BLOCKBUSTER INC Form SC 13G October 03, 2005

OMB APPROVAL

OMB Number: 3235-0145

Expires: December 31, 2005

Estimated average burden hours per response...11

UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

SCHEDULE 13G

Under the Securities Exchange Act of 1934 (Amendment No.)*

Blockbuster Inc.
(Name of Issuer)
Class A Common Stock
(Title of Class of Securities)
093679108
(CUSIP Number)
September 20, 2005
(Date of Event Which Requires Filing of this Statement)
Check the appropriate box to designate the rule pursuant to which this Schedule is filed:

o Rule 13d-1 (b)

þ Rule 13d-1 (c)

o Rule 13d-1 (d)

The information required in the remainder of this cover page shall not be deemed to be filed for the purpose of Section 18 of the Securities Exchange Act of 1934 or otherwise subject to the liabilities of that section of the Act but shall be subject to all other provisions of the Act (however, see the notes).

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.

^{*}The remainder of this cover page shall be filled out for a reporting person s initial filing on this form with respect to the subject class of securities, and for any subsequent amendment containing information which would alter the disclosures provided in a prior cover page.

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UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

SCHEDULE 13G

Under the Securities Exchange Act of 1934 (Amendment No.)*

Blockbuster Inc.
(Name of Issuer)
Class B Common Stock
(Title of Class of Securities)
093679207
(CUSIP Number)
September 15, 2005
(Date of Event Which Requires Filing of this Statement)
Check the appropriate box to designate the rule pursuant to which this Schedule is filed:

o Rule 13d-1 (b)

þ Rule 13d-1 (c)

o Rule 13d-1 (d)

The information required in the remainder of this cover page shall not be deemed to be filed for the purpose of Section 18 of the Securities Exchange Act of 1934 or otherwise subject to the liabilities of that section of the Act but shall be subject to all other provisions of the Act (however, see the notes).

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CUSIP No.	. 093	6791	13G 108
	UBS Inve	S AG stme	Reporting Person and I.R.S. Identification No.: (for the benefit and on behalf of UBS ent Bank and Wealth Management siness groups of UBS AG (See Item 7))
	Chec (a) (b)	o	e Appropriate Box if a Member of a Group:
3.	SEC	Use	Only:
	Citiz Swit		nip or Place of Organization: and
Number o	of	5.	Sole Voting Power: 7,934,504 shares of Class A Common Stock
Shares Beneficial Owned by Each Reporting	y g	6.	Shared Voting Power: 0
Person Wi	ith	7.	Sole Dispositive Power: 7,934,504 shares of Class A Common Stock
		8.	Shared Dispositive Power: 0
9.	Aggi 7,93	rega 4,50	te Amount Beneficially Owned by Each Reporting Person: 4 shares of Class A Common Stock
10.	Chec	ck if	the Aggregate Amount in Row (9) Excludes Certain Shares:

11.	Percent of Class Represented by Amount in Row (9): 6.73% of Class A Common Stock
12.	Type of Reporting Person: BK

CUSIP No	. 093	6792	13G 207
1.	UBS Inve	AG stme	Reporting Person I.R.S. Identification No.: (for the benefit and on behalf of UBS int Bank and Wealth Management siness groups of UBS AG (See Item 7))
2.	Chec	ck th	e Appropriate Box if a Member of a Group:
	(a) (b)		
3.	SEC	Use	Only:
4.	Citiz Swit		nip or Place of Organization: and
Number		5.	Sole Voting Power: 4,436,117 shares of Class B Common Stock
Shares Beneficia Owned b Each Reportin Person W	lly by ng	6.	Shared Voting Power: 0
	ith	7.	Sole Dispositive Power: 4,436,117 shares of Class B Common Stock
		8.	Shared Dispositive Power: 0
9.			te Amount Beneficially Owned by Each Reporting Person: 7 shares of Class B Common Stock
10.	Chec	ck if	the Aggregate Amount in Row (9) Excludes Certain Shares:

1	1.	Percent of Class Represented by Amount in Row (9): 6.16% of Class B Common Stock
12	2.	Type of Reporting Person: BK

Item 1(a) Name of Issuer

Blockbuster Inc

Item 1(b) Address of Issuer s Principal Executive Offices:

1202 Elm Street

Dallas, TX 75720

United States

Item 2(a) Name of Person Filing:

UBS AG

Item 2(b) Address of Principal Business Office:

UBS AG s principal business office is:

Bahnhofstrasse 45

PO Box CH-8021

Zurich, Switzerland

Item 2(c) Citizenship:

Switzerland

Item 2(d) Title of Class of Securities

- 1. Class A Common Stock
- 2. Class B Common Stock

Item 2(e) CUSIP Number:

- 1. 093669108 Class A Common Stock
- 2. 093679207 Class B Common Stock

Item 3. Type of Person Filing:

UBS AG is classified as a Bank as defined in section 3(a)(6) of the Act pursuant to no-action relief granted by the staff of the Securities and Exchange Commission.

Item 4 (a)-(c)(iv). Ownership:

Items 5-11 of the cover pages are incorporated by reference.

Item 5. Ownership of Five Percent or Less of a Class:

If this statement is being filed to report the fact that as of the date hereof

the reporting person has ceased to be the beneficial owner of more than five

percent of the class of securities, check the following //.

Item 6. Ownership of More than Five Percent on Behalf of Another Person:

Not applicable

Item 7. Identification and Classification of the Subsidiary That Acquired the

Security Being Reported on By the Parent Holding Company:

This statement on Schedule 13G is being filed by UBS AG on behalf of itself and the subsidiaries listed below. The securities being reported on by UBS AG were acquired directly by UBS AG directly and certain of such subsidiaries.

UBS AG London Branch

UBS Portfolio LLC

UBS AG Frankfurt

UBS Ltd

UBS Warburg Private Clients Ltd

UBS AG Tokyo branch

UBS AG (Switzerland)

UBS Warburg Securities (Pty) Ltd (South Africa)

UBS International Ltd

UBS Warburg Securities Ltd

Banco UBS Warburg S.A

UBS Warburg Corretora de Cambio e Valores

Mobiliarios S.A.

UBS Warburg Trading S.A.

UBS Bunting Warburg Inc

UBS Capital Americas Investments III, Ltd.

UBS Capital II LLC

UBS Capital LLC

UBS AG Brazil

UBS Limited

UBS Capital Americas Investments II Ltd

SBC Equity Partners AG

UBS Capital Asia Pacific Ltd

UBS Capital Holdings LLC

UBS Capital Jersey Ltd

UBS Capital BV

UBS (USA) Inc

UBS Warburg AG (Frankfurt)

UBS Securities Australia Ltd

UBS Securities (Japan) Ltd

UBS Securities LLC

UBS Securities New Zealand Limited

UBS New Zealand Limited

UBS AG Australia Branch

UBS Capital Markets LP

UBS Capital Latin America LDC

UBS Securities France SA

UBS AG Canada Branch

UBS Cayman Ltd.

PaineWebber Capital Inc

Paine Webber International Inc

UBS Fiduciary Trust Company

UBS Financial Services Incorporated of Puerto Rico

UBS Americas Inc

UBS Financial Services Inc.

Item 8. Identification and Classification of Members of the Group Not Applicable
Item 9 Notice of Dissolution of Group:

Not Applicable

Item 10. Certification:

By signing below, the undersigned certify that, to the best of their knowledge and belief, the securities referred to above were acquired and are held in the ordinary course of business and were not acquired and are not held for the purpose of or with the effect of changing or influencing the control of the issuer of the securities and were not acquired and are not held in connection with or as a participant in any transaction having that purpose or effect.

SIGNATURE

By signing below I certify that, to the best of my knowledge and belief, the securities referred to above were not acquired and not held for the purpose of or with the effect of changing or influencing the control of the issuer of the securities and were not acquired and not held in connection with or as a participant in any transaction having that purpose or effect.

By: /s/ Teresa Ressel Teresa Ressel Managing Director

By: /s/ Per Dyrvik Per Dyrvik Managing Director

Date: September 30, 2005