BLOCKBUSTER INC

Form 4 July 12, 2010

FORM 4

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

OMB Number:

Check this box if no longer subject to Section 16. Form 4 or

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

Estimated average burden hours per response... 0.5

Expires:

OMB APPROVAL

3235-0287

January 31,

2005

Form 5 obligations may continue. See Instruction

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

1(b).

(Print or Type Responses)

WATTLES MARK J			2. Issuer Name and Ticker or Trading Symbol BLOCKBUSTER INC [BBI]	5. Relationship of Reporting Person(s) to Issuer (Check all applicable)			
(Last) (First) (Middle		(Middle)	3. Date of Earliest Transaction	(Sheek all applicable)			
			(Month/Day/Year)	DirectorX 10% Owner			
7945 W. SAHARA AVE., SUITE 205		E., SUITE	07/08/2010	Officer (give title Other (specify below)			
	(Street)		4. If Amendment, Date Original	6. Individual or Joint/Group Filing(Check			
LAS VEGAS, NV 89117			Filed(Month/Day/Year)	Applicable Line) Form filed by One Reporting Person _X_ Form filed by More than One Reporting			
, i i i i i i i i i i i i i i i i i i i				Person			

(City)	(State)	(Zip) Tab	ole I - Non-	Derivative S	Securi	ties Acquir	ed, Disposed of,	or Beneficiall	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. Securities oner Dispose (Instr. 3, 4	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) (8)
Class B Common Stock	07/08/2010		S	200,000	D	\$ 0.082	11,350,000	I	See Notes (2) (8)
Class B Common Stock	07/08/2010		S	30,000	D	\$ 0.08	11,320,000	I	See Notes (3) (8)
Class B Common	07/08/2010		S	20,000	D	\$ 0.084	11,300,000	I	See Notes (4) (8)

Edgar Filing: BLOCKBUSTER INC - Form 4

O . 1	
Stock	\sim
Stoc	•

Class B Common Stock	07/09/2010	S	10,000	D	\$ 0.09	11,290,000	I	See Notes (5) (8)
Class B Common Stock	07/09/2010	S	5,000	D	\$ 0.0875	11,285,000	I	See Notes (6) (8)
Class B Common Stock	07/09/2010	S	235,000	D	\$ 0.085	11,050,000	I	See Notes (7) (8)

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. Transacti Code (Instr. 8)	5. onNumber of Derivative Securities Acquired (A) or		ate	Secur	ınt of rlying	8. Price of Derivative Security (Instr. 5)	9. Nu Deriv Secur Bene Owne Follo Repo
					Disposed of (D) (Instr. 3, 4, and 5)						Trans (Instr
				Code V	(A) (D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares		

Dolotionshins

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

Reporting Owners 2

Signatures

Mark J. Wattles 07/12/2010

**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) Includes 6,000,000 shares held directly by Wattles Capital Management, LLC ("WCM") and 200,000 shares held directly by HKW Trust.
- (2) Includes 7,935,000 shares held directly by WCM and 3,415,000 shares held directly by HKW Trust.
- (3) Includes 7,908,000 shares held directly by WCM and 3,412,000 shares held directly by HKW Trust.
- (4) Includes 7,890,000 shares held directly by WCM and 3,410,000 shares held directly by HKW Trust.
- (5) Includes 7,881,000 shares held directly by WCM and 3,409,000 shares held directly by HKW Trust.
- (6) Includes 7,876,500 shares held directly by WCM and 3,408,500 shares held directly by HKW Trust.
- (7) Includes 7,665,000 shares held directly by WCM and 3,385,000 shares held directly by HKW Trust.
- (8) 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 3