

## InPhonic files for bankruptcy, agrees to sell assets

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Struggling e-commerce firm InPhonic has filed for federal bankruptcy protection and agreed to sell its assets to a private investment group.

The District-based company, which runs Web sites that let consumers shop and compare wireless plans, filed a voluntary Chapter 11 reorganization petition Thursday, a move it says will facilitate its asset sale to Versa Capital Management, a private equity firm in Philadelphia. InPhonic says it will consider higher or better offers, but Versa has agreed to fund its operations until its acquisition of InPhonic closes.

InPhonic expects its sale to Versa to be completed by the end of the year.

Nasdaq trading of InPhonic stock (NASDAQ: INPC) was halted Thursday. Its shares have lost 97 percent of their value this year. The company says it expects its stock to have no value as a result of its reorganization filing.

InPhonic, which listed assets of \$120.9 million and debt of \$179.4 million, hired **Lazard Ltd.** last month to explore its options, including the possible sale of the company.

InPhonic lost \$41 million in the second quarter, compared to a \$9 million loss in the same quarter a year ago. Last month it cancelled a partnership with **Brightstar Corp.** and defaulted on debt.