

BLOCKBUSTER INC

Form 4

October 19, 2004

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

OMB APPROVAL

OMB
Number: 3235-0287
Expires: January 31,
2005
Estimated average
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(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
(Street)

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

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

DALLAS, TX 75201

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

6. Individual or Joint/Group Filing(Check
Applicable Line)
X Form filed by One Reporting Person
____ Form filed by More than One Reporting
Person

(City) (State) (Zip)

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
Class A Common Stock	10/15/2004		O		10,600	D	\$ 7.5 710,869

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
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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.