



March 26, 2013

## **PFSweb Announces Leadership Changes**

**PFSweb, Inc. (Nasdaq: PFSW)**, an international provider of end-to-end eCommerce solutions, announced today that the Board of Directors has appointed Michael C. Willoughby as Chief Executive Officer and to the Board of Directors, effective March 26, 2013. In addition, it announced that lead director James F. Reilly has been named Chairman of the Board, also effective March 26, 2013.

The appointments of Messrs. Willoughby and Reilly follow the announcement by the Company that current Chairman and Chief Executive Officer, Mark Layton, will be leaving the Company to pursue other business opportunities. Mr. Layton will remain with PFSweb until April 30, 2013 to ensure a smooth transition. The Board determined to separate the roles of CEO and Chairman at this time in order to allow the CEO to focus more completely on increasing operating efficiency.

"We appreciate Mark's service to the Company, and wish him well as he looks to pursue other opportunities," said Mr. Reilly. "We want to take this opportunity to honor Mark's role as the founder of PFSweb and acknowledge his leadership in transforming PFSweb into a leading provider of end-to-end eCommerce solutions."

"The Board of Directors, after careful consideration, has decided that Mike has the combination of skills and professional management experience necessary to lead PFSweb forward. Since joining the Company in 1999, Mike has proven himself to be an invaluable asset. He brings to the role a tremendous amount of knowledge and experience in eCommerce technology and services, as well as an appreciation for the key growth opportunities in the industry," said Mr. Reilly.

"I am honored to have been chosen by our Board of Directors as PFSweb's new CEO, and look forward to focusing my talent and energies towards creating value for our shareholders," stated Mr. Willoughby. "The demand for eCommerce services continues to grow every year as more consumers shop online. I firmly believe that PFSweb has established a leading position in the eCommerce industry and our growth opportunities are strong. As we continue to roll-out our omni-channel iCommerce initiative, we will leverage our strategic alliances with companies, such as Demandware, Shopatron, IBM and ExactTarget, together with our own PFSweb technology and service expertise and more than 75 client programs for the world's leading brands to seek to accelerate revenue growth, drive operating efficiencies and profitability. As the new CEO, I have the benefit of an amazing team, a world-class solution and an outstanding client portfolio. I look forward to building on this solid foundation as our team works to unlock the true value and potential of PFSweb for our shareholders."

### **Background on Michael Willoughby**

Mr. Willoughby has served as President of PFSweb, Inc. since September 2010 and Chief Information Officer of the Company since October 2001.

Mr. Willoughby has previously served as President of Priority Fulfillment Services, a subsidiary of the Company, from February 2006 to September 2010. From 1999 to 2001, Mr. Willoughby served the Company as Vice President of eCommerce.

Prior to joining PFSweb, Mr. Willoughby served as President and Chief Executive Officer of Design Technologies, Inc., an eCommerce software development firm from 1994 to 1999. Prior to founding Design Technologies, Inc., Mr. Willoughby served as President and Chief Executive Officer of Integration Services, Inc., an IT consulting services company.

### **Background on James Reilly**

Mr. Reilly has served as a non-employee Director of the Company since its inception in 1999 and as Lead Director since June 2010. Mr. Reilly has been an investment banker since 1983 and is currently the Managing Partner of Stonepine Advisors, LLC, an investment banking firm focused on high growth technology companies.

Until June 2010, he was a Senior Advisor to Needham & Company, LLC, a nationally recognized investment banking and asset management firm focused primarily on serving emerging growth industries and their investors. He served in various capacities with Needham & Company, LLC, since January 2004, including Head of West Coast Investment Banking.

Mr. Reilly is also a Director of Equalis, LLC, a privately held provider of commercial support services for open source math software.

## **About PFSweb, Inc.**

PFSweb is engaged by iconic brands to enable and manage customized eCommerce and omni-channel commerce initiatives. PFSweb's iCommerce Hub(SM) technology ecosystem offers retailers a multi-channel order management system that allows partner/client data integration and international payment processing. PFSweb's iCommerce Professional Service(SM) provides interactive marketing services, eCommerce web site development and support services, IT development services, content management, customer intelligence and relationship and account management services. PFSweb's iCommerce Centers of Excellence(SM) provides global fulfillment and logistics, high-touch customer care, client financial services and technology hosting. Together, PFSweb's iCommerce Solutions allows for international reach and expertise in both direct-to-consumer and business-to-business initiatives. PFSweb supports organizations across multiple industries including Procter & Gamble, L'Oreal, LEGO, Columbia Sportswear, Sorel, Carter's, AAFES, Riverbed, Ricoh, Hawker Beechcraft Corp, Roots Canada Ltd., Diageo, BCBGMAXAZRIA, BCBGENERATION and HERVÉ LÉGER BY MAX AZRIA. PFSweb is headquartered in Allen, TX with additional locations in Tennessee, Mississippi, Canada, Belgium, and the Philippines. To find out more about PFSweb (NASDAQ: PFSW), visit the company's website at <http://www.PFSweb.com>.

*The matters discussed herein consist of forward-looking information under the Private Securities Litigation Reform Act of 1995 and is subject to and involves risks and uncertainties, which could cause actual results to differ materially from the forward-looking information. PFSweb's Annual Report on Form 10-K for the year ended December 31, 2011 and Quarterly Report on Form 10-Q for the three and nine months ended September 30, 2012 identify certain factors that could cause actual results to differ materially from those projected in any forward looking statements made and investors are advised to review the Annual and Quarterly Reports and the Risk Factors described therein. PFSweb undertakes no obligation to update publicly any forward-looking statement for any reason, even if new information becomes available or other events occur in the future. There may be additional risks that we do not currently view as material or that are not presently known.*