouse** Club grocery savings to their customers.

Beginning today, Kroger will introduce Priceline for Groceries in its Michigan stores and then will roll out **WebHouse** Club in its other major markets. By fall, the **WebHouse** Club will be available in Kroger-owned stores in 31 states.

"The rapid expansion of Priceline **WebHouse** Club's grocery service from the New York metro area last fall to a truly nationwide service in a matter of months, demonstrates the scalability of the Priceline **WebHouse** Club, which has no inventory or warehouses. It also illustrates the tremendous value of the Internet to both consumers and to traditional brick and mortar companies," said Jay S. Walker, co-founder of Priceline **WebHouse** Club.

"Already, more than three-quarters-of-a-million households in the northeast, southeast and Midwest, including 4 percent of all households in New York City, have used Priceline for Groceries -- many of them every week. And soon millions of consumers will save every week on gas by first naming their price on priceline.com before going to a local gas station."

In addition to Kroger, other national and regional supermarket chains offer **WebHouse** Club grocery savings to their customers.

Ahold USA's customers can name their own price with **WebHouse** Club and shop at the company's stores in the northeast (Stop and Shop, Giant of Pennsylvania, Giant of Maryland), southeast (Bi-Lo) and the Midwest (Tops Market). Albertson's ACME markets offer **WebHouse**

Club grocery savings to customers in the Philadelphia metro area. Safeway works with Priceline **WebHouse** Club in the Washington, D.C., and Baltimore metro areas, while Winn-Dixie shoppers throughout the southeast and parts of the Midwest save up to 50 percent off typical average store prices with Priceline for Groceries. Additionally, the **WebHouse** Club is currently working with more than 30 other supermarket chains throughout the northeast, southeast and Midwest.

With these recent and announced expansions, Priceline **WebHouse** Club becomes the only nationwide online grocery service in the U.S. and is larger, in terms of volume and customers, than all other online grocery services combined. For example, **WebHouse** Club members now price nearly 2 million different grocery items per week and are on track to price more than 100 million different grocery items by the end of the year.

Priceline **WebHouse** Club is also the only Internet service with thousands of retail stores. The company's grocery service currently is available at nearly 5,000 local supermarkets, and will be available in a total of more than 10,000 by the middle of summer. The company's gasoline service, where people can go online and save up to 20 cents a gallon at the pump, will soon be available at more than 20,000 branded and independent gas stations nationwide.

How Priceline **WebHouse** Club Works

To use the **WebHouse** Club, consumers log onto <http://www.priceline.com> from their home or office computers before they go to the grocery store. After entering the **WebHouse** Club, members can select from 1,000 national brand choices in 240 product categories. After choosing two or more national brands for each category, consumers can name their own prices and find out within 60 seconds whether their prices have been accepted. Members lock in their prices by pre-paying with a credit card while they're still online.

Before logging off, members print out a pre-paid grocery list that they can take with them to their favorite local participating store. This pre-paid grocery list includes information verifying the products consumers purchased through the **WebHouse** Club. At the checkout counter, one swipe of a shopper's Priceline **WebHouse** Club card completes the process. Shoppers can get their Priceline **WebHouse** Club card at participating supermarkets or by requesting one from the **WebHouse** Club web site.

About the Priceline **WebHouse** Club

Priceline **WebHouse** Club Inc. (<http://www.webhouse.priceline.com>), a privately held licensee of [priceline.com](http://www.priceline.com) (Nasdaq: PCLN), allows customers to name their own price for hundreds of leading grocery items on the Internet.

Priceline **WebHouse** Club members, after naming their price for groceries, can then get their items at their choice of nearly 5,000 participating stores throughout the northeast, southeast and Midwest.

Since launching on November 1, 1999 in the New York City metropolitan area, the **WebHouse** Club has enrolled more than 750,000 members, who have priced more than 35 million grocery

items and saved an average of \$10 to \$15 per shopping trip. A full 85 percent of **WebHouse** Club business now comes from repeat customers.

/CONTACT: Robert Padgett of Priceline **WebHouse** Club, 203-905-7650, robert.padgett@priceline.com; or Ivy Mollenkamp of Rogers & Cowan, 310-201-8831, imollenkam@shandwick.com, for Priceline/ 08:42 EDT

Contact: /CONTACT: Robert Padgett of Priceline **WebHouse** Club, 203-905-7650, robert.padgett@priceline.com; or Ivy Mollenkamp of Rogers & Cowan, 310-201-8831, imollenkam@shandwick.com, for Priceline/ 08:42 EDT

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Press Release #162

Priceline WebHouse Club Expands to Five Major Markets After Reaching Million-Member Mark

07/25/2000

PR Newswire

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- Columbus, Cincinnati, Dayton, Louisville and Nashville join 15 other major markets
- Grocery membership passes 1 million households eight months after New York launch
- Gasoline service passes 1.2 million pre-registered requests in first 90 days
- Service adds a record 100,000 new members in a single week

STAMFORD, Conn., July 25 /PRNewswire/ -- Priceline **WebHouse** Club today announced that it is expanding the Name-Your-Own-Price(SM) Internet grocery service to five major markets in the Midwest and South as grocery membership passed 1 million households.

Priceline **WebHouse** Club customers in Columbus, Cincinnati, Dayton, Louisville and Nashville can now name their own price on the Internet at <http://www.priceline.com> and save up to half off average typical store prices when they shop at local participating supermarkets, including more than 300 Kroger Co. stores.

In addition, pre-registration for Priceline for Gasoline, where consumers can go online and save up to 20 cents a gallon at the pump, passed the 1.2 million mark, with over 25,000 blue Priceline for Gasoline cards being sent out every day. The service is now available at more than 30,000 branded and independent gas stations nationwide. In the first three weeks of operation, 150,000 Priceline for Gasoline customers priced more than 3 million gallons of gasoline.

Last week, Priceline **WebHouse** Club added more than 100,000 total new members in the groceries and gasoline services combined -- a new record for the **WebHouse** Club.

"Within the next 90 days, consumers throughout the entire U.S. will be able to save up to half off on their groceries by using the Priceline **WebHouse** Club," said Jay S. Walker, co-founder of Priceline **WebHouse** Club. "At **WebHouse** Club, our customers are focused on savings. They save on average between \$10 and \$15 each week for groceries and 10 cents to 20 cents a gallon for gasoline."

Priceline **WebHouse** Club is America's leading Internet service for groceries, with an average of 2 million different grocery items priced every week. There are no grocery deliveries; instead, Priceline for Groceries works cooperatively with a network of over 5,000 local stores encompassing dozens of the nation's leading supermarkets chains, including Kroger, Albertson's, Safeway, Ahold USA, Meijer, Winn-Dixie, KeyFood, A&P, ShopRite, Grand Union, Waldbaums, FoodTown, King Kullen, the Food Emporium, Gristede's, D'Agostino, Super Food Mart and Pathmark, among others.

Because the company works with existing stores and doesn't have to build warehouses or purchase delivery trucks, the **WebHouse** Club is able to expand quickly across the nation with its local retail partners. Eight months after launching its grocery service, membership in the **WebHouse** Club has passed 1 million households, including 4 percent of all households in the New York metropolitan area.

Recently, the **WebHouse** Club announced that by fall 2000 shoppers at Kroger, the nation's largest supermarket chain, will be able to use Priceline for Groceries in all 2,300 Kroger-owned stores coast-to-coast. Additionally, Priceline **WebHouse** Club recently expanded to Chicago with nearly 200 Jewel-Osco stores. Jewel-Osco is a division of Albertson's, the nation's second-largest grocery retailer.

How Priceline **WebHouse** Club Works

To use the **WebHouse** Club, consumers log onto <http://www.priceline.com> from their home or office computers before they go to the grocery store. After entering the **WebHouse** Club, members can select from hundreds of national brand choices in 240 product categories. After choosing two or more national brands for each category, consumers can name their own prices and find out within 60 seconds whether their prices have been accepted. Members lock in their prices by pre-paying with a credit card while they're still online.

Before logging off, members print out a pre-paid grocery list that they can take with them to their favorite local participating store. At the checkout counter, one swipe of a shopper's green Priceline **WebHouse** Club card completes the process. (At gas stations, customers use a blue Priceline Gasoline Card at the pump.) Shoppers can get their Priceline **WebHouse** Club cards at participating supermarkets or by requesting one from the **WebHouse** Club Web site.

Priceline **WebHouse** Club is able to provide discounts in part because of support from major brand manufacturers. To date, over 140 brands are supported by manufacturers in the Priceline for Groceries system. Each week an average of five brands are added to the **WebHouse** Club system. Customers do not know which national brand will accept their price because Priceline for Groceries shields the specific brand name until after the customer's price is accepted, thereby protecting the price integrity of the manufacturer.

Discounts are also supported by more than 100 sponsor programs in which consumers receive **WebHouse** Club Half-Price Tokens -- giving them discounts of up to half-off -- by agreeing to try a sponsor's product or service. Each week, the **WebHouse** Club is adding on average of four sponsors to the program.

Priceline for Gasoline is fast and easy. Customers select three or more local gas stations and name their price for up to 50 gallons of gas and, if their price is accepted, **WebHouse** designates which station on their list they should go to in order to get their gas. Priceline for Gasoline supports the discount from money paid to it by thousands of independently owned and operated gas stations representing almost every major brand. These participating gas stations pay **WebHouse** Club in order to have Priceline send new customers to their stations. When customers use their Priceline Gasoline Card at the pump, the retailer gets the full pump price, but the consumer gets the savings that he or she pre-paid for online with Priceline. In addition to buying gasoline, these new customers often purchase convenience store items, such as food, candy, soda and tobacco products as well as service station products and car washes. In addition to support from gas stations, over 100 national sponsors contribute to Priceline **WebHouse** Club customers' gas purchases in return for customers' agreeing to try their products and services.

About the Priceline **WebHouse** Club

Priceline **WebHouse** Club Inc. (<http://www.webhouse.priceline.com>), a privately held licensee of priceline.com (Nasdaq: PCLN), allows customers to name their own price for retail items on the Internet and shop for them at discounts at local retail

Press Release #165

Liberty Media and Vulcan Ventures Invest \$190 Million In priceline.com Stock -- Priceline WebHouse Club Announces Anchor Investor For 3rd Round Financing

08/01/2000
Business Wire

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STAMFORD, Conn.--(BUSINESS WIRE)--Aug. 1, 2000--Liberty Media Corporation and Vulcan Ventures Inc. announced today that they have invested \$190 million in priceline.com stock. Liberty Media is headed by John C. Malone and Vulcan Ventures is the investment organization of Paul G. Allen.

Under the terms of the investment, the two companies have purchased from priceline.com founder Jay S. Walker a forward contract to buy eight million shares of priceline.com common stock for an aggregate purchase price of \$190 million. The forward contract entitles Liberty and Vulcan Ventures to take title to the priceline.com shares no earlier than August 1, 2001 and no later than August 1, 2002, prior to which Mr. Walker will retain voting control and record ownership of such shares. In compensation for the illiquidity of their investment, Liberty Media and Vulcan also received options from Mr. Walker to acquire an equity interest in Walker Digital Corporation at exercise prices based on valuations of between \$1.5 billion and \$1.8 billion.

Mr. Walker said he intends to use approximately \$125 million of the after-tax proceeds of this transaction to participate in the 3rd financing round of **WebHouse** Club (which he also founded). Priceline **WebHouse** Club, a privately held licensee of priceline.com, began operations in November 1999 and has received funding from a group of investors that includes Liberty Media, Vulcan Ventures, Goldman Sachs, Wit Capital Inc., Walker Digital Corporation, Mr. Walker and various members of the **WebHouse** Club senior management team.

Priceline **WebHouse** Club is a leading e-commerce service of saving money on groceries and gasoline. Its groceries service, currently active in ten major markets, has enrolled over 1 million members and the company's gas and groceries services together are currently adding more than 100,000 new members per week. More than 5,000 local supermarkets have joined the **WebHouse** Club network, including leading national chains such as Kroger, Safeway, Albertson's and Ahold USA.

Priceline **WebHouse** Club also has entered into long-term agreements with consumer product manufacturing companies that cover over 120 branded products including brands in 7 of the company's top 10-requested categories. Under these agreements, **WebHouse** Club receives payments from the consumer product manufacturing companies in exchange for fulfilling a majority of customer orders with their brands.

WebHouse Club's gasoline service, launched earlier this month, is also growing rapidly. In its first 4 weeks of operation, **WebHouse** Club customers have priced more than 5 million gallons of gasoline through the service. Thousands of gasoline stations nationwide from a wide variety of major brands are currently participating in the program.

Proceeds from the 3rd round of **WebHouse** Club financing will be used to fund continued national expansion of the grocery and gasoline services, ongoing operations and the development and deployment of a high-volume information technology architecture.

"Given priceline.com's consistently solid financial results and growth in the market, this investment is an excellent opportunity for Liberty," said Robert Bennett, President and CEO of

Liberty Media. "As a long-time priceline.com investor, we are pleased to add to our position in the company. We are also very excited about the progress of **WebHouse** Club in which we are also an investor."

Jay Walker said, "As founder of the **WebHouse** Club, this was a great opportunity for me to increase my support for **WebHouse** while bringing to priceline.com the long-term support of Internet visionaries like John Malone and Paul Allen. This forward contract adds no shares to the publicly traded float of priceline.com and is in keeping with my history of not selling my priceline.com shares in the public markets. This transaction represents a small percentage of my priceline holdings, which I increased through a \$125 million purchase last year, and I remain by far the largest shareholder.

"Priceline continues to demonstrate its ability to leverage the Internet to create a large consumer-driven business. Its strong second quarter results included the addition of 1.5 million new customers, excellent top-line revenue growth and improved operation performance with almost 7 million customers.

"I believe that the **WebHouse** Club demonstrates yet again just how scalable the priceline.com business model really is. With the new IT architecture we are developing, **WebHouse** Club will be in a position to handle tens of millions of item-purchases per week."

Priceline **WebHouse** is a privately-held company and a licensee of priceline.com's patented business method. Priceline.com has no investment in the company, but holds a warrant to purchase a majority equity stake in **WebHouse** Club in the future under certain conditions. Until that warrant is exercised, financial results from the **WebHouse** Club will not be included in financial results for priceline.com

The **WebHouse** Club announced that it has scheduled a conference call for 9 a.m. today with Jay Walker to discuss the **Webhouse** Club business. The **Webhouse** Club will continue to provide regular updates on its progress.

About the Priceline **WebHouse** Club

Priceline **WebHouse** Club Inc. (<http://www.webhouse.priceline.com>), a privately held licensee of priceline.com (Nasdaq: PCLN), allows customers to name their own price for retail items on the Internet and shop for them at discounts at local retail stores.

Priceline **WebHouse** Club members, after naming their price for groceries, can shop for them at savings of up to half off average typical store prices at their choice of more than 5,000 participating stores throughout the northeast, southeast and Midwest.

Since launching on November 1, 1999 in the New York City metropolitan area, the **WebHouse** Club has enrolled more than 1 million members, who have priced more than 35 million grocery items and saved an average of \$10 to \$15 per shopping trip. A full 85 percent of **WebHouse** Club business now comes from repeat-customers.

About priceline.com

Priceline.com is the Name Your Own Price(sm) Internet pricing system, protected by US patents. In the US, priceline.com provides services across four broad product categories: a travel service that offers leisure airline tickets, hotel rooms and rental cars; a personal finance service that offers home mortgages, refinancing and home equity loans through an independent licensee; an automotive service that offers new cars, and a telecommunications service that offers long distance calling services. Priceline.com licenses its business model to independent licensees, including Priceline **WebHouse** Club, Inc., which offers a Name Your Own Price service for groceries and gasoline; PricelineMortgage, Priceline Perfect YardSale, Inc., a local-market, consumer-to-consumer selling service, and certain international licensees. In these arrangements, priceline.com generally receives royalties for licensing its intellectual property. Priceline.com also holds securities carrying the right to purchase a significant equity stake in the licensees under certain conditions. Unless those rights are exercised, the results of licensee operations will not be included in priceline.com's financial statements.

About Walker Digital

Walker Digital is the world's leading inventor and developer of business method solutions. Founded in 1995 by Internet entrepreneur Jay Walker, Walker Digital has invented more than 300 Internet business methods, products and services, and has launched several operating companies worth more than \$10 billion. These initial companies are: priceline.com; the Priceline **WebHouse** Club, which operates as a private licensee of Priceline.com and uses intellectual property developed by Walker Digital; Retail DNA; and Priceline Perfect YardSale. More than 40 U.S. patents have been issued to Walker Digital so far, with more than 300 additional patent applications currently pending at the U.S. Patent and Trademark Office.

Walker Digital's mission is unlike that of any other organization. The company reinvents and improves businesses through the creative application of new digital technologies, especially the Internet. The businesses and products developed by Walker Digital provide unique solutions to large-scale consumer needs and business inefficiencies, resulting in new ways of doing business, new ways of creating value and new industry economics. Walker Digital invents proprietary new business methods, develops and operates new companies and partners with other companies to improve their performance. No other company has this combination of capabilities at this scale.

About Liberty Media Corporation

Liberty Media Corporation (NYSE: LMG.A and LMG.B) holds interests in a broad range of video programming, communications, technology and Internet businesses in the United States, Europe, South America and Asia.

About Vulcan Ventures Inc.

Vulcan Ventures Inc. of Bellevue, Washington was founded by Paul G. Allen in 1986 to research and implement his investments. Through Vulcan Ventures, Allen invests in companies which

offer products, services or technologies that fit his Wired World strategy and can contribute to or benefit from the technology and strategy of other companies within the group's extensive investment portfolio. In addition, the group owns Charter Communications, the fourth largest cable operating company in the United States with more than 6 million subscribers.

Recent investments include those in innovative content (e.g. Oxygen Media, ZDTV), Internet and e-commerce (e.g. Drugstore.com, eGreetings, Go2Net, Priceline.com, Stamps.com), telecommunications (e.g. Allegiance Telecom, High Speed Access, InterNAP, NorthPoint Communications) and consumer device and service companies (e.g. Replay Networks, TiVo, and Wink Communications). William D. Savoy is president of Vulcan Ventures and represents Allen in his professional and personal financial transactions as well as manages the Vulcan investment analysts who investigate and secure investment opportunities. Allen remains chairman of Vulcan. For more information on Vulcan visit www.paulallen.com.

Information about forward looking statements

This press release may contain forward-looking statements. Expressions of future goals and similar expressions including, without limitation, "may," "will," "should," "could," "expects," "does not currently expect," "plans," "anticipates," "believes," "estimates," "predicts," "potential," or "continue," reflecting something other than historical fact are intended to identify forward-looking statements. The following factors, among others, could cause the Companies actual results to differ materially from those described in the forward-looking statements: inability to successfully expand the Companies business model both horizontally and geographically; management of the Companies rapid growth; adverse changes in the Companies relationships with airlines and other product and service providers; systems-related failures; the Companies ability to protect its intellectual property rights; the effects of increased competition; anticipated losses by the Companies and its licensees; legal and regulatory risks and the ability to attract and retain qualified personnel. For a detailed discussion of these and other factors that could cause the Companies actual results to differ materially from those described in the forward-looking statements, please refer to the Companies most recent Form 10-Q and Form 10-K filings with the Securities and Exchange Commission.

CONTACT: Kevin Goldman **WebHouse** Club 203-905-6472
08:01 EDT AUGUST 1, 2000

Contact: CONTACT: Kevin Goldman **WebHouse** Club 203-905-6472
08:01 EDT AUGUST 1, 2000

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03-905-6605, caroline.mendoza@priceline.com, both of Priceline **WebHouse** Club/ 10:48 EDT

Press Release #168

Monro Muffler Brake Announces Joint Promotion With Priceline WebHouse Club Name Your Own Price Gasoline and Grocery Services

08/28/2000

Business Wire

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ROCHESTER, N.Y.--(BUSINESS WIRE)--August 28, 2000--Monro Muffler Brake, Inc. (Nasdaq:MNRO), today announced a joint promotion with Priceline **WebHouse Club**(SM), at www.priceline.com. Different Monro sales promotions will appear in conjunction with Priceline **WebHouse Club's Name Your Own Price**(SM) service for gasoline and groceries.

For example, customers who electronically purchase a \$10, \$25 or \$50 Monro gift certificate at the Priceline(SM) for Gasoline web site will receive additional savings on their gasoline offers. At Priceline For Groceries, customers who purchase Monro gift certificates will receive a number of Half-Price Tokens(SM), which customers may use to save up to half-off average typical store prices on groceries. The Monro gift certificates can be used toward any purchase such as oil changes, brake service, exhaust and tire rotations at any Monro or Speedy location. The promotions will begin appearing at the Priceline **WebHouse Club**(SM) by October 1, 2000.

Priceline for Gasoline recently opened up the Name Your Own Price service to all consumers after 250,000 charter customers priced more than 6 million gallons of gasoline and saved an average of 12 cents a gallon off the price at the pump in just one month. Priceline for Groceries, already well established in the eastern part of the country with more than 1 million member households, recently launched in Texas and next month will expand to California before becoming available nationwide by fall. Priceline for Groceries customers save an average of \$10 per shopping trip.

The joint promotion with Priceline **WebHouse Club**(SM) is Monro's first step in a more comprehensive Internet strategy designed to provide Monro with an additional low-cost venue to build brand awareness, promote the depth and quality of the Company's service and product array, and source additional customers. A key component of Monro's Internet strategy is branding with high quality, nationally recognized partners and to drive sales through gift certificates. The agreement with Priceline **WebHouse Club**(SM) exemplifies this strategy. This and other future partnerships will leverage the Internet as an extremely targeted, cost-effective tool to improve Monro's marketing reach.

Robert W. August, Senior Vice President of Monro Muffler Brake, commented, "We plan to be proactive in our use of the Internet to source customers and build our brand. Our partnership with Priceline **WebHouse Club**(SM) is a very positive first step in that direction. Unlike other advertising and marketing programs, the effectiveness of this partnership is easily quantifiable because consumers will pre-pay for Monro's services. Future Internet marketing agreements will

all fall within our current budget guidelines, we will pay for measurable results, and we will refine our strategies as we continue to learn more about how to most effectively market our services using this venue."

The Monro/Speedy toll-free store locator phone number is 1-877- GO MONRO or access the Web site, which provides the location of all stores as well as other information, at www.monro.com.

Monro Muffler Brake operates a chain of stores providing automotive undercar repair services in the United States. The Company currently operates 511 stores and has 19 dealer locations in New York, Pennsylvania, Ohio, Connecticut, Massachusetts, West Virginia, Virginia, Maryland, Vermont, New Hampshire, New Jersey, North Carolina, South Carolina, Indiana, Rhode Island, Delaware and Michigan. Monro's stores provide a full range of services for exhaust systems, brake systems, steering and suspension systems and many other vehicle maintenance services.

Certain statements made above may be forward-looking and are made pursuant to the Safe Harbor provisions of the Private Securities Litigation Reform Act of 1995. Forward-looking statements involve uncertainties which may cause the Company's actual results in future periods to differ materially from those expressed. These uncertainties include, but are not necessarily limited to, uncertainties affecting retail generally (such as consumer confidence and demand for auto repair); risks relating to leverage and debt service (including sensitivity to fluctuations in interest rates); dependence on, and competition within, the primary markets in which the Company's stores are located; the need for, and costs associated with, store renovations and other capital expenditures; and the risks described from time to time in the Company's SEC reports which include the report on Form 10K for the fiscal year ended March 31, 1999.

CONTACT: Monro Muffler Brake, Inc. Robert Gross President and Chief Executive Officer (716) 647-6400 or Monro Muffler Brake, Inc. Catherine D'Amico Senior Vice President - Finance Chief Financial Officer (716) 647-6400 or Morgen-Walke Associates, Inc. Investor Relations: Betsy Brod/Karen Pagonis Media Contact: Stacey Nield/Jennifer Kirksey (212) 850-5600

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/CORRECTION -- Priceline WebHouse Club Inc./

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In NYTH039, moved earlier today, we are advised by the company that the ticker symbol referenced in the first graph following Priceline **WebHouse** Club should be disregarded. Also, the second graph, fifth line should read, "Foods Co.," rather than "Food Co.," as incorrectly transmitted by PR Newswire.

10:18 EDT

**End WebHouse Club and Perfect YardSale Press Release not
found on the priceline.com Website**