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DISCOVERY ZONE INC
Form SC 13D
March 24, 2003

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

SCHEDULE 13D

(Amendment No. 4)

Under the Securities Exchange Act of 1934

DISCOVERY ZONE, INC.
(Name of Issuer)

Common Stock, Par Value \$.01 Per Share
(Title of Class of Securities)

25468B 10 7
(CUSIP Number)

Philippe P. Dauman, Esq.
Viacom Inc.
200 Elm Street
Dedham, Massachusetts 02026
Telephone: (617) 461-1600
(Name, Address and Telephone Number of
Person Authorized to Receive Notices and
Communications)

Copy to:

Stephen R. Volk, Esq.
Shearman & Sterling
599 Lexington Avenue
New York, NY 10022
Telephone: (212) 848-4000

September 29, 1994
(Date of Event which Requires Filing of this Statement)

=====

If the filing person has previously filed a statement on Schedule 13G to report the acquisition which is the subject of this Schedule 13D, and is filing this schedule because of Rule 13d-1(b)(3) or (4), check the following box / /. Check the following box if a fee is being paid with this statement / /.

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CUSIP No. 25468B 10 7

(1) Name of Reporting Person
S.S. or I.R.S. Identification No. of Above Person
BLOCKBUSTER DISCOVERY INVESTMENT, INC.

I.R.S. Identification No. 65-0403677

(2) Check the Appropriate Box if a Member of Group (See Instructions)

/ / (a)

/ / (b)

(3) SEC Use Only

(4) Sources of Funds (See Instructions)

(5) Check if Disclosure of Legal Proceedings is Required Pursuant to

(6) Citizenship or Place of Organization Delaware

Number of (7) Sole Voting Power

Shares

Beneficially (8) Shared Voting Power 24,220,354

Owned by

Each (9) Sole Dispositive Power

Reporting

Person (10) Shared Dispositive Power 24,220,354

With

(11) Aggregate Amount Beneficially Owned by Each Reporting Person

24,220,354

(12) Check if the Aggregate Amount in Row (11) Excludes Certain Shares

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(13) Percent of Class Represented by Amount in Row (11) -----
49.9%

(14) Type of Reporting Person (See Instructions) CO

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CUSIP No. 25468B 10 7

(1) Name of Reporting Person
S.S. or I.R.S. Identification No. of Above Person
BLOCKBUSTER AMUSEMENT HOLDING CORPORATION

I.R.S. Identification No. 65-0403679

(2) Check the Appropriate Box if a Member of Group (See Instructions)
(a) -----
(b) -----

(3) SEC Use Only

(4) Sources of Funds (See Instructions) -----

(5) Check if Disclosure of Legal Proceedings is Required Pursuant to

(6) Citizenship or Place of Organization Delaware

Number of (7) Sole Voting Power
Shares -----

Beneficially (8) Shared Voting Power 24,220,354

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Owned by _____
Each (9) Sole Dispositive Power _____
Reporting _____
Person (10) Shared Dispositive Power 24,220,354 _____
With _____
(11) Aggregate Amount Beneficially Owned by Each Reporting Person _____
24,220,354 _____
(12) Check if the Aggregate Amount in Row (11) Excludes Certain Shares _____
(13) Percent of Class Represented by Amount in Row (11) _____
49.9% _____
(14) Type of Reporting Person (See Instructions) CO _____

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CUSIP No. 25468B 10 7

(1) Name of Reporting Person
S.S. or I.R.S. Identification No. of Above Person
VIACOM INC.
I.R.S. Identification No. 04-2949533
(2) Check the Appropriate Box if a Member of Group (See Instructions)
(a) _____
(b) _____
(3) SEC Use Only _____
(4) Sources of Funds (See Instructions) _____

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(5) Check if Disclosure of Legal Proceedings is Required Pursuant to

(6) Citizenship or Place of Organization Delaware

Number of (7) Sole Voting Power

Shares

Beneficially (8) Shared Voting Power 24,220,354

Owned by

Each (9) Sole Dispositive Power

Reporting

Person (10) Shared Dispositive Power 24,220,354

With

(11) Aggregate Amount Beneficially Owned by Each Reporting Person
24,220,354

(12) Check if the Aggregate Amount in Row (11) Excludes Certain Shares

(13) Percent of Class Represented by Amount in Row (11)

49.9%

(14) Type of Reporting Person (See Instructions) CO

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CUSIP No. 25468B 10 7

(1) Name of Reporting Person
S.S. or I.R.S. Identification No. of Above Person
SUMNER M. REDSTONE

S.S. No.

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(2) Check the Appropriate Box if a Member of Group (See Instructions)

(a)

(b)

(3) SEC Use Only

(4) Sources of Funds (See Instructions)

(5) Check if Disclosure of Legal Proceedings is Required Pursuant to

(6) Citizenship or Place of Organization United States

Number of (7) Sole Voting Power

Shares

Beneficially (8) Shared Voting Power 24,220,354

Owned by

Each (9) Sole Dispositive Power

Reporting

Person (10) Shared Dispositive Power 24,220,354

With

(11) Aggregate Amount Beneficially Owned by Each Reporting Person

24,220,354

(12) Check if the Aggregate Amount in Row (11) Excludes Certain Shares

(13) Percent of Class Represented by Amount in Row (11)

49.9%

(14) Type of Reporting Person (See Instructions)

IN

This Amendment No. 4 amends the Statement on Schedule 13D filed with the Securities and Exchange Commission on June 3, 1993 by Blockbuster Entertainment Corporation ("BEC"), Blockbuster Amusement Holding Corporation ("BAHC"), Blockbuster Fun & Fitness Holding Corporation ("BFF") and Blockbuster Discovery Investment, Inc. ("BDI"), as amended (the "Statement"). This Amendment No. 4 is filed with respect to the shares of common stock, par value \$.01 per share (the "Common Stock"), of Discovery Zone, Inc. (the "Issuer"), a Delaware corporation, with its principal offices located at 205 North Michigan Avenue, Chicago, Illinois 60601. Capitalized terms used but not defined herein have the meanings assigned to such terms in the Statement.

Item 2. Identity and Background.

Item 2 is hereby amended and supplemented as follows:

The Closing of the Transactions occurred on September 2, 1994. As a result thereof, BFF ceased to be a reporting person.

As a result of the Merger described in Item 3 of this Amendment No. 4, Viacom Inc., a Delaware corporation ("Viacom"), and Mr. Sumner M. Redstone became reporting persons on the Statement.

Viacom has its principal office at 200 Elm Street, Dedham, Massachusetts 02026. Viacom is a diversified entertainment, publishing and communications company which holds the common stock of Viacom International Inc., a Delaware corporation engaged in the entertainment and communications businesses, and Paramount Communications Inc., a Delaware corporation engaged in the entertainment and publishing businesses. As of July 31, 1994, approximately 85.2% of the Class A Common Stock, par value \$.01 per share, of Viacom ("Viacom Class A Common Stock") and 51.7% of the Class B Common Stock, par value \$.01 per share, of Viacom ("Viacom Class B Common Stock") was owned by National Amusements, Inc., a Maryland corporation ("NAI").

NAI has its principal office at 200 Elm Street, Dedham, Massachusetts 02026. NAI's principal businesses are owning and operating movie theaters in the United States and United Kingdom and holding common stock of Viacom. 91.7% of the issued and outstanding shares of capital stock of NAI

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are owned by Mr. Sumner Redstone, directly or as trustee of various trusts.

Sumner M. Redstone is an individual whose business address is c/o National Amusements, Inc., 200 Elm Street, Dedham, Massachusetts 02026. Mr. Redstone's principal occupation is Chairman of the Board, President and Chief Executive Officer of NAI, 200 Elm Street, Dedham, Massachusetts 02026; and Chairman of the Board of Viacom, 200 Elm Street, Dedham, Massachusetts 02026. Mr. Redstone is a citizen of the United States.

The directors and executive officers of Viacom are set forth on Schedule I attached hereto. Schedule I sets forth the following information with respect to each such person:

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- (i) name;
- (ii) business address (or residence address where indicated); and
- (iii) present principal occupation or employment and the name, principal business and address of any corporation or other organization in which such employment is conducted.

All of the directors and executive officers of Viacom are citizens of the United States.

During the last five years, neither Viacom nor any person named in Schedule I attached hereto (including Mr. Redstone) has been (a) convicted in a criminal proceeding (excluding traffic violations or similar misdemeanors) or (b) a party to a civil proceeding of a judicial or administrative body of competent jurisdiction and as a result of such proceeding was or is subject to a judgment, decree or final order enjoining future violations of, or prohibiting or mandating activities subject to, federal or state securities laws or finding any violation with respect to such laws.

Item 3. Source and Amount of Funds or Other Consideration.

Item 3 of the Statement is hereby amended and supplemented as follows:

The shares of Common Stock the subject of the Statement were previously beneficially owned by BEC, and are beneficially owned by Viacom and Mr. Redstone as a result of BEC's merger with and into Viacom (the "Merger") pursuant to the Agreement and Plan of Merger, dated as of January 7, 1994, between Viacom and BEC, as amended as of June 15, 1994 (the "Merger Agreement"). Pursuant thereto, each share of

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Common Stock (other than shares held by Viacom, BEC and, if appraisal rights are available under the Delaware General Corporation Law, those holders who have demanded and perfected appraisal rights) has been cancelled and converted into the right to receive (i) 0.08 of a share of Viacom Class A Common Stock, (ii) 0.60615 of a share of Viacom Class B Common Stock and (iii) up to an additional 0.13829 of a share of Viacom Class B Common Stock, with such number of shares depending on market prices of Viacom Class B Common Stock during the year following the effective time of the Merger, evidenced by one variable common right of Viacom. A copy of the press release issued by Viacom on September 29, 1994, relating to the consummation of the Merger, is attached hereto as Exhibit 99.1 and is incorporated herein by reference.

Item 5. Interest in Securities of the Issuer.

Item 5 is hereby amended and supplemented as follows:

The Supplemental Stock Option was cancelled on September 29, 1994 simultaneously with the consummation of the Merger.

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Item 7. Material to Be Filed as Exhibits.

- 99.1 Press release issued by Viacom Inc. on September 29, 1994.
- 99.2 Limited Power of Attorney.

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Signature

After reasonable inquiry and to the best of our knowledge and belief, we certify that the information set forth in this Statement is true, complete and correct.

October 4, 1994

BLOCKBUSTER DISCOVERY
INVESTMENT, INC.

By /s/ Thomas W. Hawkins

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Name: Thomas W. Hawkins
Title: Sr. Vice President,
General Counsel and
Secretary

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Signature

After reasonable inquiry and to the best of our knowledge and belief, we certify that the information set forth in this Statement is true, complete and correct.

October 4, 1994

BLOCKBUSTER AMUSEMENT
HOLDING CORPORATION

By /s/ Thomas W. Hawkins

Name: Thomas W. Hawkins
Title: Sr. Vice President,
General Counsel and
Secretary

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Signature

After reasonable inquiry and to the best of our knowledge and belief, we certify that the information set forth in this Statement is true, complete and correct.

October 4, 1994

VIACOM INC.

By /s/ Philippe P. Dauman

Name: Philippe P. Dauman
Title: Executive Vice
President, General
Counsel, Chief
Administrative
Officer and
Secretary

Signature

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this Statement is true, complete and correct.

October 4, 1994

*

Sumner M. Redstone, Individually

*By /s/ Philippe P. Dauman

Philippe P. Dauman
Attorney-in-Fact under the
Limited Power of Attorney filed
as Exhibit 99.2 to the Statement,
Amendment No. 4.

Schedule I
Executive Officers

Name	Business or Residence Address	Principal Occupation or Employment
-----	-----	-----
Sumner M. Redstone*	Viacom Inc. 200 Elm Street Dedham, MA 02026	Chairman of the Board of Viacom; Chairman of the Board and President, Chief Executive Officer of NAI
Frank J. Biondi, Jr.*	Viacom International Inc. 1515 Broadway New York, NY 10036	President, Chief Executive Officer of Viacom
Raymond A. Boyce	Viacom International Inc. 1515 Broadway	Sr. VP, Corporate Relations of Viacom

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	New York, NY 10036	
Vaughn A. Clarke	Viacom International Inc. 1515 Broadway New York, NY 10036	Sr. VP, Treasurer of Viacom
Philippe P. Dauman*	Viacom International Inc. 1515 Broadway New York, NY 10036	Executive VP, General Counsel, Chief Administrative Officer and Secretary of Viacom
Thomas E. Dooley	Viacom International Inc. 1515 Broadway New York, NY 10036	Executive VP, Finance Corporate Development and Communications Viacom
Michael D. Fricklas	Viacom International Inc. 1515 Broadway New York, NY 10036	Sr. VP, Deputy General Counsel of Viacom
Rudolph L. Hertlein	Viacom International Inc. 1515 Broadway New York, NY 10036	Sr. VP of Viacom
Edward D. Horowitz	Viacom International Inc. 1515 Broadway New York, NY 10036	Sr. VP, Technology Viacom; Chairman, Chief Executive Officer of New Media and Interactive Television

* Director

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Name -----	Business or Residence Address -----	Principal Occupation or Employment -----
Kevin C. Lavan	Viacom International Inc. 1515 Broadway New York, NY 10036	Sr. VP, Controller Chief Accounting Officer of Viacom
Henry Leingang	Viacom International	Sr. VP, Chief

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	Inc. 1515 Broadway New York, NY 10036	Information Officer Viacom
William A. Roskin	Viacom International Inc. 1515 Broadway New York, NY 10036	Sr. VP, Human Resou and Administration Viacom
George S. Smith, Jr.	Viacom International Inc. 1515 Broadway New York, NY 10036	Sr. VP, Chief Finan Officer of Viacom
Mark M. Weinstein	Viacom International Inc. 1515 Broadway New York, NY 10036	Sr. VP, Government Affairs of Viacom

Directors

Steven R. Berrard*	Blockbuster Entertainment Group One Blockbuster Plaza Fort Lauderdale, FL 33301	President and Chief Executive Officer of the Blockbuster Entertainment Group
William C. Ferguson	NYNEX Corporation 335 Madison Avenue New York, NY 10017	Chairman of the Boa and Chief Executive Officer of NYNEX
H. Wayne Huizenga	Blockbuster Entertainment Group One Blockbuster Plaza Fort Lauderdale, FL 33301	Vice Chairman of th Board of Viacom; Chairman of the Boa of Huizenga Holding Inc.; Chairman of t Board of Spelling Entertainment Group Inc.
George D. Johnson, Jr.*	Blockbuster Entertainment Group One Blockbuster Plaza Fort Lauderdale, FL 33301	President -- Domest Consumer Division o the Blockbuster Entertainment Group
Ken Miller	CS First Boston Park Avenue Plaza 55 East 52nd Street New York, NY 10055	Vice Chairman of CS First Boston
Brent D. Redstone	31270 Eagle Crest Lane Evergreen, CO 80439 [Residence]	Self-Employed

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* It is anticipated that the Board of Directors of Viacom will promptly elect Messrs. Berrard and Johnson to the Board, as disclosed in the Joint Proxy Statement/Prospectus of Viacom and BEC in connection with the Merger.

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Name	Business or Residence Address	Principal Occupation or Employment
-----	-----	-----
Frederic V. Salerno	NYNEX Corporation 335 Madison Avenue New York, NY 10017	Vice Chairman--Financial and Business Development of NYNEX
William Schwartz	Yeshiva University 2495 Amsterdam Avenue New York, NY 10033	VP for Academic Affairs (chief academic officer) of Yeshiva University

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Exhibit Index

Exhibit No.	Description	Page No.
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99.1	Press release issued by Viacom Inc. on September 29, 1994.	
99.2	Limited Power of Attorney	