

BLOCKBUSTER INC
Form 4
October 19, 2004

FORM 4

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

OMB APPROVAL

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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)

1. Name and Address of Reporting Person *
HBK INVESTMENTS L P

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

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)
300 CRESCENT CT, STE 700

3. Date of Earliest Transaction (Month/Day/Year)
10/15/2004

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

(Street)
DALLAS, TX 75201

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

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 Ownership (Instr. 4)
				Code V	Amount (A) or (D) Price		
Class A Common Stock	10/15/2004			X	450,000 D \$ 15	721,469	D
Class A Common Stock	10/15/2004			O	10,600 D \$ 7.5	710,869	D

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

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SEC 1474 (9-02)

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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 Number Shares
10/04 15 Puts (right to sell)	\$ 15	10/15/2004		X	450,000	<u>(1)</u> 10/15/2004	Class A Common	450,000	
10/04 15 Calls (oblig to sell)	\$ 15	10/15/2004		E	450,000	<u>(2)</u> 10/15/2004	Class A Common	450,000	
10/04 7.5 Calls (oblig to sell)	\$ 7.5	10/15/2004		O	10,600	<u>(3)</u> 10/15/2004	Class A Common	10,600	
10/04 7.5 Calls (oblig to sell)	\$ 7.5	10/15/2004		E	2,572,400	<u>(4)</u> 10/15/2004	Class A Common	2,572,400	

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
HBK INVESTMENTS L P 300 CRESCENT CT STE 700 DALLAS, TX 75201		X		

Signatures

Kevin O'Neal, Authorized Signatory
10/19/2004

**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) Immediately exercisable.

- (2) Immediately exercisable.
- (3) Immediately exercisable.
- (4) Immediately exercisable.

Remarks:

HBK Investments L.P. (the "Manager") has sole voting and dispositive power over the securities listed pursuant to an Investment Management Agreement with HBK Master Fund L.P. ("Master Fund"), but the Manager has no pecuniary interest in such securities. All of the securities listed are held in the name of Master Fund.

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.