

BLOCKBUSTER INC

Form 4

March 30, 2010

FORM 4
UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

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

**STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF
SECURITIES**

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934,
Section 17(a) of the Public Utility Holding Company Act of 1935 or Section
30(h) of the Investment Company Act of 1940

OMB APPROVAL

OMB
Number: 3235-0287
Expires: January 31,
2005
Estimated average
burden hours per
response... 0.5

(Print or Type Responses)

1. Name and Address of Reporting Person *
ICAHN CARL C

(Last) (First) (Middle)

C/O ICAHN ASSOCIATES
CORP., 767 FIFTH AVE., SUITE
4700

(Street)

NEW YORK, NY 10153

(City) (State) (Zip)

2. Issuer Name **and** Ticker or Trading
Symbol
BLOCKBUSTER INC [BBI]

3. Date of Earliest Transaction
(Month/Day/Year)
03/26/2010

4. If Amendment, Date Original
Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to
Issuer

(Check all applicable)

____ Director ____X____ 10% Owner
____ Officer (give title below) ____ Other (specify below)

6. Individual or Joint/Group Filing(Check
Applicable Line)
____ Form filed by One Reporting Person
X Form filed by More than One Reporting
Person

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)	4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)	5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)		
			Code	V	Amount	(A) or (D)	Price		
Class A Common Stock ("Class A Shares")	03/26/2010		S		700,000	D	\$ 0.3	19,905,190 (1) (2) (3) (4) (5) (6) (7)	I please see footnotes (1) (2) (3) (4) (5) (6) (7)
Class A Shares	03/29/2010		S		3,483,000	D	\$ 0.29	16,422,190 (1) (2) (3) (4) (5) (6) (7)	I please see footnotes (1) (2) (3) (4) (5) (6) (7)
Class A Shares	03/30/2010		S		3,490,000	D	\$ 0.25	12,932,190 (1) (2) (3) (4) (5)	I please see footnotes

Edgar Filing: BLOCKBUSTER INC - Form 4

						<u>(6)</u> <u>(7)</u>	<u>(1)</u> <u>(2)</u> <u>(3)</u> <u>(4)</u> <u>(5)</u> <u>(6)</u>
Class A Shares	03/30/2010	S	2,500,000	D	\$ 0.24	10,432,190 <u>(1)</u> <u>(2)</u> <u>(3)</u> <u>(4)</u> <u>(5)</u> <u>(6)</u> <u>(7)</u> I	please see footnotes <u>(1)</u> <u>(2)</u> <u>(3)</u> <u>(4)</u> <u>(5)</u> <u>(6)</u> <u>(7)</u>
Class A Shares	03/30/2010	S	2,981,800	D	\$ 0.25	7,450,390 <u>(1)</u> <u>(2)</u> <u>(3)</u> <u>(4)</u> <u>(5)</u> <u>(6)</u> <u>(7)</u> I	please see footnotes <u>(1)</u> <u>(3)</u> <u>(4)</u> <u>(5)</u> <u>(5)</u> <u>(6)</u> <u>(7)</u>
Class B Common Stock ("Class B Shares")	03/26/2010	S	267,895	D	\$ 0.22	5,298,236 <u>(1)</u> <u>(2)</u> <u>(3)</u> <u>(4)</u> <u>(5)</u> <u>(6)</u> <u>(7)</u> I	please see footnotes <u>(1)</u> <u>(3)</u> <u>(4)</u> <u>(5)</u> <u>(6)</u> <u>(7)</u>
Class B Shares	03/29/2010	S	317,113	D	\$ 0.21	4,981,123 <u>(1)</u> <u>(2)</u> <u>(3)</u> <u>(4)</u> <u>(5)</u> <u>(6)</u> <u>(7)</u> I	please see footnotes <u>(1)</u> <u>(2)</u> <u>(3)</u> <u>(4)</u> <u>(5)</u> <u>(6)</u> <u>(7)</u>
Class B Shares	03/30/2010	S	300,000	D	\$ 0.18	4,681,123 <u>(1)</u> <u>(2)</u> <u>(3)</u> <u>(4)</u> <u>(5)</u> <u>(6)</u> <u>(7)</u> I	please see footnotes <u>(1)</u> <u>(2)</u> <u>(3)</u> <u>(4)</u> <u>(5)</u> <u>(6)</u> <u>(7)</u>
Class B Shares	03/30/2010	S	322,900	D	\$ 0.19	4,358,223 <u>(1)</u> <u>(2)</u> <u>(3)</u> <u>(4)</u> <u>(5)</u> <u>(6)</u> <u>(7)</u> I	please see footnotes <u>(1)</u> <u>(2)</u> <u>(3)</u> <u>(5)</u> <u>(6)</u> <u>(7)</u>

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.

SEC 1474
(9-02)

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned
(e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)	5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and Amount of Underlying Securities (Instr. 3 and 4)	8. Price of Derivative Security (Instr. 5)	9. Number of Derivative Securities Beneficially Owned Following Report Transaction (Instr. 6)
				Code	V (A) (D)		Title		

Date Exercisable	Expiration Date	Amount or Number of Shares
---------------------	--------------------	--

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
ICAHN CARL C C/O ICAHN ASSOCIATES CORP. 767 FIFTH AVE., SUITE 4700 NEW YORK, NY 10153		X		
ICAHN ONSHORE LP 445 HAMILTON AVENUE SUITE 1210 WHITE PLAINS, NY 10601		X		
ICAHN PARTNERS LP 445 HAMILTON AVENUE SUITE 1210 WHITE PLAINS, NY 10601		X		
ICAHN PARTNERS MASTER FUND LP C/O WALKER HOUSE 87 MARY STREET GEORGE TOWN, GRAND CAYMAN, E9 KY1-9001		X		
ICAHN PARTNERS MASTER FUND II L.P. C/O WALKER HOUSE 87 MARY STREET GRAND CAYMAN, CAYMAN ISLANDS, E9 KY1-9001		X		
ICAHN PARTNERS MASTER FUND III L.P. C/O WALKER HOUSE 87 MARY STREET GRAND CAYMAN, CAYMAN ISLANDS, E9 KY1-9001		X		

Signatures

CARL C. ICAHN	03/30/2010
<u> </u> **Signature of Reporting Person	Date
ICAHN ONSHORE LP	03/30/2010
<u> </u> **Signature of Reporting Person	Date
ICAHN PARTNERS LP	03/30/2010
<u> </u> **Signature of Reporting Person	Date
ICAHN PARTNERS MASTER FUND LP	03/30/2010
<u> </u> **Signature of Reporting Person	Date

ICAHN PARTNERS MASTER FUND
II LP

03/30/2010

__Signature of Reporting Person

Date

ICAHN PARTNERS MASTER FUND
III LP

03/30/2010

__Signature of Reporting Person

Date

Explanation of Responses:

* If the form is filed by more than one reporting person, *see* Instruction 4(b)(v).

** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

(1) High River Limited Partnership ("High River") directly beneficially owns 1,475,728 Class A Shares and 530,738 Class B Shares; Barberry Corp. ("Barberry") directly beneficially owns 340,906 Class B Shares; Icahn Partners LP ("Icahn Partners") directly beneficially owns 2,597,282 Class A Shares and 1,640,430 Class B Shares; Icahn Partners Master Fund LP ("Icahn Master") directly beneficially owns 3,305,631 Class A Shares and 1,846,149 Class B Shares and Mr. Icahn directly beneficially owns 71,749 Class A Shares.

(2) Barberry Corp. ("Barberry"), is the sole member of Hopper Investments LLC ("Hopper"), which is the general partner of High River. Beckton Corp. ("Beckton") is the sole stockholder of Icahn Enterprises G.P. Inc. ("Icahn Enterprises GP"), which is the general partner of Icahn Enterprises Holdings L.P. ("Icahn Enterprises Holdings"). Icahn Enterprises Holdings is the sole member of IPH GP LLC ("IPH"), which is the general partner of Icahn Capital LP ("Icahn Capital"). Icahn Capital is the general partner of each of Icahn Onshore LP ("Icahn Onshore") and Icahn Offshore LP ("Icahn Offshore"). Icahn Onshore is the general partner of Icahn Partners. Icahn Offshore is the general partner of each of Icahn Master, Icahn Master II and Icahn Master III. Each of Barberry and Beckton is 100 percent owned by Carl C. Icahn.

(3) As such, Mr. Icahn is in a position indirectly to determine the investment and voting decisions made by each of High River, Icahn Partners, Icahn Master, Icahn Master II and Icahn Master III. The foregoing entities, together with Mr. Icahn are collectively referred to as the "Reporting Persons."

(4) The number of Class A Shares assume the conversion of Preferred Shares held by all of the applicable Reporting Persons into 7,378,641 Class A Shares as further described in the Form 4 filing made by the Reporting Person on November 15, 2005. Mr. Icahn disclaims beneficial ownership of such shares for all purposes, except to the extent of his pecuniary interest therein. (Class A, Class B and Preferred Shares, collectively, the "Shares")

(5) Each of Hopper, Barberry and Mr. Icahn may be deemed to indirectly beneficially own (as that term is defined in Rule 13d-3 under the Act) the Shares which High River owns. Each of Hopper, Barberry and Mr. Icahn disclaims beneficial ownership of such Shares except to the extent of their pecuniary interest therein. Mr. Icahn may be deemed to indirectly beneficially own (as that term is defined in Rule 13d-3 under the Act) the Shares which Barberry owns. Mr. Icahn disclaims beneficial ownership of such Shares except to the extent of his pecuniary interest therein. Each of Icahn Onshore, Icahn Capital, IPH, Icahn Enterprises Holdings, Icahn Enterprises GP, Beckton and Mr. Icahn may be deemed to indirectly beneficially own (as that term is defined in Rule 13d-3 under the Act) the Shares which Icahn Partners owns.

(6) Each of Icahn Onshore, Icahn Capital, IPH, Icahn Enterprises Holdings, Icahn Enterprises GP, Beckton and Mr. Icahn disclaims beneficial ownership of such Shares except to the extent of their pecuniary interest therein. Each of Icahn Offshore, Icahn Capital, IPH, Icahn Enterprises Holdings, Icahn Enterprises GP, Beckton and Mr. Icahn may be deemed to indirectly beneficially own (as that term is defined in Rule 13d-3 under the Act) the Shares which each of Icahn Master, Icahn Master II and Icahn Master III owns. Each of Icahn Offshore, Icahn Capital, IPH, Icahn Enterprises Holdings, Icahn Enterprises GP, Beckton and Mr. Icahn disclaims beneficial ownership of such Shares except to the extent of their pecuniary interest therein.

(7) Please reference the Form 4 filing dated March 26, 2010, filed separately by certain other related Reporting Persons.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.

Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.