

BLOCKBUSTER INC
Form 4
November 16, 2005

FORM 4

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

OMB APPROVAL

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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)

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

(Last) (First) (Middle)

C/O ICAHN ASSOCIATES
CORP, 767 FIFTH AVE #4700

(Street)

NEW YORK, NY 10153

(City) (State) (Zip)

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

3. Date of Earliest Transaction
(Month/Day/Year)
11/15/2005

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

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

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

6. Individual or Joint/Group Filing(Check Applicable Line)

Form filed by One Reporting Person
 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) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|---|
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|---|

CLASS A
COMMON
STOCK
("CLASS A
SHARES")

18,866,186
(1) (2) (3) (4)

I

Please see explanation below

CLASS B
COMMON
STOCK
("CLASS B
SHARES")

5,566,131 ⁽¹⁾
(2) (3) (4)

I

Please see explanation below

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

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(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) |
|---|--|--------------------------------------|--|--------------------------------|---|--|---|
| | | | | Code | V (A) (D) | Date Exercisable Expiration Date | Title Amount or Number of Shares |
| 7 1/2% Series A Convertible Preferred Stock | \$ 5.15 | 11/15/2005 | | P | 38,000 | (1) (1) | Class A Shares 7,378,641 |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|--|---------------|-----------|---------|-------|
| | Director | 10% Owner | Officer | Other |
| ICAHN CARL C ET AL C/O ICAHN ASSOCIATES CORP 767 FIFTH AVE #4700 NEW YORK, NY 10153 | X | X | | |
| CCI Onshore Corp. 100 SOUTH BEDFORD ROAD MT KISCO, NY 10549 | | | X | |

Signatures

Carl C. Icahn 11/16/2005

**Signature of Reporting Person

Date

CCI Onshore Corp. 11/16/2005

**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).

On November 15, 2005, in a private offering, the reporting persons acquired 38,000 shares of 7 1/2% Series A Cumulative Convertible Perpetual Preferred Stock ("Preferred Shares") with a face amount of \$1000 per each Preferred Share, which Preferred Shares are immediately convertible into Class A Shares at the conversion price of \$5.15 per each share of Class A Common Stock, i.e. one Preferred Share may be converted into approximately 194.1748 shares of Class A Common Stock. Registrants paid \$38,000,000 for 38,000 Preferred Shares. High River owns 2,874,548 Class A Shares and 772,320 Class B Shares.

Each of Barberry, Hopper and Carl C. Icahn may be deemed to beneficially own (as that term is defined in Rule 13d-3) such Shares, but each of them disclaims beneficial ownership of such Shares, except to the extent of their pecuniary interest therein. Icahn & Co. owns 898,000 Class A Shares and 340,906 Class B Shares. Each of Barberry and Carl C. Icahn may be deemed to beneficially own (as that term is defined in Rule d-3) such Shares, but each of them disclaims beneficial ownership of such Shares, except to the extent of their pecuniary interest therein.

Icahn Master owns 7,381,540 Class A Shares and 1,932,985 Class B Shares. Each of Icahn Offshore, CCI Offshore and Carl C. Icahn may be deemed to beneficially own (as that term is defined in Rule d-3) such Shares, but each of them disclaims beneficial ownership of such Shares, except to the extent of their pecuniary interest therein. Icahn Partners owns 7,708,653 Class A Shares and 2,519,920 Class B Shares. Each of Icahn Onshore, CCI Onshore and Carl C. Icahn may be deemed to beneficially own (as that term is defined in Rule d-3) such Shares, except to the extent of their pecuniary interest therein.

References to the number of Class A Shares above in footnotes (1), (2), and (3) assume the conversion of Preferred Shares into Class A Shares by all of the applicable reporting persons. Mr. Icahn owns 3,445 Class A Shares. Each of the reporting persons (other than Mr. Icahn) disclaims beneficial ownership of such Shares for all purposes.

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

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