#### **BLOCKBUSTER INC**

Form 4 July 07, 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

(Print or Type Responses)

(Last)

1. Name and Address of Reporting Person \* WATTLES MARK J

2. Issuer Name and Ticker or Trading Symbol

**BLOCKBUSTER INC [BBI]** 

3. Date of Earliest Transaction (Month/Day/Year) 07/02/2010

7945 W. SAHARA AVE., SUITE 205

(First)

(Middle)

4. If Amendment, Date Original (Street)

(Check all applicable)

Issuer

\_X\_\_ 10% Owner Director \_ Other (specify Officer (give title below)

5. Relationship of Reporting Person(s) to

**OMB APPROVAL** 

Estimated average

burden hours per

3235-0287

January 31,

2005

0.5

OMB

Number:

Expires:

response...

Filed(Month/Day/Year)

Applicable Line) Form filed by One Reporting Person X Form filed by More than One Reporting

6. Individual or Joint/Group Filing(Check

LAS VEGAS, NV 89117

(City)	(State)	(Zip) Tak	ole I - Non-	Derivative S	Securi	ities Acqui	red, Disposed of,	or Beneficial	y Owned
1.Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transactic Code (Instr. 8)	4. Securition of Dispose (Instr. 3, 4)  Amount	d of (I	) )	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)
Class A Common Stock							6,200,000	I	See Notes (1) (24)
Class B Common Stock	07/02/2010		S	250,000	D	\$ 0.12	13,050,000	I	See Notes (2) (24)
Class B Common Stock	07/02/2010		S	100	D	\$ 0.1001	13,049,900	I	See Notes (3) (24)
Class B Common	07/02/2010		S	140,423	D	\$ 0.11	12,909,477	I	See Notes (4) (24)

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Stock								
Class B Common Stock	07/02/2010	S	300	D	\$ 0.1006	12,909,177	I	See Notes (5) (24)
Class B Common Stock	07/02/2010	S	100	D	\$ 0.1005	12,909,077	I	See Notes (6) (24)
Class B Common Stock	07/02/2010	S	1,900	D	\$ 0.1004	12,907,077	I	See Notes (7) (24)
Class B Common Stock	07/02/2010	S	2,100	D	\$ 0.1003	12,905,077	I	See Notes (8) (24)
Class B Common Stock	07/02/2010	S	605,077	D	\$ 0.1	12,300,000	I	See Notes (9) (24)
Class B Common Stock	07/06/2010	S	600	D	\$ 0.099	12,299,400	I	See Notes (10) (24)
Class B Common Stock	07/06/2010	S	2,400	D	\$ 0.0987	12,297,000	I	See Notes (11) (24)
Class B Common Stock	07/06/2010	S	100	D	\$ 0.0983	12,296,900	I	See Notes (12) (24)
Class B Common Stock	07/06/2010	S	2,400	D	\$ 0.0984	12,294,500	I	See Notes (13) (24)
Class B Common Stock	07/06/2010	S	9,600	D	\$ 0.0961	12,284,900	I	See Notes (14) (24)
Class B Common Stock	07/06/2010	S	41,000	D	\$ 0.096	12,243,900	I	See Notes (15) (24)
Class B Common Stock	07/06/2010	S	1,800	D	\$ 0.955	12,242,100	I	See Notes (16) (24)
Class B Common Stock	07/06/2010	S	1,000	D	\$ 0.0956	12,241,100	I	See Notes (17) (24)
Class B Common Stock	07/06/2010	S	5,000	D	\$ 0.0951	12,236,100	I	See Notes (18) (24)

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Class B Common Stock	07/06/2010	S	186,100	D	\$ 0.095	12,050,000	I	See Notes (19) (24)
Class B Common Stock	07/07/2010	S	80,000	D	\$ 0.0605	11,970,000	I	See Notes (20) (24)
Class B Common Stock	07/07/2010	S	10,000	D	\$ 0.065	11,960,000	I	See Notes (21) (24)
Class B Common Stock	07/07/2010	S	5,000	D	\$ 0.0603	11,955,000	I	See Notes (22) (24)
Class B Common Stock	07/07/2010	S	405,000	D	\$ 0.06	11,550,000	I	See Notes (23) (24)

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)

> 9. Nu Deriv Secur Bene Own Follo Repo Trans (Instr

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

1. Title of	2.	3. Transaction Date	3A. Deemed	4.		5.	6. Date Exer	cisable and	7. Tit	le and	8. Price of
Derivative	Conversion	(Month/Day/Year)	Execution Date, if	Transa	ectio	nNumber	Expiration D	ate	Amou	ınt of	Derivative
Security	or Exercise		any	Code		of	(Month/Day/	Year)	Unde	rlying	Security
(Instr. 3)	Price of		(Month/Day/Year)	(Instr.	8)	Derivative	e		Secur	ities	(Instr. 5)
	Derivative					Securities	3		(Instr	3 and 4)	
	Security					Acquired					
						(A) or					
						Disposed					
						of (D)					
						(Instr. 3,					
						4, and 5)					
										Amount	
							Date	Expiration	m: 1	or	
							Exercisable	Date	Title	Number	
										of	
				Code	V	(A) (D)				Shares	

## **Reporting Owners**

Reporting Owner Name / Address	Relationships						
1	Director	10% Owner	Officer	Other			
WATTLES MARK J 7945 W. SAHARA AVE., SUITE 205 LAS VEGAS, NV 89117		X					

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WATTLES CAPITAL MANAGEMENT, LLC 7945 W. SAHARA AVE., SUITE 205 LAS VEGAS, NV 89117

X

### **Signatures**

Mark J. Wattles 07/07/2010

\*\*Signature of Reporting Person

**(14)** 

**(16)** 

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).
- Includes 6,000,000 shares held directly by Wattles Capital Management, LLC ("WCM") and 200,000 shares held directly by HKW **(1)**
- Includes 9,352,500 shares held directly by WCM and 3,697,500 shares held directly by HKW Trust. **(2)**
- Includes 9,352,425 shares held directly by WCM and 3,697,475 shares held directly by HKW Trust. (3)
- **(4)** Includes 9,247,108 shares held directly by WCM and 3,662,369 shares held directly by HKW Trust.
- **(5)** Includes 9,246,883 shares held directly by WCM and 3,662,294 shares held directly by HKW Trust.
- **(6)** Includes 9,246,808 shares held directly by WCM and 3,662,269 shares held directly by HKW Trust.
- Includes 9,245,383 shares held directly by WCM and 3,661,794 shares held directly by HKW Trust. **(7)**
- (8)Includes 9,243,808 shares held directly by WCM and 3,661,269 shares held directly by HKW Trust.
- Includes 8,790,000 shares held directly by WCM and 3,510,000 shares held directly by HKW Trust. **(9)**
- Includes 8,789,460 shares held directly by WCM and 3,509,940 shares held directly by HKW Trust.
- Includes 8,787,300 shares held directly by WCM and 3,509,700 shares held directly by HKW Trust. **(11)**
- Includes 8,787,210 shares held directly by WCM and 3,509,690 shares held directly by HKW Trust.
- Includes 8,785,050 shares held directly by WCM and 3,509,450 shares held directly by HKW Trust. (13)
- Includes 8,739,510 shares held directly by WCM and 3,504,390 shares held directly by HKW Trust.

Includes 8,776,410 shares held directly by WCM and 3,508,490 shares held directly by HKW Trust.

- Includes 8,737,890 shares held directly by WCM and 3,504,210 shares held directly by HKW Trust.
- Includes 8,736,990 shares held directly by WCM and 3,504,110 shares held directly by HKW Trust. **(17)**
- (18)Includes 8,732,490 shares held directly by WCM and 3,503,610 shares held directly by HKW Trust.
- (19)Includes 8,565,000 shares held directly by WCM and 3,485,000 shares held directly by HKW Trust.
- (20)Includes 8,493,000 shares held directly by WCM and 3,477,000 shares held directly by HKW Trust.
- Includes 8,484,000 shares held directly by WCM and 3,476,000 shares held directly by HKW Trust. (21)
- Includes 8,479,500 shares held directly by WCM and 3,475,500 shares held directly by HKW Trust.
- (23) Includes 8,115,000 shares held directly by WCM and 3,435,000 shares held directly by HKW Trust.
- Mr. Wattles owns 100% of the membership interests of WCM. Mr. Wattles is the settler and sole trustee of HKW Trust and exercises sole discretion over HKW Trust.

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.

Signatures 4