



Dear Newspaper Publisher:

Blockbuster Inc. ("Blockbuster") is pleased to announce that it is exploring the possibility of selling newspapers in Blockbuster stores. Before a broader rollout of this strategy, Blockbuster will conduct a test in a number of its stores in the Dallas market beginning February 25, 2008. If Blockbuster is satisfied with the response it receives from its customers, Blockbuster would likely roll out this program during 2008 in over 4,000 stores throughout the United States.

Blockbuster has engaged iControl Systems, a newspaper marketing and billing firm, to assist us with this program. iControl Systems will administer the program and help you and Blockbuster maximize this new initiative.

Offering newspapers to Blockbuster customers will help re-position Blockbuster as the most convenient source for media and entertainment. We are excited about the opportunities and look forward to a successful test and a rapid rollout. In each market, Blockbuster would offer the leading daily newspaper for that market. Additionally, Blockbuster may offer New York Times and other demographically-appropriate local newspapers. Blockbuster will rely on your active input regarding these offerings, along with recommendations from iControl Systems.

If you wish your newspaper to be offered in Blockbuster stores, Blockbuster would expect your full support and cooperation. Additionally, should you elect to participate in this initiative, certain basic principles of your participation will likely apply, including without limitation, minimum discounts, payment terms, display and POP requirements. These requirements would remain constant in your primary market.

As our consultants, iControl Systems will be responsible to manage all communication and administrative aspects of the Dallas market test, as well as any national rollout of the initiative. As a result, any of your questions should be directed to Mr. Don DeVito at iControl, at Dond@iconrolusa.com, or to your existing iControl account executive.

Blockbuster would welcome your participation in this program, and looks forward to continue to provide the most convenient access to media and entertainment to its valued customers.

Respectfully yours,

BLOCKBUSTER INC.

A handwritten signature in black ink that appears to read "Sunny Hall".

By: _____

Sunny Hall
Buyer
General Merchandise