

METROMEDIA INTERNATIONAL GROUP INC  
Form SC 13D/A  
December 08, 2006

**UNITED STATES**

**SECURITIES AND EXCHANGE COMMISSION**

**Washington, D.C. 20549**

**SCHEDULE 13D**

**Under the Securities Exchange Act of 1934**

**(Amendment No.3)**

Metromedia International Group, Inc.

(Name of Issuer)

Common Stock, \$.01 par value

(Title of Class of Securities)

591689104

(CUSIP Number)

Martin D. Sklar, Esq.

Kleinberg, Kaplan, Wolff & Cohen, P.C.

551 Fifth Avenue, New York, New York 10176

Tel: (212) 986-6000

(Name, Address and Telephone Number of Person Authorized to Receive Notices and Communications)

December 5, 2006

(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 that is the subject of this Schedule 13D, and is filing this schedule because of §§ 240.13d-1(e), 240.13d-1(f) or 240.13d-1(g), check the following box (.



**SCHEDULE 13D**

CUSIP No 591689104

1 NAME OF REPORTING PERSON

I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY)

Esopus Creek Value LP

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (a)  (b)

3 SEC USE ONLY

4 SOURCE OF FUNDS

WC

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(d) or 2(e)

6 CITIZENSHIP OR PLACE OF ORGANIZATION

Delaware

<b>NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH</b>	<b>7</b>	SOLE VOTING POWER
		0
	<b>8</b>	SHARED VOTING POWER
		3,830,000
	<b>9</b>	SOLE DISPOSITIVE POWER
		0
	<b>10</b>	SHARED DISPOSITIVE POWER
		3,830,000
	<b>11</b>	AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON
		3,830,000

12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

4.1%

14 TYPE OF REPORTING PERSON

PN



1 NAME OF REPORTING PERSON

I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY)

Esopus Creek Advisors LLC

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (a) X (b) O

3 SEC USE ONLY

4 SOURCE OF FUNDS

AF

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(d) or 2(e) O

6 CITIZENSHIP OR PLACE OF ORGANIZATION

Delaware

7 NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH SOLE VOTING POWER

0

8 SHARED VOTING POWER

3,830,000

9 SOLE DISPOSITIVE POWER

0

10 SHARED DISPOSITIVE POWER

3,830,000

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

3,830,000

12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES O

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

4.1%

14 TYPE OF REPORTING PERSON

OO

1 NAME OF REPORTING PERSON

I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY)

Andrew L. Sole

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (a) X (b) O  
3 SEC USE ONLY

4 SOURCE OF FUNDS

AF

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(d) or 2(e) O  
6 CITIZENSHIP OR PLACE OF ORGANIZATION

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	7	United States SOLE VOTING POWER
		0
	8	SHARED VOTING POWER
		3,830,000
	9	SOLE DISPOSITIVE POWER
		0
	10	SHARED DISPOSITIVE POWER
		3,830,000
	11	AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON
		3,830,000

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

3,830,000

12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES O  
13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

4.1%

14 TYPE OF REPORTING PERSON

IN

1 NAME OF REPORTING PERSON

I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY)

Joseph S. Criscione

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (a) X (b) O  
3 SEC USE ONLY

4 SOURCE OF FUNDS

AF

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(d) or 2(e) O  
6 CITIZENSHIP OR PLACE OF ORGANIZATION

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	7	United States SOLE VOTING POWER
		0
	8	SHARED VOTING POWER
		3,830,000
	9	SOLE DISPOSITIVE POWER
		0
	10	SHARED DISPOSITIVE POWER
		3,830,000

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

3,830,000

12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES O  
13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

4.1%

14 TYPE OF REPORTING PERSON

IN

1 NAME OF REPORTING PERSON

I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY)

D. E. Shaw Laminar Portfolios, L.L.C.

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (a) X (b) O  
3 SEC USE ONLY

4 SOURCE OF FUNDS

WC

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(d) or 2(e) O  
6 CITIZENSHIP OR PLACE OF ORGANIZATION

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	Delaware	
	7	SOLE VOTING POWER
		0
	8	SHARED VOTING POWER
		6,813,000
	9	SOLE DISPOSITIVE POWER
	0	
10	SHARED DISPOSITIVE POWER	
	6,813,000	

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

6,813,000

12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES O  
13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

7.2%

14 TYPE OF REPORTING PERSON

OO



1 NAME OF REPORTING PERSON

I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY)

D. E. Shaw & Co., L.P.

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (a)  (b)   
3 SEC USE ONLY

4 SOURCE OF FUNDS

WC

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(d) or 2(e)   
6 CITIZENSHIP OR PLACE OF ORGANIZATION

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	Delaware	
	7	SOLE VOTING POWER
		0
	8	SHARED VOTING POWER
		6,813,000
	9	SOLE DISPOSITIVE POWER
	0	
10	SHARED DISPOSITIVE POWER	
	6,813,000	

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

6,813,000

12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES   
13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

7.2%

14 TYPE OF REPORTING PERSON

IA, PN

1 NAME OF REPORTING PERSON

I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY)

D. E. Shaw & Co., L.L.C.

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (a)  (b)   
3 SEC USE ONLY

4 SOURCE OF FUNDS

WC

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(d) or 2(e)   
6 CITIZENSHIP OR PLACE OF ORGANIZATION

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	Delaware	
	7	SOLE VOTING POWER
		0
	8	SHARED VOTING POWER
		6,813,000
	9	SOLE DISPOSITIVE POWER
	0	
10	SHARED DISPOSITIVE POWER	
	6,813,000	

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

6,813,000

12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES   
13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

7.2%

14 TYPE OF REPORTING PERSON

OO

1 NAME OF REPORTING PERSON

I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY)

David E. Shaw

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (a)  (b)   
 3 SEC USE ONLY

4 SOURCE OF FUNDS

AF

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(d) or 2(e)   
 6 CITIZENSHIP OR PLACE OF ORGANIZATION

		United States
NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	7	SOLE VOTING POWER
		0
	8	SHARED VOTING POWER
		6,813,000
	9	SOLE DISPOSITIVE POWER
		0
	10	SHARED DISPOSITIVE POWER
		6,813,000

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

6,813,000

12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES   
 13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

7.2%

14 TYPE OF REPORTING PERSON

IN

1 NAME OF REPORTING PERSON

I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY)

Black Horse Capital LP

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (a) X (b) O  
 3 SEC USE ONLY

4 SOURCE OF FUNDS

WC

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(d) or 2(e) O  
 6 CITIZENSHIP OR PLACE OF ORGANIZATION

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	7	Delaware SOLE VOTING POWER
		0
	8	SHARED VOTING POWER
		4,347,328
	9	SOLE DISPOSITIVE POWER
		0
	10	SHARED DISPOSITIVE POWER
		4,347,328

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

4,347,328

12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES O  
 13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

4.6%

14 TYPE OF REPORTING PERSON

PN

1 NAME OF REPORTING PERSON

I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY)

Black Horse Capital (QP) LP

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (a)  (b)

3 SEC USE ONLY

4 SOURCE OF FUNDS

WC

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(d) or 2(e)

6 CITIZENSHIP OR PLACE OF ORGANIZATION

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	7	Delaware SOLE VOTING POWER
		0
	8	SHARED VOTING POWER
		1,580,345
	9	SOLE DISPOSITIVE POWER
		0
	10	SHARED DISPOSITIVE POWER
		1,580,345

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

1,580,345

12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

1.7%

14 TYPE OF REPORTING PERSON

PN

1 NAME OF REPORTING PERSON

I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY)

Black Horse Capital Offshore Ltd.

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (a) X (b) O  
 3 SEC USE ONLY

4 SOURCE OF FUNDS

WC

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(d) or 2(e) O  
 6 CITIZENSHIP OR PLACE OF ORGANIZATION

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	7	Cayman Islands SOLE VOTING POWER  0
	8	SHARED VOTING POWER  1,061,231
	9	SOLE DISPOSITIVE POWER  0
	10	SHARED DISPOSITIVE POWER  1,061,231

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

1,061,231

12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES O  
 13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

1.1%

14 TYPE OF REPORTING PERSON

CO

1 NAME OF REPORTING PERSON

I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY)

Black Horse Capital Management LLC

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (a) X (b) O  
 3 SEC USE ONLY

4 SOURCE OF FUNDS

AF

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(d) or 2(e) O  
 6 CITIZENSHIP OR PLACE OF ORGANIZATION

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	7	Delaware SOLE VOTING POWER
	8	0 SHARED VOTING POWER
	9	5,927,673 SOLE DISPOSITIVE POWER
	10	0 SHARED DISPOSITIVE POWER

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

5,927,673

12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES O  
 13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

6.3%

14 TYPE OF REPORTING PERSON

OO

1 NAME OF REPORTING PERSON

I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY)

Black Horse Capital Advisors LLC

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (a) X (b) O  
3 SEC USE ONLY

4 SOURCE OF FUNDS

AF

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(d) or 2(e) O  
6 CITIZENSHIP OR PLACE OF ORGANIZATION

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	7	Delaware SOLE VOTING POWER
		0
	8	SHARED VOTING POWER
		1,061,231
	9	SOLE DISPOSITIVE POWER
		0
	10	SHARED DISPOSITIVE POWER
		1,061,231

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

1,061,231

12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES O  
13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

1.1%

14 TYPE OF REPORTING PERSON

OO



1 NAME OF REPORTING PERSON

I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY)

Dale Chappell

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (a) X (b) O  
 3 SEC USE ONLY

4 SOURCE OF FUNDS

AF

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(d) or 2(e) O  
 6 CITIZENSHIP OR PLACE OF ORGANIZATION

		United States
NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	7	SOLE VOTING POWER
		0
	8	SHARED VOTING POWER
		6,988,904
	9	SOLE DISPOSITIVE POWER
		0
	10	SHARED DISPOSITIVE POWER
		6,988,904

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

6,988,904

12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES O  
 13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

7.4%

14 TYPE OF REPORTING PERSON

IN

1 NAME OF REPORTING PERSON

I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY)

Brian Sheehy

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (a)  (b)

3 SEC USE ONLY

4 SOURCE OF FUNDS

AF, PF

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(d) or 2(e)

6 CITIZENSHIP OR PLACE OF ORGANIZATION

United States

NUMBER OF 7 SOLE VOTING POWER

SHARES  
BENEFICIALLY  
OWNED BY

61,397

EACH  
REPORTING  
PERSON WITH

8 SHARED VOTING POWER

6,988,904

9 SOLE DISPOSITIVE POWER

61,397

10 SHARED DISPOSITIVE POWER

6,988,904

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

7,050,301

12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

7.4%

14 TYPE OF REPORTING PERSON

IN

This Amendment No.3 is filed with respect to the shares of the common stock, \$0.01 par value (the "Common Stock"), of Metromedia International Group, Inc., a Delaware corporation ( Issuer ), beneficially owned by the Reporting Persons (as defined below) as of December 7, 2006 and amends and supplements the Schedule 13D filed originally on October 10, 2006, as amended and/or restated on October 20, 2006 and November 22, 2006 (collectively, the "Schedule 13D"). Except as set forth herein, the Schedule 13D is unmodified.

The names of the persons filing this statement on Schedule 13D are:

(i) The Esopus Reporting Persons:

Esopus Creek Value LP ( Esopus Fund )  
Esopus Creek Advisors LLC ( Esopus Advisors )  
Andrew L. Sole ( Mr. Sole )  
Joseph S. Criscione ( Mr. Criscione )

(ii) The Black Horse Reporting Persons:

Black Horse Capital LP ( BH Domestic Fund ),  
Black Horse Capital (QP) LP ( BH QP Fund ),  
Black Horse Capital Offshore Ltd. ( BH Offshore Fund ),  
Black Horse Capital Management LLC ( BH Management ),  
Black Horse Capital Advisors LLC ( BH Advisors ),  
Dale Chappell ( Mr. Chappell ) and  
Brian Sheehy ( Mr. Sheehy ).

(iii) The D. E. Shaw Reporting Persons:

D. E. Shaw Laminar Portfolios, L.L.C. ( Laminar )  
D. E. Shaw & Co., L.P. ( DESCO LP )  
D. E. Shaw & Co., L.L.C. ( DESCO LLC )  
David E. Shaw

The Esopus Reporting Persons, the Black Horse Reporting Persons and the D. E. Shaw Reporting Persons shall collectively be referred to as the Reporting Persons. Each of the Reporting Persons is responsible for the completeness and accuracy of the information concerning him or it contained herein, but is not responsible for the completeness and accuracy of the information concerning the others, except to the extent that he or it knows or has reason to believe that such information is inaccurate.

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

(a) Esopus Fund allocated approximately \$5,487,858 to acquire its shares of Common Stock. The funds used to purchase the shares of Common Stock were obtained from a combination of the general working capital of the Esopus Fund and margin account borrowings made in the ordinary course of business, although Esopus Fund cannot determine whether any funds allocated to purchase the Issuer's Common Stock were obtained from any margin account borrowings.



(b) The total amount of funds allocated by the Black Horse Reporting Persons to acquire the shares of Common Stock and preferred stock owned by them was \$15,932,805. Each of BH Domestic Fund, BH QP Fund and BH Offshore Fund used its own assets to purchase such shares, which may at any given time include funds borrowed in the ordinary course in their margin accounts. Mr. Sheehy used his personal funds to acquire the securities he owns directly.

(c) In acquiring its shares of Common Stock, Laminar expended approximately \$6,614,243 (excluding commissions) of its working capital.

#### Item 4. Purpose of Transaction

By Letter to the Issuer dated October 5, 2006, Esopus Fund nominated the following persons for election to the Issuer's Board of Directors at the annual meeting of the Issuer's shareholders currently scheduled to be held on December 15, 2006 (the 2006 Annual Meeting): (1) Andrew L. Sole, Esq., (2) Philip R. Broenniman, (3) William F. Mickey Harley III, (4) Jerry Marcus and (5) Goara Gabriella Volshteyn (the Nominees).

By Letter to the Issuer dated October 6, 2006, Esopus proposed two shareholder resolutions (the Proposals), one amending the by-laws to require a majority shareholder vote with respect to certain merger and asset sales, and the second resolution to specifically require a majority shareholder vote with respect to the proposed sale transaction (the Proposed Transaction) involving Istithmar PJSC, Salford Georgia and Emergent Telecom Ventures Limited described in the Issuer's Form 8-K filed with the Securities and Exchange Commission on October 2, 2006, as modified in the manner described in the Form 8-K filed by the Issuer on November 18, 2006. As a result of the Reporting Persons activities and the serial withdrawal of each of the proposed purchasers, the Proposed Transaction has been abandoned, as disclosed in the Issuer's Form 8-K filed on December 5, 2006.

Each of the Reporting Persons acquired the Common Stock beneficially owned by each in the ordinary course of its, his or her, as applicable, securities trading activities. On October 5, 2006, the Esopus Reporting Persons and the D. E. Shaw Reporting Persons (and others who are no longer parties) entered into a verbal, non-binding agreement to support the election of the Nominees and the adoption of the Proposals at the 2006 Annual Meeting, and they agreed to share the related costs. On October 18, 2006, the Black Horse Reporting Persons agreed to cooperate with the above Reporting Persons and became a party to the verbal, non-binding agreement described above.

On October 18, 2006, the Esopus Fund brought an action against the Issuer in Delaware Chancery Court to enjoin the Proposed Transaction based upon its belief that the Issuer's intention to commit or consummate the Proposed Transaction prior to the 2006 Annual Meeting violates the Delaware Chancery Court's stipulated order to conduct an annual meeting for the election of directors on December 15, 2006. On October 19, 2006, the Esopus Fund and the Black Horse Funds brought a separate action in the Delaware Chancery Court against the Issuer and the Issuer's Board of Directors (excluding William F. Harley III, who joined the Board of Directors following the announcement of the Proposed Transaction) also seeking to enjoin the Proposed Transaction based upon alleged breaches of fiduciary duties of care and loyalty and violation of Section 271 of the Delaware General Corporation Law requiring a shareholder vote for such an asset sale.

The above lawsuits were consolidated and a hearing took place on November 22, 2006. Vice Chancellor Stephen P. Lamb of the Delaware Chancery Court issued an order (the Order), dated November 29, 2006, pursuant to which it was ordered, among other things, that the Issuer, its defendants, officers and other individuals identified in the Order, and those persons in active concert or participation with them, not enter into a definitive agreement providing for the sale of all or substantially all of the assets of the Issuer, including the Issuer's subsidiary Metromedia International Telecommunications, Inc. and/or the Issuer's direct or indirect interest in Magticom (an Asset Sale Agreement), unless consummation of such Asset Sale Agreement is subject to a vote of the common stockholders of the Issuer pursuant to Delaware corporate law (8 Del. C. § 271). Pursuant to the Order, in the event the Issuer enters into an Asset Sale Agreement, among other things, (i) the Issuer and its Board of Directors shall call a meeting of the common stockholders of the Issuer, consistent with the notice provision of 8 Del. C. § 271; (ii) the Issuer shall distribute to its stockholders, in advance of such meeting, a notice advising the Issuer's common stockholders of the date, time and place of the meeting and their right to vote on the Proposed Transaction and all information required under Delaware law necessary to ensure

an informed vote on the Proposed Transaction and at such meeting the common stockholders shall have the opportunity to vote on the Proposed Transaction; and (iii) the Asset Sale Agreement shall not be consummated unless and until the Proposed Transaction has been approved by a vote of the common stockholders of Metromedia as required by 8 Del. C. §271 and the company's Restated Certificate of Incorporation. A copy of the Order is attached to the Form 8-K filed by the Issuer on November 30, 2006.

As a result of the Delaware Chancery Court's Order in favor of the Reporting Persons and the termination of the Proposed Transaction, the Reporting Persons no longer intend to solicit proxies with respect to the Annual Meeting and shall (subject to any required acceptance of the Issuer and the Nominees) withdraw their Nominees and their two Proposals. However, if the Issuer announces a new proposed transaction that proposes to sell substantially all of the assets of the Issuer and such newly proposed transaction is not structured in a manner acceptable to the Reporting Persons, the Reporting Persons reserve the right to solicit proxies to oppose such new transaction.

The Reporting Persons also believe that the Lock-up and Voting Agreements (to the extent they still potentially are relevant following the abandonment of the Proposed Transaction) entered into between the Issuer and representatives of approximately 80% of the holders of the Issuer's preferred stock, are invalid and unenforceable, and the Reporting Persons may consider additional litigation or other options with respect to such agreements.

The Reporting Persons reserve the right to engage in a proxy solicitation with respect to the election of directors or any other proposed sale or similar transaction at a future date and to continue to acquire and/or dispose of securities of the Issuer, to pursue litigation against the Issuer, its directors and/or its officers, to recommend to management strategic alternatives, and to take any other appropriate actions in furtherance of their interests as stockholders of the Issuer.

#### **Item 5. Interest in Securities of the Issuer**

(a). (i) The Esopus Reporting Persons beneficially own 3,830,000 shares of Common Stock, representing 4.1% of the outstanding shares of Common Stock.

(ii) The Black Horse Reporting Persons beneficially own 7,050,301 shares of Common Stock representing 7.4% of the outstanding shares of Common Stock.

BH Domestic Fund, BH QP Fund, BH Offshore Fund (collectively, the Black Horse Funds) and Mr. Sheehy own directly 3,944,498, 1,461,324, 966,759 and 58,600 shares of Common Stock, respectively, and 120,970, 35,742, 28,370 and 840 shares of Preferred Stock, par value \$1.00 per share (the Preferred Stock), of the Issuer, respectively, representing (on an as converted to Common Stock basis) approximately 4.6%, 1.7%, 1.1% and less than 0.1% of the shares of Common Stock outstanding. BH Advisors, in its capacity as investment advisor to the BH Offshore Fund and as a result of certain relationships among the Black Horse Funds and their affiliates, may be deemed to be the beneficial owner of the 7,050,301 shares of Common Stock held directly by the Black Horse Funds and Mr. Sheehy, constituting 7.4% of the shares of Common Stock outstanding. BH Management, in its capacity as the general partner of the BH Domestic Fund and the BH QP Fund and as a result of certain relationships among the Black Horse Funds and their affiliates, may be deemed to be the beneficial owner of the 7,050,301 shares of Common Stock held directly by the Black Horse Funds and Mr. Sheehy, constituting 7.4% of the shares of Common Stock outstanding.

Messrs. Chappell and Sheehy, in their capacity as managing members of BH Advisors and BH Management and directors of the BH Offshore Fund and as a result of certain relationships among the Black Horse Funds and their affiliates, may be deemed to be the beneficial owners of the 7,050,301 shares of Common Stock held directly by the Funds and Mr. Sheehy, constituting 7.4% of the shares of Common Stock outstanding.

(iii) The D. E. Shaw Reporting Persons beneficially own 6,813,000 shares of Common Stock, representing 7.2% of the outstanding shares of Common Stock.

The Reporting Persons may be deemed to be members of a group within the meaning of Section 13(d)(3) of the Securities Exchange Act of 1934, as amended (the Act). As such, the group may be deemed to beneficially own (as that term is defined in Rule 13d-3 under the Act) all of the shares of Common Stock beneficially owned by the other Reporting Persons. Collectively, the Reporting Persons beneficially own 17,693,301, representing 18.7% of all the issued and outstanding shares of Common Stock.



(b). (i) Mr. Sheehy who has the sole power to vote or direct the vote or to dispose or direct the disposition of the 58,600 shares of Common Stock and the 840 shares of Preferred Stock that he owns directly. The Black Horse Reporting Persons have the shared power to vote or direct the vote or to dispose or direct the disposition of the remaining 6,372,581 shares of Common Stock and 185,082 shares of Preferred Stock owned by the Black Horse Funds.

(ii) The Esopus Reporting Persons share the power to vote and to direct the vote and the power to dispose and to direct the disposition of the 3,830,000 shares of Common Stock held by Esopus Fund.

(iii) The D. E. Shaw Reporting Persons share the power to vote and to direct the vote and the power to dispose and to direct the disposition of the 6,813,000 shares of Common Stock beneficially owned by the D. E. Shaw Reporting Persons.

DESCO LP, as Laminar's investment adviser, and DESCO LLC, as Laminar's managing member, may be deemed to have the shared power to vote or direct the vote of (and the shared power to dispose or direct the disposition of) the 6,813,000 shares of Common Stock beneficially owned by Laminar. As managing member of DESCO LLC, DESCO II, Inc. may be deemed to have the shared power to vote or to direct the vote of (and the shared power to dispose or direct the disposition of) the 6,813,000 shares of Common Stock beneficially owned by Laminar. As general partner of DESCO LP, DESCO, Inc. may be deemed to have the shared power to vote or to direct the vote of (and the shared power to dispose or direct the disposition of) the 6,813,000 shares of Common Stock beneficially owned by Laminar. None of DESCO LP, DESCO LLC, DESCO, Inc., or DESCO II, Inc., owns any shares of Common Stock of the Issuer directly and each such entity disclaims beneficial ownership of the 6,813,000 shares of Common Stock beneficially owned by Laminar. In addition, DESCO LP, DESCO LLC, DESCO, Inc., and DESCO II, Inc. each disclaims beneficial ownership of the 17,693,301 shares of Common Stock beneficially owned by the Reporting Persons and their affiliates.

David E. Shaw does not own any shares of Common Stock directly. By virtue of David E. Shaw's position as president and sole shareholder of DESCO, Inc., which is the general partner of DESCO LP, and by virtue of David E. Shaw's position as president and sole shareholder of DESCO II, Inc., which is the managing member of DESCO LLC, David E. Shaw may be deemed to have the shared power to vote or direct the vote of (and the shared power to dispose or direct the disposition of) the 6,813,000 shares of Common Stock owned by Laminar and, therefore, David E. Shaw may be deemed to be the indirect beneficial owner of such shares. David E. Shaw disclaims beneficial ownership of the 6,813,000 shares of Common Stock beneficially owned by Laminar. In addition, David E. Shaw disclaims beneficial ownership of the 17,693,301 shares of Common Stock beneficially owned by the Reporting Persons and their affiliates.

Notwithstanding items (b)(i) to (b)(iv) of this Item 5, the Reporting Persons have agreed verbally on a non-binding basis to support the Nominees and the Proposals.

(c). A list of the transactions in the Issuer's Common Stock that were effected by the Reporting Persons during the past sixty days is attached as Appendix I.

(d). No person other than the Reporting Persons and the investment funds and accounts under their management is known to have the right to receive or the power to direct the receipt of dividends from, or the proceeds from the sale of, the Shares.

(e). Note applicable.



**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.

Dated: December 8, 2006

ESOPUS CREEK VALUE LP

By: Esopus Creek Advisors LLC, as General Partner

By: /s/ Andrew L. Sole  
Andrew L. Sole, Managing Member

ESOPUS CREEK ADVISORS LLC

By: /s/ Andrew L. Sole  
Andrew L. Sole, Managing Member

/s/ Andrew L. Sole  
Andrew L. Sole

/s/ Joseph S. Criscione  
Joseph S. Criscione

D. E. SHAW LAMINAR PORTFOLIOS, L.L.C.

BY: D. E. SHAW & CO., L.L.C., as managing member

By: /s/ Anne Dinning  
Name: Anne Dinning  
Title: Managing Director

D. E. SHAW & CO., L.P.

By: /s/ Anne Dinning  
Name: Anne Dinning  
Title: Managing Director

D. E. SHAW & CO., L.L.C.

By: /s/ Anne Dinning  
Name: Anne Dinning  
Title: Managing Director

DAVID E. SHAW

By: /s/ Anne Dinning  
Name: Anne Dinning  
Title: Attorney-in-Fact for David E. Shaw

BLACK HORSE CAPITAL LP  
By: Black Horse Capital Management LLC, as General Partner

By: /s/ Dale Chappell  
Dale Chappell, Managing Member

BLACK HORSE CAPITAL (QP) LP  
By: Black Horse Capital Management LLC, as General Partner

By: /s/ Dale Chappell  
Dale Chappell, Managing Member

BLACK HORSE CAPITAL OFFSHORE LTD.

By: /s/ Dale Chappell  
Dale Chappell, Director

BLACK HORSE CAPITAL MANAGEMENT LLC

By: /s/ Dale Chappell  
Dale Chappell, Managing Member

BLACK HORSE CAPITAL ADVISORS LLC

By: /s/ Dale Chappell  
Dale Chappell, Managing Member

/s/ Dale Chappell  
Dale Chappell

/s/ Brian Sheehy  
Brian Sheehy

## APPENDIX I

**TRANSACTIONS EFFECTED DURING THE PAST SIXTY DAYS**

## Transactions Effected by Esopus Creek Value LP

Date of transaction	Amount of securities Bought/  (Sold)	Price per share or unit (excluding commissions)	Where and how the transaction was effected
12/06/2006	550,000	\$1.7873	U.S. OTC Market
12/06/2006	150,000	\$1.7903	U.S. OTC Market
12/07/2006	100,000	\$1.5300	U.S. OTC Market
12/07/2006	500,000	\$1.5372	U.S. OTC Market

## Transactions Effected by Black Horse Capital LP

Date of transaction	Amount of securities Bought/  (Sold)	Price per share or unit (excluding commissions)	Where and how the transaction was effected
12/06/2006	172,117	\$1.7950	U.S. OTC Market
12/06/2006	25,602	\$1.7758	U.S. OTC Market
12/06/2006	236,662	\$1.7873	U.S. OTC Market
12/07/2006	63,148	\$1.5984	U.S. OTC Market
12/07/2006	24,455	\$1.5260	U.S. OTC Market

## Transactions Effected by Black Horse Capital (QP) LP.

Date of transaction	Amount of securities Bought/  (Sold)	Price per share or unit (excluding commissions)	Where and how the transaction was effected
12/06/2006	163,607	\$1.7950	U.S. OTC Market
12/06/2006	24,337	\$1.7758	U.S. OTC Market
12/06/2006	224,959	\$1.7873	U.S. OTC Market
12/07/2006	23,379	\$1.5984	U.S. OTC Market
12/07/2006	9,053	\$1.5260	U.S. OTC Market

## Transactions Effected by Black Horse Capital Offshore Ltd.

Date of transaction	Amount of securities Bought/  (Sold)	Price per share or unit (excluding commissions)	Where and how the transaction was effected
12/06/2006	64,276	\$1.7950	U.S. OTC Market
12/06/2006	9,561	\$1.7758	U.S. OTC Market
12/06/2006	88,379	\$1.7873	U.S. OTC Market
12/07/2006	15,473	\$1.5984	U.S. OTC Market

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12/07/2006

5,992

\$1.5260

U.S. OTC Market