

Dish Network buys Blockbuster for \$320mn

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The once-dominant US video chain Blockbuster was sold at auction to satellite TV chain Dish Network for just \$320 million Wednesday after mismanagement and on-line competition pushed it into bankruptcy.

Dish Network said that it expected to pay only \$228 million for the company, which has 1,700 stores, after "certain adjustments" on cash and inventory are made.

Once a network of more than 7,200 stores in the United States and 17 other countries, [Blockbuster](#) declared bankruptcy on September 23 and went into Chapter 11 reorganization with one billion dollars in debt.

It fell victim to competition from low-priced mail delivery of movies by [Netflix](#), kiosk rental outlets such as Redbox, and online on-demand movie and TV services from Netflix and others, including Dish Network.

"With its more than 1,700 store locations, a highly recognizable brand and multiple methods of delivery, [Blockbuster](#) will complement our existing video offerings while presenting cross-marketing and service extension opportunities for [Dish Network](#)," said Dish's executive vice president Tom Cullen.

"While Blockbuster's business faces significant challenges, we look forward to working with its employees to re-establish Blockbuster's brand as a leader in video entertainment," he said in a statement.

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