UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-K

(Mark One)

☒ ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the fiscal year ended December 31, 2010

☐ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from ___________ to _________________

Commission File No. **1-14332**

HOLLYWOOD MEDIA CORP.
(Exact name of registrant issuer as specified in its charter)

Florida	**65-0385686**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
2255 Glades Road, Suite 221A Boca Raton, Florida	**33431**
(Address of principal executive offices)	(Zip Code)

(561) 998-8000
(Registrant's telephone number)

Securities registered under Section 12(b) of the Act:

Title of each class	Name of each exchange on which registered
Common stock, par value $.01 per share	NASDAQ Global Market

Securities registered pursuant to Section 12(g) of the Act: None

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act.
Yes ☐ No ☒

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act.
Yes ☐ No ☒

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.
Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files).
Yes ☒ No ☐

Indicate by check mark if disclosure of delinquent filers in response to Item 405 of Regulation S-K is not contained therein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Annual Report on Form 10-K or any amendment to this Annual Report on Form 10-K. ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer ☐ Accelerated filer ☐

Non-accelerated filer ☐ (Do not check if a smaller reporting company) Smaller reporting company ☒

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act.).

Yes ☐ No ☒

The aggregate market value of the registrant's common stock, $.01 par value per share, held by non-affiliates as of June 30, 2010, computed by reference to the last sale price of the common stock on June 30, 2010 as reported by the NASDAQ Global Market based on published financial sources, was $27,174,382, as calculated under the following assumptions. For purposes of this computation, all executive officers, directors, and holders of 10% or more of the registrant's common stock known to the registrant, have been deemed to be affiliates, but such calculation should not be deemed to be an admission that such directors, officers or beneficial holders are, in fact, affiliates of the registrant.

As of April 11, 2011, there were 23,179,066 shares of the registrant's common stock, $.01 par value, outstanding.

DOCUMENTS INCORPORATED BY REFERENCE: In accordance with general instruction G(3) to Form 10-K, certain information required by Part III of this Form 10-K incorporated into Part III of this Annual Report on Form 10-K by reference to the registrant's definitive Proxy Statement for its annual meeting of shareholders to be held in 2011 and filed with the Securities and Exchange Commission pursuant to Regulation 14A under the Securities Exchange Act of 1934, as amended.

HOLLYWOOD MEDIA CORP.
ANNUAL REPORT ON FORM 10-K
FOR THE YEAR ENDED
DECEMBER 31, 2010

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CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

Certain statements in this Annual Report on Form 10-K or that are otherwise made by us or on our behalf about our financial condition, results of operations and business constitute “forward-looking statements,” within the meaning of federal securities laws. Hollywood Media Corp. (“Hollywood Media”) cautions readers that certain important factors may affect Hollywood Media’s actual results, levels of activity, performance or achievements and could cause our actual results, levels of activity, performance or achievements to differ materially from any future results, levels of activity, performance or achievements anticipated, expressed or implied by any forward-looking statements that may be deemed to have been made in this Annual Report on Form 10-K or that are otherwise made by or on behalf of Hollywood Media. Without limiting the generality of the foregoing, “forward-looking statements” are typically phrased using words such as “may,” “will,” “should,” “expect,” “plans,” “believe,” “anticipate,” “intend,” “could,” “estimate,” “pro forma” or “continue” or the negative variations thereof or similar expressions or comparable terminology. Factors that may affect Hollywood Media’s results and the market price of our common stock include, but are not limited to:

- our continuing operating losses;
- negative cash flows and accumulated deficit;
- our ability to develop and maintain strategic relationships;
- MovieTickets.com Inc.’s ability to compete with other online ticketing services and other competitors;
- our ability to maintain and obtain sufficient capital to finance our operations;
- our ability to realize anticipated cost efficiencies;
- government regulation;
- adverse economic factors such as recession, war, terrorism, international incidents or labor strikes and disputes;
- our ability to design, implement and maintain effective internal controls;
- dependence on our founders;
- the unpredictability of our stock price;
- the possibility of our common stock being delisted from the NASDAQ Global Market and not qualifying for trading on another exchange or market (such as the NASDAQ Capital Market, the NYSE Amex (formerly the American Stock Exchange) or the over-the-counter market);
- the possibility of not receiving payments from Key Brand Entertainment Inc. in connection with the sale of our Broadway Ticketing business pursuant to the Credit Agreement (as defined below) or pursuant to the potential earn-out under the Purchase Agreement (as defined below);
- the timing and amount of the payments we receive pursuant to the Credit Agreement and the potential earn-out under the Purchase Agreement; and
- our ability to exercise or put our warrant to purchase 5% of the outstanding shares of common stock of Theatre Direct NY, Inc. issued to us by Theatre Direct NY, Inc. pursuant to the Purchase Agreement.

Hollywood Media is also subject to other risks detailed herein, including those risk factors discussed in “Item 1A - Risk Factors” below, as well as those discussed elsewhere in this Annual Report on Form 10-K or detailed from time to time in Hollywood Media’s filings with the Securities and Exchange Commission.

These factors are not necessarily all of the important factors that could cause actual results to differ materially from those expressed in any of our forward-looking statements. Other factors, including unknown or unpredictable ones, also could have material adverse effects on our future results.

Because these forward-looking statements are subject to risks and uncertainties, we caution you not to place undue reliance on these statements, which speak only as of the date of this Annual Report on Form 10-K. We do not undertake any responsibility to review or confirm analysts' expectations or estimates or to release publicly any revisions to these forward-looking statements to take into account events or circumstances that occur after the date of this Annual Report on Form 10-K, except as required by law. As a result of the foregoing and other factors, no assurance can be given as to the future results, levels of activity or achievements and neither we nor any other person assumes responsibility for the accuracy and completeness of such statements.

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PART I

Item 1. Business.

Until December 15, 2010, Hollywood Media Corp. ("Hollywood Media," the "Company," "we," "our," or "us") was comprised of various businesses focusing primarily on online ticket sales, deriving revenue primarily from Broadway, Off-Broadway and London's West End ticket sales to individuals and groups, as well as advertising and book development license fees and royalties. Our Broadway Ticketing business was comprised of Broadway.com, 1-800-BROADWAY, Theatre Direct and Theatre.com. On December 15, 2010, as contemplated by the Stock Purchase Agreement, dated as of December 22, 2009, entered into between Hollywood Media and Key Brand (as amended, the "Purchase Agreement"), we completed the sale of our Broadway Ticketing Division (the "Broadway Sale"), through the sale of all of the outstanding capital stock of Theatre Direct NY, Inc. ("Theatre Direct") to Key Brand Entertainment Inc. ("Key Brand").

Following the Broadway Sale, we retained the following businesses and interests: (i) our Ad Sales Division (including CinemasOnline (as defined below) and our 26.2% equity interest in MovieTickets.com, Inc. ("MovieTickets.com")), (ii) our Intellectual Properties Division (consisting of our 51% interest in Tekno Books and a 50% interest in NetCo Partners), (iii) an earn-out from the sale of the Hollywood.com business, (iv) a Warrant issued by Theatre Direct in connection with the Broadway Sale, and (v) the right to receive payments under the Credit Agreement (defined below) and two earn-outs as discussed below in connection with the Broadway Sale.

Sale of our Broadway Ticketing Division.

In connection with the Broadway Sale:

- we received $20.5 million in cash;

- Theatre Direct, Key Brand, and the Company entered into that certain Second Lien Credit, Security and Pledge Agreement, dated as of December 15, 2010 (the "Credit Agreement"), pursuant to which Key Brand is obligated to pay to the Company $8.5 million at an interest rate of 12% per annum, which obligation matures on December 15, 2015 and is secured on a second lien basis by all stock and assets of Theatre Direct and its subsidiaries;

- Theatre Direct issued the Company a warrant to purchase 5% of the outstanding shares of common stock of Theatre Direct as of the closing date on a fully diluted basis at an exercise price of $.01 per share (the "Warrant");

- Key Brand assumed $1.6 million of liabilities associated with employment agreements with certain employees of Theatre Direct;

- if Theatre Direct and its subsidiaries achieve revenues (as defined in the Purchase Agreement) greater than or equal to $125 million in any full fiscal year of Theatre Direct ending during the period from the closing date of the Broadway Sale until the end of the tenth full fiscal year of Theatre Direct which occurs after the closing date of the Broadway Sale, then Key Brand will pay us an amount equal to $7 million (plus the applicable portion of any adjustments under the Credit Agreement relating to the enactment of adverse ticketing regulations); and

- if Theatre Direct and its subsidiaries achieve revenues (as defined in the Purchase Agreement) greater than or equal to $150 million in any full fiscal year of Theatre Direct ending during the period from the closing date of the Broadway Sale until the end of the tenth full fiscal year of Theatre Direct which occurs after the closing date of the Broadway Sale, then Key Brand will pay us an additional amount equal to $7 million (plus the applicable portion of any adjustments under the Credit Agreement relating to the enactment of adverse ticketing regulations).

In connection with the Credit Agreement, Hollywood Media and Key Brand entered into a Subordination and Intercreditor Agreement, dated December 15, 2010 (the "Intercreditor Agreement"), with JP Morgan Chase Bank, N.A., as administrative agent for the senior lenders of Key Brand, which defines the rights and obligations of the senior secured lenders and Hollywood Media as subordinated creditor including, without limitation, the rights of payment and the subordination of the security interests of Hollywood Media.

Hollywood Media has also agreed to provide certain transition services to Key Brand and Theatre Direct following the closing of the Broadway Sale for a six-month period ending June 15, 2011. These services are insignificant and do not constitute continuing involvement in Theatre Direct.

Tender Offer. On February 25, 2011, Hollywood Media completed its tender offer and purchased 8,000,000 shares of its common stock at a price of $2.05 per share (less any applicable withholding taxes and without interest). For additional information see Liquidity and Capital Resources in Item 7 – Management's Discussion and Analysis of Financial Condition and Results of Operations.

Major Business Divisions of Hollywood Media. The following summary descriptions of our continuing operations major business divisions are followed by more detailed descriptions of such businesses.

Ad Sales Division.

Hollywood Media's Ad Sales Division is comprised of the U.K. based CinemasOnline Limited, UK Theatres Online Limited, WWW.CO.UK Limited and Spring Leisure Limited (collectively known as "CinemasOnline") and holds Hollywood Media's investment in MovieTickets.com, Inc. CinemasOnline maintains plasma television screens in hotels, car dealerships, cinemas and live theaters in the U.K. and Ireland in exchange for the right to sell advertising displayed on such plasma screens. CinemasOnline also provides other marketing services, including advertising sales on lobby display posters, movie brochure booklets and ticket wallets distributed in cinemas, live theater and other entertainment venues in the U.K. and Ireland. MovieTickets.com is one of the two leading destinations for the purchase of movie tickets through the Internet. MovieTickets.com is an online ticketing service owned by a joint venture formed by Hollywood Media and several major movie exhibitor chains. Hollywood Media currently owns 26.2% of the equity of MovieTickets.com.

Intellectual Properties Division.

Our Intellectual Properties Division includes a book development and book licensing business owned and operated by our 51% owned subsidiary, Tekno Books, which develops and executes book projects, frequently with best-selling authors. Tekno Books has worked with over 60 New York Times best-selling authors, including Isaac Asimov, Tom Clancy, Tony Hillerman, John Jakes, Jonathan Kellerman, Dean Koontz, Robert Ludlum, Nora Roberts and Scott Turow. Hollywood Media is also a 50% partner in NetCo Partners, a partnership that owns *NetForce.* Hollywood Media also owns directly additional intellectual property created for it by various best-selling authors such as Mickey Spillane, Anne McCaffrey and others.

Other Business and Financial Information.

The following portions of this Business section of this Annual Report on Form 10-K contain more detailed information about our various business units, and "Item 1A – Risk Factors" below contains discussions of various related risks. Additional financial and other important information about Hollywood Media and our businesses is also contained elsewhere in this Annual Report on Form 10-K, including without limitation, the following portions of this Annual Report on Form 10-K: Item 7 – Management's Discussion and Analysis of Financial Condition and Results of Operations; and Item 8 – Financial Statements and Supplementary Data (including the Notes to Consolidated Financial Statements contained therein).

SEC Reports Available on Internet.

Hollywood Media makes available free of charge through its internet website, www.hollywoodmedia.com, its annual report on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K and amendments to those reports, as soon as reasonably practicable after such material is electronically filed with the Securities and Exchange Commission (the "SEC"). Such materials are available on the website under the caption "Company SEC Filings" (this is a link to the Company's "Real-Time SEC Filings" as provided by NASDAQ on NASDAQ's website at www.nasdaq.com). Hollywood Media is a reporting company under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and files reports and other information with the SEC. Our public electronic filings with the SEC (including the above-referenced filings) are available at the SEC's internet website (www.sec.gov). Hollywood Media's Internet website and any other website mentioned in this Annual Report on Form 10-K, and the information contained or incorporated therein, are not intended to be incorporated into this Annual Report on Form 10-K.

Percentage of Total Net Revenues of Continuing Operations

	2010	2009	2008
Ad Sales	78%	75%	79%
Intellectual Properties	22%	25%	21%
TOTALS	100%	100%	100%

Ad Sales Division

CinemasOnline. In November 2005, we acquired CinemasOnline, a group of companies based in the U.K. CinemasOnline's business involves maintaining plasma television screens in certain venues in the U.K. and Ireland, including hotels, car dealerships, cinemas and live theaters. These services are provided in exchange for CinemasOnline retaining the right to sell advertising to be displayed on such plasma screens. CinemasOnline currently has agreements with approximately 170 venues for the display of approximately 200 plasma screens in the U.K. and Ireland. CinemasOnline also has over 200 agreements with cinemas, live theater and other entertainment venues in the U.K. to sell advertising on lobby display posters, movie brochure booklets and ticket wallets in these venues.

MovieTickets.com. Hollywood Media launched the MovieTickets.com website in May 2000 with several major theater exhibitors. MovieTickets.com is one of the two leading website destinations for the purchase of movie tickets through the Internet. The MovieTickets.com website allows users to purchase movie tickets and retrieve them at "will call" windows or kiosks at theaters and, for theaters with the capability, for users to print tickets out at their home or office. MovieTickets.com generates revenues from service fees charged to users for the purchase of tickets, the sale of advertising, and the sale of research data. MovieTickets.com exhibitors operate theaters located in all of the top 20 markets and approximately 70% of the top 50 markets in the United States and Canada, and represent approximately 50% of the top 50 and top 100 grossing theaters in North America.

MovieTickets.com is owned by a joint venture in which Hollywood Media owns a 26.2% equity interest. See "Item 7 – Management's Discussion and Analysis of Financial Condition and Results of Operation - Equity in Earnings of Unconsolidated Investees" below, and Note 14 of the Notes to Consolidated Financial Statements in Item 8 of this Annual Report on Form 10-K below, for additional information about our equity interest in MovieTickets.com. MovieTickets.com entered into an agreement with Viacom Inc. effective August 2000 whereby Viacom Inc. acquired a 5% interest (now 4.1% after dilution) in MovieTickets.com for $25.0 million of advertising and promotion over five years. MovieTickets.com is promoted through on-screen advertising in most participating exhibitors' theaters. In March 2001, America Online Inc. ("AOL") purchased a non-interest bearing convertible preferred equity voting interest in MovieTickets.com for $8.5 million in cash, which was convertible into approximately 3% of the common stock of MovieTickets.com and which was converted in April 2005. The AOL interest is currently held by Time Warner Inc. In connection with the 2001 transaction with AOL, MovieTickets.com's ticket inventory was promoted throughout AOL's interactive properties and ticket inventory, including Moviefone. Through an agreement in August 2004 between MovieTickets.com and Moviefone, MovieTickets.com acquired by assignment and assumed the ticketing agreements that Moviefone had with its movie theater exhibitors. The Moviefone exhibitor agreements assumed by MovieTickets.com include agreements with Clearview Cinemas and Landmark Theaters.

Currently, MovieTickets.com sells tickets for more than 200 exhibitors.

Intellectual Properties Business

Book Development and Book Licensing. Our Intellectual Properties division includes a book development and book licensing business owned and operated by our 51% owned subsidiary, Tekno Books, which develops and executes book projects, frequently with best-selling authors. Tekno Books has worked with more than 60 New York Times best-selling authors, including Isaac Asimov, Tom Clancy, Tony Hillerman, John Jakes, Jonathan Kellerman, Dean Koontz, Robert Ludlum, Nora Roberts and Scott Turow, and numerous media celebrities, including Louis Rukeyser and Leonard Nimoy. Our intellectual properties division has licensed books for publication with more than 80 domestic book publishers, including Random House (Bertelsmann), Penguin Publishing Group (Pearson), Simon & Schuster (Viacom), HarperCollins (News Corp.), St. Martin's Press (Holtzbrink of Germany), Warner Books (Time Warner), and the publishing division of Barnes & Noble. Tekno Books has also produced numerous books under license from such entertainment companies as Universal Studios, CBS Television, DC Comics (Time Warner), and MGM Studios. Since 1980, Tekno Books has developed over 2,080 books that have been published. Another 3,800 foreign, audio, paperback, electronic, and other editions of these books have been sold to hundreds of publishers around the world, and published in 33 languages. Tekno's books have been finalists for, or winners of, more than 200 awards, including The Edgar Allan Poe Award, The Agatha Christie Award (Mystery), The Hugo Award (Science Fiction), The Nebula Award (Fantasy), The International Horror Guild Award (Horror) and The Sapphire Award (Romance). Tekno Books' current backlog and anticipated books for future publishing include more than 200 books under contract or in final negotiations, including more than 40 books by New York Times best-selling authors. The President of Tekno Books, Dr. Martin H. Greenberg, is the owner of the remaining 49% interest in Tekno Books.

Intellectual Properties. The Intellectual Properties division also owns directly (separate from Tekno Books) the exclusive rights to certain intellectual properties that are complete stories and ideas for stories, created by best-selling authors and media celebrities. Some examples of our intellectual properties are *Neil Gaiman's Mr. Hero, Neil Gaiman's Lady Justice, Anne McCaffrey's Acorna the Unicorn Girl*, *Leonard Nimoy's Primortals*, and *Mickey Spillane's Mike Danger*. We have the right to license rights to certain of our intellectual properties for use by licensees in developing projects in various media forms. We generally obtain the exclusive rights to the intellectual properties and the right to use the creator's name in the titles of the intellectual properties (e.g., *Mickey Spillane's Mike Danger* and *Leonard Nimoy's Primortals*).

NetCo Partners. In June 1995, Hollywood Media and C.P. Group Inc. ("C.P. Group"), entered into an agreement to form NetCo Partners. NetCo Partners owns *NetForce*. Hollywood Media and C.P. Group are each 50% partners in NetCo Partners. Tom Clancy is a shareholder of C.P. Group. At the inception of the partnership, C.P. Group contributed to NetCo Partners all rights to *NetForce*, and Hollywood Media contributed to NetCo Partners all rights to *Tad Williams' MirrorWorld*, *Arthur C. Clarke's Worlds of Alexander*, *Neil Gaiman's Lifers*, and *Anne McCaffrey's Saraband*. In 1997, NetCo Partners licensed to Putnam Berkley the rights to publish the first six *NetForce* books in North America, which books were created and published. This agreement was subsequently renewed in December 2001 for four more books that were created and published. *NetForce* books have so far been published in mass market paperback format. NetCo owns all rights in all media to the *NetForce* property including film, television, and video games. The first book in the series was adapted as a four-hour mini-series on ABC. Through its interest in NetCo, Hollywood Media receives distributions of its share of proceeds generated from the rights to the *NetForce* series.

Hollywood Media is a corporation that was incorporated in the State of Florida on January 22, 1993. Our principal executive office is located at 2255 Glades Road, Suite 221-A, Boca Raton, Florida 33431, and the telephone number at our principal executive office is (561) 998-8000.

Employees

Prior to the Broadway Sale on December 15, 2010, Hollywood Media employed 120 full time employees versus 123 full time employees on the same day in 2009. At March 23, 2011, Hollywood Media employed approximately 36 full-time employees and no part-time employees for its continuing operations, compared to 41 full-time employees and no part-time employees employed by Hollywood Media's continuing operations on February 23, 2010. Of our 36 full-time employees, 11 employees are engaged in our Ad Sales division, 4 employees are engaged in our Intellectual Properties division and 21 are corporate, technology and administrative employees. Hollywood Media Corp. is planning on reducing its work force on June 15, 2011 upon completion of the Company's obligations under the transition services agreement with the buyer of our Broadway Ticketing business. None of the employees are represented by a labor union, nor have we experienced any work stoppages. We consider our relations with our employees to be in good standing.

Item 1A. Risk Factors.

Risks of Investing in Our Shares

Investments in our common stock are speculative and involve a high degree of risk. Investors should carefully consider the following matters, as well as the other information in this Annual Report on Form 10-K. If any of these risks or uncertainties actually occur, our business, results of operations, financial condition, or prospects could be substantially harmed, which would adversely affect your investment. Additional risks and uncertainties may also impair our business, operating results, financial condition, and prospects.

We have a history of losses in our continuing operations.

We had a loss from continuing operations of approximately $7.1 million in 2010, $10.9 million in 2009, and $13.1 million in 2008. We may incur additional losses in the future.

Because Theatre Direct represented a substantial portion of our business, following the Broadway Sale our business will be substantially different.

Theatre Direct represented a substantial portion of our business until its sale in December 2010. As a result, our operating results for any particular period may not accurately predict our future operating results. Summarized results of our discontinued operations, which include the Broadway Ticketing Business, for 2008, 2009, and 2010 are set forth in the notes to our financial statements in Part II, Item 8 of this Annual Report on Form 10-K.

Our results of operation and financial condition may be materially adversely effected if (i) we fail to effectively reduce our overhead costs to reflect the reduced scale of our operations, (ii) our ability to receive the earn-out payments from the sale of the Hollywood.com business is inhibited in any way, (iii) our ability to receive the dividends and any other distributions from MovieTickets.com is inhibited in any way, (iv) our ability to receive the payments under the Credit Agreement or the earn-outs in connection with the Broadway Sale is inhibited in any way, (v) our ability to exercise or put the Warrant issued to us in connection with the Broadway Sale is inhibited in any way, or (vi) our Ad Sales Division and/or our Intellectual Properties Division continue to operate at a loss.

We may not receive the payments due under the Credit Agreement.

Pursuant to the Intercreditor Agreement, Key Brand's obligations under the Credit Agreement are subordinated to up to $15 million of certain senior indebtedness of Key Brand and our ability to exercise remedies upon a default under the Credit Agreement are subject to certain limitations. There can be no assurance that Hollywood Media will receive all of the payments due under the Credit Agreement. The financial condition and performance of Key Brand and/or its subsidiaries and the ability of Key Brand and/or its subsidiaries to satisfy the covenants and obligations in the Credit Agreement (or any other applicable financing agreements) could adversely affect Key Brand's ability to satisfy its obligations under the Credit Agreement.

Payments that we receive under the Credit Agreement may be reduced if certain adverse ticketing regulations are enacted.

From time to time, state and federal governments consider enacting restrictions or limitations on the amount of service fees that may be charged on the resale of tickets for events. For example, before 2007, the State of New York capped the amount of the service fees that could be charged on the resale of tickets at 20% to 45% of the face value of the ticket, depending on the size of the venue. In 2007, the State of New York repealed the cap on service fees for the resale of tickets. The State of New York is currently conducting a study on the secondary ticket market and may consider enacting regulations on the resale of tickets. At this time it is unclear what, if any, future ticketing regulations may be enacted by states or the federal government.

Pursuant to the terms of the Purchase Agreement and the Credit Agreement, upon any adverse change in state or federal ticketing regulations that takes effect before December 15, 2012 that restricts or limits the amount of service fees that may be charged on the resale of tickets, the principal amount of the Credit Agreement will be reduced by the amount of any such reduction in value up to a maximum of $5 million, and such amount shall be added pro-rata to the remaining earn-out amounts payable to Hollywood Media pursuant to the Purchase Agreement, provided that, there will be no reduction in the amounts due under the Credit Agreement if the entire earn-out has already been earned at the time of any such adverse change.

We may not receive earn-out payments.

If Theatre Direct and its subsidiaries achieve revenues greater than or equal to $125 million in any full fiscal year of Theatre Direct ending during the period from the closing date of the Broadway Sale until the end of the tenth full fiscal year of Theatre Direct which occurs after the closing date of the Broadway Sale, then Key Brand will be obligated to pay us $7 million (plus the applicable portion of any adjustments under the Credit Agreement relating to the enactment of adverse ticketing regulations). If Theatre Direct and its subsidiaries achieve revenues greater than or equal to $150 million in any full fiscal year of Theatre Direct ending during the period from the closing date of the Broadway Sale until the end of the tenth full fiscal year of Theatre Direct which occurs after the closing date of the Broadway Sale, then Key Brand will be obligated to pay us an additional amount equal to $7 million (plus the applicable portion of any adjustments under the Credit Agreement relating to the enactment of adverse ticketing regulations). R&S Investments, LLC, an entity owned by Mitchell Rubenstein, our Chief Executive Officer and Chairman of the Board, and Laurie S. Silvers, our President and Vice-Chairperson of the Board, is obligated to pay us up to an additional $7.8 million in potential earn-out payments pursuant to our sale to it of the Hollywood.com Business. There can be no assurance that we will receive all of these earn-out payments.

Key Brand's financial performance and condition will impact Key Brand's ability to satisfy its obligations under the Credit Agreement, pay the earn-out pursuant to the Purchase Agreement, and satisfy its other obligations under the Purchase Agreement.

Key Brand's financial performance and condition will impact Key Brand's ability to finance and grow its business, which would impact its ability to (i) satisfy its obligations under the Credit Agreement, (ii) pay the earn-out pursuant to the Purchase Agreement, (iii) satisfy its other obligations under the Purchase Agreement. There can be no assurances that Key Brand will satisfy any or all of these obligations.

The Purchase Agreement may expose us to contingent liabilities.

Under the Purchase Agreement, we have agreed to indemnify Key Brand for a breach or violation of any representation, warranty or covenant made by us in the Purchase Agreement, for certain broker commissions due in connection with the Broadway Sale, and for certain tax matters, subject to certain limitations. Significant indemnification claims by Key Brand could have a material adverse effect on our financial condition.

We are unable to compete with Theatre Direct for 7 years from the date of closing of the transactions contemplated by the Purchase Agreement.

We have agreed that Hollywood Media will not, and will cause its affiliates (as defined in the Purchase Agreement) not to, directly or indirectly, own, manage, engage in, operate, control, work for or participate in the ownership, management, operation or control of, any business, whether in corporate, proprietorship or partnership form or otherwise, engaged in the sales of tickets to live musical, live theatrical or other live entertainment performances in the City of New York, New York or that otherwise competes with the business of Theatre Direct and its subsidiaries as it exists as of the closing date, subject to certain exceptions, including that there are no restrictions on the sale of advertisements (including online advertising). Accordingly, subject to these exceptions, the non-competition agreement restricts our ability to engage in any business which competes with Theatre Direct for 7 years from the date of closing of the transactions contemplated by the Purchase Agreement.

For as long as we remain a public company, we will continue to incur the expenses of complying with public company reporting requirements.

Our reporting obligations as a U.S. public company were not affected as a result of completing the Broadway Sale. For as long as we remain a public company, we have an obligation to continue to comply with the applicable reporting requirements of the Exchange Act, which includes the filing with the SEC of periodic reports, proxy statements and other documents relating to our business, financial conditions and other matters, even though compliance with such reporting requirements is economically burdensome.

Following the Broadway Sale, we may be deemed an Investment Company and subjected to related restrictions under the Investment Company Act of 1940.

The regulatory scope of the Investment Company Act of 1940, as amended (the "Investment Company Act"), which was enacted principally for the purpose of regulating vehicles for pooled investments in securities, extends generally to companies engaged primarily in the business of investing, reinvesting, owning, holding or trading in securities. The Investment Company Act may, however, also be deemed to be applicable to a company that does not intend to be characterized as an investment company but that, nevertheless, engages in activities that may be deemed to be within the definitional scope of certain provisions of the Investment Company Act. We believe that our anticipated principal activities following the Broadway Sale, which include operating the Ad Sales Division and the Intellectual Properties Division, will not subject us to regulation under the Investment Company Act. Nevertheless, there can be no assurance that we will not be deemed to be an investment company. If we are deemed to be an investment company, we may become subject to certain restrictions relating to our activities, including restrictions on the nature of our investments and the issuance of securities. In addition, the Investment Company Act imposes certain requirements on companies deemed to be within its regulatory scope, including registration as an investment company, adoption of a specific form of corporate structure and compliance with certain reporting, record keeping, voting, proxy, disclosure and other rules and regulations. In the event of the characterization of Hollywood Media as an investment company, our inability to satisfy such regulatory requirements, whether on a timely basis or at all, would, under certain circumstances, have a material adverse effect on Hollywood Media.

Because our business is smaller following the Broadway Sale, there is a possibility that our common stock may be delisted from the NASDAQ Global Market if we fail to satisfy the continued listing standards of that market.

Our business is now smaller as a result of the Broadway Sale, and therefore we may fail to satisfy the continued listing standards of the NASDAQ Global Market. In the event that we are unable to satisfy the continued listing standards of the NASDAQ Global Market, our common stock may be delisted from that market. In order to continue to be listed on the NASDAQ Global Market, we must meet the bid price and total shareholders requirements as set forth in NASDAQ Listing Rule 5450(a) and at least one of the three standards in NASDAQ Listing Rule 5450(b). Pursuant to NASDAQ Listing Rule 5450(a), the bid price of our common stock cannot fall below $1.00 per share for 30 consecutive business days and we must have at least 400 total shareholders (including both holders of beneficial interest and holders of record). We believe that if we continue to qualify for listing on the NASDAQ Global Market, we will satisfy the Equity Standard under NASDAQ Listing Rule 5450(b), which requires (i) stockholders' equity of at least $10 million, (ii) at least 750,000 publicly held shares (total shares outstanding, less any shares held directly or indirectly by officers, directors or any person who is the beneficial owner of more than 10% of the total shares outstanding of the company), (iii) market value of publicly held shares of at least $5 million, and (iv) at least two registered and active market makers.

If we are delisted from the NASDAQ Global Market, we may apply to transfer our common stock listing to the NASDAQ Capital Market. However, our application may not be granted if we do not satisfy the applicable listing requirements for the NASDAQ Capital Market at the time of the application. Even if we successfully transfer our common stock listing to the NASDAQ Capital Market, but are unable to satisfy the minimum bid price requirement of $1.00 per share or any of the other continued listing standards of the NASDAQ Capital Market, our common stock could be delisted from the NASDAQ Capital Market. If our common stock were delisted from the NASDAQ Stock Market, we may apply to transfer our common stock listing to the NYSE Amex (formerly the American Stock Exchange). However, our application may not be granted if we do not satisfy the applicable listing requirements for NYSE Amex at the time of the application. If our common stock were to be delisted from the NASDAQ Global Market and we could not satisfy the listing standards of the NASDAQ Capital Market or the NYSE Amex, trading of our common stock most likely would be conducted in the over-the-counter market on an electronic bulletin board established for unlisted securities such as the Pink Sheets or the OTC Bulletin Board. Such trading could reduce the market liquidity of our common stock. As a result, an investor would find it more difficult to dispose of, or obtain accurate quotations for the price of, our common stock.

If our common stock is delisted from the NASDAQ Global Market and we could not satisfy the listing standards of the NASDAQ Capital Market or the NYSE Amex and the trading price remains below $5.00 per share, trading in our common stock might also become subject to the requirements of certain rules promulgated under the Exchange Act, which require additional disclosure by broker-dealers in connection with any trade involving a stock defined as a "penny stock" (generally, any equity security not listed on a national securities exchange or quoted on the NASDAQ Stock Market that has a market price of less than $5.00 per share, subject to certain exceptions). Many brokerage firms are reluctant to recommend low-priced stocks to their clients. Moreover, various regulations and policies restrict the ability of shareholders to borrow against or "margin" low-priced stocks, and declines in the stock price below certain levels may trigger unexpected margin calls. Additionally, because brokers' commissions on low-priced stocks generally represent a higher percentage of the stock price than commissions on higher priced stocks, the current price of the common stock can result in an individual shareholder paying transaction costs that represent a higher percentage of total share value than would be the case if our share price were higher. This factor may also limit the willingness of institutions to purchase our common stock. Finally, the additional burdens imposed upon broker-dealers by these requirements could discourage broker-dealers from facilitating trades in our common stock, which could severely limit the market liquidity of the stock and the ability of investors to trade our common stock.

Profitability of Hollywood Media is dependent in part on our ability to reduce corporate overhead costs.

Following the Broadway Sale, we are concentrating on deploying our resources to maximize our profitability through further reducing corporate overhead costs. Because our business is smaller following the Broadway Sale, we believe that there will be many ways in which corporate overhead costs can be significantly reduced. However, if we are not successful in fully implementing such cost reductions, our ability to increase the profitability of Hollywood Media may be impaired.

There can be no assurance that any disposition or other strategic transaction will occur or, if one is undertaken, of its potential terms or timing.

From time to time we explore potential transactions that may help us to realize the full value of our assets in the interest of our shareholders. There can be no assurance that any transaction will occur or, if one is undertaken, of its potential terms or timing. For additional information, see the discussion under "Outlook" in the "Liquidity and Capital Resources" portion of Part II, Item 7 of this Annual Report on Form 10-K, "Management's Discussion and Analysis of Financial Condition and Results of Operation" below.

We may not be able to compete successfully in the book development business.

Numerous companies and individuals are engaged in the book development business. We also compete with a large number of companies that license characters and properties into film, television, books and merchandise. Competition in these businesses is largely based on the number and quality of relationships that we are able to develop with authors and celebrities. There can be no assurance that our current or future competitors will not be successful in developing relationships with authors and celebrities with whom we have previously had relationships. Our revenues will decrease if we are unable to maintain these relationships or develop new relationships.

We may not be able to successfully protect our trademarks and proprietary rights.

General. We own trademark registrations in the United States for many of the trademarks that we use and some of our trademarks are registered in select foreign countries. We have also filed trademark applications in select foreign countries for the mark HOLLYWOOD MEDIA CORP. and others. There can be no assurance that we will be able to secure adequate protection for these names or other trademarks in the United States or in foreign countries. Many countries have a "first-to-file" trademark registration system; and thus we may be prevented from registering our marks in certain countries if third parties have previously filed applications to register or have registered the same or similar marks. It is possible that our competitors or others will adopt product or service names similar to ours, thereby impeding our ability to build brand identity and possibly leading to customer confusion.

Intellectual Properties Business. Hollywood Media has applied for trademark and copyright protection for its major intellectual property titles. Each of Hollywood Media and NetCo Partners currently has U.S. registered trademarks as well as pending trademark applications in the U.S. related to its respective business, and they also have foreign registered trademarks and pending trademark applications in several foreign jurisdictions. As Hollywood Media's properties are developed, Hollywood Media intends to apply for further trademark and copyright protection in the United States and certain foreign countries.

Copyright protection in the United States on new publications of works for hire extend for a term of 95 years from the date of initial publication or 120 years from the year of creation, whichever expires first. Trademark registration in the United States extends for a period of ten years following the date of registration. To maintain the registration, affidavits must be filed between the fifth and sixth years following the registration date affirming that the trademark is still in use in commerce and providing evidence of such use. The trademark registration must be renewed prior to the expiration of the ten-year period following the date of registration.

Failure to adequately protect these intellectual property rights could result in adverse consequences for these businesses due to the risks described above.

We may become subject to liability for infringement of third-party intellectual property rights.

There can be no assurance that third parties will not bring copyright or trademark infringement claims against us, or claim that our use of certain technology violates a patent. Even if these claims are not meritorious, they could be costly and could divert management's attention from other more productive activities. If it is determined that we have infringed upon or misappropriated a third party's proprietary rights, there can be no assurance that any necessary licenses or rights could be obtained on terms satisfactory to us, if at all. The inability to obtain any required license on satisfactory terms could force us to incur expenses to change the way we operate our businesses. If our competitors prepare and file applications that claim trademarks owned or registered by us, we may oppose these applications and have to participate in administrative proceedings to determine priority of right in the trademark, which could result in substantial costs to us, even if the eventual outcome is favorable to us. An adverse outcome could require us to license disputed rights from third parties or to cease using such trademarks. In addition, inasmuch as we license a portion of our content from third parties, our exposure to copyright infringement or right of privacy or publicity actions may increase; because we must rely upon such third parties for information as to the origin and ownership of such licensed content. We generally obtain representations as to the origins, ownership and right to use such licensed content and generally obtain indemnification to cover any breach of any such representations; however, there can be no assurance that such representations will be accurate or that such indemnification will provide adequate compensation for any breach of such representation. There can be no assurance that the outcome of any litigation between such licensors and a third party or between us and a third party will not lead to royalty obligations for which we are not indemnified or for which such indemnification is insufficient, or that we will be able to obtain any additional license on commercially reasonable terms if at all.

We are dependent on developing and maintaining strategic relationships with exhibitors and authors.

The success of our operations is dependent in part on MovieTickets.com's ability to enter into and maintain strategic relationships and agreements with exhibitors and Tekno Books' ability to develop and execute book projects with authors. There can be no assurance such relationships with exhibitors and authors will be developed and maintained and, if unable to do so, our financial condition and results of operations could be adversely impacted.

Our operations could be negatively impacted by systems interruptions.

The hardware and software used in the MovieTickets.com business could be damaged by fire, floods, hurricanes, earthquakes, power loss, telecommunications failures, break-ins and similar events. Our websites could also be affected by computer viruses, electronic break-ins or other similar disruptive problems. These system problems could negatively affect us. General Internet traffic interruptions or delays could also harm the MovieTickets.com business. To the extent MovieTickets.com's services are disrupted, MovieTickets.com could lose users of its website.

Government regulation could impact our business.

The application of existing laws and regulations to the MovieTickets.com business relating to issues such as user privacy, pricing, taxation, content, sweepstakes, copyrights, trademarks, advertising, and the characteristics and quality of our products and services can be unclear.

Several federal laws could have an impact on the MovieTickets.com business. The Digital Millennium Copyright Act establishes binding rules that clarify and strengthen protection for copyrighted works in digital form, including works used via the Internet and other computer networks. The Child Online Protection Act is intended to restrict the distribution of certain materials deemed harmful to children. The Children's Online Privacy Protection Act of 1998 protects the privacy of children using the Internet, by requiring, among other things, (1) that in certain specific instances the operator of a website must obtain parental consent before collecting, using or disclosing personal information from children under the age of 13, (2) the operator of a website to make certain disclosures and notices on the website or online service regarding the collection, use or disclosure of such personal information, and (3) the operator of a website or online service to establish and maintain reasonable procedures to protect the confidentiality, security and integrity of personal information collected from children under the age of 13.

Financial institutions in the U.K. may revoke automatic banker’s drafts.

The Company’s CinemasOnline business in the U.K. has customer relationships who are billed via automatic banker’s drafts pursuant to the Company’s contracts with such customers. The Company currently is reviewing a letter by a U.K. financial institution which seeks to terminate the Company’s ability to process banker’s drafts through this bank. If this termination were to occur, it would impact the Company’s ability to collect on current banker’s drafts and future renewal of contracts with its existing customer base in respect of the Company’s CinemasOnline business in the U.K.

We are dependent on Mitchell Rubenstein and Laurie S. Silvers, our founders.

Mitchell Rubenstein, our Chairman of the Board and Chief Executive Officer, and Laurie S. Silvers, our Vice Chairman, President and Secretary, have been primarily responsible for our organization and development. The loss of the services of either of these individuals would hurt our business. If either of these individuals were to leave Hollywood Media unexpectedly, we could face substantial difficulty in hiring qualified successors and could experience a loss in productivity while any successor obtains the necessary training and experience. The employment agreements between Hollywood Media and each of these individuals provide, among other things, that if we terminate either of these individuals without “cause” or either of these individuals resign for “good reason”, the other individual will have the right to resign for “good reason”.

Our ability to attract qualified personnel and retain certain key personnel is critical to our business.

Our future operating results depend substantially upon the continued service of our executive officers and key personnel. Our future operating results will also depend in significant part upon our ability to attract and retain qualified management, technical, marketing, sales and support personnel. Competition for qualified personnel in our industry is intense, and we cannot ensure success in attracting or retaining qualified personnel. In addition, there may be only a limited number of persons with the requisite skills to serve in these positions. Our business, financial condition and results of operations could be materially adversely affected by the loss of any of our key employees, by the failure of any key employee to perform in his or her current position, or by our inability to attract and retain skilled employees.

Our intellectual property business could be harmed by the loss of the services of Dr. Martin H. Greenberg, the President of Tekno Books, who has been primarily responsible for developing relationships with the authors who create our intellectual properties. Dr. Greenberg owns the remaining 49% interest in Tekno Books which is included in our intellectual properties division. Many of the authors with whom we have relationships are bound to multiple book contracts and our ability to renew these contracts or enter into contracts with new authors would be impaired without the services of Dr. Greenberg.

We have authorized but unissued preferred stock, which could affect rights of holders of common stock.

Our articles of incorporation authorize the issuance of preferred stock with designations, rights and preferences determined from time to time by our board of directors. Accordingly, our board of directors is empowered, without shareholder approval, to issue preferred stock with dividends, liquidation, conversion, voting or other rights that could adversely affect the voting power or other rights of the holders of common stock. In addition, the preferred stock could be issued as a method of discouraging a takeover attempt. Although we do not intend to issue any preferred stock at this time, we may do so in the future. Shares of preferred stock are also subject to potential issuance under the terms of our shareholders' rights plan described below.

Our articles of incorporation, bylaws, shareholders' rights plan and Florida law may discourage takeover attempts.

Certain provisions of our articles of incorporation, bylaws and our shareholders' rights plan may discourage takeover attempts and may make it more difficult to change or remove management. Our articles of incorporation authorize the issuance of "blank check" preferred stock with designations, rights and preferences as may be determined from time to time by our Board of Directors. Our bylaws include provisions requiring shareholders to provide specified advance notice to Hollywood Media of director nominations or proposed business to be transacted at shareholder meetings, in order for a shareholder to make a director nomination or propose meeting business. Under our shareholder's rights plan, our Board of Directors declared a dividend of one right for each share of common stock. If certain events, such as a takeover bid not approved by our Board, occur, the rights will then entitle most holders to purchase at a specified price, shares of a series of our preferred stock with special voting, dividend and other rights.

In addition, Florida's "control share acquisitions" statute provides that shares acquired in a "control share acquisition" (which excludes transactions approved by our board of directors) will not have voting rights unless the voting rights are approved by a majority of the corporation's disinterested shareholders. A "control share acquisition" is an acquisition, in whatever form, of voting power in any of the following ranges: (a) at least 20% but less than 33-1/3% of all voting power; (b) at least 33-1/3% but less than a majority of all voting power; or (c) a majority or more of all voting power.

Florida's "affiliated transactions" statute requires approval by disinterested directors or supermajority approval by disinterested shareholders of certain specified transactions between a public corporation and holders of more than 10% of the outstanding voting shares of the corporation (or their affiliates).

Our stock price is volatile.

The trading price of our common stock has and may continue to fluctuate significantly. During the 24 months ended December 31, 2010, the trading price for our common stock on the NASDAQ Global Market ranged from $0.56 to $1.76 per share. Our stock price may fluctuate in response to a number of events and factors, such as our quarterly operating results, announcements of new products or services, announcements of mergers, acquisitions, strategic alliances, or divestitures and other factors, including similar announcements by other companies that investors may consider to be comparable to us. In addition, the stock market in general has experienced extreme volatility that often has been unrelated to the operating performance of the companies. These broad market and industry fluctuations may cause the market price of our stock to decrease, regardless of our operating performance.

Future sales of our common stock in the public market could adversely affect our stock price and our ability to raise funds in new stock offerings.

Future sales of substantial amounts of our common stock in the public market, or the perception that these sales could occur, could adversely affect prevailing market prices of our common stock and could impair our ability to raise capital through future offerings of equity securities. We may issue additional shares of common stock in connection with future financings, acquisitions or other transactions, or pursuant to outstanding stock options, warrants and other convertible securities, and we plan to issue additional stock options and stock grants from time to time to our employees and directors. We are generally unable to estimate or predict the amount, timing or nature of future issuances or public sales of our common stock. Sales of substantial amounts of our common stock in the public market could cause the market price for our common stock to decrease. In addition, a decline in the price of our common stock would likely impede our ability to raise capital through the issuance of additional shares of common stock or other equity securities.

We may require additional capital to finance our operations and there can be no assurance that additional financing will be available on favorable terms.

We may require additional financing in the future. Our long-term financial success depends on our ability to generate sufficient revenue and cash flow to offset operating expenses. To the extent we do not generate sufficient revenues and cash flow to offset expenses we will require further financing to fund our ongoing operations. We cannot assure you that any additional financing will be available or, if available, that it will be on favorable terms. The terms of any financing that we enter into will vary depending on many factors including, among other things, our then current financial condition, the market price of our common stock, and other characteristics and terms of our capital structure including outstanding options and warrants. We may seek to raise additional capital through public or private offerings of equity securities or debt financings. Our issuance of additional equity securities could cause dilution to holders of our common stock and may adversely affect the market price of our common stock. The incurrence of additional debt could increase our interest expense and other debt service obligations and could result in the imposition of covenants that restrict our operational and financial flexibility. See Part II, Item 7 of this Annual Report on Form 10-K– Management's Discussion and Analysis of Financial Condition and Results of Operation.

Changes in securities laws and regulations may increase our costs.

The Sarbanes-Oxley Act of 2002 and the SEC rules promulgated thereunder have imposed increased demands upon, and required ongoing changes in some of our operational systems and processes, corporate governance, and compliance and disclosure processes, and the NASDAQ Stock Market has implemented changes in its requirements for companies that are NASDAQ-listed. These developments have resulted in, and future changes in such rules may result in, increases in our expenses for information systems, auditing and consulting fees, legal compliance and financial reporting costs. These developments could also make it more difficult for us to attract and retain qualified members of our board of directors or executive officers.

As a result of our evaluation of internal controls, we have identified material weaknesses in our internal controls over financial reporting under Section 404 of the Sarbanes-Oxley Act of 2002; failure to achieve and maintain effective internal controls could have a material adverse effect on our business and stock price.

As reported in Part II, Item 9A of this Annual Report on Form 10-K under the caption "Item 9A – Controls and Procedures", Hollywood Media's management has identified material weaknesses in internal controls and concluded that Hollywood Media's internal control over financial reporting and disclosure controls were not effective. Failure to achieve and maintain an effective internal control environment could have a material adverse effect on our business and stock price.

We are exposed to market risk related to changes in interest rates and fluctuations in foreign currency exchange rates.

Market risk is the risk of loss arising from adverse changes in our assets or liabilities that might occur due to changes in market rates and prices, such as interest or foreign currency exchange rates, as well as other relevant market rate or price changes. We have an investment in a subsidiary in the United Kingdom that sells our services and pays for products and services in British pounds. A decrease in the British foreign currency relative to the U.S. dollar could adversely impact our margins. As the assets, liabilities and transactions of our United Kingdom subsidiaries are denominated in British pounds, the results and financial condition are subject to translation adjustments upon their conversion into U.S. dollars for our financial reporting purposes. A large decline in this foreign currency relative to the U.S. dollar might have a material adverse affect on Hollywood Media's results of operations or financial condition.

Other economic factors may adversely affect our future results or the market price of our stock (such as recession, war, terrorism).

We operate in a rapidly changing economic and technological environment that presents numerous risks. Many of these risks are beyond our control and are driven by factors that we cannot predict. Economic recession, war, terrorism, international incidents, labor strikes and disputes, and other negative economic conditions may cause damage or disruption to our facilities, information systems, vendors, employees, customers and/or website traffic, which could adversely impact our revenues and results of operations, and stock price.

Item 1B. **Unresolved Staff Comments.**

At the time of filing of this Annual Report on Form 10-K, there are no unresolved comments for disclosure under this Item 1B.

Item 2. **Properties.**

Hollywood Media leases office space in Florida, Wisconsin and Lancashire, UK. The general terms of the leases for each of these locations are as follows:

Location	Square Feet	Current Monthly Rent	Expiration Date
Corporate Headquarters, Boca Raton, FL	5,909	$ 12,113	November 30, 2012
	4,263	$ 4,618	December 31, 2011
Tekno Books Green Bay, WI	1,446	$ 1,380	June 30, 2011
CinemasOnline Lancashire, UK	3,710	$ 4,320	Month to Month

Item 3. **Legal Proceedings.**

None.

Item 4. **Removed and Reserved.**

PART II

Item 5. Market for Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities.

Market for Common Stock

Hollywood Media's common stock trades on The NASDAQ Global Market under the symbol HOLL. The following table sets forth, for each of the periods indicated, the high and low sales prices per share of Hollywood Media's common stock as reported by the NASDAQ Global Market based on published financial sources.

	High	Low
Year Ended December 31, 2009		
First Quarter	$ 1.14	$ 0.56
Second Quarter	$ 1.70	$ 0.75
Third Quarter	$ 1.76	$ 1.38
Fourth Quarter	$ 1.75	$ 1.03
Year Ended December 31, 2010		
First Quarter	$ 1.57	$ 1.10
Second Quarter	$ 1.43	$ 1.05
Third Quarter	$ 1.24	$ 1.02
Fourth Quarter	$ 1.71	$ 1.11

Holders of Common Stock

As of March 25, 2011, there were 124 record holders of Hollywood Media's common stock.

Dividend Policy

Hollywood Media has never paid cash dividends on its common stock and currently intends to retain any future earnings to finance its operations and the expansion of its business. Any future determination to pay cash dividends will be at the discretion of the Board of Directors and will be dependent upon Hollywood Media's earnings, capital requirements and financial condition and such other factors deemed relevant by the Board of Directors.

On February 25, 2011, Hollywood Media completed its tender offer and purchased 8,000,000 shares of its common stock at a price of $2.05 per share (less any applicable withholding taxes and without interest). For additional information see Liquidity and Capital Resources in Item 7 – Management's Discussion and Analysis of Financial Condition and Results of Operations.

Recent Sales of Unregistered Securities

Hollywood Media did not issue any securities during the year ended December 31, 2010, in transactions that were not registered under the Securities Act of 1933.

Issuer Repurchases of Equity Securities

Hollywood Media reported in its Form 8-K report filed on October 4, 2007, that its Board of Directors authorized a stock repurchase program under which Hollywood Media may use up to $10 million of its cash to repurchase shares of its outstanding common stock. This program was approved by Hollywood Media's Board of Directors on September 28, 2007 and was initially announced via press release on October 1, 2007.

Pursuant to the repurchase program, Hollywood Media is authorized to purchase shares of its common stock from time to time on the open market or in negotiated transactions. The purchases are to be funded from available cash and cash equivalents, and the timing and amount of any shares repurchased will be determined by Hollywood Media's management based on its evaluation of financial and market conditions, legal requirements and other factors. The repurchase program has no time limit and may be suspended for periods or discontinued at any time, and there is no guarantee as to the number of shares or the amount of cash to be utilized for repurchases. Repurchased shares will become authorized but unissued shares of Hollywood Media's common stock.

The following table provides information with respect to common stock purchases by Hollywood Media during the fourth quarter of 2010. For additional information relating to the stock repurchase program, see "Liquidity and Capital Resources" in Part II, Item 7 of this Annual Report on Form 10-K.

Period	Total Number of Shares Purchased	Average Price Paid Per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs	Maximum Approximate Dollar Value of Shares that May Yet Be Purchased Under the Plans or Programs
October 1, 2010 through October 31, 2010	-	$ -	-	$ -
November 1, 2010 through November 30, 2010	-	-	-	-
December 1, 2010 through December 31, 2010	-	-	-	-
Total	-	$ -	-	$ 2,697,843(1)

(1) As of December 31, 2010, calculated by subtracting (i) the total price paid for all shares purchased under the repurchase program through December 31, 2010 ($7,302,157), from (ii) the $10 million potential maximum dollar value of repurchases approved under the life of the plan.

Securities Authorized for Issuance Under Equity Compensation Plans.

For information regarding the securities authorized for issuance under our equity compensation plans, please see Item 12 of Part III of this annual Report on Form 10-K.

Performance Graph

Not applicable.

Item 6. Selected Financial Data.

The selected financial data in the table below has been derived from the audited Consolidated Financial Statements of Hollywood Media and should be read in conjunction with the following statements and the notes thereto included in Item 8 of this Annual Report on Form 10-K: consolidated balance sheets as of December 31, 2010 and December 31, 2009; and consolidated statements of operations for the years ended December 31, 2010, 2009 and 2008. The consolidated balance sheets as of December 31, 2008, 2007 and 2006, and consolidated statements of operations for the years ended December 31, 2007 and 2006 are not included in Item 8 of this Annual Report on Form 10-K.

Discontinued Operations.

The selected financial data in the table below includes application of accounting principles to reflect the discontinued operations resulting from the sale of the Broadway Ticketing Business in fiscal 2010, the Hollywood.com Business in fiscal 2008, the Showtimes business unit in fiscal 2007 and the Baseline/Studio Systems business unit in fiscal 2006. Those sales are described below.

Sale of Broadway Ticketing Division to Key Brand Entertainment, Inc.

On December 15, 2010, Hollywood Media Corp. closed the sale of its Broadway Ticketing Division through the sale of all of the outstanding capital stock of Theatre Direct NY Inc. to Key Brand Entertainment Inc., as contemplated by the Stock Purchase Agreement, dated as of December 22, 2009, entered into between Hollywood Media and Key Brand. There are no material relationships among Hollywood Media and Key Brand or any of their respective affiliates other than in respect of the Purchase Agreement and the related ancillary agreements.

Pursuant to the Purchase Agreement, at the closing of the Broadway Sale (i) Hollywood Media received \$20.5 million in cash, (ii) Key Brand, Theatre Direct and Hollywood Media entered into a Second Lien, Security and Pledge Agreement, dated as of December 15, 2010, pursuant to which Key Brand is obligated to pay Hollywood Media \$8.5 million at an interest rate of 12% per annum, which obligation matures on December 15, 2015 and is secured on a second lien basis by all stock and assets of Theatre Direct and its subsidiaries (the "Loan"), (iii) Theatre Direct issued Hollywood Media a warrant to purchase 5% of the outstanding shares of common stock of Theatre Direct as of the closing date on a fully diluted basis at an exercise price of \$.01 per share (the "Warrant") and (iv) Key Brand assumed \$1.6 million of liabilities associated with employment agreements with certain employees of Theatre Direct. In addition, Hollywood Media is entitled to receive earn-out payments of up to \$14.0 million contingent upon Theatre Direct and its subsidiaries achieving certain revenue targets during the period from the closing date through the end of the 10th full fiscal year of Theatre Direct following the closing date as set forth in the Purchase Agreement. As collectability of the Loan, Earn-outs and Warrant is not reasonably assured, they are not included in the gain from the Broadway Sale.

After the closing date of the sale of Theatre Direct pursuant to the Purchase Agreement, Hollywood Media delivered on March 14, 2011 to Key Brand a closing statement setting forth Hollywood Media's calculation of Theatre Direct's working capital as of the closing date determined in the manner described in the Purchase Agreement. Pursuant to the closing statement, Hollywood Media accrued \$3.7 million as a working capital adjustment as of December 31, 2010 under the agreement, of which \$0.5 million was related to estimated working capital delivered at closing. The accrual is included in "Accrued expenses and other" in our accompanying consolidated balance sheets. For additional information refer to Note 20 "Subsequent Events" in these notes to the consolidated financial statements.

In connection with the Credit Agreement, Hollywood Media and Key Brand entered into that certain Subordination and Intercreditor Agreement, dated December 15, 2010 (The "Intercreditor Agreement"), with JP Morgan "Chase Bank, N.A., as administrative agent for the senior secured lenders of Key Brand, which defines the rights and obligations of the senior secured lenders and Hollywood Media as subordinated lender, including, without limitation, the rights of payment and the subordination of the security interests of Hollywood Media.

Hollywood Media has also agreed to provide certain transition services to Key Brand and Theatre Direct for a six-month period ending on June 15, 2011 following the closing of the Broadway Sale. For additional information about this transaction, see Note 4 "Discontinued Operations" in the Notes to the Consolidated Financial Statements contained in Part II, Item 8, of this Annual Report on Form 10-K. Broadway Ticketing Business financial results for all periods presented prior to December 14, 2010 have been reclassified from continuing operations and included in discontinued operations. For additional information about this transaction, see Note 4 "Discontinued Operations" on the Notes to the Consolidated Financial Statements contained in Part II, Item 8, of this Annual Report on Form 10-K.

Sale of Hollywood.com Business Unit to R&S Investments, LLC.

On August 21, 2008, Hollywood Media entered into a purchase agreement (the "Purchase Agreement") with R&S Investments, LLC ("Purchaser") for the sale of the Hollywood.com Business. The Purchaser is owned by Mitchell Rubenstein, Hollywood Media's Chief Executive Officer and Chairperson of the Board, and Laurie S. Silvers, Hollywood Media's President and Vice-Chairperson of the Board. Pursuant to the Purchase Agreement, Hollywood Media sold the Hollywood.com Business to Purchaser for a potential purchase price of $10.0 million, which includes $1.0 million in cash which was paid to Hollywood Media at closing and potential earn-out payments totaling $9.0 million. During 2010 and 2009, Hollywood Media recorded $0.7 million each year in earn-out income under this agreement. As of the filing of this Annual Report on Form 10-K, the earn-out receivable was collected in full in accordance with the payment terms. As of December 31, 2010, there remains $7.8 million in potential earn-out payments pursuant to this agreement. The Hollywood.com Business included the Hollywood.com website and related URLs and celebrity fan websites and Hollywood.com Television, a free video on demand service distributed pursuant to annual affiliation agreements with certain cable operators. Hollywood.com Business financial results for all periods presented prior to August 21, 2008 have been reclassified from continuing operations and included in discontinued operations. For additional information about this transaction, see Note 4 "Discontinued Operations" on the Notes to the Consolidated Financial Statements contained in Part II, Item 8, of this Annual Report on Form 10-K.

Sale of Showtimes Business Unit to West World Media LLC

On August 24, 2007, Hollywood Media and its wholly-owned subsidiary Showtimes.com, Inc. ("Showtimes") entered into and simultaneously closed on a definitive asset purchase agreement with Brett West and West World Media, LLC, ("West World Media"), pursuant to which Hollywood Media sold substantially all of the assets of the Showtimes business to West World Media for a cash purchase price of $23.0 million paid to Hollywood Media on the closing date. The Showtimes business included the CinemaSource, EventSource and ExhibitorAds operations and constituted the remainder of Hollywood Media's Data Business Division, which previously included the Baseline/StudioSystems business unit until it was sold to The New York Times Company ("The New York Times") on August 25, 2006. West World Media is controlled by Brett West, who founded the Showtimes business in 1995 and sold the business to Hollywood Media in 1999. Mr. West served as president of Hollywood Media's Showtimes business. The purchase price was determined in an arms' length negotiation between Hollywood Media and West World Media. Showtimes financial results for all periods presented prior to August 24, 2007 have been reclassified from continuing operations and included in discontinued operations.

Sale of Baseline/StudioSystems Business Unit to The New York Times Company

On August 25, 2006, Hollywood Media entered into and simultaneously closed on a definitive stock purchase agreement, pursuant to which The New York Times purchased all of the outstanding capital stock of Hollywood Media's wholly-owned subsidiary, Baseline Acquisitions Corp. ("BAC"), for a cash purchase price of $35.0 million. BAC was the subsidiary of Hollywood Media which owned Hollywood Media's Baseline/StudioSystems business unit. Baseline/StudioSystems constituted a portion of Hollywood Media's Data Business Division. Baseline/StudioSystems financial results for all periods presented prior to August 25, 2006 have been reclassified from continuing operations and included in discontinued operations.

	YEARS ENDED DECEMBER 31,				
	2010	2009	2008	2007	2006
STATEMENT OF OPERATIONS DATA:					
Net revenues	$ 3,995,177	$ 4,518,548	$ 6,138,962	$ 6,369,156	$ 5,862,715
Operating Costs and Expenses					
Editorial, production, development and technology	2,641,205	2,569,354	3,323,546	3,590,192	3,165,383
Selling, general and administrative	3,677,612	4,340,061	5,936,798	6,206,513	6,470,998
Payroll & benefits	4,799,058	4,872,398	6,653,739	6,661,796	6,346,121
Impairment loss	-	-	3,524,697	-	-
Depreciation and amortization	541,326	743,995	1,348,782	1,027,182	954,543
Total operating costs and expenses	11,659,201	12,525,808	20,787,562	17,485,683	16,937,045
Loss from operations	(7,664,024)	(8,007,260)	(14,648,600)	(11,116,527)	(11,074,330)
EARNINGS (LOSSES) OF UNCONSOLIDATED INVESTEES					
Equity in earnings of unconsolidated investees	765,015	2,006,498	1,160,623	4,747	12,227
Impairment loss	-	(5,000,000)	-	-	-
Total equity in earnings (losses) of unconsolidated Investees	765,015	(2,993,502)	1,160,623	4,747	12,227
OTHER INCOME (EXPENSE)					
Interest, net	64,916	16,161	359,800	124,969	(1,828,195)
Other, net	6,311	(35,227)	44,651	38,431	17,341
Change in derivative liability	-	-	-	-	640,536
Income taxes, net of refunds	(283,756)	83,286	(953)	(53,807)	29,581
Loss from continuing operations	(7,111,538)	(10,936,542)	(13,084,479)	(11,002,187)	(12,202,840)
Gain (loss) on sale of discontinued operations, net of income taxes	6,057,421	614,572	(4,655,122)	10,254,287	16,328,241
Income of discontinued operations	5,909,763	4,699,144	964,643	2,479,268	5,392,202
Income (loss) from discontinued operations	11,967,184	5,313,716	(3,690,479)	12,733,555	21,720,443
Net income (loss)	4,855,646	(5,622,826)	(16,774,958)	1,731,368	9,517,603
NET INCOME (LOSS) ATTRIBUTABLE TO NON-CONTROLLING INTEREST	49,921	2,409	(81,365)	3,241	4,910
Net income (loss) attributable to Hollywood Media Corp.	$ 4,905,567	$ (5,620,417)	$(16,856,323)	$ 1,734,609	$ 9,522,513
Basic and diluted income (loss) per common share					
Continuing operations	$ (0.23)	$ (0.35)	$ (0.41)	$ (0.33)	$ (0.37)
Discontinued operations	0.39	0.17	(0.12)	0.38	0.66
Total basic and diluted net income (loss) per share	$ 0.16	$ (0.18)	$ (0.53)	$ 0.05	$ 0.29
Weighted average common and common equivalent shares outstanding – basic and diluted	30,937,619	30,584,902	31,793,853	33,303,886	32,761,848

	AS OF DECEMBER 31,				
	2010	2009	2008	2007	2006
CONSOLIDATED BALANCE SHEET DATA:					
Cash and cash equivalents	$ 29,406.063	$ 8,365,224	$ 5,404,253	$ 21,242,686	$ 21,229,867
Working capital (deficit)	21,981,818	7,766,282	3,555,595	18,484,080	22,466,153
Total assets	47,318,559	27,220,022	31,980,219	42,264,667	46,622,189
Capital lease obligations, including current portion	98,248	178,163	296,665	226,866	54,354
Senior Unsecured Notes	-	-	-	-	6,375,399
Total shareholders' equity	$ 37,752,737	$ 32,490,409	$ 37,758,880	$ 55,567,474	$ 55,761,457

Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operation.

The following discussion and analysis should be read in conjunction with Hollywood Media's Consolidated Financial Statements and the Notes to Consolidated Financial Statements included in Item 8 of Part II of this report.

Overview

Until December 15, 2010, Hollywood Media was comprised of various businesses focusing primarily on online ticket sales, deriving revenue primarily from Broadway, Off-Broadway and London's West End ticket sales to individuals and groups, as well as advertising and book development license fees and royalties. Our Broadway Ticketing business was comprised of Broadway.com, 1-800-BROADWAY, Theatre Direct and Theatre.com. On December 15, 2010, we completed the Broadway Sale through the sale of all of the outstanding capital stock of Theatre Direct to Key Brand, as contemplated by the Purchase Agreement. Following this sale, our business segments for our continuing operations are as follows:

- **Ad Sales** – includes UK Theatres Online (formerly CinemasOnline), which sells advertising on plasma TV displays throughout the U.K. and Ireland, on lobby display posters, movie brochure booklets and ticket wallets distributed in cinemas, live theater and other entertainment venues in the U.K. and Ireland. This segment also includes Hollywood Media's 26.2% equity interest in MovieTickets.com.

- **Intellectual Properties** – owns or controls the exclusive rights to certain intellectual properties created by best-selling authors and media celebrities, which it licenses for book and other media. This segment includes a 51% interest in Tekno Books, and a book development business, and this segment does not include our 50% interest in NetCo Partners, for purposes of this discussion and analysis.

- **Other** – is comprised of payroll and benefits for corporate and administrative personnel as well as other corporate-wide expenses, such as legal fees, audit fees, proxy costs, insurance, centralized information technology, and includes consulting and other fees and costs relating to compliance with the provisions of the Sarbanes-Oxley Act of 2002 that require Hollywood Media to assess and report on internal control over financial reporting, and related development of controls.

Year ended December 31, 2010 ("fiscal 2010") as compared to the year ended December 31, 2009 ("fiscal 2009") and year ended December 31, 2008 ("fiscal 2008").

The results of continuing operations include application of accounting principles to reflect the discontinued operations resulting from the sale of the Broadway Ticketing Business in fiscal 2010, and the Hollywood.com Business in fiscal 2008. Those sales are described below.

Sale of Broadway Ticketing Business Unit to Key Brand Entertainment, Inc.

On December 15, 2010, Hollywood Media completed the Broadway Sale through the sale of all of the outstanding capital stock of Theatre Direct to Key Brand as contemplated by the Purchase Agreement. There are no material relationships among Hollywood Media and Key Brand or any of their respective affiliates other than in respect of the Purchase Agreement and the related ancillary agreements.

Pursuant to the Purchase Agreement, at the closing of the Broadway Sale (i) Hollywood Media received $20.5 million in cash (including $0.5 million pursuant to the estimated working capital adjustment described in the Purchase Agreement), (ii) Key Brand, Theatre Direct and Hollywood Media entered into the Credit Agreement, pursuant to which Key Brand is obligated to pay Hollywood Media $8.5 million at an interest rate of 12% per annum, which obligation matures on December 15, 2015 and is secured on a second lien basis by all stock and assets of Theatre Direct and its subsidiaries, (iii) Theatre Direct issued Hollywood Media a warrant to purchase 5% of the outstanding shares of common stock of Theatre Direct as of the closing date on a fully diluted basis at an exercise price of $.01 per share and (iv) Key Brand assumed $1.6 million of liabilities associated with employment agreements with certain employees of Theatre Direct. In addition, Hollywood Media is entitled to receive earn-out payments of up to $14.0 million contingent upon Theatre Direct and its subsidiaries achieving certain revenue targets during the period from the closing date through the end of the 10th full fiscal year of Theatre Direct following the closing date as set forth in the Purchase Agreement. Hollywood Media recorded de minimus interest as of December 31, 2010 from the note receivable. As collectability of the Loan, Earn-outs and Warrant is not reasonably assured, they are not included in the gain from the Broadway Sale.

After the closing date of the sale of Theatre Direct pursuant to the Purchase Agreement, Hollywood Media delivered on March 14, 2011 to Key Brand a closing statement setting forth Hollywood Media's calculation of Theatre Direct's working capital as of the closing date determined in the manner described in the Purchase Agreement. Pursuant to the closing statement, Hollywood Media accrued $3.7 million as a working capital adjustment as of December 31, 2010 under the agreement. The accrual included an adjustment of $0.5 million for the estimated working capital delivered at closing by Key Brand. The accrual is included in "Accrued expenses and other" in our accompanying consolidated balance sheets. For additional information refer to Note 20 "Subsequent Events" in these notes to the consolidated financial statements elsewhere herein.

For additional information about this transaction, see Note 4 "Discontinued Operations" in the Notes to the Consolidated Financial Statements contained in Part II, Item 8 of this Annual Report on Form 10-K.

Sale of Hollywood.com Business to R&S Investments, LLC

On August 21, 2008, Hollywood Media entered into and simultaneously closed on a definitive purchase agreement with R&S Investments, LLC, pursuant to which R&S Investments acquired the Hollywood.com Business for a potential purchase price of $10.0 million, which includes $1.0 million in cash that was paid to Hollywood Media at closing and potential earn-out payments of up to $9.0 million, of which $1.2 million has been paid as of December 31, 2010. Hollywood Media recognized $0.7 million in earn-out income under this agreement in both fiscal 2010 and fiscal 2009, which is included in "Gain (loss) from discontinued operations, net of income taxes" in our consolidated statements of operations in Part II, Item 8 of this Form 10-K report. As of December 31, 2010 and 2009, $7.8 million and $8.5 million, respectively, remained as potential earn-out payments since $1.2 million was paid in earn-out payments through December 31, 2010 pursuant to this agreement. The Hollywood.com Business included the Hollywood.com website and related URLs and celebrity fan websites and Hollywood.com Television, a free video on demand service distributed pursuant to annual affiliation agreements with certain cable operators. R&S Investments is owned by Mitchell Rubenstein, Hollywood Media's Chief Executive Officer and Chairperson of the Board, and Laurie S. Silvers, Hollywood Media's President and Vice-Chairperson of the Board. The purchase price was determined by an arms-length negotiation between a Special Committee of independent and disinterested directors of Hollywood Media on the one hand and R&S Investments on the other hand.

Commencing October 1, 2009, R&S Investments became contractually obligated to make periodic earn-out payments equal to the greater of (i) 10 percent of collected gross revenue and (ii) 90 percent of EBITDA (as defined in the purchase agreement) for the Hollywood.com Business until the full earn-out is paid. If a change of control of Hollywood.com occurs before the earn-out is fully paid, the remaining portion of the earn-out would be payable immediately upon such a change of control, up to the amount of consideration received by R&S Investments less related expenses. If the consideration in such a change of control is less than the remaining balance of the earn-out, then the surviving entity which owns the Hollywood.com Business will be obligated to pay the difference in accordance with the same earn-out terms. In addition, if the Hollywood.com Business is resold prior to August 21, 2011, Hollywood Media will also receive 5 percent of any proceeds above $10.0 million. Pursuant to the purchase agreement, Hollywood Media was required to place $2.6 million into an escrow account to fund any negative EBITDA of the Hollywood.com Business through August 21, 2010. There was $2.6 million disbursed to the Hollywood.com Business in fiscal 2009, representing the entire balance of the escrow. In addition, as of December 31, 2010 and 2009, Hollywood Media recorded a $0.2 million related party receivable for earn-out earned and expense reimbursement by R&S Investments. As of the filing of this Annual Report on Form 10-K, the receivable and expense reimbursement were collected in full in accordance with the payment terms.

For additional information about this transaction, see Note 4 "Discontinued Operations" in the Notes to the Consolidated Financial Statements contained in Part II, Item 8, of this Form 10-K Report.

Results of Continuing Operations

The following tables summarize changes in Hollywood Media's revenue and operating expense from continuing operations by reportable segment for the years ended December 31, 2010, 2009 and 2008. For additional financial information regarding Hollywood Media's reportable segments, see Note 17 – Segment Reporting in the Notes to Consolidated Financial Statements in Part II, Item 8 of this Annual Report on Form 10-K.

Net Revenues Analysis (in millions)	**Net Revenues**		2009 to 2010	2009 to 2010
	2010	2009	Change ($)	Change (%)
Ad Sales	$ 3.1	$ 3.4	$ (0.3)	(9)
Intellectual Properties	0.9	1.1	(0.2)	(18)
Other	-	-	-	-
TOTALS	$ 4.0	$ 4.5	$ (0.5)	(11)

	Net Revenues		2008 to 2009	2008 to 2009
	2009	2008	Change ($)	Change (%)
Ad Sales	$ 3.4	$ 4.8	$ (1.4)	(29)
Intellectual Properties	1.1	1.3	(0.2)	(15)
Other	-	-	-	-
TOTALS	$ 4.5	$ 6.1	$ (1.6)	(26)

Operating Expense Analysis (in millions)	**Operating Expenses**		2009 to 2010	2009 to 2010
	2010	2009	Change ($)	Change (%)
Ad Sales	$ 3.6	$ 3.7	$ (0.1)	(3)
Intellectual Properties	1.0	1.1	(0.1)	(9)
Other	7.1	7.7	(0.6)	(8)
TOTALS	$ 11.7	$ 12.5	$ (0.8)	(6)

	Operating Expenses 2009	Operating Expenses 2008	2008 to 2009 Change ($)	2008 to 2009 Change (%)
Ad Sales	$ 3.7	$ 8.8	$ (5.1)	(58)
Intellectual Properties	1.1	1.4	(0.3)	(21)
Other	7.7	10.6	(2.9)	(27)
TOTALS	$ 12.5	$ 20.8	$ (8.3)	(40)

Comparison of Percentage Changes in Net Revenues and Operating Expenses

	2009 to 2010 Revenues %	2009 to 2010 Operating Expenses %	2008 to 2009 Revenues %	2008 to 2009 Operating Expenses %
Decrease in -				
Ad Sales	9	3	29	58
Intellectual Properties	18	9	15	21
Other	-	8	-	27
TOTALS	11	6	26	40

Note Regarding Known Material Trends, Uncertainties and Opportunities Impacting Hollywood Media

Hollywood Media expects to have continuing losses in the near term. Notwithstanding these losses, as described below under "Liquidity and Capital Resources," Hollywood Media expects that it will be able to satisfy its near term liquidity obligations. Other than the normal seasonal variance described under "Inflation and Seasonality," Hollywood Media does not expect that there will be a significant variance in its earnings or its cash flows near term and accordingly does not expect its trend of losses to accelerate.

The United States and global economic downturn, which could adversely affect business and personal discretionary spending is an uncertainty along with other factors that can have or are reasonably likely to have a material impact on Hollywood Media's revenues, earnings and liquidity.

Net Revenues

Total net revenues for fiscal 2010 were $4.0 million compared to $4.5 million and $6.1 million for fiscal 2009 and fiscal 2008 respectively. Revenues decreased $0.5 million, or 11% in fiscal 2010 from fiscal 2009 and decreased $1.6 million, or 26%, in fiscal 2009 from fiscal 2008. The decrease in net revenues for fiscal 2010 as compared to fiscal 2009 is primarily the result of decreases in Ad Sales revenue of $0.3 million and a decrease in Intellectual Property revenue of $0.2 million. The decrease in net revenues for fiscal 2009 as compared to fiscal 2008 is primarily the result of decreases in Ad Sales revenue of $1.4 million, and a decrease in Intellectual Properties revenue of $0.2 million. In fiscal 2010, net revenues were derived 78% from Ad Sales and 22% from Intellectual Properties. In fiscal 2009, net revenues were derived 75% from Ad Sales and 25% from Intellectual Properties. In fiscal 2008, net revenues were derived 79% from the Ad Sales and 21% from Intellectual Properties.

Ad sales net revenues were $3.1 million for fiscal 2010 as compared to $3.4 million for fiscal 2009 and $4.8 million for fiscal 2008. Ad sales net revenues decreased $0.3 million or 9% for fiscal 2010 from fiscal 2009 and decreased $1.4 million or 29% for fiscal 2009 from fiscal 2008. The decrease in Ad sales revenues from fiscal 2009 to 2010 is attributable to a decrease in UK advertising sales of $0.3 million, which includes: a decrease in plasma advertising revenue of $0.5 million, offset by an increase of $0.2 million in brochure and web advertising revenues. The decrease in Ad Sales revenues from fiscal 2008 to fiscal 2009 is attributable to a decrease in UK advertising sales of $1.4 million, which includes: a decrease in brochure and web advertising revenues of $0.3 million and a decrease in plasma advertising revenue of $1.1 million. The decrease is primarily attributable to the adverse economic conditions in the U.K.

Intellectual Properties net revenues were $0.9 million for fiscal 2010 compared to $1.1 million for fiscal 2009 and $1.3 million for fiscal 2008. Net revenues generated from Intellectual Properties decreased $0.2 million or 18% in fiscal 2010 from fiscal 2009 and net revenues generated from Intellectual Properties decreased $0.2 million, or 15% in fiscal 2009 from fiscal 2008. The decrease in revenues in fiscal 2010 as compared to fiscal 2009 as well as the decrease in revenues in fiscal 2009 as compared to fiscal 2008 were attributable to the timing of the delivery of manuscripts. The Intellectual Properties division generates revenues from several different activities including book development and licensing, and intellectual property licensing. Revenues vary quarter to quarter depending on the timing of delivery of manuscripts to the publishers. Revenues are recognized when the earnings process is complete and the ultimate collection of such revenues is no longer subject to contingencies. This division does not include NetCo Partners, which is reported separately; see "Equity in Earnings of Unconsolidated Investees" below.

Equity in Earnings of Unconsolidated Investees

Equity in earnings (losses) of unconsolidated investees consists of the following:

	For the years ended December 31,		
	2010 (in millions)	2009 (in millions)	2008 (in millions)
NetCo Partners (a)	$ -	$ -	$ (0.1)
MovieTickets.com (b)	0.7	(3.0)	1.3
	$ 0.7	$ (3.0)	$ 1.2

(a) NetCo Partners

NetCo Partners owns *NetForce* and is primarily engaged in the development and licensing of *NetForce*. NetCo Partners recognizes revenues when the earnings process has been completed based on the terms of the various agreements, generally upon the delivery of the manuscript to the publisher and at the point where ultimate collection is substantially assured. When advances are received prior to completion of the earnings process, NetCo Partners defers recognition of revenue until the earnings process has been completed. Hollywood Media owns 50% of NetCo Partners and accounts for its investment under the equity method. Hollywood Media's 50% share of income of NetCo Partners was de minimus for fiscal 2010, a de minimus increase compared to the minimal loss for fiscal 2009. Hollywood Media's 50% share of loss of NetCo Partners was de minimus for fiscal 2009, a decrease of 100% or $0.1 million compared to fiscal 2008. The increase in fiscal 2010 as compared to fiscal 2009 was primarily recoveries in fiscal 2010 of accounts receivable losses in fiscal 2009. There was minimal activity and no income was recognized in fiscal 2009.

(b) MovieTickets.com

Hollywood Media owns 26.2% of the total equity in the MovieTickets.com joint venture. Hollywood Media records its investment in MovieTickets.com under the equity method of accounting, recognizing its percentage interest in MovieTickets.com's income or loss as equity in earnings of unconsolidated investees. Under applicable accounting principles, Hollywood Media recorded $0.7 million in income from its investment in MovieTickets.com for fiscal 2010. Hollywood Media recorded $0.1 million in income from its investment in MovieTickets.com for fiscal 2009, because accumulated net income in fiscal 2009 exceeded MovieTickets.com's accumulated net losses from fiscal 2008 and prior. During the second quarter of 2009, the Company determined that $5.0 million of the goodwill associated with MovieTickets.com should be written down and accordingly, recorded an impairment loss of $5.0 million. In fiscal 2008, Hollywood Media did not record any income from its investment in MovieTickets.com because accumulated losses from prior years exceeded MovieTickets.com's accumulated income. The MovieTickets.com web site generates revenues from service fees charged to users for the purchase of movie tickets online, the sale of advertising and research. There were no dividends declared or received during fiscal 2010 compared to $1.9 million in dividends received in fiscal 2009 and $1.3 million received in fiscal 2008.

Amendments to Amended and Restated Employment Agreements of Mr. Rubenstein and Ms. Silvers

On December 23, 2009, (i) Hollywood Media and Mitchell Rubenstein entered into an amendment to his amended and restated employment agreement and (ii) Hollywood Media and Laurie S. Silvers entered into an amendment to her amended and restated employment agreement (hereafter, collectively referred to as "Amendments to Employment Agreements). The Amendments to Employment Agreements provide for, among other things, the following:

- For a period of ninety days after the closing of the sale of Theatre Direct, Mr. Rubenstein's and Ms. Silvers' compensation continues in accordance with then existing terms.

- After this ninety-day period, Mr. Rubenstein and Ms. Silvers base salaries are each reduced to a nominal amount of $1 per year plus five percent (5%) of the sum of (i) any distributions and other proceeds Hollywood Media receives after this ninety-day period in connection with its ownership interest in MovieTickets.com, Inc. and (ii) certain other amounts that may be received by Hollywood Media from MovieTickets.com, Inc. (collectively, the "5% Distribution"). Upon a sale of Hollywood Media's interest in MovieTickets.com, Inc., Mr. Rubenstein and Ms. Silvers would each receive 5% of the proceeds received by Hollywood Media in such sale. Should the employment agreements be terminated more than ninety days after the closing of the sale of Theatre Direct by Hollywood Media without "cause", by death or by Mr. Rubenstein and/or Ms. Silvers, as applicable, for "good reason" the 5% Distributions and 5% of proceeds upon sale are due to Mr. Rubenstein and Ms. Silvers, or their heirs regardless of whether or not Mr. Rubenstein and/or Ms. Silvers continue in the employment of the Company.

MovieTickets.com is a leading destination for the purchase of movie tickets through the Internet. Hollywood Media launched the MovieTickets.com website in May 2000 with several major movie theater exhibitors. The MovieTickets.com website allows users to purchase movie tickets and retrieve them at "will call" windows or kiosks at theaters or the user can print at home for theatres with that capacity. The website generates revenues from service fees charged to users for the purchase of tickets, the sale of advertising and the sale of research data. Service fees on ticket sales were introduced in November 2000. MovieTickets.com's participating exhibitors operate theaters located in all of the top twenty markets and approximately 70% of the top 50 and top 100 markets in the United States and Canada and represent approximately 50% of the top 50 and top 100 grossing theaters in North America. Additionally, MovieTickets.com operates in Latin America and Europe. See Item 1 – Business, and Note 14 to Consolidated Financial Statements for additional information about MovieTickets.com.

Operating Expenses

Editorial, Production, Development and Technology. Editorial, production, development and technology costs include commissions, royalties, media buying, production services and internet access for CinemasOnline and fees and royalties paid to authors and co-editors for the Intellectual Properties segment. Editorial, production, development and technology costs for fiscal 2010 were $2.6 million as compared to $2.6 million for fiscal 2009 and $3.3 million for fiscal 2008. Editorial, production, development and technology costs remained the same from fiscal 2009 to fiscal 2010 and decreased $0.7 million or 21% from fiscal 2008 to fiscal 2009. As a percentage of aggregate net revenues from our Ad Sales and Intellectual Properties segments, these costs were 66% for fiscal 2010, 57% for fiscal 2009 and 54% for fiscal 2008.

The fiscal 2009 decrease from fiscal 2008 was due primarily to decreases in (i) commissions paid of $0.4 million, (ii) media buying of $0.2 million, and (iii) production and royalties of $0.1 million.

Selling, General and Administrative. Selling, general and administrative ("SG&A") expenses consist of occupancy costs, professional and consulting service fees, telecommunications costs, provision for doubtful accounts receivable, general insurance costs, selling and marketing costs (such as advertising, marketing, promotional, business development, public relations, and commissions due to advertising agencies, advertising representative firms and other parties). The SG&A expenses for fiscal 2010 were $3.7 million compared to $4.3 million for fiscal 2009, a decrease of $0.6 million or 14% and $5.9 million for fiscal 2008, a decrease of $1.6 million or 27%. As a percentage of net revenues, SG&A expenses were 92% for fiscal 2010, 96% for fiscal 2009 and 97% for fiscal 2008.

The decrease in SG&A expenses in fiscal 2010 as compared to 2009 was primarily due primarily to decreases in the following categories: $0.3 million in legal expenses and $0.1 million in each of the following categories, bad debt expense, accounting fees, Board of Director's fees and consulting fees relating to Sarbanes Oxley compliance. These decreases were offset by a $0.1 million increase in contributions and sponsorship payments.

The decrease in SG&A expenses in fiscal 2009 as compared to fiscal 2008 was due primarily to decreases in the following expenses: $0.5 million in legal expenses, $0.4 million in occupancy and travel expenses, $0.3 million in accounting fees, $0.2 million in consulting fees relating to Sarbanes Oxley compliance, and $0.6 million in the following categories, office, computer supplies, contributions, dues and subscription expenses, telephone, server security, equipment rental, insurance, recruitment, consulting and moving expenses. These decreases were offset by a $0.2 million increase in Board of Directors' fees associated with a change of compensation structure to cash from warrants, a $0.1 million increase in online communications expenses and a $0.1 million increase in miscellaneous expenses.

Payroll and Benefits.

Payroll and benefits expenses consist of payroll and benefits including any other types of compensation benefits as well as human resources and administrative functions.

Payroll and benefits expenses for fiscal 2010 were $4.8 million as compared to $4.9 million for 2009, a decrease of $0.1 million or 2% and $6.7 million for 2008. Payroll and benefits expenses decreased $1.8 million, or 27%, in fiscal 2009 as compared to fiscal 2008. As a percentage of net revenues, payroll and benefits expenses were approximately 120% in fiscal 2010, and 108% in fiscal 2009 and fiscal 2008.

The decrease in payroll and benefits in fiscal 2010 as compared to fiscal 2009 was primarily due to a decrease in the Intellectual Property Business payroll. The decrease in payroll and benefits in fiscal 2009 as compared to fiscal 2008 was due to the following: (i) a decrease of $0.9 million in corporate overhead payroll, primarily because of the divestment of the Hollywood.com Business in August 2008; (ii) a $0.3 million reduction in payroll in the Ad Sales segment and (iii) an overall $0.6 million decrease in executive payroll due to the following: (a) $0.5 million decrease in compensation due to the completion of vesting of shares in fiscal 2008 that were issued to the President and Chairman of the Board, (b) a $0.4 million decrease due to the termination of the Executive Director of IT in fiscal 2008, and (c) a reduction of $0.1 million in stock option expense, offset by, a $0.4 million increase in executive bonus due to cash bonuses and vesting of restricted stock awards expense.

Depreciation and Amortization.

Depreciation and amortization expense consists of depreciation of property and equipment, furniture and fixtures, web site development, leasehold improvements, equipment under capital leases and amortization of intangibles. Depreciation and amortization expense was $0.5 million for fiscal 2010 as compared to $0.7 million for fiscal 2009 and $1.3 million for fiscal 2008. Depreciation and amortization decreased $0.2 million or 29% in fiscal 2010 from fiscal 2009 and decreased $0.6 million or 46% in fiscal 2009 from fiscal 2008. The decrease in depreciation and amortization expense from fiscal 2009 to fiscal 2010 is due to assets becoming fully depreciated during or prior to fiscal 2010. In addition, capital expenditures have declined over the years. The decrease in depreciation and amortization expense from fiscal 2008 to fiscal 2009 is due to a decrease in the amortization of intangible assets in Q4-08 due to a fiscal 2008 write off of certain intangible assets of CinemasOnline and assets becoming fully depreciated during fiscal 2009.

Interest, net.

Interest, net was $0.1 million income for fiscal 2010 as compared to a de minimus income for fiscal 2009 and income of $0.4 million for fiscal 2008. The increase of $0.1 million or 100% in interest, net in fiscal 2010 as compared to fiscal 2009 was primarily attributable to the interest on the $8.5 million principal amount Note Receivable granted to Key Brand Entertainment Inc., the purchaser of the Broadway Ticketing Division. The note has an interest rate of 12% per annum and matures on December 15, 2015. For additional information, see Note 4 "Discontinued Operations" in the Notes to the Consolidated Financial Statements contained in Part II, Item 8 of this Annual Report on Form 10-K. The decrease of $0.4 million or 100%, in interest, net in fiscal 2009 as compared to 2008 was primarily attributable to less income earned from cash on hand.

Income taxes, net of refunds.

Income taxes, net of refunds was an expense of $0.3 million as compared to $0.1 million of income for fiscal 2009 and de minimus expense for fiscal 2008. The expense for fiscal 2010 was primarily due to a reserve recorded against deferred tax assets in the Ad Sales segment since there is uncertainty about the Company's ability to realize this asset in the near future, due to continuing losses in that segment.

Net Income (Loss).

Hollywood Media's net income for fiscal 2010 was $4.9 million as compared to a net loss for fiscal 2009 of $5.6 million and a net loss for fiscal 2008 of $16.9 million. The net income for fiscal 2010 was primarily due to the gain on the sale of the Broadway Ticketing Business. The net loss for fiscal 2009 was primarily due to a $5.0 million impairment loss recorded in our Ad Sales segment in the second quarter of 2009. The net loss was greater in fiscal 2008 primarily due to the loss on sale of the Hollywood.com Business in 2008 and an impairment charge of $3.5 million related to our Ad Sales and Intellectual Property Segments.

LIQUIDITY AND CAPITAL RESOURCES

Cash Balance at Year End; Sources and Uses of Cash

Hollywood Media's cash and cash equivalents were $29.4 million at December 31, 2010 as compared to $8.4 million at December 31, 2009. Our net working capital (defined as current assets less current liabilities) was $22.0 million at December 31, 2010 and $8.8 million at December 31, 2009.

Net cash used in operating activities from continuing operations during fiscal 2010 was $6.5 million, a change of 8% compared to net cash used in operating activities from continuing operations during 2009 of $6.0 million. Cash usage was primarily attributable to the loss from continuing operations.

Net cash provided by investing activities from continuing operations during fiscal 2010 was $17.6 million, which included $17.1 million in cash from the sale of the Broadway Ticketing division and $0.6 million from earn-outs received from the Hollywood Business sale, offset by $0.1 million in capital expenditures. Net cash provided by investing activities from continuing operations during fiscal 2009 was $0.4 million, which net cash was primarily from the earn-outs received in 2009 due to the sale of Hollywood.com Business in August 2008. Net cash used in investing activities from continuing operations during fiscal 2008 was $0.5 million, this net cash was used for, among other things; $0.5 million in capital expenditures.

Net cash used in financing activities from continuing operations during fiscal 2010 was $0.1 million, which cash usage included payments under capital lease obligations and outstanding note payable. Net cash used in financing activities from continuing operations during fiscal 2009 was $0.2 million, which cash usage included payments under capital lease obligations, outstanding notes payable and payments for repurchase of common stock. Net cash used in financing activities from continuing operations during fiscal 2008 was $2.2 million, which cash usage included, among other things, $2.1 million to repurchase common stock.

In connection with the Broadway Sale:

- we received $20.5 million in cash (including $0.5 million pursuant to the estimated working capital adjustment described in the Purchase Agreement);

- Theatre Direct, Key Brand, and the Company entered into the Credit Agreement, pursuant to which the Company received a note receivable of $8.5 million from Key Brand at an interest rate of 12% per annum, which obligation matures on December 15, 2015 and is secured on a second lien basis by all stock and assets of Theatre Direct and its subsidiaries;

- Theatre Direct issued the Company the Warrant;

- Key Brand assumed $1.6 million of liabilities associated with employment agreements with certain employees of Theatre Direct; and

- we are entitled to receive earn-out payments of up to $14.0 million contingent upon Theatre Direct and its subsidiaries achieving certain revenue targets during the period from the closing date through the end of the tenth full fiscal year of Theatre Direct following the closing date as set forth in the Purchase Agreement.

In connection with the Credit Agreement, Hollywood Media and Key Brand entered into the Intercreditor Agreement with JP Morgan Chase Bank, N.A., as administrative agent for the senior lenders of Key Brand, which defines the rights and obligations of the senior secured lenders and Hollywood Media as subordinated lender, including, without limitation, the rights of payment and the subordination of the security interests of Hollywood Media.

On August 21, 2008, Hollywood Media entered into and simultaneously closed on a definitive purchase agreement with R&S Investments, LLC, pursuant to which R&S Investments acquired the Hollywood.com Business for a potential purchase price of $10.0 million, which included $1.0 million in cash that was paid to Hollywood Media at closing and potential earn-out payments of up to $9.0 million. Since August 21, 2008, $1.2 million in earn-out payments were paid to Hollywood Media through December 31, 2010 and, therefore, there remains, as of December 31, 2010, $7.8 million in potential earn-out payments.

Commencing October 1, 2009, R&S Investments is contractually obligated to make periodic earn-out payments equal to the greater of (i) 10 percent of collected gross revenue and (ii) 90 percent of EBITDA (as defined in the purchase agreement) for the Hollywood.com Business until the full earn-out is paid. If a change of control of Hollywood.com occurs before the earn-out is fully paid, the remaining portion of the earn-out would be payable immediately upon such a change of control, up to the amount of consideration received by R&S Investments less related expenses. If the consideration in such a change of control is less than the remaining balance of the earn-out, then the surviving entity which owns the Hollywood.com Business will be obligated to pay the difference in accordance with the same earn-out terms. In addition, if the Hollywood.com Business is resold prior to August 21, 2011, Hollywood Media will also receive five percent of any proceeds above $10.0 million. Pursuant to the purchase agreement, Hollywood Media was required to place $2.6 million into an escrow account to fund any negative EBITDA of the Hollywood.com Business through August 21, 2010. There was $2.6 million disbursed to the Hollywood.com Business in fiscal 2009, representing the entire balance of the escrow. As of December 31, 2010, Hollywood Media recorded a $0.2 million related party receivable for earn-out earned and expense reimbursement by R&S Investments. Subsequent to December 31, 2010, Hollywood Media has received the earn-out and expense reimbursement amounts in accordance with the payment terms.

On February 25, 2011, Hollywood Media announced the final results of a tender offer to purchase up to 8,000,000 shares of its common stock at a price of $2.05 per share (less any applicable withholding taxes and without interest) which expired on February 18, 2011. Hollywood Media accepted 8,000,000 shares for purchase for a total cost of approximately $16.4 million. The number of shares properly tendered and not withdrawn were 24,157,429. Accordingly, payment was made for approximately 33% of the tendered shares, and the rest of the tendered shares were withdrawn from the tender offer. Immediately following the purchase of the tendered shares, Hollywood Media had approximately 23,179,066 shares outstanding.

Capital Expenditures

Our capital expenditures during each of 2010 and 2009 was $0.1 million. We currently anticipate capital expenditures in 2011 of approximately $0.1 million, including various systems and equipment upgrades.

Authorization of Stock Repurchase Program

Hollywood Media previously reported in its current report on Form 8-K filed with the SEC on October 4, 2007, that its Board of Directors authorized a stock repurchase program under which Hollywood Media may use up to $10 million of its cash to repurchase shares of its outstanding common stock. See Part II, Item 5, of this Annual Report on Form 10-K for information about stock repurchases by Hollywood Media during the fourth quarter of fiscal 2010.

Pursuant to the repurchase program, Hollywood Media is authorized to purchase shares of its common stock from time to time on the open market or in negotiated transactions. The purchases are to be funded from available cash and cash equivalents, and the timing and amount of any shares repurchased will be determined by Hollywood Media's management based on its evaluation of financial and market conditions, legal requirements and other factors. The repurchase program has no time limit and may be suspended for periods or discontinued at any time, and there is no guarantee as to the number of shares or the amount of cash to be utilized for repurchases. Repurchased shares will become authorized but unissued shares of Hollywood Media's common stock.

Contractual Obligations

The following table sets forth information regarding certain types of our contractual obligations specified below as of December 31, 2010.

	Payments Due by Period				
Contractual Obligations	Total	Less than 1 Year	Years 1-3	Years 4-5	After 5 Years
(in millions)					
Capital lease obligations (1)	$ 0.1	$ 0.1	$ -	$ -	$ -
Operating lease obligations (2)	0.3	0.2	0.1	-	-
Total contractual obligations	$ 0.4	$ 0.3	$ 0.1	$ -	$ -

(1) Capital lease obligations are future lease payments under capital leases inclusive of interest. Lease terms expire at various dates throughout the year 2013.

(2) Operating lease obligations include leases pertaining to various leased offices and facilities and those classified as operating leases for financial statement purposes. Certain leases provide for payment of real estate taxes, common area maintenance, insurance, and certain other expenses. Lease terms expire at various dates through the year 2012.

Off-Balance Sheet Arrangements

As of December 31, 2010 and December 31, 2009, we did not have any relationships with unconsolidated entities or financial partnerships, such as entities often referred to as structured finance or special purpose entities, which were established for the purpose of facilitating off-balance sheet arrangements or other contractually narrow or limited purposes of the sort contemplated by paragraph 4 of Item 303 of SEC Regulation S-K. As such, management believes that we currently do not have any disclosures to make of the sort contemplated by paragraph 4 of Item 303 regarding "off-balance sheet arrangements."

Critical Accounting Estimates

In response to the SEC's Release Number 33-8040 "Cautionary Advice Regarding Disclosure About Critical Accounting Policies" and SEC Release Number 33-8056, "Commission Statement about Management's Discussion and Analysis of Financial Condition and Results of Operations," we have identified the following critical accounting policies that affect the more significant judgments and estimates used in the preparation of our consolidated financial statements. The preparation of our consolidated financial statements in conformity with accounting principles generally accepted in the United States of America requires that we make estimates and judgments that affect the reported amounts of assets and liabilities, revenues and expenses, and related disclosures of contingent assets and liabilities. On an on-going basis, we evaluate our estimates, including those related to asset impairment, accruals for compensation and related benefits, revenue recognition, allowance for doubtful accounts, and contingencies and litigation. These estimates are based on the information that is currently available to us and on various other assumptions that we believe to be reasonable under the circumstances. Actual results could vary from those estimates under different assumptions or conditions. For additional information about our significant accounting policies, including the critical accounting policies discussed below, see Note 2 – Summary of Significant Accounting Policies in the Notes to Consolidated Financial Statements in Item 8 of this Annual Report on Form 10-K.

Allowance and Reserves

Hollywood Media maintains an allowance for doubtful accounts and a reserve on notes receivable for estimated losses resulting from the inability of its customers or debtors to make required payments. The Company's accounting for doubtful accounts and reserve on notes receivable contains uncertainty because management must use judgment to assess the collectibility of these accounts. When preparing these estimates, management considers a number of factors, including the aging of a customer's account, past transactions with customers and debtors, creditworthiness of specific customers and debtors, historical trends and other information. The allowance for doubtful accounts was $0.3 million and $0.5 million at December 31, 2010 and 2009, respectively. The allowance is primarily attributable to receivables due from customers of CinemasOnline. Although the Company believes its allowance is sufficient, if the financial condition of the Company's customers were to unexpectedly deteriorate, resulting in an impairment of their ability to make payments, additional allowances may be required that could materially impact the Company's consolidated financial statements. The Company's $8.5 million note receivable from Key Brand Entertainment in connection with the Company's sale of its Broadway Ticketing business has been fully reserved. Concentrations of credit risk with respect to accounts receivable are limited due to the large number of customers comprising the Company's customer base and their dispersion across many different geographic regions.

Impairment of Goodwill

Under FASB Accounting Standard Codification Topic No. 350, *"Intangibles – Goodwill and Other"* (ASC 350), beginning January 1, 2002, goodwill and certain intangibles are no longer amortized; however, they are subject to evaluation for impairment at least annually using a fair value based test. The fair value based test is a two-step test. The first step involves comparing the fair value of each of our reporting units to the carrying value of those reporting units. If the carrying value of a reporting unit exceeds the fair value of the reporting unit, we are required to proceed to the second step. In the second step, the fair value of the reporting unit would be allocated to the assets (including unrecognized intangibles) and liabilities of the reporting unit, with any residual representing the implied fair value of goodwill. An impairment loss would be recognized if and to the extent that the carrying value of goodwill exceeds the implied value.

As prescribed by ASC 350, we completed the transitional goodwill impairment test by the second quarter of fiscal 2002 which did not result in an impairment charge. Additionally, Hollywood Media established October 1 as its annual impairment test date and conducted required testing on that date during fiscal 2010 and 2009. As part of our fiscal 2008 annual impairment evaluation, the Company determined that the goodwill associated with its CinemasOnline business should be written off, and, accordingly, the Company recorded an impairment loss of $2.8 million. In addition, the Company recorded $0.7 million in additional impairment to goodwill recorded after our 2001 acquisition of Always Independent Entertainment Corp. and our Intellectual Properties segment. During the second quarter of 2009 the Company determined that $5.0 million of the goodwill associated with its MovieTickets.com business should be written down based on discounted cash flow being below carrying value and accordingly recorded an impairment loss of $5.0 million. For additional information see Note 14 – Investments in and Advances to Equity Method Unconsolidated Investees in the Notes to Consolidated Financial Statements included in Item 8 of this Annual Report on Form 10-K. As December 31, 2010, we are not aware of any additional items or events that would cause us to adjust the recorded value of Hollywood Media's goodwill for impairment further. The goodwill recorded in the accompanying consolidated balance sheets as of December 31, 2010 and 2009 was $14.6 million. At December 31, 2010 and December 31, 2009 goodwill represented 31% and 25%, respectively, of total assets, which is all related to the Ad Sales reporting unit. The fair value of the Ad Sales reporting unit exceeded the carrying value as of the test date by approximately 11%. Future changes in estimates used to conduct the impairment review, including revenue projections, market values and low discount rates could cause the analysis to indicate that Hollywood Media's goodwill is impaired in subsequent periods and result in a write-off of a portion or all of the goodwill. In order to evaluate the sensitivity of the fair value calculations of our reporting units on the impairment calculation, we applied a hypothetical decrease to the fair values of each reporting unit.

During the period from November 21, 2008 to May 21, 2009, the Company's market capitalization periodically fell below the book value of its equity. The Company believes that the disparity between the book value of its assets as compared to the market capitalization of its business is in large part a consequence of market conditions, including perceived risks in the debt markets, the Company's industry and the broader economy. While the Company believes that some of these risks are unique to specific companies, some represent global industry risks. The Company believes that there is no fundamental change in our underlying business model or prospects for our Company. We considered the periodic decline in our market capitalization to be temporary and based on general economic conditions and a decline in general investor confidence throughout the market and not based on any events or conditions specific to us. The Company has evaluated the impairment of its goodwill, giving consideration to these risks, and their impact upon the respective reporting units' fair values, and has reported impairments where it deems appropriate. The Company believes that the fair value of its remaining reporting units that contain goodwill at December 31, 2010 and 2009 exceeded the book value of those units.

Inflation and Seasonality

Although we cannot accurately determine the precise effects of inflation, we do not believe inflation has a material effect on revenue or results of operations. We consider our business to be somewhat seasonal and expect net revenues to be generally higher during the second and fourth quarters of each fiscal year for our Tekno Books book licensing business as a result of the general publishing industry practice of paying royalties semi-annually. In addition, although not seasonal, our Intellectual Properties division and NetCo Partners both experience fluctuations in their respective revenue streams, earnings and cash flow as a result of the amount of time that is expended in the creation and development of the intellectual properties and their respective licensing agreements. The recognition of licensing revenue is typically triggered by specific contractual events which occur at different points in time rather than on a regular periodic basis.

Item 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK.

Not required.

Item 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA.

INDEX TO CONSOLIDATED FINANCIAL STATEMENTS

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors and Shareholders
Hollywood Media Corp.
Boca Raton, Florida

We have audited the accompanying consolidated balance sheets of Hollywood Media Corp. and Subsidiaries as of December 31, 2010 and 2009, and the related consolidated statements of operations, shareholders' equity, and cash flows for each of the three years in the period ended December 31, 2010. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Hollywood Media Corp. and Subsidiaries as of December 31, 2010 and 2009, and the results of their operations and their cash flows for each of the three years in the period ended December 31, 2010, in conformity with accounting principles generally accepted in the United States of America.

KAUFMAN, ROSSIN & CO., P.A.

Miami, Florida

April 14, 2011

HOLLYWOOD MEDIA CORP. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS

	December 31, 2010	December 31, 2009
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	$ 29,406,063	$ 8,365,224
Receivables, net	465,079	604,325
Prepaid expenses	1,055,972	1,882,444
Other receivables	59,224	270,064
Related party receivable	299,963	335,245
Current assets of discontinued operations	-	20,940,282
Total current assets	31,286,301	32,397,584
PROPERTY AND EQUIPMENT, net	455,436	773,682
INVESTMENTS IN AND ADVANCES TO UNCONSOLIDATED INVESTEES	955,065	230,097
INTANGIBLE ASSETS, net	7,549	142,076
GOODWILL	14,595,783	14,595,783
OTHER ASSETS	18,425	21,082
LONG TERM ASSETS OF DISCONTINUED OPERATIONS	-	9,445,875
TOTAL ASSETS	$ 47,318,559	$ 57,606,179
LIABILITIES AND SHAREHOLDERS' EQUITY		
CURRENT LIABILITIES		
Accounts payable	$ 802,684	$ 896,909
Accrued expenses and other	6,804,066	859,075
Deferred revenue	980,786	1,176,636
Customer deposits	654,554	616,692
Current portion of capital lease obligations	60,031	104,254
Current portion of notes payable	2,362	37,454
Current liabilities of discontinued operations	-	19,931,745
Total current liabilities	9,304,483	23,622,765
DEFERRED REVENUE	148,002	309,190
CAPITAL LEASE OBLIGATIONS, less current portion	38,217	73,909
OTHER DEFERRED LIABILITY	75,120	236,258
NOTES PAYABLE, less current portion	-	2,432
LONG-TERM LIABILITIES OF DISCONTINUED OPERATIONS	-	871,216
COMMITMENTS AND CONTINGENCES		
SHAREHOLDERS' EQUITY		
Preferred stock, $.01 par value, 1,000,000 shares authorized; none outstanding	-	-
Common stock, $.01 par value, 100,000,000 shares authorized; 31,179,066 and 31,037,656 shares issued and outstanding at December 31, 2010 and December 31, 2009, respectively	311,791	310,377
Additional paid-in capital	309,898,584	309,480,331
Accumulated deficit	(272,410,281)	(277,315,848)
Total Hollywood Media Corp. shareholders' equity	37,800,094	32,474,860
Non-controlling interest	(47,357)	15,549
Total shareholders' equity	37,752,737	32,490,409
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	$ 47,318,559	$ 57,606,179

The accompanying notes to consolidated financial statements
are an integral part of these consolidated balance sheets.

HOLLYWOOD MEDIA CORP. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF OPERATIONS

	YEAR ENDED DECEMBER 31,		
	2010	2009	2008
NET REVENUES	$ 3,995,177	$ 4,518,548	$ 6,138,962
OPERATING COSTS AND EXPENSES			
Editorial, production, development and technology	2,641,205	2,569,354	3,323,546
Selling, general and administrative	3,677,612	4,340,061	5,936,798
Payroll and benefits	4,799,058	4,872,398	6,653,739
Impairment loss	-	-	3,524,697
Depreciation and amortization	541,326	743,995	1,348,782
Total operating costs and expenses	11,659,201	12,525,808	20,787,562
Loss from operations	(7,664,024)	(8,007,260)	(14,648,600)
EARNINGS (LOSSES) OF UNCONSOLIDATED INVESTEES			
Equity in earnings of unconsolidated investees	765,015	2,006,498	1,160,623
Impairment loss	-	(5,000,000)	-
Total equity in earnings (losses) of unconsolidated investees	765,015	(2,993,502)	1,160,623
OTHER INCOME (EXPENSE):			
Interest, net	64,916	16,161	359,800
Other, net	6,311	(35,227)	44,651
Income taxes, net of refunds	(283,756)	83,286	(953)
Loss from continuing operations	(7,111,538)	(10,936,542)	(13,084,479)
Gain (loss) on sale of discontinued operations, net of income taxes	6,057,421	614,572	(4,655,122)
Income of discontinued operations	5,909,763	4,699,144	964,643
Income (loss) from discontinued operations	11,967,184	5,313,716	(3,690,479)
Net income (loss)	4,855,646	(5,622,826)	(16,774,958)
NET (INCOME) LOSS ATTRIBUTABLE TO NON-CONTROLLING INTEREST	49,921	2,409	(81,365)
Net income (loss) attributable to Hollywood Media Corp.	$ 4,905,567	$ (5,620,417)	$(16,856,323)
Basic and diluted income (loss) per common share			
Continuing operations	$ (0.23)	$ (0.35)	$ (0.41)
Discontinued operations	0.39	0.17	(0.12)
Total basic and diluted net income (loss) per share	$ 0.16	$ (0.18)	$ (0.53)
Weighted average common and common equivalent shares outstanding – basic and diluted	30,937,619	30,584,902	31,793,853

The accompanying notes to consolidated financial statements are an integral part of these consolidated statements of operations.

HOLLYWOOD MEDIA CORP. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY

	Common Stock		Additional	Accumulated	
	Shares	Amount	Paid-in Capital	Deficit	Total
Balance – December 31, 2007	31,897,983	$ 318,980	$ 310,120,531	$(254,839,108)	$ 55,600,403
Repurchase of company stock	(1,711,639)	(17,117)	(2,107,882)	-	(2,124,999)
Issuance of stock – stock option exercises	101,000	1,010	121,890	-	122,900
Issuance of stock to officers	100,000	1,000	101,000	-	102,000
Issuance of warrants for services rendered	-	-	4,429	-	4,429
Issuance of stock – 401(k) employer match	96,569	966	279,084	-	280,050
Amortization of deferred compensation	-	-	487,500	-	487,500
Issuance of restricted stock - officers	400,000	4,000	(3,069)	-	931
Compensation expense on employee stock options	-	-	97,277	-	97,277
Net loss	-	-	-	(16,856,323)	(16,856,323)
Balance – December 31, 2008	30,883,913	308,839	309,100,760	(271,695,431)	37,714,168
Repurchase of company stock	(71,600)	(716)	(72,238)	-	(72,954)
Issuance of stock – 401(k) employer match	225,343	2,254	223,089	-	225,343
Stock compensation expense - officers	-	-	204,885	-	204,885
Stock compensation expense - employees	-	-	23,835	-	23,835
Net loss	-	-	-	(5,620,417)	(5,620,417)
Balance – December 31, 2009	31,037,656	310,377	309,480,331	(277,315,848)	32,474,860
Issuance of stock – 401(k) employer match	141,410	1,414	196,560	-	197,974
Stock compensation expense - officers	-	-	202,184	-	202,184
Stock compensation expense - employees	-	-	19,509	-	19,509
Net income	-	-	-	4,905,567	4,905,567
Balance – December 31, 2010	31,179,066	$ 311,791	$ 309,898,584	$(272,410,281)	$ 37,800,094

The accompanying notes to consolidated financial statements are an integral part of these consolidated statements of shareholders' equity.

HOLLYWOOD MEDIA CORP. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS

	YEAR ENDED DECEMBER 31,		
	2010	2009	2008
CASH FLOWS FROM OPERATING ACTIVITIES:			
Net income (loss)	$ 4,855,646	$ (5,622,826)	$ (16,774,958)
Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities:			
(Income) loss from discontinued operations	(11,967,184)	(5,313,716)	3,690,479
Depreciation and amortization	541,326	743,995	1,348,782
401(k) stock match	-	61,067	75,695
Warrants issued for consulting services	-	-	4,429
Equity in earnings of unconsolidated investees, net of distributions	(724,968)	(97,297)	154,185
Stock compensation expense – employees	19,509	23,835	97,277
Loss (gain) on retirement of property	72,144	820	(38,842)
Stock compensation expense - officers	202,184	204,885	102,931
Amortization of deferred compensation costs	-	-	487,500
Provision for bad debts	282,296	430,370	421,980
Distributions to minority owners	(12,985)	(26,754)	(3,724)
Impairment loss	-	5,000,000	3,524,697
Changes in assets and liabilities:			
Receivables	(143,050)	(170,958)	162,039
Prepaid expenses	826,472	(529,739)	614,664
Other receivables	210,840	55,390	185,208
Related party receivable	36,424	12,640	(88,992)
Other assets	2,657	10,065	(27,867)
Accounts payable	(426,124)	426,744	(1,008,664)
Accrued expenses and other	217,353	(937,938)	54,190
Deferred revenue	(357,038)	(255,829)	(1,265,187)
Customer deposits	37,862	68,633	89,419
Other deferred liability	(161,138)	(65,807)	17,222
Net cash used in operating activities – continuing operations	(6,487,774)	(5,982,420)	(8,177,537)
Net cash provided by (used in) operating activities - discontinued operations	10,419,174	9,942,486	(765,521)
Net cash provided by (used in) operating activities	3,931,400	3,960,066	(8,943,058)
CASH FLOWS FROM INVESTING ACTIVITIES:			
Capital expenditures	(141,672)	(101,640)	(499,083)
Net proceeds (expenditures) from sale of assets and businesses	17,786,493	472,920	(42,320)
Net cash (used in) provided by investing activities – continuing operations	17,644,821	371,280	(541,403)
Net cash used in investing activities – discontinued operations	(375,177)	(1,088,501)	(4,126,537)
Net cash (used in) provided by investing activities	17,269,644	(717,221)	(4,667,940)
CASH FLOWS FROM FINANCING ACTIVITIES:			
Proceeds received from exercise of stock options	-	-	122,900
Payments under capital lease obligations	(104,254)	(118,502)	(83,936)
Repayment of notes payable	(37,524)	(39,519)	(68,306)
Stock repurchase program	-	(72,954)	(2,124,999)
Net cash used in financing activities – continuing operations	(141,778)	(230,975)	(2,154,341)
Net cash used in financing activities – discontinued operations	(18,427)	(50,899)	(73,094)
Net cash used in financing activities	(160,205)	(281,874)	(2,227,435)
Net increase (decrease) in cash and cash equivalents	21,040,839	2,960,971	(15,838,433)
CASH AND CASH EQUIVALENTS, beginning of period	8,365,224	5,404,253	21,242,686
CASH AND CASH EQUIVALENTS, end of period	$ 29,406,063	$ 8,365,224	$ 5,404,253
SUPPLEMENTAL SCHEDULE OF CASH RELATED ACTIVITIES:			
Interest paid	$ 28,342	$ 41,607	$ 64,674
Taxes paid	$ 23,964	$ 19,345	$ 462,837

The accompanying notes to consolidated financial statements are an integral part of these consolidated statements of cash flows.

(1) BACKGROUND:

Hollywood Media Corp. ("Hollywood Media" or "the Company") was incorporated in the State of Florida on January 22, 1993. Hollywood Media is comprised of various businesses focusing primarily on advertising, book development license fees and royalties.

Hollywood Media owns the U.K. based companies CinemasOnline Limited, UK Theatres Online Limited, WWW.CO.UK Limited and Spring Leisure Limited (collectively known as "CinemasOnline"), which were acquired in November 2005. CinemasOnline, included as part of Hollywood Media's Ad Sales Segment, maintains plasma television screens in hotels, car dealerships, cinemas and live theaters in the U.K. and Ireland in exchange for the right to sell advertising displayed on such plasma screens. CinemasOnline also provides other marketing services, including advertising sales on lobby display posters, movie brochure booklets and ticket wallets distributed in cinemas, live theater and other entertainment venues in the U.K. and Ireland.

The intellectual properties segment owns or controls the exclusive rights to certain original characters and concepts created by best-selling authors and media celebrities, which it licenses across all media, including books, films and television, multimedia software, and other products. Hollywood Media acquires the rights to its intellectual properties pursuant to agreements that grant it exclusive rights in the intellectual property itself as well as the right to use the creator's name in the title of the intellectual property. The intellectual properties division also includes a 51%-owned book development and licensing operation named Tekno Books which focuses on developing and executing book projects, typically with best-selling authors, which books are then licensed for publication to book publishers. Tekno Books generates revenues from new book projects in the form of non-refundable advances paid by publishers and royalties from its library of book titles.

Hollywood Media is a 50% partner in NetCo Partners. NetCo Partners was formed in June 1995 as a joint venture between Hollywood Media and C.P. Group, Inc. NetCo Partners is engaged in the development and licensing of NetForce. NetCo Partners is not consolidated in these financial statements, and Hollywood Media records 50% of the earnings in NetCo Partners as "equity in earnings of unconsolidated investees" in the accompanying consolidated financial statements.

Hollywood Media owns 26.2% of the equity of MovieTickets.com Inc. ("MovieTickets.com"), a joint venture, primarily with AMC Entertainment Inc., National Amusements, Inc., Viacom Inc. and America Online, Inc. The MovieTickets.com joint venture is not consolidated in the accompanying consolidated financial statements. The MovieTickets.com website allows users to purchase movie tickets online and retrieve them at "will call" windows or kiosks at the theaters. MovieTickets.com generates revenue from the sale of advertising and from service fees charged to users for the purchase of tickets and from the sale of research data, which revenues are not included in Hollywood Media's revenues. Hollywood Media records its share of the earnings or loss in MovieTickets.com as "Equity in Earnings of Unconsolidated Investees" in the accompanying consolidated financial statements.

The Company had an accumulated deficit totaling $272.4 million and $277.3 million at December 31, 2010 and 2009, respectively. The success of Hollywood Media's operations in future years is dependent on its ability to generate adequate revenues and cash flows to offset operating expenses. Hollywood Media expects to incur additional losses. There can be no assurances that Hollywood Media will be able to generate sufficient revenues from these activities to cover its costs and therefore, Hollywood Media may continue to incur losses and negative cash flows from operations. To the extent that Hollywood Media does not generate sufficient revenues to offset expenses Hollywood Media may require further financing beyond cash on hand to fund ongoing operations. Hollywood Media estimates, based on operating plans and assumptions, that existing cash and cash equivalents and anticipated cash flows will be sufficient to meet working capital requirements for the year 2011.

On February 25, 2011, Hollywood Media announced the final results of a tender offer to purchase up to 8,000,000 shares of its common stock at a price of $2.05 per share (less any applicable withholding taxes and without interest) which expired on February 18, 2011. Hollywood Media accepted 8,000,000 shares for purchase for a total cost of approximately $16,400,000. The number of shares properly tendered and not withdrawn was 24,157,429. Accordingly, payment was made for approximately 33% of the tendered shares, and the rest of the tendered shares were withdrawn from the tender offer. Immediately following the purchase of the tendered shares, Hollywood Media had approximately 23,179,000 shares outstanding.

(2) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

Reclassifications

Certain amounts previously reported have been reclassified to conform with current presentation and discontinued operations.

Principles of Consolidation

Hollywood Media's consolidated financial statements include the accounts of Hollywood Media, its wholly owned subsidiaries, and its 51% owned subsidiary, Tekno Books which is a partnership. All significant intercompany balances and transactions have been eliminated in consolidation and a non-controlling interest has been established to reflect the outside ownership of Tekno Books. Hollywood Media's 50% and 26.2% ownership interests in NetCo Partners and MovieTickets.com, respectively, are accounted for under the equity method of accounting.

Accounting Estimates

The preparation of consolidated financial statements in conformity with accounting principles generally accepted in the United States of America requires that the Company make estimates and judgments that affect the reported amounts of assets and liabilities, revenues and expenses, and related disclosures of contingent assets and liabilities. These estimates are based on the information that is currently available and on various other assumptions that the Company believes to be reasonable under the circumstances. Actual results could vary from those estimates under different assumptions or conditions. Significant estimates and assumptions embodied in the accompanying consolidated financial statements, which are evaluated on an ongoing basis, include the deferred tax asset valuation allowance, the adequacy of reserves for accounts receivables, notes receivable and accruals for compensation, contingencies and litigation, as well as Hollywood Media's ability to realize the carrying value of goodwill, intangible assets, investments in less than 50% owned companies and other long-lived assets.

Cash and Cash Equivalents

Hollywood Media considers all highly liquid investments with original maturities of three months or less to be cash and cash equivalents. Interest bearing amounts included in cash and cash equivalents were $26,667,785 and $7,985,022 at December 31, 2010 and 2009, respectively. The Company maintains cash balances with financial institutions in excess of federally insured limits.

Receivables

Receivables consist of unsecured amounts due from customers who have advertised on plasma TV displays, posters, brochures and websites in the Company's UK business and amounts due from publishers relating to signed contracts, to the extent that the earnings process is complete and amounts are realizable.

Allowance for Doubtful Accounts

Hollywood Media maintains an allowance for doubtful accounts for estimated losses resulting from the inability of its customers to make required payments. The Company's accounting for doubtful accounts contains uncertainty because management must use judgment to estimate the collectibility of these accounts. When preparing these estimates, management considers a number of factors, including the age of a customer's account, past transactions with customers, creditworthiness of specific customers, historical trends and other information. The allowance for doubtful accounts was $308,713 and $473,686 at December 31, 2010 and 2009, respectively. The allowance is primarily attributable to receivables due from customers of CinemasOnline. Although the Company believes its allowance is sufficient, if the financial condition of the Company's customers were to unexpectedly deteriorate, resulting in an impairment of their ability to make payments, additional allowances may be required that could materially impact the Company's consolidated financial statements. Concentrations of credit risk with respect to accounts receivable are limited due to the large number of customers comprising the Company's customer base and their dispersion across many different geographical regions within the U.K. Changes in the allowance for doubtful accounts consisted of:

	Additions (Deductions)			
	Balance at Beginning of period	Charges to costs and expenses	Write-offs	Balance at end of period
Allowance for doubtful accounts:				
2010	$ 473,686	$ 282,296	$ (447,269) (A)	$ 308,713
2009	$ 478,749	$ 430,370	$ (435,433) (A)	$ 473,686
2008	$ 764,892	$ 421,980	$ (708,123) (A)	$ 478,749

Notes: (A) Uncollectible accounts written off.

Property and Equipment

Property and equipment are carried at cost and are classified in five categories. The categories and estimated service lives are as follows:

Furniture and fixtures	5 years
Equipment and software	3 to 5 years
Equipment under capital leases	Shorter of term of lease or 3 to 5 years
Leasehold improvements	Term of lease
Artwork	Non-depreciable

Maintenance and repairs are charged to expense when incurred.

Goodwill and Intangible Assets

FASB Accounting Standards Codification ("ASC") Topic No. 350, *"Intangibles – Goodwill and Other"* (ASC 350), goodwill and certain intangibles are not amortized; however, they are subject to evaluation for impairment annually, or more frequently if indicators arise, using a fair value based test. The fair value based test is a two-step test. The first step involves comparing the fair value of each of our reporting units to the carrying value of those reporting units. If the carrying value of a reporting unit exceeds the fair value of the reporting unit, we are required to proceed to the second step. In the second step, the fair value of the reporting unit would be allocated to the assets (including unrecognized intangibles) and liabilities of the reporting unit, with any residual representing the implied fair value of goodwill. An impairment loss would be recognized if and to the extent that the carrying value of goodwill exceeds the implied value.

Hollywood Media established October 1, as its annual impairment test date and conducted required testing on that date during fiscal 2010, 2009 and 2008. Although the Company's annual impairment analysis in 2010 and 2009 did not result in any impairment charges, during the second quarter of 2009 the Company determined the $5,000,000 of the goodwill associated with its MovieTickets.com business should be written down based on the discounted cash flow not exceeding carrying value and accordingly recorded an impairment loss of $5,000,000. For additional information see Note 14 – "Investments in and Advances to Equity Method Unconsolidated Investees" in these Notes to the Consolidated Financial Statements. As part of our fiscal 2008 annual impairment evaluation, the Company determined that the goodwill associated with its CinemasOnline business should be written off, and, accordingly, the Company recorded an impairment loss of $2,800,000 in 2008. In addition, the Company recorded $700,000 in additional impairment to goodwill related to our 2001 acquisition of Always Independent Entertainment Corp. and our Intellectual Properties segment in 2008.

As of December 31, 2010, we are not aware of any items or events that would cause us to adjust the recorded value of Hollywood Media's goodwill for impairment. Future changes in estimates used to conduct the impairment review, including revenue projections or market values could cause the analysis to indicate that Hollywood Media's goodwill is impaired in subsequent periods and result in a write-off of a portion or all of the goodwill. In order to evaluate the sensitivity of the fair value calculations of our reporting units on the impairment calculation, we applied a hypothetical decrease to the fair values of the ad sales reporting unit.

During the period from November 21, 2008 to May 21, 2009, the Company's market capitalization periodically fell below the book value of its equity. The Company believes that the disparity between the book value of its assets as compared to the market capitalization of its business was in large part a consequence of market conditions, including perceived risks in the debt markets, the Company's industry and the broader economy. While the Company believes that some of these risks are unique to specific companies, some represent global industry risks. The Company believes that there is no fundamental change in our underlying business model or prospects for our Company. We considered the periodic decline in our market capitalization to be temporary and based on general economic conditions and a decline in general investor confidence throughout the market and not based on any events or conditions specific to us. The Company has evaluated the impairment of its goodwill, giving consideration to these risks, and their impact upon the respective reporting units' fair values, and has reported impairments where it deems appropriate. The Company believes that the fair value of its remaining reporting units that contain goodwill at December 31, 2010 and 2009 exceeded the book value of those units.

Impairment of Long-Lived Assets

ASC Topic No. 360-10 requires impairment losses to be recorded on long-lived assets used in operations when indicators of impairment are present and the undiscounted cash flows estimated to be generated by those assets are less than the assets' carrying amount. If an indicator of impairment is present, Hollywood Media evaluates the recoverability of long-lived assets not held for sale by comparing the carrying amount of the assets to the estimated undiscounted future cash flows associated with them. At the time such evaluations indicate that the future undiscounted cash flows of certain long-lived assets are not sufficient to recover the carrying values of such assets, the assets are adjusted to their fair values if such fair values are lower than their carrying value. Hollywood Media determines fair value as the net present value of future cash flows. There were no adjustments to the carrying value of long-lived assets for any of the years ended December 31, 2010, 2009, and 2008.

Revenue Recognition

Revenue recognition policies for advertising, book packaging and licensing, are set forth below.

Advertising. Advertising revenue is derived from the sale, by CinemasOnline, of advertising on plasma TV displays throughout the U.K. and Ireland, on lobby display posters, movie brochure booklets and ticket wallets distributed in cinemas, live theater and other entertainment venues in the U.K. Advertising revenue is recognized over the period that the advertisement is displayed, provided that no significant obligations of Hollywood Media remain and collection is reasonably assured. Hollywood Media's obligations typically are based on maintaining plasma TV displays, posters and brochures where the advertisements are displayed.

Book Packaging and Licenses. Licensing revenues in the form of non-refundable advances and other guaranteed royalty payments are recognized when the earnings process has been completed, which is generally upon the delivery of a completed manuscript and acceptance by the publisher. Non-guaranteed royalties based on sales of licensed products and on sales of books published directly by Hollywood Media are recognized as revenues when earned based on royalty statements or other notification of such amounts from the publishers.

Revenue relating to Hollywood Media's book licensing business is recognized when the earnings process is complete, typically when a publisher accepts a book for publishing. Advances received from publishers are recorded as "Deferred Revenue" in the accompanying consolidated balance sheets until the book is accepted by the publisher. In the book licensing division, expenditures for co-editors and permission payments are also deferred and recorded as "Prepaid expenses" in the accompanying consolidated balance sheet until the book is accepted by the publisher, at which time such costs are expensed.

ASC Topic No. 605, *"Revenue Recognition"* Subtopic No. 45, *"Principal Agent Considerations"* (ASC 605-45) provides guidance concerning under what circumstances a company should report revenue based on (a) the gross amount billed to a customer because it has earned revenue from the sale of goods or services or (b) the net amount retained (that is, the amount billed to the customer less the amount paid to a supplier) because it has earned a commission or fee. Hollywood Media's existing accounting policies conform to ASC 605-45.

Segment Information

ASC Topic No. 280, *"Segment Reporting*" establishes standards for reporting of selected information about operating segments in interim financial reports issued to shareholders. It also establishes standards for related disclosures about products and services, geographic areas and major customers (see Note 17).

Earnings Per Common Share

FASB Accounting Standard Codification No. 260, *"Earnings per Share*" requires companies to present basic and diluted earnings per share. Earnings per common share is computed by dividing net income or loss by the weighted average number of common shares outstanding during the period presented.

Common shares issuable upon exercise of outstanding options and warrants of 95,435, 1,328,443 and 2,581,928 were excluded from the calculation of diluted earnings per share for the years ended December 31, 2010, 2009 and 2008, respectively, because their impact was anti-dilutive to the loss from continuing operations. Non-vested shares are not included in the basic calculation until vesting occurs. There were no unvested shares as of December 31, 2010. There were 233,334 and 400,000 unvested shares as of December 31, 2009 and 2008, respectively.

Advertising Costs

Hollywood Media expenses the cost of advertising as incurred. Advertising costs for the years ended December 31, 2010, 2009 and 2008 were $14,496, $14,286 and $27,053, respectively, and are included in "Selling, general and administrative" expenses in the accompanying consolidated statements of operations.

401(k) Plan

On September 27, 2010, upon recommendation of Mitchell Rubenstein, CEO and Chairman of Hollywood Media Corp., the Board of Directors of Hollywood Media Corp. approved of the termination of the Company's 401 (k) plan effective November 18, 2010.

Hollywood Media maintained a 401(k) Plan ("the Plan") covering all employees who met certain eligibility requirements. The Plan provided that each participant may contribute up to 15% of his or her pre-tax gross compensation (not to exceed a statutorily prescribed annual limit). All amounts contributed by employee participants in conformity with Plan requirements and earnings on such contributions were fully vested at all times. The match in stock was 50% of the first 8% of the employees' compensation contributions, for those participants employed in excess of 1,000 hours during the year and employed on the last day of the year. The match of $148,404 was paid in cash to the Plan for the year ended December 31, 2010 during the fourth quarter. The match paid for the year ended December 31, 2009 was 101,189 shares of Hollywood Media common stock, valued at $141,664, respectively, at a share price of $1.40 paid in the first quarter of fiscal 2010. The Plan had investments in Company stock of 303,270 shares valued at a share price of $1.64 or $497,363 and 439,874 shares valued at a share price of $1.40 or $615,824, as of December 31, 2010 and 2009, respectively. The Plan assets remaining as of December 31, 2010 represent employee, or former employee, investments pending transfer or distribution.

Income Taxes

Income taxes are accounted for under the liability method pursuant to FASB Accounting Standards Codification No. 740, "*Income Taxes*" (ASC 740). Under ASC 740, deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases and operating loss and tax credit carryforwards. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the enactment date. A valuation allowance is recorded to reduce net deferred income tax assets to an amount that is more likely than not to be realized. Pursuant to the provisions of ASC 740 uncertain tax positions must meet a "more-likely-than-not" recognition threshold.

Variable Interest Entities

ASC Topic No. 810, "*Consolidation*" Subtopic No. 10-25 *"Recognition"* (ASC 810-10-25), requires a variable interest entity ("VIE") to be consolidated by its primary beneficiary. Hollywood Media determined that Hollywood.com, LLC met the definition of a VIE based on one of the criteria described in ASC 810-10-25, which states the total equity investment at risk is not sufficient to permit the entity to finance its activities without additional subordinated financial support provided by any parties, including equity holders. The initial investment provided by R&S Investments of $1,000,000 is not sufficient to fund the ongoing losses without additional subordinated financial support. The Company has made the determination that it is not the primary beneficiary of Hollywood.com, LLC. Accordingly, Hollywood.com LLC is not consolidated into the Company's consolidated financial statements.

(3) STOCK OPTION PLANS; WARRANTS; AND EMPLOYEE STOCK BASED COMPENSATION:

Shareholder-Approved Plans

Hollywood Media has active shareholder-approved equity compensation plans as follows: the 2004 Stock Incentive Plan and the Directors Stock Option Plan (the "Plans"). In addition to stock options, the 2004 and 2000 Plans permit the granting of stock awards and other forms of equity compensation for key personnel and non-employee directors. There were an aggregate of 487,261, 524,313, and 512,370 shares remaining available for issuance under Hollywood Media's equity compensation plans at December 31, 2010, 2009 and 2008, respectively. The options may be either "qualified incentive stock options" (as defined in Section 422 of the Internal Revenue Code of 1986, as amended) or nonqualified stock options. Stock options granted to date generally have had an exercise price per share equal to the market value per share of the common stock on the date prior to grant and generally expire five years or ten years from the date of grant. Options awarded to Hollywood Media's employees generally become exercisable in annual increments over a four-year period beginning one year from the grant date, although some are immediately exercisable and some vest based on other terms as specified in the option grants. Options awarded to directors become exercisable six months after date of grant. The Plans are registered with the SEC on Form S-8. Shares issued under the Plans are issued from the Company's unissued shares authorized under its articles of incorporation.

Warrants

Equity compensation not approved by shareholders consists primarily of warrants or other equity purchase rights granted to non-employees of Hollywood Media in exchange for services. Additional information about such equity compensation is included in the paragraphs and tables below.

2004 Stock Incentive Plan

During the year ended December 31, 2004, Hollywood Media's Board of Directors and shareholders approved Hollywood Media's 2004 Stock Incentive Plan (the "2004 Plan"). The purpose of the 2004 Plan is to advance the interests of Hollywood Media by providing an additional incentive to attract, retain and motivate highly competent persons as officers and key employees of, and consultants to, Hollywood Media and its subsidiaries and affiliates and to encourage stock ownership in Hollywood Media by such persons by providing them opportunities to acquire shares of Hollywood Media's common stock, or to receive monetary payments based on the value of such shares pursuant to the benefits described therein. Additionally, the 2004 Plan is intended to assist in further aligning the interest of Hollywood Media's officers, key employees and consultants to those of its other stockholders. The 2004 Plan will expire in 2014.

Under the 2004 Plan, 1,500,000 shares of common stock are reserved for issuance upon exercise of benefits granted under the 2004 Plan. The maximum number of shares of Common stock with respect to which benefits may be granted or measured to any individual participant under the 2004 Plan during the term of the 2004 Plan shall not exceed 500,000 subject to certain potential adjustments as provided in the plan. If any benefit granted pursuant to the 2004 Plan terminates, expires, or is canceled or surrendered, in whole or in part, shares subject to the unexercised portion may again be issued pursuant to the 2004 Plan. The shares acquired upon exercise of benefits granted under the 2004 Plan will be authorized and issued shares of common stock. Hollywood Media's shareholders do not have any preemptive rights to purchase or subscribe for the shares reserved for issuance under the 2004 Plan.

The 2004 Plan is administered by the Stock Option Committee or the Compensation Committee of the Board of Directors for grants to executive officers, which has the right to determine, among other things, the persons to whom options, restricted stock, or other benefits are granted, the number of shares of common stock subject to options and other benefits, the exercise price of options and the other terms and conditions thereof. The 2004 Plan provides for the issuance of Incentive Stock Options and Nonqualified Stock Options. An Incentive Stock Option is an option to purchase common stock that meets the definition of "incentive stock option" set forth in Section 422 of the Internal Revenue Code of 1986. A Nonqualified Stock Option is an option to purchase common stock that meets certain requirements in the 2004 Plan but does not meet the definition of an "incentive stock option" set forth in Section 422 of the Code. In addition, the benefits under the 2004 Plan may be granted in any one or a combination of options, stock appreciation rights, stock awards, performance awards and stock units. Upon receiving Grants of benefits, each holder of benefits must enter into a benefit agreement with Hollywood Media that contains the appropriate terms and conditions as determined by the Stock Option Committee.

As of December 31, 2010, options to purchase 15,000 shares of common stock were outstanding under the 2004 Plan. During the year ended December 31, 2010, no options were granted or exercised, and 47,500 and 141,500 shares were cancelled and expired, respectively, under the 2004 Plan. There were 487,261 shares remaining available for issuance under the 2004 Plan.

Directors Stock Option Plan

Hollywood Media has established the shareholder-approved Directors Stock Option Plan for non-employee directors, which provides for grants to each non-employee director of options to purchase 15,000 shares of Hollywood Media's common stock upon election or re-election. In December 2007, the Board of Directors of Hollywood Media elected to temporarily suspend such annual option issuances until such time that the Board determines to reserve additional shares of common stock for issuance upon exercise of options granted under the Directors Stock Option Plan. The ability to grant more options under the Directors Stock Option Plan expired on July 1, 2008. As such, no further grants are permitted under the Directors Stock Option Plan. A total of 300,000 shares of common stock were reserved for issuance upon exercise of options granted under the Directors Stock Option Plan.

As of December 31, 2010, options to purchase 80,435 shares of common stock were outstanding under Directors Stock Option Plan. During the year ended December 31, 2010, no options were granted or exercised, and 195,689 and 4,819 shares were cancelled and expired, respectively, under the Directors Stock Option Plan. There were no options available for future grant under the Director's Plan.

Accounting for Share-Based Compensation

Pursuant to ASC Topic No. 718, *"Compensation-Stock Compensation"* (ASC 718) the Company uses the modified prospective transition method and recognizes compensation cost for (i) share-based awards granted prior to but not yet vested as of January 1, 2006, based on the fair value calculated on the grant date, and (ii) share-based awards granted subsequent to January 1, 2006, also based on the fair value calculated on the grant date.

During the year ended December 31, 2010, Hollywood Media recorded $221,693 of stock-based compensation expense which caused the loss from continuing operations to increase by $221,693 and basic and diluted loss per share from continuing operations to increase by $.01 per share.

Table of Stock Option and Warrant Activity

A summary of all stock option and warrant activities for the year ended December 31, 2010:

	Stock Options			Warrants	
	Shares	Weighted Average Exercise Price	Exercise Price Per Share	Shares	Weighted Average Exercise Price
Outstanding at December 31, 2009	520,943	$ 4.37	$ 2.03 - $9.75	807,500	$ 4.27
Granted	-	-	-	-	-
Exercised	-	-	-	-	-
Cancelled	(243,189)	3.81	$ 2.03 - $5.19	-	-
Expired	(182,319)	5.47	$ 4.28 - $9.75	(807,500)	4.27
Outstanding at December 31, 2010	95,435	$ 3.69	$ 2.03 - $4.60	-	$ -

Data on Outstanding Options at December 31, 2010:

	Number of Options Outstanding	Weighted Average Exercise Price Per Share	Weighted Average Remaining Contractual Term (years)	Aggregate Intrinsic Value (1)
Vested Options	95,435	$ 3.69	3.84	$ -
Non-vested Options	-	-	-	-
Total Outstanding Stock Options	95,435			$ -

(1) The aggregate intrinsic value is computed based on the closing price of Hollywood Media's stock on December 31, 2010, which is a price per share of $1.64.

As of December 31, 2010, there were no unrecognized compensation cost related to non-vested stock option awards since all outstanding awards are fully vested. As of December 31, 2009 there was $21,676 of unrecognized compensation not related to non-vested stock awards.

There were no stock options exercised during the years ended December 31, 2010 and 2009.

The following table summarizes the activity with respect to the non-vested stock options of Hollywood Media for the year ended December 31, 2010.

	Number of Shares	Weighted - Average Grant Date Fair Value Per Share
Non-vested at December 31, 2009	3,750	$ 2.39
Granted	-	-
Vested	(3,750)	$ 2.39
Forfeited	-	-
Non-vested at December 31, 2010	-	

The fair value of each option award is estimated as of the date of grant using the Black-Scholes option valuation model, which uses various assumptions in the calculation of the fair value. There were no options granted during the years ended December 31, 2010 and 2009.

The following table summarizes weighted average exercise prices and fair value of options and warrants granted whose exercise price equals, exceeds or is less than the market price of the stock on the grant date.

	2010	2009	2008
Exercise Price Equals Market Price			
Weighted average exercise price	$ -	$ -	$ 2.34
Weighted average fair value	$ -	$ -	$ 0.59
Exercise Price Exceeds Market Price			
Weighted average exercise price	$ -	$ -	$ -
Weighted average fair value	$ -	$ -	$ -
Exercise Price is Less Than Market Price			
Weighted average exercise price	$ -	$ -	$ -
Weighted average fair value	$ -	$ -	$ -

The following is a summary of stock options and warrants outstanding and exercisable as of December 31, 2010:

Range of Exercise Prices	Options and Warrants Outstanding: Number of Shares	Weighted Average Remaining Contractual Life	Weighted Average Exercise Price Per Share	Exercisable: Number of Shares	Weighted Average Exercise Price Per Share
$2.03 - $2.50	30,000	4.97	$ 2.27	30,000	$ 2.27
$4.06 - $5.19	65,435	3.32	$ 4.34	65,435	$ 4.34
	95,435			95,435	

Non-vested Stock Awards

On December 22, 2008, Hollywood Media issued 250,000 and 150,000 restricted shares to the Chairman of the Board and President, respectively, in accordance with and pursuant to Hollywood Media's 2004 Stock Incentive Plan with an aggregate value of $408,000, the fair market value on the date of issuance.

The restricted shares had the following vesting schedule, provided that the respective executive remained employed by Hollywood Media on such vesting dates:

(a) One-third of the issued shares vest at the rate of 25% per year on each of the first through fourth anniversaries of the date of grant, such that these shares will be fully vested on the fourth anniversary of the date of grant, assuming continued employment of the executives by Hollywood Media.

(b) One-third of the issued shares will vest if, at any time prior to the fourth anniversary of the date of grant, Hollywood Media achieves EBITDA greater than zero for either (A) each of two consecutive fiscal quarters or (B) any three quarters in any 15-month period, in each case beginning with the fourth fiscal quarter of 2008.

(c) One-third of the issued shares will vest if, at any time prior to the fourth anniversary of the date of grant, the closing price of Hollywood Media's Common Stock exceeds $2.00 per share for at least 10 consecutive trading days after the date of grant.

Hollywood Media recorded $202,184 as compensation expense for the year ended December 31, 2010 relating to this issuance. As of December 31, 2010 there were no unvested shares or unrecognized compensation expense remaining under this issuance due to a clause in their employment agreements which automatically vested the remaining shares upon the sale of the Broadway Ticketing Division.

During the year ended December 31, 2004, Hollywood Media issued 400,000 shares to each of the President and the Chairman of the Board pursuant to employment agreements with an aggregate value of $2,600,000, the fair market value on the date of issuance, which vest at a rate of 6.25% per quarter beginning on October 1, 2004. Hollywood Media recorded $487,500 as compensation expense for the year ended December 31, 2008, and $0 for the years ended December 31, 2010 and 2009, under these non-vested stock awards. As of December 31, 2010, 2009 and 2008 there were no unvested shares or unrecognized compensation expense remaining under this issuance. During the years ended December 31, 2010 and 2009, zero shares of common stock vested.

(4) DISCONTINUED OPERATIONS

Broadway Ticketing Business

On December 15, 2010, Hollywood Media Corp. (“Hollywood Media”) closed its Broadway Ticketing Division (the “Broadway Sale”), through the sale of all of the outstanding capital stock of Theatre Direct NY, Inc. (“Theatre Direct”) to Key Brand Entertainment Inc. (“Key Brand”), as contemplated by the Stock Purchase Agreement, dated as of December 22, 2009, entered into between Hollywood Media and Key Brand (the “Purchase Agreement”). There are no material relationships among Hollywood Media and Key Brand or any of their respective affiliates other than in respect of the Purchase Agreement and the related ancillary agreements.

Pursuant to the Purchase Agreement, at the closing of the Broadway Sale (i) Hollywood Media received $20,530,102 in cash (including $530,102 pursuant to the estimated working capital adjustment described in the Purchase Agreement), (ii) Key Brand, Theatre Direct and Hollywood Media entered into an $8,500,000 note (“the Loan”) Second Lien, Security and Pledge Agreement, dated as of December 15, 2010 (the “Credit Agreement”), pursuant to which Key Brand is obligated to pay Hollywood Media principal and interest at a rate of 12% per annum, with the loan maturing on December 15, 2015. The Loan is collateralized on a second lien basis by all stock and assets of Theatre Direct and its subsidiaries, (iii) Theatre Direct issued Hollywood Media a warrant to purchase 5% of the outstanding shares of common stock of Theatre Direct as of the closing date on a fully diluted basis at an exercise price of $.01 per share (the “Warrant”) and (iv) Key Brand assumed $1,600,000 of liabilities associated with employment agreements with certain employees of Theatre Direct. In addition, Hollywood Media is entitled to receive earn-out payments (“the Earn-out”) of up to $14,000,000 contingent upon Theatre Direct and its subsidiaries achieving certain revenue targets during the period from the closing date through the end of the 10^{th} full fiscal year following the closing date as set forth in the Purchase Agreement. As collectability of the Loan, Earn-outs and the Warrant is not reasonably assured, they are not included in the “Gain on sale of discontinued operations, net of income taxes” in the accompanying consolidated statement of operations.

On March 14, 2011 the Company delivered to Key Brand a closing statement setting forth Hollywood Media’s calculation of Theatre Direct’s working capital on December 15, 2010, (the “closing date”) determined in the manner described in the Purchase Agreement. Pursuant to the closing statement, Hollywood Media accrued $3,702,620 as a working capital adjustment as of December 31, 2010 under the Purchase Agreement which included $530,102 related to the estimated working capital adjustment delivered at closing to Key Brand. The accrual is included in “Accrued expenses and other” in our accompanying consolidated balance sheets. This working capital adjustment was paid on March 22, 2011. For additional information refer to Note 20 “Subsequent Events” in these notes to the consolidated financial statements.

In connection with the Credit Agreement, Hollywood Media and Key Brand entered into a Subordination and Intercreditor Agreement, dated December 15, 2010 (The “Intercreditor Agreement”), with JP Morgan Chase Bank, N.A., as administrative agent for the senior secured lenders of Key Brand, which defines the rights and obligations of the senior secured lenders and Hollywood Media as subordinated creditor, including, without limitation, the rights of payment and the subordination of the security interests of Hollywood Media.

Hollywood Media has agreed to provide certain transition services to Key Brand and Theatre Direct relating to the Broadway Ticketing business following the closing of the Broadway Sale for a six-month period ending on June 15, 2011. Pursuant to Staff Accounting Bulletin (“SAB”) Topic 5-E, the Company must consider if it has transferred rights of ownership of the Broadway Ticketing business to Key Brand, which the Company has considered and concluded that rights of ownership have been transferred to Key Brand and no significant continuing involvement of the Company in the Broadway Ticketing business exists.

In connection with the transactions contemplated by the Purchase Agreement, Hollywood Media incurred (i) $440,000 plus payroll taxes in aggregate change of control payments to two executives in Hollywood Media's legal department which were included in "Gain (loss) on sale of discontinued operations, net of income taxes" in the December 31, 2010 accompanying consolidated statements of operations. $240,000 less payroll taxes was paid to one executive prior to December 31, 2010 and $200,000 less payroll taxes was paid to the other executive in January 2011. As of December 31, 2010, the $200,000 unpaid amount was included in "Accrued expenses and other" in the accompanying December 31, 2010 consolidated balance sheet; (ii) approximately $400,000 in severance payments payable by Hollywood Media to 14 employees after a brief transition period; (iii) approximately $250,000 in fees to a valuation firm for providing the fairness opinion to Hollywood Media's board of directors in connection with evaluating and approving the Purchase Agreement and the transactions contemplated thereby; (iv) $1,361,632 in legal fees in connection with preparing and negotiating the Purchase Agreement and the related documents and preparing and filing the proxy statement relating to the transactions contemplated by the Purchase Agreement; and (v) $170,000 in investment banking fees for providing professional services to the Company.

Pursuant to ASC Topic No. 360, *"Accounting for the Impairment or Disposal of Long-Lived Assets"* ASC 360, the Company's consolidated financial statements have been reclassified for all periods presented to reflect the operations, assets and liabilities of the Broadway Ticketing Business as discontinued operations. The sale of the Broadway Ticketing Business qualifies for discontinued operations treatment under ASC 360. The assets and liabilities of such operations have been reclassified as current or long term "Assets of discontinued operations" and current and long term "Liabilities of discontinued operations" in the accompanying December 31, 2009 consolidated balance sheet, and consist of the following:

		December 31, 2009
Current assets	$	20,940,282
Property and equipment, net		3,595,403
Intangibles		248,742
Goodwill		5,601,730
Total assets of discontinued operations	$	30,386,157
Current liabilities	$	19,931,745
Long-term liabilities		871,216
Total liabilities of discontinued operations	$	20,802,961

Hollywood.com Business

On August 21, 2008, Hollywood Media entered into a purchase agreement with R&S Investments, LLC ("R&S Investments") for the sale of Hollywood Media's subsidiaries Hollywood.com, Inc. and Totally Hollywood TV, LLC (collectively, the "Hollywood.com Business"). R&S Investments is owned by Mitchell Rubenstein, Hollywood Media's Chief Executive Officer and Chairperson of the Board, and Laurie S. Silvers, Hollywood Media's President and Vice-Chairperson of the Board. Pursuant to the purchase agreement, Hollywood Media sold the Hollywood.com Business to R&S Investments for a potential purchase price of $10,000,000 cash, which includes $1,000,000 that was paid to Hollywood Media at closing and potential earn-out payments totaling $9,000,000, of which $1,173,621 has been paid as of December 31, 2010. Hollywood Media recognized $701,842 and $677,342 in earn-out gain during the year ended December 31, 2010 and 2009, which is included in "Income from discontinued operations" in our consolidated statements of operations. For additional information see Note 20 "Subsequent Events." Hollywood Media does not have a significant continuing involvement in the Hollywood.com Business operations.

The earn-out payments equal the greater of 10 percent of gross collected revenue and 90 percent of EBITDA (as defined in the purchase agreement) for the Hollywood.com Business until the earn-out is fully paid. The Company considers the remaining potential earn-out payments to be contingent consideration and non-recourse. Thus, the Company will not record a receivable and any corresponding gain until the contingencies have been met. The Company will estimate an appropriate reserve for at-risk amounts, if necessary, at the time that any accounts receivable are recorded. As of December 31, 2010, there remains $7,826,379 in potential earn-out payments. Hollywood Media recorded $701,842 in income under this earn-out arrangement for the year ended December 31, 2010 offset by $659 of expenses, and $677,342 for the year ended December 31, 2009, offset by $62,770 of expenses, which was recorded in “Income from discontinued operations” in the accompanying consolidated statement of operations. Hollywood Media has received all of the earn-out monies that were due through December 31, 2010 in accordance with the payment terms. If a subsequent change of control of the Hollywood.com Business, or a portion thereof, occurs before the earn-out is fully paid, the remaining portion of the earn-out would be paid to the Company immediately upon such an event, up to the amount of the consideration received less related expenses. If the aggregate proceeds received by the Company in such a change of control are less than the remaining balance of the earn-out, then the surviving entity which owns the Hollywood.com Business will be obligated to pay the difference in accordance with the same earn-out terms. If the Hollywood.com Business, or a portion thereof, is resold prior to August 21, 2011, Hollywood Media will also receive 5 percent of any proceeds above $10,000,000. Hollywood Media established an escrow account to fund negative EBITDA of the sold business as necessary, up to a total of $2,600,000, the maximum amount of negative EBITDA required to be funded per the purchase agreement. During 2009, Hollywood Media distributed the full balance of the escrow to fund operating losses. In addition, Hollywood Media paid $400,000 to the Purchaser for working capital adjustments at closing. Pursuant to SAB Topic 5-E, the Company must consider if it has transferred risks of ownership, which the Company has considered and concluded that the risks of ownership have been transferred.

The Hollywood.com Business included:

(i) Hollywood.com, Inc., which owned the Hollywood.com website and related URLs and celebrity fan websites. Hollywood.com features in-depth movie information including movie showtimes listings, celebrity biographical data, and celebrity photos primarily obtained by Hollywood.com through licenses with third party licensors which are made available on the Hollywood.com website and mobile platform. Hollywood.com also has celebrity fan sites and a library of feature stories and interviews which incorporate photos and multimedia videos taken at entertainment events including movie premiers and award shows; and

(ii) Totally Hollywood TV, LLC, which owned Hollywood.com Television, a free video on demand service distributed pursuant to annual affiliation agreements with certain cable operators for the distribution of movie trailers to subscribers of those cable systems.

Results from Discontinued Operations

The net income from discontinued operations has been classified in the accompanying consolidated statement of operations as “Income (loss) from discontinued operations” and include the gain on sale of the Broadway Ticketing Business and the loss on sale of the Hollywood.com Business. Summarized results of discontinued operations include the operating gain from the Broadway Ticketing Business and the operating loss from the Hollywood.com Business through their respective dates of disposition, for the years ended December 31, 2010, 2009 and 2008:

	2010	2009	2008
Net revenues	$104,452,373	$98,860,362	$114,867,465
Gain (loss) on sale of discontinued operations, net of income taxes	6,057,421	614,572	(4,655,122)
Income from discontinued operations	5,909,763	4,699,144	964,643
Income (loss) from discontinued operations	$ 11,967,184	$ 5,313,716	$ (3,690,479)

(5) FAIR VALUE OF FINANCIAL INSTRUMENTS AND CONCENTRATION OF CREDIT RISK:

The carrying amounts of cash and cash equivalents, receivables and accounts payable, approximate their fair values due to the short-term maturities of these instruments. The carrying value of notes payable approximates fair value because the interest rates approximate the market rates.

Financial instruments that potentially subject the Company to significant concentrations of credit risk consist primarily of cash and cash equivalents and accounts receivable. The Company's cash management and investment policies restrict investments to low risk, highly-liquid securities, and the Company performs periodic evaluations of the credit standing of the financial institutions with which it deals. The Company generally does not require collateral when granting credit. The Company performs ongoing credit evaluations and maintains an allowance for doubtful accounts for accounts which management believes may have become impaired and, to date, losses have not been significant. See Note 2 for a further discussion on allowance for doubtful accounts.

(6) RECENTLY ISSUED ACCOUNTING STANDARDS:

In January 2010, the FASB issued Accounting Standards Update 2010-06, "Improving Disclosures about Fair Value Measurements," (ASU 2010-06) which amends ASC 820, "Fair Value Measurements and Disclosures." This amendment requires new disclosures, including the reasons for and amounts of significant transfers in and out of Levels 1 and 2 fair value measurements and separate presentation of purchases, sales, issuances and settlements in the reconciliation of activity for Level 3 fair value measurements. It also clarified guidance related to determining the appropriate classes of assets and liabilities and the information to be provided for valuation techniques used to measure fair value. This guidance will be effective for us in our interim and annual reporting periods beginning after December 15, 2010. We are evaluating the adoption of this guidance, but we do not expect that it will have a significant impact on our consolidated financial position or results of operations.

(7) PROPERTY AND EQUIPMENT, NET:

Property and equipment, net consists of:

	December 31,	
	2010	2009
Equipment and software	$ 2,120,843	$ 3,068,423
Leasehold improvements	330,618	508,033
Equipment under capital leases	229,437	981,565
Furniture and fixtures	201,379	488,431
Website development	77,791	77,791
Artwork	56,117	-
	3,016,185	5,124,243
Less: Accumulated depreciation and amortization	(2,560,749)	(4,350,561)
	$ 455,436	$ 773,682

Depreciation and amortization expense of property and equipment was $406,799, $598,328 and $749,892 for the years ended December 31, 2010, 2009 and 2008, respectively. Included in these amounts is depreciation and amortization expense for equipment under capital leases of $87,216, $110,159 and $85,607 for the years ended December 31, 2010, 2009 and 2008, respectively.

(8) GOODWILL AND INTANGIBLE ASSETS:

The following table reflects the changes in the net carrying amount of goodwill relating to continuing operations by operating segment (see Note 18) for the years ended December 31, 2010 and 2009:

	Balance at December 31, 2010	Balance at December 31, 2009	Impairment	Balance at December 31, 2008
Ad Sales and Other	$ 14,595,783	$ 14,595,783	$(5,000,000)	$ 19,595,783
Total	$ 14,595,783	$ 14,595,783	$(5,000,000)	$ 19,595,783

The intangible assets of continuing operations, other than goodwill, consist of the following at December 31, 2010 and 2009:

	Balance at December 31,					
	2010			2009		
	Gross Carrying Amount	Accumulated Amortization	Net	Gross Carrying Amount	Accumulated Amortization	Net
Patents and trademarks	$ 203,368	$ (195,819)	$ 7,549	$ 203,368	$ (183,831)	$ 19,537
Web addresses	82,500	(82,500)	-	82,500	(82,500)	-
Other	1,445,350	(1,445,350)	-	1,445,350	(1,322,811)	122,539
Total	$ 1,731,218	$ (1,723,669)	$ 7,549	$ 1,731,218	$ (1,589,142)	$ 142,076

Amortization expense was $134,527, $145,667 and $598,890 for the years ended December 31, 2010, 2009 and 2008, respectively. The future amortization expense of the net carrying amount of intangible assets is $7,549, all of which will be recorded in 2011.

Patents and trademarks are amortized on a straight-line basis over 3 to 17 years. Web addresses and Other are amortized over 3 to 5 years.

(9) CAPITAL LEASE OBLIGATIONS:

Future minimum lease payments under capital leases, which contain bargain purchase options, together with the present value of the net minimum lease payments as of December 31, 2010 are as follows:

Year	Amount
2011	$ 67,634
2012	26,855
2013	16,075
2014	-
2015	-
Minimum lease payments	110,564
Less: amount representing imputed interest	(12,316)
Present value of net minimum lease payments	98,248
Less: current portion	(60,031)
	$ 38,217

(10) DEBT:

Registration Payment Arrangement

In connection with Hollywood Media's issuance in November 2005 of $7.0 million aggregate principal amount of senior unsecured notes (the "Senior Notes"), the holders of the Senior Notes also received warrants to purchase an aggregate of 800,000 shares of Hollywood Media's common stock at an exercise price of $4.29 per share (the "Warrants"). In May 2007, the full principal amount of the Senior Notes, together with all accrued and unpaid interest thereon, was paid in full in accordance with the provisions of the Senior Notes. As required by the registration rights agreement entered into in connection with the Warrants, Hollywood Media filed a registration statement for the resale of the shares of common stock issuable upon the exercise of the Warrants that was declared effective by the SEC on March 3, 2006, and must maintain the effectiveness of such registration statement through the earlier of (a) the fifth anniversary of the effective date or (b) the date on which the holders of Warrant shares are able to resell such Warrant shares under Rule 144(k) of the Securities Act. If the registration statement ceases to be effective for any reason for more than 30 trading days during any 12-month period (the "Grace Period") in violation of the agreement, and if there are no applicable defenses or limitations under the agreement or at law or otherwise, Hollywood Media would be required to pay to the holders of Warrant shares, in addition to any other rights such holders may have, an aggregate cash amount equal to $25,000 for each of the first three 30-day periods following the date that the Grace Period is exceeded, increasing to $70,000 for each succeeding 30-day period. As of December 31, 2010, the Warrants have expired, no Warrant shares have been issued, and the registration statement continues to be effective.

In accordance with FASB Accounting Standard Codification Topic No. 815, *"Derivatives and Hedging",* Subtopic No, 40, *"Contracts in Entity's Own Equity"* (ASC 815-40), Hollywood Media is required to calculate the maximum potential amount of consideration payable pursuant to registration payment arrangements, even if the likelihood of payments under such arrangements is remote. ASC 815-40 is applicable to financial statements issued for fiscal years beginning after December 15, 2006 and any interim periods therein. Management does not believe that any significant material payments are likely under this registration payment arrangement.

(11) OFFERINGS OF SECURITIES:

On February 8, 2008, Hollywood Media issued 96,569 shares of common stock valued at the December 31, 2007 closing share price of $2.90, or $280,050, for payment of Hollywood Media's 401(k) employer match for the calendar year 2007.

On April 28, 2008, Hollywood Media issued 20,000 shares of common stock valued at $17,600 pursuant to the exercise by the Chief Accounting Officer of Hollywood Media of an employee stock option with an exercise price of $0.88 per share.

On June 24, 2008, Hollywood Media issued 81,000 shares of common stock valued at $105,300, pursuant to the exercise by the Chief Executive Officer of Hollywood Media of an employee stock option with an exercise price of $1.30 per share.

On December 22, 2008, Hollywood Media issued 50,000 shares of unrestricted common stock to each of the Chief Executive Officer and President of Hollywood Media, valued at $102,000 in the aggregate based on the $1.02 closing share price as of the date of grant. Such 100,000 shares were issued as payment of annual stock bonuses granted by the Compensation Committee of the Board of Directors. See Note 3.

On December 22, 2008, Hollywood Media issued 250,000 shares and 150,000 shares, respectively, of restricted common stock to the Chief Executive Officer and President of Hollywood Media, valued at $408,000 in the aggregate based on the $1.02 closing share price as of the date of grant. Such 400,000 shares were issued as payment of restricted stock bonuses granted by the Compensation Committee of the Board of Directors. See Note 3 for additional information.

On March 30, 2009, Hollywood Media issued 225,343 shares of common stock valued at the December 31, 2008 closing share price of $1.00 or $225,343 for payment of Hollywood Media's 401(k) employer match for 2008.

On February 19, 2010, Hollywood Media issued 141,410 shares of common stock valued at the December 31, 2009 closing share price of $1.40 or $197,974, for payment of Hollywood Media's 401(k) employer match for the calendar year 2009.

(12) STOCK REPURCHASE PROGRAM:

Hollywood Media reported in its Form 8-K report filed on October 4, 2007, that its Board of Directors authorized a stock repurchase program under which Hollywood Media may use up to $10 million of its cash and cash equivalents to repurchase shares of its outstanding common stock. Pursuant to the repurchase program, Hollywood Media purchased an aggregate of 71,600 and 1,711,639 shares of its common stock during the years ended December 31, 2009 and 2008 respectively. The shares were purchased for $72,954 and $2,124,999 for the years ended December 31, 2009 and 2008 respectively, reflecting an approximate average price per share of $1.02 and $1.24 for the years ended December 31, 2009 and 2008 respectively. No shares were bought back during the year ended December 31, 2010.

(13) INCOME TAXES:

The Company follows the provisions of ASC No. 740, "*Income Taxes.*" There are no unrecognized tax benefits in the consolidated financial statements as of December 31, 2010 and December 31, 2009.

Hollywood Media is in a cumulative net loss position for both financial and tax reporting purposes. The primary item giving rise to the Company's net deferred tax asset is a net operating loss carryforward of $166,193,717 as a result of losses incurred during the period from inception (January 22, 1993) to December 31, 2010. However, due to the uncertainty of Hollywood Media's ability to generate taxable income in the future, and, to the extent taxable income is generated in the future, the uncertainty as to Hollywood Media's ability to utilize its loss carryforwards subject to the "ownership change" provisions of Section 382 of the U.S. Internal Revenue Code, Hollywood Media has established a valuation allowance for the full amount of the deferred tax asset.

The net operating loss carryforwards expire as follows:

Year	Amount
2019	$ 16,810,433
2020	34,458,580
2021	23,219,587
2022	55,289,912
2023	7,646,689
2024	5,298,534
2025	7,358,849
2028	10,876,436
2029	5,234,696
	$ 166,193,716

The components of Hollywood Media's deferred tax assets and liabilities consist of the following at December 31:

	2010	2009
Net difference in tax basis and book basis for certain assets and liabilities	$ 133,964	$ 324,483
Net operating loss and tax credit carryforwards	63,686,038	86,144,320
	63,820,002	86,468,803
Valuation allowance	(63,820,002)	(86,468,803)
Net deferred tax asset	$ -	$ -

The provision for income taxes from continuing operations is different from that which would be obtained by applying the statutory Federal income tax rate of 35% as a result of the following:

	For the Year Ended December 31,		
	2010	**2009**	**2008**
Income tax benefit at Federal statutory tax rate	$ 1,716,948	$(1,967,989)	$(3,697,908)
State income tax benefit (net of federal benefit)	13,915	(163,062)	(306,398)
Change in valuation allowance	(2,073,411)	694,919	4,938,841
Change in valuation allowance resulting from change in cumulative temporary differences	(18,359,237)	(326,072)	-
Impairment of goodwill	-	1,895,000	1,182,315
Dividends received deduction	-	(580,386)	(397,526)
Sale of subsidiaries – basis difference	18,680,922	326,072	450,206
Non deductible expenses		-	-
Loss of foreign subsidiaries	192,374	152,351	271,973
Tax effect of income (loss) from discontinued operations	-	-	(2,384,240)
Other	-	(30,833)	(57,263)
	$ 171,511	$ -	$ -

The Company is currently open to audit under the statute of limitations by the Internal Revenue Service and certain state income taxing authorities for all years due to the net operating loss carryovers from those years.

(14) INVESTMENTS IN AND ADVANCES TO EQUITY METHOD UNCONSOLIDATED INVESTEES:

Investments in and advances to equity method unconsolidated investees consist of the following:

	December 31,	
	2010	2009
NetCo Partners (a)	$ 138,719	$ 139,789
MovieTickets.com (b)	816,346	90,308
	$ 955,065	$ 230,097

(a) Netco Partners:

In June 1995, Hollywood Media and C.P. Group, Inc. ("C.P. Group"), entered into an agreement to form NetCo Partners (the "Netco Joint Venture Agreement"). NetCo Partners is engaged in the development and licensing of *NetForce*.

Hollywood Media and C.P. Group are each 50% partners in NetCo Partners. C.P. Group contributed to NetCo Partners all rights to *NetForce*, and Hollywood Media contributed to NetCo Partners all rights to *Tad Williams' MirrorWorld*, *Arthur C. Clarke's Worlds of Alexander*, *Neil Gaiman's Lifers*, and *Anne McCaffrey's Saraband*.

Pursuant to the terms of the NetCo Partners Joint Venture Agreement, Hollywood Media is responsible for developing, producing, manufacturing, advertising, promoting, marketing and distributing NetCo Partners' illustrated novels and related products and for advancing all costs incurred in connection therewith. All amounts advanced by Hollywood Media to fund NetCo Partners' operations are treated as capital contributions from Hollywood Media and Hollywood Media is entitled to a return of such capital contributions before distributions of profits are split equally between Hollywood Media and C.P. Group.

Hollywood Media accounts for its investment in NetCo Partners under the equity method of accounting, recognizing 50% of NetCo Partners' income or loss as Equity in Earnings of Unconsolidated Investees. Since NetCo Partners is a partnership, any income tax payable is passed through to the partners. The revenues, gross profit and net income of NetCo Partners for the years ended December 31, 2010, 2009 and 2008 are presented below:

	Year Ended December 31,		
	2010 (unaudited)	2009 (unaudited)	2008 (unaudited)
Revenues	$ -	$ -	$ 9,508
Gross profit	-	-	7,416
Net income (loss)	77,954	(5,973)	(300,954)
Company's share of net income (loss)	$ 38,977	$ (2,987)	$ (150,477)

The current assets, non-current assets, current liabilities and non-current liabilities of NetCo Partners of December 31, 2010 and 2009, which are not included in Hollywood Media's consolidated balance sheets, are presented below:

	As of December 31,	
	2010 (unaudited)	2009 (unaudited)
Current assets	$ 501	$ 1,546
Non-current assets	$ 2,641	$ 4,061
Current liabilities	$ 48,700	$ 49,025
Non-current liabilities	$ 292,995	$ 292,995

(b) MovieTickets.com.

Hollywood Media entered into a joint venture agreement on February 29, 2000 with the movie theater chains AMC Entertainment Inc. and National Amusements, Inc. to form MovieTickets.com. In August 2000, the joint venture entered into an agreement with Viacom Inc. to acquire a five percent interest in the joint venture for $25 million of advertising over 5 years. In addition to the Viacom advertising and promotion, MovieTickets.com is promoted through on-screen advertising on most participating exhibitors' movie screens. In March 2001, America Online Inc. ("AOL") purchased a non-interest bearing convertible preferred voting equity interest in MovieTickets.com for $8.5 million in cash, convertible into approximately 3% of the common stock of MovieTickets.com. AOL converted its preferred shares into common stock during the year ended December 31, 2005. Those shares are now held by Time Warner Inc.

Hollywood Media owns 26.2% of the equity in MovieTickets.com, Inc. at December 31, 2010 and shares in 26.2% of the income or losses generated by the joint venture. This investment is recorded under the equity method of accounting, recognizing 26.2% of ownership of MovieTickets.com income or loss as "Equity in Earnings of Unconsolidated Investees" in the accompanying consolidated balance sheets. Under applicable accounting principles, Hollywood Media had not recorded income from MovieTickets.com operating results for 2008 because accumulated losses from 2007 and prior years exceeded MovieTickets.com's accumulated net income in 2008. During 2010 and 2009, Hollywood Media recorded $726,038 and $95,283, respectively, of income because accumulated income surpassed accumulated losses. Dividends of $1,914,202 are included in "Equity in Earnings of Unconsolidated Investees" in our accompanying consolidated statement of operations for the years ended December 31, 2009 and 2008. There were no dividends received during the year ended December 31, 2010. Receivables from MovieTickets.com of $80,572 and $112,789 were recorded as "Related Party Receivables" as of December 31, 2010 and 2009, respectively.

The consolidated statements of income of MovieTickets.com for the years ended December 31, 2010, 2009 and 2008, which are not included in Hollywood Media's consolidated statements of operations, are presented below:

	Year Ended December 31,		
	2010 (unaudited)	2009 (unaudited)	2008 (unaudited)
Revenues	$17,515,460	$18,643,342	$18,062,438
Selling, general and administrative expenses	$12,825,147	$12,744,090	$11,842,821
Depreciation and amortization	$ 382,472	$ 567,731	$ 502,950
Other income	$ -	$ 75	$ 162,623
Provision for income taxes	$ 1,725,000	$ 320,000	$ 115,000
Net income	$ 2,582,841	$ 5,011,596	$ 5,764,290

The current assets, non-current assets, current liabilities and non-current liabilities of MovieTickets.com as of December 31, 2010, 2009 and 2008, which are not included in Hollywood Media's consolidated balance sheets, are presented below:

	As of December 31,	
	2010 (unaudited)	2009 (unaudited)
Current assets	$17,732,146	$15,797,199
Non-current assets	$ 451,580	$ 715,764
Current liabilities	$ 5,234,340	$ 6,084,918
Non-current liabilities	$ 113,900	$ 175,400

(15) COMMITMENTS AND CONTINGENCIES:

Operating Leases

Hollywood Media conducts its operations in various leased facilities, under leases that are classified as operating leases for financial statement purposes. Certain leases provide for payment of real estate taxes, common area maintenance, insurance, and certain other expenses. Lease terms may include escalating rent provisions and rent holidays which are expensed on a straight-line basis over the term of the lease, and expire at various dates through the year 2012. Operating lease commitments at December 31, 2010 amount to $209,425 in 2011 and $137,256 in 2012.

The fixed foregoing operating lease commitments assume that Hollywood Media continues the leases through their initial lease terms. Rent expense, including equipment rentals, was $265,791, $233,125 and $391,100 during the years ended December 31, 2010, 2009 and 2008, respectively, and is included in "Selling, general and administrative" expense in the accompanying consolidated statements of operations.

Litigation

Hollywood Media is from time to time party to various legal proceedings, including matters arising in the ordinary course of business. Currently the Company is unaware of any actual or threatened litigation against it.

Financial Institution Termination

The Company received a letter seeking to terminate the Company's ability to process banker's drafts processed by a financial institution in the UK that processes substantially all of the UK customers' banker's drafts. To date, there has been no cancellation or termination of this bank account and the Company is currently reviewing the institutions legal rights to cancel the Company's account. As most UK customers advertising agreements with the Company automatically renew and the loss of this UK bank account would require the Company to re-establish each such customers' contract, termination could significantly negatively impact UK operations. Management believes the UK bank does not have the unilateral right to cancel the Company's account however a final determination has not yet been reached. As the outcome is uncertain, any potential negative financial statement impact cannot be determined.

(16) SUPPLEMENTAL DISCLOSURE OF NON-CASH INVESTING AND FINANCING ACTIVITIES:

	2010		2009		2008	
INVESTING ACTIVITIES:						
Acquisition of property and equipment under capital leases	$ (38,000)		$ -		$ (456,587)	
Total non-cash investing activities	$ (38,000)		$ -		$ (456,587)	
FINANCING ACTIVITIES:						
Obligations acquired under capital leases	$ 38,000		$ -		$ 176,918	
Common stock issued and vesting for compensation to officers	202,184	(3)	204,885	(3)	102,931	(3), (4)
Common stock issued for contributions to Company 401(k) Plan	197,974	(1)	225,343	(2)	280,050	(5)
Total non-cash financing activities	$ 438,158		$ 430,228		$ 559,899	

(1) On February 19, 2010, Hollywood Media issued 141,410 shares of common stock valued at the December 31, 2009 closing price of $1.40 or $197,974 for payment of Hollywood Media's 401(k) employer match for calendar year 2009 (See Note 2).

(2) On March 30, 2009, Hollywood Media issued 225,343 shares of common stock valued at the December 31, 2008 closing share price of $1.00 or $225,363 for payment of Hollywood Media's 401(k) employer match for 2008 (See Note 2).

(3) On December 22, 2008, Hollywood Media issued 250,000 shares and 150,000 shares, respectively, of restricted common stock to the Chief Executive Officer and President of Hollywood Media, valued at $408,000 in the aggregate based on the $1.02 closing share price as of the date of grant. Such 400,000 shares were issued as payment of restricted stock bonuses granted by the Compensation Committee of the Board of Directors. Compensation expense was recognized quarterly on one-third of the shares, or $136,000, over a 4-year period beginning on the date of grant. The shares were based on a service condition, of which Hollywood Media recorded compensation expense of $33,977 and $931 in the consolidated statement of operations for the years ended December 31, 2009 and 2008, respectively. Hollywood Media recorded compensation expense of $101,092 for the year ended December 31, 2010 since these shares automatically vested due to the change of control in the employment agreement on the sale of the Broadway Ticketing Division. As described below, one-third of the shares, or $136,000 of value was recorded as compensation expense in fiscal 2009 since Hollywood Media achieved three quarters of positive EBITDA in a 15-month period. The remaining one-third of shares, or $136,000 of value, was recorded to compensation expense pro-rata over a 4-year period beginning on the date of grant. The vesting of the shares would not have occurred until Hollywood Media's share price exceeded $2.00 for ten consecutive trading days or there is a change in control in Hollywood Media. Hollywood Media recorded compensation expense of $34,908 and $0 for the years ended December 31, 2009 and 2008, respectively. Hollywood Media recorded compensation expense of $101,092 for the year ended December 31, 2010, since these shares automatically vested due to the change of control in the employment agreement on the sale of the Broadway Ticketing Division. See Note 3 for additional information.

(4) On December 22, 2008, Hollywood Media issued 50,000 shares of unrestricted common stock to each of the Chief Executive Officer and President of Hollywood Media, valued at $102,000 in the aggregate based on the $1.02 closing share price as of the date of grant. Such 100,000 shares were issued as payment of annual stock bonuses granted by the Compensation Committee of the Board of Directors. See Note 3 for additional information.

(5) On February 8, 2008, Hollywood Media issued 96,569 shares of common stock valued at the December 31, 2007 closing share price of $2.90, or $280,050, for payment of Hollywood Media's 401(k) employer match for the calendar year 2007.

(17) SEGMENT REPORTING:

Hollywood Media's reportable segments are Ad Sales, Intellectual Properties, and Other. The Ad Sales segment sells advertising on plasma TV displays throughout the U.K. and Ireland, on lobby display posters, movie brochure booklets and ticket wallets distributed in cinemas, live theater and other entertainment venues in the U.K and Ireland. This segment also includes Hollywood Media's investment in MovieTickets.com. The Intellectual Properties segment owns or controls the exclusive rights to certain intellectual properties created by best-selling authors and media celebrities, which it licenses across all media. This segment also includes a 51% interest in Tekno Books, a book development business. The Other segment is comprised of payroll and benefits for corporate and administrative personnel as well as other corporate-wide expenses such as legal fees, audit fees, proxy costs, insurance, centralized information technology, and includes consulting fees and other fees and costs relating to compliance with the provisions of the Sarbanes-Oxley Act of 2002 that require Hollywood Media to make an assessment of and report on internal control over financial reporting.

There are no intersegment sales or transfers.

The following table illustrates the financial information regarding Hollywood Media's reportable segments. Discontinued operations (see Note 4) were previously included in the Broadway Ticketing Business, Data Business and Ad Sales segments and have been removed from the table below, to illustrate financial information from continuing operations.

	Year Ended December 31,		
	2010	2009	2008
Net Revenues:			
Ad Sales	$ 3,123,936	$ 3,391,714	$ 4,830,760
Intellectual Properties	871,241	1,126,834	1,308,202
Other	-	-	-
	$ 3,995,177	$ 4,518,548	$ 6,138,962
Operating Losses:			
Ad Sales	$ 502,064	$ 355,892	$ 3,977,171
Intellectual Properties	109,017	4,816	71,372
Other	7,052,943	7,646,552	10,600,057
	$ 7,664,024	$ 8,007,260	$14,648,600
Capital Expenditures (a)			
Ad Sales	$ 23,770	$ 31,694	$ 208,577
Intellectual Properties	1,066	-	897
Other	116,836	69,946	289,609
	$ 141,672	$ 101,640	$ 499,083
Depreciation and Amortization Expense:			
Ad Sales	$ 249,315	$ 354,932	$ 901,351
Intellectual Properties	417	299	150
Other	291,594	388,764	447,281
	$ 541,326	$ 743,995	$ 1,348,782

	December 31,	
	2010	2009
Segment Assets:		
Ad Sales	$15,672,625	$16,376,839
Intellectual Properties	313,664	475,140
Other	31,332,270	40,754,200
	$47,318,559	$57,606,179

(a) Capital expenditures do not include property and equipment acquired under capital lease obligations or through acquisitions.

(18) UNAUDITED QUARTERLY FINANCIAL INFORMATION:

For the quarter ended March 31, 2010

Net revenues	$ 1,069,266
Loss from continuing operations	$ (1,513,228)
Income from discontinued operations	$ 929,188
Net loss attributable to Hollywood Media Corp.	$ (585,829)
Weighted average shares	30,868,745
Loss per share - continuing operations	$ (0.05)
Income per share - discontinued operations	$ 0.03
Net loss per share (1)	$ (0.02)

For the quarter ended June 30, 2010

Net revenues	$	938,435
Loss from continuing operations	$	(1,847,073)
Income from discontinued operations	$	2,037,015
Net income attributable to Hollywood Media Corp.	$	206,431
Weighted average shares (basic)		30,945,735
Weighted average shares (diluted)		31,179,068
Loss per share - continuing operations	$	(0.06)
Income per share - discontinued operations	$	0.07
Net income per share (1)	$	0.01

For the quarter ended September 30, 2010

Net revenues	$	973,392
Loss from continuing operations	$	(2,170,192)
Income from discontinued operations	$	1,717,380
Net loss attributable to Hollywood Media Corp.	$	(429,460)
Weighted average shares		30,945,735
Loss per share - continuing operations	$	(0.07)
Income per share - discontinued operations	$	0.06
Net loss per share (1)	$	(0.01)

For the quarter ended December 31, 2010

Net revenues	$	1,014,084
Loss from continuing operations	$	(1,581,045)
Income from discontinued operations	$	7,283,601
Net income attributable to Hollywood Media Corp.	$	5,714,425
Weighted average shares		30,988,851
Loss per share - continuing operations	$	(0.05)
Income per share - discontinued operations	$	0.23
Net income per share (1)	$	0.18

For the quarter ended March 31, 2009

Net revenues	$	1,071,332
Loss from continuing operations	$	(215,723)
Income from discontinued operations	$	120,703
Net loss attributable to Hollywood Media Corp.	$	(91,853)
Weighted average shares		30,418,516
Loss per share - continuing operations	$	-
Income per share - discontinued operations	$	-
Net income per share (1)	$	-

For the quarter ended June 30, 2009

Net revenues	$	1,113,373
Loss from continuing operations	$	(6,803,720)
Income from discontinued operations	$	2,011,230
Net loss attributable to Hollywood Media Corp.	$	(4,794,716)
Weighted average shares		30,637,658
Loss per share - continuing operations	$	(0.22)
Income per share - discontinued operations	$	0.06
Net loss per share (1)	$	(0.16)

For the quarter ended September 30, 2009

Net revenues	$	1,256,695
Loss from continuing operations	$	(1,657,934)
Income from discontinued operations	$	1,342,703
Net loss attributable to Hollywood Media Corp.	$	(348,993)
Weighted average shares		30,637,658
Loss per share - continuing operations	$	(0.05)
Income per share - discontinued operations	$	0.04
Net loss per share (1)	$	(0.01)

For the quarter ended December 31, 2009

Net revenues	$	1,077,148
Loss from continuing operations	$	(2,259,165)
Income from discontinued operations	$	1,839,080
Net loss attributable to Hollywood Media Corp.	$	(384,855)
Weighted average shares		30,642,730
Loss per share - continuing operations	$	(0.08)
Income per share - discontinued operations	$	0.06
Net loss per share (1)	$	(0.02)

(1) Quarterly earnings per share are calculated on an individual basis and, because of roundings and changes in the weighted average shares outstanding during the year, the summation of each quarter may not equal the amount calculated for the year as a whole.

(19) RELATED PARTY TRANSACTIONS:

Hollywood Media recorded $701,842 in earn-out gain from R&S Investments, LLC during 2010. In addition, $659 of legal expenses offset this overall earn-out gain which is included on sale of discontinued operations recorded in the accompanying statement of operations. As of December 31, 2010, the Company has $299,963 included in "Related party receivable" in our accompanying consolidated balance sheet which consisted of $205,562 in earn-out receivable, $13,829 in expense reimbursements from R&S Investments and $80,572 for an expense reimbursement receivable from MovieTickets.com. Subsequent to December 31, 2010, Hollywood Media received such earn-out amounts and expense reimbursements in accordance with the payment terms.

Hollywood Media recorded $677,842 in earn-out gain from R&S Investments, LLC during 2009 which was offset by $61,543 of indemnification expense related to claims by former employees relating to the period of their employment with Hollywood Media and a $1,227 tax expense. As of December 31, 2009, the Company has $335,245 included in "Related party receivables" in our accompanying consolidated balance sheet which consisted of $204,422 in earn-out receivable, $18,034 in expense reimbursements from R&S Investments, LLC and $112,789 for an expense reimbursement receivable from MovieTickets.com. The earn-out and reimbursements were earned amounts, and were paid to the Company during the three months ended March 31, 2010 in accordance with the payment terms.

At September 30, 2010 a $49,000 loan was granted to the President of Tekno Books, a 51% owned subsidiary that is recorded as an offset to additional paid in capital. The President of Tekno Books is not an executive officer of Hollywood Media Corp. and he owns 49% of Tekno Books. The loan proceeds were contributed capital by the minority partner of Tekno Books. The loan was due December 1, 2010, and it was secured with collateral consisting of 342,127 shares of Hollywood Media Corp. common stock owned by the minority partner. As of December 31, 2010, this loan was cancelled and the monies returned to Hollywood Media Corp. In addition, the contribution monies were returned to Hollywood Media Corp.

R&S Investments, LLC Indemnification

On November 5, 2010, Hollywood.com, LLC, a former subsidiary of the Company, was sued for copyright infringement for the alleged display of unlicensed celebrity photographs on the hollywood.com website, which is owned by Hollywood.com, LLC. Certain of the celebrity photographs at issue were posted during the time that Hollywood Media Corp. owned Hollywood.com. Because Hollywood Media owned Hollywood.com. during part of the time that the alleged display of unlicensed celebrity photographs on the hollywood.com website occurred, the possibility exists that Hollywood Media could be subject to claims relating to this matter and other similar claims. To address the potential risks to Hollywood Media associated with any such claims, in February 2011, Hollywood Media entered into an indemnification agreement with R&S Investments, LLC, whereby R&S Investments, LLC agrees to indemnify and hold Hollywood Media harmless from any and all potential liabilities and claims against Hollywood Media arising from any such claims in exchange for a one-time cash payment by Hollywood Media to R&S Investments, LLC of $350,000. The indemnification agreement was approved on behalf of the Company by an Independent Committee of the Board of Directors.

Amendments to Amended and Restated Employment Agreements of Mr. Rubenstein and Ms. Silvers

On December 23, 2009, (i) Hollywood Media and Mitchell Rubenstein entered into an amendment to his amended and restated employment agreement and (ii) Hollywood Media and Laurie S. Silvers entered into an amendment to her amended and restated employment agreement (hereafter, collectively referred to as "Amendments to Employment Agreements). The Amendments to Employment Agreements provide for, among other things, the following:

- For a period of ninety days after the closing of the sale of Theatre Direct, Mr. Rubenstein's and Ms. Silvers' compensation continues in accordance with then existing terms.

- After this ninety-day period, Mr. Rubenstein and Ms. Silvers base salaries are each reduced to a nominal amount of $1 per year plus five percent (5%) of the sum of (i) any distributions and other proceeds Hollywood Media receives after such ninety-day period in connection with its ownership interest in MovieTickets.com, Inc. and (ii) certain other amounts that may be received by Hollywood Media from MovieTickets.com, Inc. (collectively, the "5% Distribution"). Upon a sale of Hollywood Media's interest in MovieTickets.com, Inc., Mr. Rubenstein and Ms. Silvers would each receive 5% of the proceeds received by Hollywood Media in such sale. Should the employment agreements be terminated more than ninety days after the closing of the sale of Theatre Direct by Hollywood Media without "cause", by death or by Mr. Rubenstein and/or Ms. Silvers, as applicable, for "good reason" the 5% Distributions and 5% of proceeds upon sale are due to Mr. Rubenstein and Ms. Silvers, or their heirs regardless of whether or not Mr. Rubenstein and/or Ms. Silvers continue in the employment of the Company.

- A deferment by Mr. Rubenstein and Ms. Silvers of $812,501 and $332,189, respectively otherwise due to them as change of control payments upon the consummation of the sale of Theatre Direct (Deferred Change in Control Payments). See Note 4.

The Amendments to Employment Agreements also provide that if Mr. Rubenstein and/or Ms. Silvers, continue to be employed by Hollywood Media on the first anniversary (Sale Anniversary) of the sale of Theatre Direct (or if such employment is terminated on or before the Sale Anniversary by Hollywood Media without "cause" or by Mr. Rubenstein and/or Ms. Silvers, as applicable, for "good reason"), and Hollywood Media receives payments from the buyer of Theatre Direct under either i) the Promissory Note or ii) an earn-out provision (Earn-out), they may be entitled to their Deferred Change in Control Payments. Specifically, up to one-half of the Deferred Change in Control Payments would be due upon collections under the Promissory Note, on a pro-rata basis, and up to one-half of the Deferred Change in Control Payments would be due upon certain collections of the Earn-out, on a pro-rata basis. These amounts will be due to Mr. Rubenstein, Ms. Silvers and/or their heirs regardless of whether or not Mr. Rubenstein and/or Ms. Silvers continue in the employment of Hollywood Media after the Sale Anniversary. The Deferred Change in Control Payments would be due according to the following schedule:

- Mr. Rubenstein will be entitled to:
  - 4.76% of all payments of principal and interest received by Hollywood Media on account of the Promissory Note (for a maximum amount of $407,201), and
  - 5.79% of the first $7 million of Earn-out payments received by Hollywood Media (for a maximum amount of $405,300).
- Ms. Silvers will be entitled to:
  - 1.94% of all payments of principal and interest received by Hollywood Media on account of the Promissory Note (for a maximum amount of $166,989), and
  - 2.36% of the first $7 million of Earn-out payments received by Hollywood Media (for a maximum amount of $165,200).

The Company has not yet determined the first quarter 2011 financial statement impact of The Amendments to Employment Agreements.

The percentages due on amounts received by Hollywood Media under the Promissory Note or the Earn-out before the Sale Anniversary that are payable to Mr. Rubenstein or Ms. Silvers shall be set aside in a "rabbi trust" until the Sale Anniversary, at which time such amounts (plus an amount equal to the interest earned on obligations held by the rabbi trust in respect of such amount) shall be paid to Mr. Rubenstein and/or Ms. Silvers, as applicable.

(20) SUBSEQUENT EVENTS

Tender Offer

On February 25, 2011, Hollywood Media announced the final results of a tender offer to purchase up to 8,000,000 shares of its common stock at a price of $2.05 per share (less any applicable withholding taxes and without interest) which tender offer expired on February 18, 2011. Hollywood Media accepted 8,000,000 shares for purchase for a total cost of approximately $16,400,000. The number of shares properly tendered was 24,157,429. Accordingly, payment was made for approximately 33% of the tendered shares, and the rest of the tendered shares were withdrawn from the tender offer. Immediately following the purchase of the tendered shares, Hollywood Media had 23,179,066 shares of common stock outstanding.

Working Capital Adjustment

Hollywood Media delivered to Key Brand on March 14, 2011, a closing statement setting forth Hollywood Media's calculation of Theatre Direct's working capital as of the closing date as determined in the manner described in the Purchase Agreement. Key Brand accepted the closing statement and on March 22, 2011, Hollywood Media paid Key Brand $3,734,106 which included the working capital adjustment and interest.

Interest on Note Receivable

On March 31, 2011, Hollywood Media received a $255,000 interest payment from Key Brand, representing interest for the first calendar quarter of 2011, in accordance with the terms of the $8,500,000 Second Lien Note, Security and Pledge Agreement, dated as of December 15, 2010. Key Brand is obligated to pay Hollywood Media interest quarterly at a rate of 12% per annum until the loan matures on December 15, 2015.

Item 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE.

Not applicable.

Item 9A. CONTROLS AND PROCEDURES.

Evaluation of Disclosure Controls and Procedures

An evaluation was performed under the supervision and with the participation of Hollywood Media's management, including the Chief Executive Officer and the Chief Accounting Officer, on the effectiveness of Hollywood Media's disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) as of the end of the period covered by this Annual Report on Form 10-K. Based on that evaluation and the material weakness described below, Hollywood Media's management, including the Chief Executive Officer and Chief Accounting Officer, have concluded that Hollywood Media's disclosure controls and procedures were not effective, as of December 31, 2010, to ensure that information required to be disclosed by the Company in reports the Company files or submits under the Exchange Act is (i) recorded, processed, summarized and reported within the time periods specified in the rules and forms of the Securities and Exchange Commission and (ii) accumulated and communicated to Hollywood Media's management, including the Chief Executive Officer and the Chief Accounting Officer, to allow timely decisions regarding required disclosure.

Changes in Internal Control Over Financial Reporting

In the Company's prior year assessment of internal control over financial reporting as of December 31, 2009, management concluded that certain deficiencies in Hollywood Media's Broadway Ticketing business constituted a material weakness in Hollywood Media's internal control over financial reporting. In December 2010, Hollywood Media sold its Broadway Ticketing business, thus eliminating the related material weakness in internal control over financial reporting in its Broadway Ticketing division.

In the Company's current year assessment of internal control over financial reporting as of December 31, 2010, management concluded that certain deficiencies in Hollywood Media's Ad Sales and Intellectual Properties divisions constituted material weaknesses in Hollywood Media's internal control over financial reporting. Other than as described above, there have not been any other changes in the Company's internal control over financial reporting during the year ended December 31, 2010 that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

Management's Report on Internal Control Over Financial Reporting

The Company is responsible for establishing and maintaining adequate internal control over financial reporting, as such term is defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act. Under the supervision and with the participation of management, including our Chief Executive Officer and Chief Accounting Officer, the Company conducted an evaluation of the effectiveness of internal control over financial reporting based on the framework in Internal Control – Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission ("COSO").

All internal control systems, no matter how well designed, have inherent limitations. Therefore, even those systems determined to be effective can provide only reasonable assurance with respect to financial statement preparation and presentation.

A material weakness in internal control over financial reporting is a control deficiency (within the meaning of the Public Company Accounting Oversight Board ("PCAOB") Auditing Standard No. 5), or a combination of control deficiencies, such that there is a reasonable possibility that a material misstatement of the annual or interim financial statements will not be prevented or detected. As a result of the Company's assessment, management has determined that the following deficiencies in the Company's CinemasOnline and Intellectual Properties businesses constitute material weaknesses in the Company's internal control over financial reporting as of December 31, 2010:

Identified insufficient internal controls over the advertising sales process within its U.K. based CinemasOnline business, including inadequate systems to allow for processing of advertising sales and deferred advertising sales; and deferred tax assets and insufficient internal controls over its disbursements of funds and recording of related assets and expenses in the CinemasOnline business.

Identified insufficient internal controls over the book development and book licensing process within its Intellectual Properties Division, including inadequate systems to allow for processing of book development and book licensing revenue and deferred revenue; and insufficient internal controls over its disbursements of funds and recording of related assets and expenses in the Intellectual Properties Division.

Based on our evaluation under the framework set forth by COSO in Internal Control — Integrated Framework, our management concluded that our internal control over financial reporting was not effective as of December 31, 2010.

Management's Plan to Address Material Weaknesses

Management is firmly committed to addressing the material weaknesses. Accordingly, the following are the actions that the Company's management has taken and will continue to take in order to remediate the material weaknesses described above:

Remedial actions are under development to strengthen the internal controls over the advertising sales revenue and deferred revenue to compensate for the system limitations affecting these processes. Management is designing additional internal controls over the disbursement process to strengthen the internal control framework in the Ad Sales Division. The actions include establishing manual processes to reconcile commission payments with signed advertising contracts and creating a workflow system for contract processing.

Remedial actions are under development to strengthen the internal controls over the book development and book licensing revenue and deferred revenue to compensate for the system limitations affecting these processes. Management is designing additional internal controls over the disbursement process to strengthen the internal control framework in the Intellectual Properties Division. The actions include establishing an automation procedure to link publishing schedules with contracts, which when enable a more timely reconciliation of the revenue and collections processes.

ITEM 9B. OTHER INFORMATION.

None.

PART III

Item 10. <u>Directors, Executive Officers and Corporate Governance.</u>

Except for the information regarding our Code of Ethics, which is set forth below, the information required by this Item 10 is incorporated herein by reference to our Proxy Statement for our 2011 annual meeting of shareholders to be filed with the SEC pursuant to Regulation 14A under the Exchange Act.

Code of Ethics

Hollywood Media has adopted a Code of Professional Conduct that applies to all of its officers, directors and employees. This Code of Professional Conduct is available for viewing on our internet website at http://www.hollywoodmedia.com/corporategovernance.htm under the caption "Code of Professional Conduct." Hollywood Media's internet website and any other website mentioned in this Annual Report on Form 10-K, and the information contained or incorporated therein, are not intended to be incorporated into this Annual Report on Form 10-K.

Item 11. <u>Executive Compensation.</u>

The information required by this Item 11 is incorporated herein by reference to our Proxy Statement for our 2011 annual meeting of shareholders to be filed with the SEC pursuant to Regulation 14A under the Exchange Act.

Item 12. <u>Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters.</u>

The information required by this Item 12 is incorporated herein by reference to our Proxy Statement for our 2011 annual meeting of shareholders to be filed with the SEC pursuant to Regulation 14A under the Exchange Act.

Item 13. <u>Certain Relationships and Related Transactions, and Director Independence.</u>

The information required by this Item 13 is incorporated herein by reference to our Proxy Statement for our 2011 annual meeting of shareholders to be filed with the SEC pursuant to Regulation 14A under the Exchange Act.

Item 14. <u>Principal Accountant Fees and Services.</u>

The information required by this Item 14 is incorporated herein by reference to our Proxy Statement for our 2011 annual meeting of shareholders to be filed with the SEC pursuant to Regulation 14A under the Exchange Act.

PART IV

Item 15. Exhibits and Financial Statement Schedules.

(a) The following documents are filed as a part of this Annual Report on Form 10-K:

1. Financial Statements

The following financial statements are included in Part II, Item 8 of this Annual Report on Form 10-K:

- Report of Independent Registered Public Accounting Firm
- Consolidated Balance Sheets as of December 31, 2010 and December 31, 2009
- Consolidated Statements of Operations for the Years Ended December 31, 2010, 2009 and 2008
- Consolidated Statements of Shareholders' Equity for the Years Ended December 31, 2010, 2009 and 2008
- Consolidated Statements of Cash Flows for the Years Ended December 31, 2010, 2009 and 2008
- Notes to Consolidated Financial Statements

2. Financial Statement Schedules

Financial statement schedules are omitted because they are not required or are not applicable, or the required information is provided in the consolidated financial statements or notes thereto described in Item 15(a)(1) above.

3. Exhibits

The Exhibits listed below are filed as part of this Annual Report on Form 10-K.

Exhibit No.	Description	Location of Exhibit
2.1	Stock Purchase Agreement dated as of December 22, 2009, by and between Hollywood Media Corp. and Key Brand Entertainment Inc.	(25)
3.1	Third Amended and Restated Articles of Incorporation.	(1)
3.2	Articles of Amendment to Articles of Incorporation of Hollywood Media Corp. for Designation of Preferences, Rights and Limitations of Series E Junior Preferred Stock.	(2)
3.3	Amended and Restated Bylaws of Hollywood Media Corp., dated as of September 1, 2006.	(3)
4.1	Form of Common Stock Certificate.	(4)
4.2	Amended and Restated Rights Agreement dated as of August 23, 1996 between Hollywood Media Corp. (f/k/a Big Entertainment, Inc.) and American Stock Transfer & Trust Company, as Rights Agent.	(5)

4.3	Amendment No. 1, dated as of December 9, 2002, to Amended and Restated Rights Amendment dated as of August 23, 1996 between Hollywood Media Corp. and American Stock Transfer & Trust Company.	(6)
4.4	Amendment No. 2, dated as of September 1, 2006, to the Amended and Restated Rights Agreement dated as of August 23, 1996, as amended December 9, 2002, between Hollywood Media Corp. and American Stock Transfer & Trust Company.	(3)
4.5	Amendment No. 3, dated as of January 13, 2011, to the Amended and Restated Rights Agreement dated as of August 23, 1996, as amended by Amendment No. 1 dated as of December 9, 2002 and Amendment No. 2 dated as of September 1, 2006, between Hollywood Media Corp. and American Stock Transfer & Trust Company	(27)
10.1	Compensatory Plans, Contracts and Arrangements:	
	(a) 1993 Stock Option Plan, as amended effective October 1, 1999.	(7)
	(b) Directors Stock Option Plan, as amended effective May 1, 2003.	(8)
	(c) 2000 Stock Incentive Plan, as amended October 30, 2003.	(9)
	(d) 2004 Stock Incentive Plan.	(10)
	(e) Hollywood Media Corp. 401(k) Retirement Savings Plan, dated as of September 16, 2004 (the "Plan"); Amendment to the Plan, dated as of September 16, 2004; related Volume Submitter (Cross-Tested Defined Contribution Plan and Trust); EGTRRA Amendment to the Plan and Post-EGTRRA Amendment to the Plan, dated as of September 16, 2004.	(11)
	(f) Amendment to Hollywood Media Corp. 401(k) Retirement Savings Plan, dated June 16, 2005.	(12)
	(g) Amended and Restated Employment Agreement, dated as of December 22, 2008, by and between Hollywood Media Corp. and Mitchell Rubenstein.	(13)
	(h) Amended and Restated Employment Agreement, dated as of December 22, 2008, by and between Hollywood Media Corp. and Laurie S. Silvers.	(13)
	(i) Amended and Restated Employment Agreement, dated as of August 9, 2006, by and between Hollywood Media Corp. and Scott Gomez.	(14)
	(j) Amendment to Amended and Restated Employment Agreement, dated as of December 23, 2009, by and between Hollywood Media Corp. and Mitchell Rubenstein.	(23)
	(k) Amendment to Amended and Restated Employment Agreement, dated as of December 23, 2009, by and between Hollywood Media Corp. and Laurie S. Silvers.	(23)
10.2	Amended and Restated Partnership Agreement dated as of November 21, 2002 between Hollywood Media Corp. and Dr. Martin H. Greenberg.	(15)

10.3	Agreement for the Sale and Purchase of UK Theatres Online Limited and other Companies, dated November 22, 2005, by and among Cinemasource UK Limited, Jeffrey Spector and the other shareholders party thereto.	(16)
10.4	Agreement for the Sale and Purchase of CinemasOnline Limited, dated November 22, 2005, by and between Mitchell Clifford Cartwright and Cinemasource UK Limited.	(16)
10.5	Note Purchase Agreement, dated as of November 22, 2005, by and among Hollywood Media Corp. and each of the Purchasers, including the forms of Notes and Warrants issued to the Purchasers and the form of registration rights agreement.	(16)
10.6	Registration Rights Agreement dated November 23, 2005 by and among Hollywood Media Corp. and the investors signatory thereto.	(17)
10.7	Letter agreements dated March 15, 2006, by and between Hollywood Media Corp. and each of the holders of its 8% Senior Unsecured Notes dated November 23, 2005.	(18)
10.8	Form of Common Stock Purchase Warrants dated March 15, 2006, issued to the Holders of Hollywood Media Corp.'s 8% Senior Unsecured Notes dated November 23, 2005.	(18)
10.9	Stock Purchase Agreement, dated as of August 25, 2006, by and between The New York Times Company and Hollywood Media Corp.	(19)
10.10	Asset Purchase Agreement, dated as of February 1, 2007, by and among Theatre Direct NY, Inc., Showtix LLC and each of the members of Showtix LLC.	(20)
10.11	Asset Purchase Agreement, dated as of August 24, 2007, by and among Hollywood Media Corp., Showtimes.com, Inc. Brett West and West World Media, LLC.	(21)
10.12	Purchase Agreement dated as of August 21, 2008, between Hollywood Media Corp. and R&S Investments, LLC.	(22)
10.13	Transition Services Agreement dated as of August 21, 2008 between Hollywood Media Corp., Hollywood.com, LLC and Totally Hollywood TV, LLC.	(22)
10.14	Amendment to Purchase Agreement dated September 30, 2009 between Hollywood Media Corp. and R&S Investments, LLC.	(24)
10.15	Escrow Agreement, dated as of December 22, 2009, by and between Hollywood Media Corp., Key Brand Entertainment Inc. and The Bank of New York Mellon.	(23)
10.16	Second Lien Credit, Security and Pledge Agreement, dated as of December 15, 2010, by and among Key Brand Entertainment Inc., Theatre Direct NY, Inc. and Hollywood Media Corp.	(26)
10.17	Subordination and Intercreditor Agreement, dated as of December 15, 2010, by and among JPMorgan Chase Bank, N.A., Hollywood Media Corp. and Key Brand Entertainment Inc.	(26)

10.18	Warrant to Purchase Shares of Common Stock of Theatre Direct NY, Inc. dated December 15, 2010	(26)
10.19	Agreement, dated as of October 7, 2010, among Hollywood Media Corp. and Baker Street Capital L.P., Baker Street Capital Management, LLC and Vadim Perelman	(27)
10.20	Indemnification Agreement, dated as of February 2, 2011, between Hollywood Media Corp. and R&S Investments, LLC	*
21.1	Subsidiaries of Hollywood Media.	*
23.1	Consent of Kaufman, Rossin & Co., P.A. Independent Registered Public Accounting Firm.	*
31.1	Certification of Chief Executive Officer (principal executive officer) pursuant to Rule 13a-14(a) or 15d-14(a) of the Securities Exchange Act of 1934, as amended.	*
31.2	Certification of Chief Accounting Officer (principal financial and accounting officer) pursuant to Rule 13a-14(a) or 15d-14(a) of the Securities Exchange Act of 1934, as amended.	*
32.1	Certification of Chief Executive Officer (principal executive officer) pursuant to 18 U.S.C. 1350.	*
32.2	Certification of Chief Accounting Officer (principal financial and accounting officer) pursuant to 18 U.S.C. 1350.	*

*Filed as an exhibit to this Annual Report on Form 10-K

(1) Incorporated by reference from the exhibit filed with Hollywood Media's Annual Report on Form 10-K for the year ended December 31, 2000.

(2) Incorporated by reference from the exhibit filed with Hollywood Media's Quarterly Report on Form 10-Q for the quarter ended September 30, 2004.

(3) Incorporated by reference from the exhibit filed with Hollywood Media's Current Report on Form 8-K filed on September 5, 2006.

(4) Incorporated by reference from the exhibit filed with Hollywood Media's Registration Statement on Form SB-2 (No. 33-69294).

(5) Incorporated by reference from the exhibit filed with Hollywood Media's Current Report on Form 8-K filed on October 20, 1999.

(6) Incorporated by reference from the exhibit filed with Hollywood Media's Current Report on Form 8-K filed on December 10, 2002.

(7) Incorporated by reference from the exhibit filed with Hollywood Media's Annual Report on Form 10-K for the year ended December 31, 1999.

(8) Incorporated by reference from Appendix B to Hollywood Media's Proxy Statement filed on November 13, 2003 for its 2003 Annual Meeting of Shareholders.

(9) Incorporated by reference from Appendix C to Hollywood Media's Proxy Statement filed on November 13, 2003 for its 2003 Annual Meeting of Shareholders.

(10) Incorporated by reference from Appendix B to Hollywood Media's Proxy Statement filed on November 4, 2004 for its 2004 Annual Meeting of Shareholders.

(11) Incorporated by reference from the exhibits filed with Hollywood Media's Current Report on Form 8-K filed on September 17, 2004.

(12) Incorporated by reference from the exhibit filed with Hollywood Media's Quarterly Report on Form 10-Q for the quarter ended June 30, 2005.
(13) Incorporated by reference from the exhibit filed with Hollywood Media's Current Report on Form 8-K filed on December 22, 2008.
(14) Incorporated by reference from the exhibit filed with Hollywood Media's Quarterly Report on Form10-Q for the quarter ended June 30, 2006.
(15) Incorporated by reference from the exhibit filed with Hollywood Media's Annual Report on Form 10-K for the year ended December 31, 2002.
(16) Incorporated by reference from the exhibits filed with Hollywood Media's Current Report on Form 8-K filed on November 28, 2005.
(17) Incorporated by reference from the exhibit filed with Hollywood Media's Registration Statement on Form S-3 (No. 333-130903).
(18) Incorporated by reference from the exhibits filed with Hollywood Media's Current Report on Form 8-K filed on March 16, 2006.
(19) Incorporated by reference from the exhibit filed with Hollywood Media's Current Report on Form 8-K filed on August 28, 2006.
(20) Incorporated by reference from the exhibit filed with Hollywood Media's Current Report on Form 8-K filed on February 6, 2007.
(21) Incorporated by reference from the exhibit filed with Hollywood Media's Form 8-K filed on August 30, 2007.
(22) Incorporated by reference from the exhibit filed with Hollywood Media's Form 8-K filed on August 27, 2008.
(23) Incorporated by reference from the exhibit filed with Hollywood Media Corp's Form 8-K filed on December 29, 2009.
(24) Incorporated by reference from the exhibit filed with Hollywood Media Corp's Form 8-K filed on October 5, 2009.
(25) Incorporated by reference from Annex A to Hollywood Media's Definitive Proxy Statement filed on October 20, 2010 for the Special Meeting of Shareholders held on December 10, 2010.
(26) Incorporated by reference from the exhibit filed with Hollywood Media's Form 8-K filed December 16, 2010.
(27) Incorporated by reference from the exhibit filed with Hollywood Media's Form 8-K filed January 14, 2011.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

HOLLYWOOD MEDIA CORP.

Date: April 14, 2011	By:	/s/ Mitchell Rubenstein Mitchell Rubenstein, Chairman of the Board and Chief Executive Officer

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

Date: April 14 2011	/s/ Mitchell Rubenstein Mitchell Rubenstein, Chairman of the Board and Chief Executive Officer (Principal executive officer)
Date: April 14, 2011	/s/ Laurie S. Silvers Laurie S. Silvers, Vice Chairman of the Board, President and Secretary
Date: April 14, 2011	/s/ Scott Gomez Scott Gomez, Chief Accounting Officer (Principal financial and accounting officer)
Date: April 14, 2011	/s/ Harry T. Hoffman Harry T. Hoffman, Director
Date: April 14, 2011	/s/ Robert Epstein Robert Epstein, Director
Date: April 14, 2011	/s/ Stephen Gans Stephen Gans, Director

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Exhibit 31.1

CERTIFICATION

I, Mitchell Rubenstein, certify that:

1. I have reviewed this Annual Report on Form 10-K of Hollywood Media Corp.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: April 14, 2011

By: /s/ Mitchell Rubenstein

Mitchell Rubenstein, Chairman of the Board
and Chief Executive Officer (Principal
executive officer)

Exhibit 31.2

CERTIFICATION

I, Scott Gomez, certify that:

1. I have reviewed this Annual Report on Form 10-K of Hollywood Media Corp.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: April 14, 2011

By: /s/ Scott Gomez

Scott Gomez, Chief Accounting Officer (Principal financial and accounting officer)

Exhibit 32.1

**CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350,
AS ADOPTED BY SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

I, Mitchell Rubenstein, Chief Executive Officer of Hollywood Media Corp. (the "Company"), certify, pursuant to 18 U.S.C. ss. 1350, as adopted by Section 906 of the Sarbanes-Oxley Act of 2002, that to my knowledge: (1) the accompanying Annual Report on Form 10-K for the year ended December 31, 2010 as filed with the U.S. Securities and Exchange Commission (the "Report") fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended (15 U.S.C. 78m or 78o(d)); and (2) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: April 14, 2011

By: /s/ Mitchell Rubenstein
Mitchell Rubenstein, Chairman of the Board
and Chief Executive Officer

Exhibit 32.2

CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350,
AS ADOPTED BY SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

I, Scott Gomez, Chief Accounting Officer of Hollywood Media Corp. (the “Company”), certify, pursuant to 18 U.S.C. ss. 1350, as adopted by Section 906 of the Sarbanes-Oxley Act of 2002, that to my knowledge: (1) the accompanying Annual Report on Form 10-K for the year ended December 31, 2010 as filed with the U.S. Securities and Exchange Commission (the “Report”) fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended (15 U.S.C. 78m or 78o(d)); and (2) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: April 14, 2011	By:	/s/ Scott Gomez
		Scott Gomez, Chief Accounting Officer

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-K/A
AMENDMENT NO. 1

(Mark One)

☒ ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the fiscal year ended December 31, 2010

☐ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from ___________ to _________________

Commission File No. **1-14332**

HOLLYWOOD MEDIA CORP.
(Exact name of registrant as specified in its charter)

Florida	**65-0385686**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
2255 Glades Road, Suite 221A Boca Raton, Florida	**33431**
(Address of principal executive offices)	(Zip Code)

(561) 998-8000
(Registrant's telephone number, including area code)

Securities registered under Section 12(b) of the Act:

Title of each class	Name of each exchange on which registered
Common stock, par value $.01 per share	NASDAQ Global Market

Securities registered pursuant to Section 12(g) of the Act: None

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act.

Yes ☐ No ☒

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act.

Yes ☐ No ☒

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files).

Yes ☐ No ☐

Indicate by check mark if disclosure of delinquent filers in response to Item 405 of Regulation S-K is not contained therein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. ☒

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer ☐	Accelerated filer ☐
Non-accelerated filer ☐ (Do not check if a smaller reporting company)	Smaller reporting company ☒

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act.).

Yes ☐ No ☒

The aggregate market value of the registrant's common stock, $.01 par value per share, held by non-affiliates as of June 30, 2010, computed by reference to the last sale price of the common stock on June 30, 2010 as reported by the NASDAQ Global Market based on published financial sources, was $27,174,382, as calculated under the following assumptions. For purposes of this computation, all executive officers, directors, and holders of 10% or more of the registrant's common stock known to the registrant, have been deemed to be affiliates, but such calculation should not be deemed to be an admission that such directors, officers or beneficial holders are, in fact, affiliates of the registrant.

As of April 26, 2011, there were 23,179,066 shares of the registrant's common stock, $.01 par value, outstanding.

DOCUMENTS INCORPORATED BY REFERENCE: None.

EXPLANATORY NOTE

Hollywood Media Corp. ("Hollywood Media") is filing this Form 10-K/A to make the following amendments to its Annual Report on Form 10-K for the fiscal year ended December 31, 2010:

1. To set forth the information required by Items 10, 11, 12, 13 and 14 in Part III of the Form 10-K, because a definitive proxy statement containing such information will not be filed by Hollywood Media within 120 days after the end of the fiscal year covered by the Form 10-K.

2. Item 15 in this Form 10-K/A restates the entire Item 15 of the Form 10-K to which this Form 10-K/A relates, with the only changes being the addition of Exhibits 31.3 and 31.4 filed herewith and related footnotes.

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PART III

Item 10. DIRECTORS, EXECUTIVE OFFICERS AND CORPORATE GOVERNANCE.

Directors and Executive Officers

The size of Hollywood Media's Board of Directors is currently set at five, and there are currently five incumbent directors serving on the Board. Hollywood Media's executive officers are elected by the Board of Directors and serve at the discretion of the Board, subject to the terms and conditions of each officer's employment agreement with Hollywood Media. The following table sets forth certain information concerning each of the incumbent directors and executive officers of Hollywood Media as of the date of this Form 10-K/A.

Name	Age	Position
Mitchell Rubenstein	57	Chairman of the Board and Chief Executive Officer
Laurie S. Silvers	59	Vice Chairman of the Board, President and Secretary
Harry T. Hoffman	83	Director
Robert D. Epstein	66	Director
Stephen Gans	38	Director
Scott A. Gomez	35	Chief Accounting Officer

The following paragraphs provide biographies of each of the incumbent directors and executive officers of Hollywood Media and, for each incumbent director of Hollywood Media, the experiences, qualifications or skills that caused the Nominating Committee and the Board to determine that the person should serve as our director are set forth in the last sentence of each incumbent director's biography.

Mitchell Rubenstein is a founder of Hollywood Media and has served as its Chairman of the Board and Chief Executive Officer since its inception in January 1993. Mr. Rubenstein was a founder of the Sci-Fi Channel, a cable television network that was acquired from Mr. Rubenstein and Laurie Silvers by USA Network in March 1992. Mr. Rubenstein served as President of the Sci-Fi Channel from January 1989 to March 1992 and served as Co-Vice Chairman of the Sci-Fi Channel from March 1992 to March 1994. Prior to founding the Sci-Fi Channel, Mr. Rubenstein practiced law for 10 years. Mr. Rubenstein received a J.D. degree from the University of Virginia School of Law in 1977 and a Masters in Tax Law (LL.M.) from New York University School of Law in 1979. He currently serves on the NYU Tax Law Advisory Board and is a member of the Founders Society, New York University, and is a member of the University of Virginia School of Law Business Advisory Council. He is the immediate past Chair of the Board of Advisors of Jewish Life at Duke University, which includes the Freeman Center for Jewish Life at Duke and the Rubenstein-Silvers Hillel at Duke. Together with Ms. Silvers, Mr. Rubenstein was named Co-Business Person of the Year, City of Boca Raton, Florida in 1992. Mr. Rubenstein is married to Laurie S. Silvers. Mr. Rubenstein's long standing service as the Chairman of the Board and Chief Executive Officer of Hollywood Media, as well as the fact that Mr. Rubenstein is a founder of Hollywood Media, gives Mr. Rubenstein extensive knowledge of Hollywood Media and its operations and makes him a valuable member of our Board.

Laurie S. Silvers is a founder of Hollywood Media and has served as its Vice-Chairman, President and Secretary since its inception in January 1993. Ms. Silvers was a founder of the Sci-Fi Channel, of which she served as Chief Executive Officer from January 1989 to March 1992 and Co-Vice Chairman from March 1992 to March 1994. Prior to founding the Sci-Fi Channel, Ms. Silvers practiced law for 10 years. Ms. Silvers received a J.D. degree from University of Miami School of Law in 1977. Ms. Silvers serves on the Board of Trustees of the University of Miami (and is a member of its Executive Committee), the Board of Directors of the Economic Council of Palm Beach County, Florida (of which she is the immediate past Chair), the Board of Trustees of the Kravis Center of the Performing Arts in West Palm Beach, Florida, is Vice Chair of the Board of Directors of the Community Television Foundation of South Florida (WPBT Channel 2, the PBS Station in Miami, Florida) and is a member of the Board of the Jewish Federation of Palm Beach County, Florida. She is also a mentor for at-risk teenage girls with the Women of Tomorrow organization. Ms. Silvers' long standing service as the Vice-Chairman, President and Secretary of Hollywood Media, as well as the fact that Ms. Silvers is a founder of Hollywood Media, gives Ms. Silvers extensive knowledge of Hollywood Media and its operations and makes her a valuable member of our Board.

Harry T. Hoffman has served as a director of Hollywood Media since July 1993. From 1979 until his retirement in 1991, Mr. Hoffman served as President and Chief Executive Officer of Waldenbooks, Inc., then a leading national retailer of books, magazines and related items. From 1968 to 1978, he served as President and Chief Executive Officer of Ingram Book Company, a national book wholesaler. Mr. Hoffman serves as the Chairman of Hollywood Media's Compensation Committee, and also serves on Hollywood Media's Audit Committee, Stock Option Committee, and Nominating Committee. Mr. Hoffman's long standing service as a director of Hollywood Media, as well as the fact that Mr. Hoffman has extensive experience serving as chief executive officer of a national book retailer, makes him a valuable member of our Board in light of our Tekno Books division.

Robert D. Epstein has served as a director of Hollywood Media since December 2007. Mr. Epstein, an attorney, founded the Epstein and Frisch law firm in Indianapolis, Indiana in 1972, which became an association of lawyers practicing as Epstein, Cohen, Donahoe & Mendes in 2004. Mr. Epstein specializes in a variety of areas of law, including media law and mergers and acquisitions. Prior to beginning his private law practice, Mr. Epstein worked in the legal department of Melvin Simon & Associates. He received a J.D. degree from Indiana University School of Law in 1970 and a B.A. degree from Franklin College of Indiana in 1967. Mr. Epstein currently serves as a board member of the Community Music School in Sarasota, Florida, and has served as a local board member of the United States Selective Service System for over 20 years. Mr. Epstein serves on Hollywood Media's Audit Committee, Compensation Committee and Nominating Committee. Mr. Epstein's legal experience, including his experience in media law and mergers and acquisitions, makes him a valuable member of our Board.

Stephen Gans has served as a director of Hollywood Media since December 2009. Since March 2005, Mr. Gans has served as Managing Member of Gans Family Investments LLLP, an investment firm focused on the technology, media and telecommunications industries. Mr. Gans also served on the Board of Directors of City National Bancshares, the holding company of City National Bank of Florida, from January 2000 until November 2008. Mr. Gans received a B.A. in Business and a Masters in Accounting from The University of Texas at Austin in 1994. Mr. Gans serves on Hollywood Media's Audit Committee and Stock Option Committee. Mr. Gans' experience as a managing member of an investment firm that focuses on the technology, media and telecommunications industries, as well as Mr. Gans' experience as a director of City National Bancshares, makes him a valuable member of our Board.

Scott A. Gomez joined Hollywood Media in April 2003 as Vice President of Finance and Accounting, and was appointed Chief Accounting Officer in May 2005. Mr. Gomez is responsible for accounting, financial and tax matters for Hollywood Media and its subsidiaries, including cash management, preparation of financial statements, and SEC reporting. Prior to joining Hollywood Media, Mr. Gomez was a Senior Accountant for Klein & Barreto, P.A., a public accounting firm, from July of 2001 to April of 2003. During his tenure with Klein & Barreto, Mr. Gomez worked closely with Hollywood Media on various matters including taxes. Previously, Mr. Gomez was a Senior Auditor with Arthur Andersen LLP, then a public accounting firm, and held other prior positions with such firm, during the period from August of 1999 to July of 2001. Mr. Gomez graduated from the University of Florida with a Masters of Accounting degree and is a Certified Public Accountant.

Audit Committee

The Audit Committee of Hollywood Media's Board of Directors has been established in accordance with section 3(a)(58)(A) of the Securities Exchange Act of 1934, as amended. The current members of the Audit Committee are Harry T. Hoffman, Robert D. Epstein and Stephen Gans. The Board has determined that each of the current members of the Audit Committee meet the audit committee independence standards under the listing rules of the Nasdaq Stock Market. The Board has further determined that the Audit Committee meets the Nasdaq listing requirement that at least one member of the Audit Committee has such experience or background which results in the individual's financial sophistication, including being or having been a chief executive officer, chief financial officer or other senior officer with financial oversight responsibilities. During 2010, the Audit Committee held four meetings and acted three times by unanimous written consent.

We currently do not have a designated "Audit Committee Financial Expert" (as defined in Item 407 of SEC Regulation S-K) on our audit committee. Although we had discussions with several potential candidates prior to 2006 and again in 2007, we did not ultimately reach mutual interest in proceeding to nominate any candidate for election to the Board. We do not currently have any candidates under consideration, but the Board would consider candidates that our Nominating Committee deems qualified and recommends for nomination.

Code of Ethics

Hollywood Media has adopted a Code of Professional Conduct that applies to all of its officers, directors and employees. This Code of Professional Conduct is available for viewing on our internet website at http://www.hollywoodmedia.com/corporate_governance.htm under the caption "Code of Professional Conduct." Hollywood Media's internet website and any other website mentioned in this Form 10-K/A or the Form 10-K amended hereby, and the information contained or incorporated therein, are not intended to be incorporated into this Form 10-K/A or the Form 10-K amended hereby.

Section 16(a) Beneficial Ownership Reporting Compliance

Section 16(a) of the Securities Exchange Act of 1934 requires Hollywood Media's directors, executive officers, and persons who own more than 10% of Hollywood Media's outstanding common stock, to file with the SEC initial reports of ownership and reports of changes in ownership of common stock. Such persons are required by SEC regulation to furnish Hollywood Media with copies of all such reports they file.

To Hollywood Media's knowledge, based solely on a review of the copies of such reports furnished to Hollywood Media or written representations that no other reports were required, all Section 16(a) filing requirements applicable to its executive officers, directors and greater-than-10% beneficial owners for the year ended December 31, 2010 have been complied with on a timely basis.

Item 11. EXECUTIVE COMPENSATION.

Summary Compensation Table

The following table summarizes the total compensation paid to or earned by each of Hollywood Media's named executive officers for each of the two fiscal years ended December 31, 2010 and 2009, respectively:

Name and Principal Position	Year	Salary	Bonus	Stock Awards	All Other Compensation	Total
Mitchell Rubenstein	2010	$ 487,378	$ 187,500(3)	$ 148,750(1)	$ 1,519,802(2)	$ 2,343,430
Chief Executive Officer	2009	$ 464,834	$ 250,000(3)	$ 106,250(4)	$ 23,788(5)	$ 844,872
Laurie S. Silvers	2010	$ 426,456	$ 95,000(3)	$ 89,250(6)	$ 1,532,007(7)	$ 2,142,713
President	2009	$ 406,730	$ 100,000(3)	$ 63,750(8)	$ 33,817(9)	$ 604,297
Scott Gomez	2010	$ 292,308	$ 225,000(10)	-	$ 31,423(11)	$ 549,731
Chief Accounting Officer	2009	$ 355,336	$ 321,473(12)	-	$ 26,566(13)	$ 703,375

(1) Stock awards include the vesting during the 2010 fiscal year of 145,833 shares of restricted common stock originally granted in December 2008, valued in accordance with FASB ASC Topic 718 at $148,750 based on the $1.02 closing market price per share on the date of grant. All assumptions made in this valuation are provided in Note (3) and other Notes to the Consolidated Financial Statements included in Item 8 of Hollywood Media's 2010 Form 10-K filed with the SEC. Upon the consummation of the Broadway Sale (which occurred on December 15, 2010), all of the unvested restricted shares of Hollywood Media common stock granted to Mitchell Rubenstein pursuant to Hollywood Media's 2004 Stock Incentive Plan immediately vested and thus were no longer restricted shares.

(2) Represents (a) a partial payment of an automobile allowance of $7,800 payable in accordance with the terms of the executive's employment agreement, (b) $12,002 in medical, dental and disability insurance premiums, provided in accordance with the terms of the executive's employment agreement, and (c) a $1,500,000 change of control payment payable in accordance with the terms of the executive's employment agreement upon consummation of the Broadway Sale, of which $750,000 was paid on December 23, 2010 and $750,000 was paid on January 4, 2011.

(3) Represents a bonus in recognition of Hollywood Media's overall good financial performance during the applicable year.

(4) Stock awards include the vesting during the 2009 fiscal year of 104,167 shares of restricted common stock originally granted in December 2008, valued in accordance with FASB ASC Topic 718 at $106,250 based on the $1.02 closing market price per share on the date of grant. All assumptions made in this valuation are provided in Note (3) and other Notes to the Consolidated Financial Statements included in Item 8 of Hollywood Media's 2009 Form 10-K filed with the SEC. Upon the consummation of the Broadway Sale (which occurred on December 15, 2010), all of the unvested restricted shares of Hollywood Media common stock granted to Mitchell Rubenstein pursuant to Hollywood Media's 2004 Stock Incentive Plan immediately vested and thus were no longer restricted shares.

(5) Represents (a) a matching contribution under Hollywood Media's 401(k) plan of $6,223, consisting of 4,445 shares of common stock of Hollywood Media valued using the $1.40 closing market price per share as of the last trading day of 2009, (b) an automobile allowance of $7,800 payable in accordance with the terms of the executive's employment agreement, and (c) $9,765 in medical, dental and disability insurance premiums, provided in accordance with the terms of the executive's employment agreement.

(6) Stock awards include the vesting during the 2010 fiscal year of 87,500 shares of restricted common stock originally granted in December 2008, valued in accordance with FASB ASC Topic 718 at $89,250 based on the $1.02 closing market price per share on the date of grant. All assumptions made in this valuation are provided in Note (3) and other Notes to the Consolidated Financial Statements included in Item 8 of Hollywood Media's 2010 Form 10-K filed with the SEC. Upon the consummation of the Broadway Sale (which occurred on December 15, 2010), all of the unvested restricted shares of Hollywood Media common stock granted to Laurie Silvers pursuant to Hollywood Media's 2004 Stock Incentive Plan immediately vested and thus were no longer restricted shares.

(7) Represents (a) an automobile allowance of $7,800 payable in accordance with the terms of the executive's employment agreement, (b) $24,207 in medical, dental and disability insurance premiums, provided in accordance with the terms of the executive's employment agreement, and (c) a $1,500,000 change of control payment payable in accordance with the terms of the executive's employment agreement upon consummation of the Broadway Sale, , of which $750,000 was paid on December 23, 2010 and $750,000 was paid on January 4, 2011.

(8) Stock awards include the vesting during the 2009 fiscal year of 62,500 shares of restricted common stock originally granted in December 2008, valued in accordance with FASB ASC Topic 718 at $63,750 based on the $1.02 closing market price per share on the date of grant. All assumptions made in this valuation are provided in Note (3) and other Notes to the Consolidated Financial Statements included in Item 8 of Hollywood Media's 2009 Form 10-K filed with the SEC. Upon the consummation of the Broadway Sale (which occurred on December 15, 2010), all of the unvested restricted shares of Hollywood Media common stock granted to Laurie Silvers pursuant to Hollywood Media's 2004 Stock Incentive Plan immediately vested and thus were no longer restricted shares.

(9) Represents (a) a matching contribution under Hollywood Media's 401(k) plan of $6,205, consisting of 4,432 shares of common stock of Hollywood Media valued using the closing market price per share as of the last trading day of 2009, (b) an automobile allowance of $7,800 payable in accordance with the terms of the executive's employment agreement, and (c) $19,812 in medical, dental and disability insurance premiums, provided in accordance with the terms of the executive's employment agreement.

(10) Bonus includes (a) a cash bonus of $25,000 payable in accordance with the terms of the executive's employment agreement and (b) a cash bonus of $200,000 to retain the executive's services.

(11) Represents (a) a matching contribution under Hollywood Media's 401(k) plan of $8,250 and (b) $23,173 in medical, dental and disability insurance premiums, provided in accordance with the terms of the executive's employment agreement.

(12) Bonus includes (a) a cash bonus of $25,000 payable in accordance with the terms of the executive's employment agreement and (b) a cash bonus of $296,473, representing 50% of the Change of Control Payment payable in accordance with the terms of the executive's employment agreement. For additional information about the Change of Control Payment, see "Employment Agreements with Named Executive Officers" below.

(13) Represents (a) a matching contribution under Hollywood Media's 401(k) plan of $8,250, consisting of 5,893 shares of common stock of Hollywood Media valued using the closing market price per share as of the last trading day of 2009, and (b) $18,316 in medical, dental and disability insurance premiums, provided in accordance with the terms of the executive's employment agreement.

Employment Agreements with Named Executive Officers

Employment Agreements with Chief Executive Officer and President. In 1993, Hollywood Media entered into employment agreements with each of Mitchell Rubenstein, to serve as Chairman and Chief Executive Officer, and Laurie S. Silvers, to serve as Vice Chairman and President. The current terms of these agreements, as amended, are described below. These agreements were amended and restated in December 2008, and were amended further in connection with the sale of Hollywood Media's Broadway Ticketing Division that was announced on December 22, 2009 and completed on December 15, 2010 (which amendments are described further below).

In deciding to renew the contracts of Mr. Rubenstein and Ms. Silvers in December 2008, the Compensation Committee considered the compensation study received from Pearl Meyer & Partners, LLC in November 2008 and, among other things, the qualifications and performance of Mr. Rubenstein and Ms. Silvers, the value of their institutional knowledge, the Company's revenues, results, transactions and operations, the need for experienced management in a recession economy as well as management's positioning of the Company in advance of the recession with significant cash on hand and, most importantly, given the credit crisis, no long-term debt, the exercise of conservative inventory management in the Company's Broadway Ticketing business, the dividends received from MovieTickets.com in the second quarter of 2008 and expected in the first quarter of 2009 (which was subsequently received), significant cost-cutting implemented by management in 2008, and the Company's return of cash to shareholders through the Company's stock repurchase plan.

Pursuant to the amended and restated employment agreements dated December 2008, the terms of both agreements were extended through December 31, 2010. The terms of each of the employment agreements are automatically extended for successive one-year terms unless Hollywood Media or the executive officer gives written notice to the other at least 90 days prior to the then-scheduled expiration date. Each of the employment agreements provides for an annual salary (subject to automatic cost-of-living increases based on changes in the consumer price index), additional cash bonuses as determined by the Compensation Committee or the Board of Directors from time to time at their discretion, and an automobile allowance of $650 per month. Under the amended and restated employment agreements dated December 2008, the annual salary rates were $487,378 for Mr. Rubenstein and $426,456 for Ms. Silvers.

December 2009 Amendments. In connection with the sale of Hollywood Media's Broadway Ticketing Division (the "Broadway Sale") that was announced on December 22, 2009 and completed on December 15, 2010 (which reduced the revenues of Hollywood Media), the Compensation Committee and the independent directors of Hollywood Media's board of directors desired to reduce Hollywood Media's fixed executive compensation while at the same time (a) retaining the services of Mr. Rubenstein and Ms. Silvers, each of whom Hollywood Media's independent directors felt were key to Hollywood Media's future success, and (b) providing an ongoing incentive to Mr. Rubenstein and Ms. Silvers that aligned their interests with the shareholders of Hollywood Media. As described below, the Compensation Committee (working closely with the independent directors of Hollywood Media's board of directors) negotiated amendments to the employment agreements of Mr. Rubenstein and Ms. Silvers.

On December 23, 2009, (i) Hollywood Media and Mitchell Rubenstein entered into an amendment to the amended and restated employment agreement of Mr. Rubenstein, and (ii) Hollywood Media and Laurie S. Silvers entered into an amendment to the amended and restated employment agreement of Ms. Silvers. Pursuant to these amendments, the executives continued to be employed by Hollywood Media for the same salary and benefits as set forth in the employment agreements dated December 2008 until the 90th day following the consummation of the Broadway Sale (which 90th day was March 15, 2011). After March 15, 2011, the executives will be employed by Hollywood Media until such employment is terminated by either Hollywood Media or the executives (such period, the "Extension Term").

During the Extension Term, Mr. Rubenstein and Ms. Silvers no longer receive fixed base salaries from Hollywood Media (other than a nominal payment of $1 per year), and each instead receives compensation for his or her services to Hollywood Media in amounts equal to five percent (5%) of the sum of (i) any distributions and other proceeds Hollywood Media received or receives after December 23, 2009 (the effective date of the amendments) in respect of its ownership interest in MovieTickets.com, Inc. and (ii) certain other amounts that may be received by Hollywood Media from MovieTickets.com, Inc. (collectively, the "5% Distribution"). Pursuant to the 5% Distribution, upon a sale of Hollywood Media's interest in MovieTickets.com, Inc., Mr. Rubenstein and Ms. Silvers would each receive 5% of the proceeds received by Hollywood Media in such sale.

In the event that during the Extension Term Hollywood Media enters into any additional businesses other than its existing businesses, then Hollywood Media will consider in good faith increasing each of the executive's compensation during the Extension Term to reflect the additional service to be provided by the executive to Hollywood Media in connection with such additional businesses.

The consummation of the Broadway Sale constituted a "change of control" under the amended employment agreements (and would have constituted a "change of control" under the employment agreements dated December 2008). Mr. Rubenstein and Ms. Silvers agreed pursuant to the amended employment agreements that in connection with the Broadway Sale, $812,501 of the amount Mr. Rubenstein was entitled to receive and $332,189 of the amount Ms. Silvers was entitled to receive upon a change of control was deferred and will be paid in accordance with the amended employment agreements. As a result, Mr. Rubenstein and Ms. Silvers each was entitled to receive a reduced change of control payment equal to $1.5 million upon the consummation of the Broadway Sale.

If Mr. Rubenstein and/or Ms. Silvers, as applicable, continue to be employed by Hollywood Media on the first anniversary of the consummation of the Broadway Sale (December 15, 2011) (or if such employment is terminated on or before such date by Hollywood Media without "cause" or by Mr. Rubenstein and/or Ms. Silvers, as applicable, for "good reason"), then, regardless of whether Mr. Rubenstein or Ms. Silvers continues to provide services to Hollywood Media after the first anniversary of the consummation of the Broadway Sale, one-half of the deferred change of control payments will be paid to Mr. Rubenstein and/or Ms. Silvers, as applicable, upon the receipt by Hollywood Media of payments on the promissory note issued to Hollywood Media in connection with the Broadway Sale, on a pro rata basis, and one-half of such payments will be paid to Mr. Rubenstein and/or Ms. Silvers, as applicable, upon the receipt by Hollywood Media of payments under the first $7 million tranche of the earnout pursuant to the Broadway Sale, on a pro rata basis, according to the following schedule:

- Mr. Rubenstein will receive:
  - 4.76% of all payments of principal and interest received by Hollywood Media on account of the promissory note issued to Hollywood Media in connection with the Broadway Sale (for a maximum amount of $407,201), with each such payment to be made to Mr. Rubenstein within five business days of the date Hollywood Media receives payments of principal and interest on account of the promissory note issued to Hollywood Media in connection with the Broadway Sale (provided that any such amounts that would be payable during the first year following the consummation of the Broadway Sale will be set aside in a "rabbi trust"), and

- 5.79% of the first $7 million of earnout payments received by Hollywood Media pursuant to Broadway Sale (for a maximum amount of $405,300), with each such payment to be made to Mr. Rubenstein within five business days of the date Hollywood Media receives the first $7 million of earnout payments pursuant to the Broadway Sale (provided that any such amounts that would be payable during the first year following the consummation of the Broadway Sale will be set aside in a "rabbi trust").

- Ms. Silvers will receive:
  - 1.94% of all payments of principal and interest received by Hollywood Media on account of the promissory note issued to Hollywood Media in connection with the Broadway Sale (for a maximum amount of $166,989), with each such payment to be made to Ms. Silvers within five business days of the date Hollywood Media receives payments of principal and interest on account of the promissory note issued to Hollywood Media in connection with the Broadway Sale (provided that any such amounts that would be payable during the first year following the consummation of the Broadway Sale will be set aside in a "rabbi trust"), and
  - 2.36% of the first $7 million of earnout payments received by Hollywood Media pursuant to the Broadway Sale (for a maximum amount of $165,200), with each such payment to be made to Ms. Silvers within five business days of the date Hollywood Media receives the first $7 million of earnout payments pursuant to the Broadway Sale (provided that any such amounts that would be payable during the first year following the consummation of the Broadway Sale will be set aside in a "rabbi trust").

The portion of any amount that is received by Hollywood Media in respect of the promissory note issued to Hollywood Media in connection with the Broadway Sale or the earnout pursuant to the Broadway Sale before the first anniversary of the consummation of the Broadway Sale that is payable to Mr. Rubenstein or Ms. Silvers shall be set aside in a "rabbi trust" until the first anniversary of the consummation of the Broadway Sale, at which time such amount (plus an amount equal to the interest earned on obligations held by the rabbi trust in respect of such amount) shall be paid to Mr. Rubenstein or Ms. Silvers, as applicable.

If Hollywood Media does not pay any amount of the deferred change of control payments that becomes due to Mr. Rubenstein and/or Ms. Silvers, as applicable, pursuant to the schedule set forth above by the latest date on which such amount is permitted to be paid to such executive, then Mr. Rubenstein and/or Ms. Silvers, as applicable, shall provide written notice to Hollywood Media of such failure to pay, and if such payment is not made by the 30th day following the date that such written notice is provided to Hollywood Media, then the obligations of Hollywood Media to pay such executive the amount of the deferred change of control payments according to the schedule set forth above shall accelerate and become immediately due and payable in full as if Hollywood Media had received total principal payments of $8,500,000 on account of the promissory note issued to Hollywood Media in connection with the Broadway Sale and the first $7,000,000 of earnout payments pursuant to the Broadway Sale.

If Hollywood Media surrenders or otherwise transfers or modifies the promissory note issued to Hollywood Media in connection with the Broadway Sale or the earnout to be received by Hollywood Media pursuant to the Broadway Sale for any modified obligation or any other consideration, the payments from Hollywood Media to Mr. Rubenstein and Ms. Silvers for the deferred change of control payments shall be made with respect to such modified obligation or the fair market value of such other consideration.

If, during the Extension Term, the employment of either Mr. Rubenstein or Ms. Silvers is terminated by Hollywood Media other than for "cause", death, or disability, then such executive will receive (in addition to any benefits owed under a plan described in the employment agreement as in effect on the date of termination and reimbursement for expenses incurred prior to the date of termination) the amount payable to such executive following a "change of control" in a lump sum payment within five (5) business days after such termination of employment (to the extent not previously paid), without regard to whether all of the payments on account of the promissory note issued to Hollywood Media in connection with the Broadway Sale and the earnout pursuant to the Broadway Sale have been received by Hollywood Media. Additionally, if the employment of either executive is terminated (i) by reason of the death of the executive, (ii) by Hollywood Media during the Extension Term for any reason other than for "cause," or (iii) by the executive for "good reason," the right of such executive to payments of the 5% Distribution will fully vest and the 5% Distribution will continue to be paid to the executive and the executive's heirs.

If Hollywood Media fails to pay any amount that becomes due to either executive under the amended employment agreements by the latest date on which such amount is permitted under the amended employment agreements to be paid, interest will be charged with respect to the past due amount at the rate of 1.5% per month, compounded monthly, from the latest date on which such amount was permitted under the amended employment agreements to be paid, and such interest shall be paid by Hollywood Media to such executive at or before the time that the amount past due is paid.

Employment Agreement with Chief Accounting Officer. On May 19, 2005, Hollywood Media entered into an employment agreement with Scott Gomez, the Chief Accounting Officer of Hollywood Media. The term of employment originally expired on April 13, 2011 (as described below, such expiration date has been extended until June 15, 2011), unless terminated earlier, subject to automatic extensions for additional one-year periods unless any party gives notice of termination at least thirty days prior to the expiration date. Compensation under the agreement includes annual base salary of $175,000 effective as of April 14, 2005, subject to annual salary increases of $25,000, a $25,000 cash bonus within ten days of the signing of the agreement as well as annual $25,000 cash bonuses on each anniversary date of his employment with Hollywood Media, and a grant of options to purchase 25,000 shares of Hollywood Media's common stock at a price equal to the closing sale price of the common stock on the trading day immediately preceding the date of the employment agreement. The options were fully vested on the date of grant and have a five-year term.

On August 9, 2006, Hollywood Media and Mr. Gomez amended and restated the original five-year employment agreement. In addition to the terms of the original employment agreement, the amended and restated employment agreement provides that, if a "Change of Control" (which is defined in the employment agreement) occurs during the term of employment, then Mr. Gomez will be entitled to receive a cash payment equal to the salary and annual bonuses payable to Mr. Gomez under the agreement for the two year period following the date of such Change of Control (the "Change of Control Payment"), with 50% of the Change of Control Payment payable upon the date of the Change of Control and 50% of the Change of Control Payment to be paid to Mr. Gomez six months after the date of the Change of Control. As a condition to receiving the second 50% of the Change of Control Payment, Mr. Gomez is required to continue his employment during a period of at least six months following the date of the Change of Control irrespective of the length of time remaining on the term of the agreement, which was extended by Hollywood Media to one year following the date of the Change of Control in accordance with the terms of the employment agreement (the "Required Employment Period"). During the Required Employment Period, the base salary payable to Mr. Gomez in accordance with the terms of the employment agreement shall be increased by 50%. If Mr. Gomez's employment is terminated without Cause or for Good Reason during the Required Employment Period, Mr. Gomez would be entitled to receive a lump sum payment equal to (a) any unpaid portion of the Change of Control Payment plus (b) the unpaid portion of the aggregate increased base salary that would have been payable to him during the Required Employment Period if such termination had not occurred. Upon the expiration of the Required Employment Period, Mr. Gomez's employment will continue under the terms of the employment agreement without the 50% base salary increase, and he will not be entitled to any termination payments if his employment is terminated without "cause" or for "good reason".

As defined in Mr. Gomez's employment agreement, a "Change of Control" includes, among other factors, the sale of 50% or more of the stock or assets of any two of Hollywood Media's divisions known as Broadway Ticketing, Data Business or Hollywood.com. The sale of the Data Business was completed in August 2007 (comprised of the sales of the Baseline StudioSystems and Showtimes businesses in August 2006 and August 2007, respectively), and the sale of the Hollywood.com Business was completed in August 2008. Due to such sales of two of Hollywood Media's divisions, a Change of Control as defined in Mr. Gomez's employment agreement occurred on August 21, 2008, and as a result: (i) Mr. Gomez received a Change of Control Payment equal to $592,945, with 50% paid on August 21, 2008 and 50% paid on February 21, 2009; and (ii) the annual salary rate for Mr. Gomez reflected the 50% increase required during the Required Employment Period referenced above, which ended on August 20, 2009. Pursuant to the amended and restated employment agreement dated August 2006, Mr. Gomez's annual salary on December 31, 2010 was $300,000 and Mr. Gomez's annual salary on the date of this Form 10-K/A is $325,000.

As a result of the downsizing of Hollywood Media following the Broadway Sale, Hollywood Media and Mr. Gomez have mutually agreed not to renew the employment agreement of Mr. Gomez. Mr. Gomez intends to remain with Hollywood Media as its Chief Accounting Officer through Hollywood Media's filing of its Quarterly Report on Form 10-Q for the quarter ended March 31, 2011. Mr. Gomez's employment with Hollywood Media will terminate effective on or about June 15, 2011. Hollywood Media's Controller, Anna Baburam, 48, a certified public accountant who has been with Hollywood Media for the last ten years and has served as Hollywood Media's Controller since 2004, will become the Chief Accounting Officer of Hollywood Media on the date of termination of Mr. Gomez's employment, on or about June 15, 2011.

If Mr. Gomez is terminated by Hollywood Media without “cause” prior to June 15, 2011, Mr. Gomez would be entitled to continue receiving his salary and benefits for 60 days following such termination date.

For additional information about the sale of the Hollywood.com Business referenced above, see “Transactions with Related Persons” below.

Cash Bonuses

The Compensation Committee has the authority to grant cash bonus awards and may approve compensation plans or agreements to grant bonuses based on specified terms. Discretionary bonus awards vary depending on the Compensation Committee’s review and consideration of various factors including the executive officer’s contribution to Hollywood Media’s achievement of its goals.

During 2010, the Compensation Committee awarded (i) Mr. Rubenstein a cash bonus in the amount of $187,500 in recognition of Hollywood Media's overall good financial performance during 2010, (ii) Ms. Silvers a cash bonus in the amount of $95,000 in recognition of Hollywood Media's overall good financial performance during 2010, and (iii) Mr. Gomez a cash bonus of $200,000 to retain Mr. Gomez’s services. In addition, during 2010 Mr. Gomez received a $25,000 cash bonus in accordance with the terms of his employment agreement.

During 2009, the Compensation Committee awarded (i) Mr. Rubenstein a cash bonus in the amount of $250,000 in recognition of Hollywood Media’s overall good financial performance during 2009 and (ii) Ms. Silvers a cash bonus in the amount of $100,000 in recognition of Hollywood Media’s overall good financial performance during 2009. In addition, during 2009 Mr. Gomez received (i) a $25,000 cash bonus in accordance with the terms of his employment agreement and (ii) a cash bonus of $296,473, representing 50% of the Change of Control Payment payable in accordance with the terms of Mr. Gomez’s employment agreement (see “Employment Agreements with Named Executive Officers” above).

Stock Option Grants and Equity-Based Compensation

During the fiscal year ended December 31, 2010, no stock options or other equity-based compensation awards were granted to Mr. Rubenstein, Ms. Silvers or Mr. Gomez.

Other Benefits

Perquisites

Although perquisites are not a primary aspect of Hollywood Media’s executive compensation, Hollywood Media provided its named executive officers with the following perquisites during 2009 and 2010:

Automobile Allowance. The employment agreement between Hollywood Media and Mitchell Rubenstein provides that Mr. Rubenstein is entitled to an automobile allowance of $650 per month. In addition, the employment agreement between Hollywood Media and Laurie S. Silvers provides that Ms. Silvers is entitled to an automobile allowance of $650 per month.

Insurance Coverage. Hollywood Media provides the named executive officers and their dependants with medical, dental, disability and life insurance coverage at the sole expense of Hollywood Media.

401(K) Plan

On September 27, 2010, upon recommendation of Mitchell Rubenstein, CEO and Chairman of Hollywood Media Corp., the Board of Directors of Hollywood Media Corp. approved of the termination of the Company's 401(k) plan effective November 18, 2010. Hollywood Media maintained a 401(k) Plan ("the Plan") covering all employees who met certain eligibility requirements. The Plan provided that each participant may contribute up to 15% of his or her pre-tax gross compensation (not to exceed a statutorily prescribed annual limit). All amounts contributed by employee participants in conformity with Plan requirements and earnings on such contributions were fully vested at all times. The match in stock was 50% of the first 8% of the employees' compensation contributions, for those participants employed in excess of 1,000 hours during the year and employed on the last day of the year. The match of $148,404 was paid in cash to the Plan for the year ended December 31, 2010 during the fourth quarter. The match paid for the year ended December 31, 2009 was 101,189 shares of Hollywood Media common stock, valued at $141,664, respectively, at a share price of $1.40 paid in the first quarter of fiscal 2010. The Plan had investments in Company stock of 303,270 shares valued at a share price of $1.64 or $497,363 and 439,874 shares valued at a share price of $1.40 or $615,824, as of December 31, 2010 and 2009, respectively. The Plan assets remaining as of December 31, 2010 represent employee, or former employee, investments pending transfer or distribution.

Outstanding Equity Awards at 2010 Fiscal Year-End

As of December 31, 2010, there were no unexercised options, unvested stock awards or equity incentive plan awards outstanding. Upon the consummation of the Broadway Sale (which occurred on December 15, 2010), all of the unvested restricted shares of Hollywood Media common stock granted to Mitchell Rubenstein, our Chairman and Chief Executive Officer, and Laurie S. Silvers, our Vice-Chairman, President and Secretary, pursuant to Hollywood Media's 2004 Stock Incentive Plan immediately vested and thus were no longer restricted shares.

Plans Providing for Payment of Retirement Benefits

Hollywood Media does not provide pension arrangements or post-retirement health coverage for its executives or employees. For a discussion of Hollywood Media's 401(K) Plan, please see "Other Benefits- 401(K) Plan" above.

Agreements Providing Potential Payments Upon Termination or Change-in-Control

See "Employment Agreements with Named Executive Officers" above for a description of agreements that provide payments to a named executive officer at, following, or in connection with the resignation, retirement or other termination of a named executive officer, or a change in control of Hollywood Media or a change in the a named executive officer's responsibilities following a change in control.

Director Compensation

The following table sets forth information regarding the compensation received by each of Hollywood Media's Directors during 2010:

Name	Fees Earned or Paid in Cash	Stock Awards	Option Awards (4)	Non-Equity Incentive Plan Compensation	Non-Qualified Deferred Compensation Earnings	All Other Compensation	Total
Mitchell Rubenstein, Chairman(1)	-	-	-	-	-	-	-
Laurie S. Silvers, Vice Chairman(1)	-	-	-	-	-	-	-
Harry T. Hoffman	$ 61,500	-	-	-	-	-	$ 61,500
Robert D. Epstein	$ 35,500	-	-	-	-	-	$ 35,500
Spencer Waxman(2)	$ 14,000	-	-	-	-	-	$ 14,000
Stephen Gans(3)	$ 33,500	-	-	-	-	-	$ 33,500

(1) Ms. Silvers and Mr. Rubenstein are executive officers and employees of Hollywood Media, and their compensation is reported separately above in this "Executive Compensation" portion of this Form 10-K/A, prior to this "Director Compensation" discussion.

(2) On June 30, 2010, Spencer Waxman resigned from the Board of Directors of Hollywood Media Corp. for personal reasons, effective immediately. Mr. Waxman's resignation was not the result of any disagreement with the Hollywood Media known to an executive officer of Hollywood Media on any matter relating to Hollywood Media's operations, policies, or practices.

(3) Mr. Gans first became a Director upon his election to the Board of Directors at Hollywood Media's Annual Meeting of Shareholders held on December 21, 2009.

(4) The table below shows the aggregate number of shares subject to all outstanding stock options held by the named directors as of December 31, 2010 all of which options were granted under the Directors Stock Option Plan for non-employee directors (described below).

Name	Total Options Held at 12/31/2010 (# of shares)
Harry T. Hoffman	65,435
Robert D. Epstein	15,000

* Robert McAllan was a member of the Board until the expiration of his term as a Director on December 21, 2009. During the fiscal year ended December 31, 2010, Mr. McAllen received $500 as compensation for his services as a Director during 2009.

Retainer and Meeting Fees

Directors of Hollywood Media who are neither employees nor consultants ("non-employee directors") are compensated at the rate of $2,500 for each meeting of the Board of Directors attended in person, $500 for each meeting of the Board attended by telephone, and $500 for each committee meeting attended. Directors are reimbursed for travel and lodging expenses in connection with their attendance at meetings. In addition, commencing January 1, 2008, non-employee directors are paid $25,000 per year of service on the Board, and the chairman of any committee of the Board is paid an additional $25,000 per year of service as chairman. The current Chairman of the Compensation Committee is Harry Hoffman.

Directors Stock Option Plan

Hollywood Media's shareholder-approved Directors Stock Option Plan (the "Directors Plan") was initially adopted in 1993, was subsequently amended, and has been approved by Hollywood Media's shareholders. No stock options may be granted under the Directors Plan after July 1, 2008. The Directors Plan continues in effect until all options granted thereunder have expired or been exercised, unless the Directors Plan is terminated at an earlier time.

The Directors Plan provides for grants of stock options, subject to availability of shares under the plan, to each non-employee director, as follows: (1) an initial grant of an option to purchase 15,000 shares of common stock at the time such person first becomes appointed to the Board, and (2) an annual grant of an option to purchase 15,000 shares of common stock on the date of each annual meeting of Hollywood Media's shareholders at which the director is reelected. In December 2007, the Board of Directors elected to temporarily suspend such annual option issuances until such time that the Board determines to reserve additional shares of common stock for issuance upon exercise of options granted under the Directors Plan. During the year ended December 31, 2010, 195,689 options were cancelled, 4,819 options expired, and no options were granted or exercised under the Directors Plan.

The maximum aggregate number of shares of common stock that may be issued pursuant to options granted under the Directors Plan is 300,000, and options are currently outstanding for an aggregate of 295,943 shares.

The exercise price per share of any option granted under the Directors Plan is the "Fair Market Value" per share of common stock (based on the prevailing stock market price per share of common stock, as defined in the Directors Plan) on the date preceding the date the option is granted. These options become exercisable six months after the date of grant and expire ten years after the date of grant, subject to earlier termination upon certain conditions as provided in the plan. The Board of Directors, in its discretion, may cancel all options granted under the Directors Plan that remain unexercised on the date of consummation of certain corporate transactions described in the Directors Plan.

Item 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS.

The following table sets forth certain information regarding the beneficial ownership of the common stock of Hollywood Media as of April 26, 2011 (or other date as indicated in the footnotes below) by:

- each person or group known by Hollywood Media to beneficially own more than 5% of the outstanding shares of common stock of Hollywood Media;
- each director of Hollywood Media;
- each executive officer of Hollywood Media; and
- all of the current directors and executive officers of Hollywood Media as a group.

Name and Address of Beneficial Owner(1)	Number of Shares Beneficially Owned(2)	Percent of Class(2)
Baker Street Capital L.P.	3,447,497(3)	14.87%
CCM Master Qualified Fund, Ltd.	3,002,050(4)	12.95%
Morgan Stanley	2,425,504(5)	10.46%
Dimensional Fund Advisors, LP	1,509,961(6)	6.51%
Potomac Capital Management LLC	1,756,553(7)	7.58%
Nantahala Capital Management, LLC	1,200,712(8)	5.18%
Mitchell Rubenstein and Laurie S. Silvers	893,932(9)	3.86%
Stephen Gans	2,104,192(10)	9.08%
Harry T. Hoffman	78,435(11)	*
Scott Gomez	12,032(12)	*
Robert D. Epstein	16,000(13)	*
All directors, director nominees and executive officers of Hollywood Media as a group (6 persons)	3,104,591(14)	13.39%

* Less than 1%

(1) Except as otherwise noted in the footnotes below, the address of each beneficial owner is in care of Hollywood Media Corp., 2255 Glades Road, Suite 221-A, Boca Raton, Florida 33431.

(2) For purposes of this table, "beneficial ownership" is determined in accordance with Rule 13d-3 under the Exchange Act, pursuant to which a person's or group's ownership is deemed to include any shares of common stock that such person has the right to acquire within 60 days. For purposes of computing the percentage of outstanding shares of common stock held by each person or group of persons named above, any shares which such person or persons has the right to acquire within 60 days are deemed to be outstanding, but such shares are not deemed to be outstanding for the purpose of computing the percentage ownership of any other person. This table has been prepared based on 23,179,066 shares of Hollywood Media common stock outstanding as of April 27, 2011.

(3) Based on a Schedule 13D/A filed with the SEC on March 3, 2011, Baker Street Capital L.P., Baker Street Capital Management, LLC and Vadim Perelman beneficially own such shares. The reported business address for these holders is 12026 Wilshire Blvd., Suite 502, Los Angeles, California 90025.

(4) Based on a Schedule 13G/A filed with the SEC on February 15, 2011, CCM Master Qualified Fund, Ltd., Coghill Capital Management, L.L.C. and Clint D. Coghill have shared voting and shared dispositive power with respect to such shares. The reported business address for these holders is One North Wacker Drive, Suite 4350, Chicago, IL 60606. Does not reflect any shares that may have been sold in Hollywood Media's tender offer.

(5) Based on a Schedule 13G/A filed with the SEC on February 14, 2011, Morgan Stanley and Morgan Stanley Capital Services Inc. beneficially own such shares. The reported business address for these holders is 1585 Broadway, New York, NY 10036. Does not reflect any shares that may have been sold in Hollywood Media's tender offer.

(6) Based on a Schedule 13G/A filed with the SEC on February 11, 2011, Dimensional Fund Advisors, LP beneficially owns such shares. The reported business address for this holder is Palisades West, Building One, 6300 Bee Cave Road, Austin, Texas, 78746. Does not reflect any shares that may have been sold in Hollywood Media's tender offer.

(7) Based on a Schedule 13G filed with the SEC on August 29, 2008, Potomac Capital Management LLC, Potomac Capital Management Inc. and Paul J. Solit beneficially own such shares, which include an aggregate of 150,000 shares issuable pursuant to exercisable warrants. The reported business address for these holders is 825 Third Avenue, 33rd Floor, New York, New York 10022. Does not reflect any shares that may have been sold in Hollywood Media's tender offer.

(8) Based on a Schedule 13G filed with the SEC on March 14, 2011, Nantahala Capital Management, LLC beneficially own such shares. The reported business address for this holder is 100 First Stamford Place, 2nd Floor, Stamford, CT 06902.

(9) Represents 343,697 outstanding shares of common stock which are owned jointly by Mitchell Rubenstein and Laurie Silvers, 513,919 outstanding shares of common stock which are owned individually by Laurie S. Silvers, 18,169 outstanding shares of common stock which are held in Individual Retirement Account of Mitchell Rubenstein, and 18,147 outstanding shares of common stock which are owned individually by Laurie S. Silvers which are held in Individual Retirement Account of Laurie S. Silvers.

(10) Based on a Form 4 filed with the SEC on March 1, 2011, Mr. Gans beneficially owns such shares. The reported business address for this holder is 1680 Michigan Avenue, Suite 1001, Miami Beach, Florida 33139.

(11) Represents 13,000 outstanding shares of common stock, and 65,435 shares of common stock issuable pursuant to exercisable options, beneficially owned by Mr. Hoffman.

(12) Represents 12,032 outstanding shares of common stock held for Mr. Gomez's account in Hollywood Media's former 401(k) plan which has been terminated (such shares will be moved to Mr. Gomez's IRA)), beneficially owned by Mr. Gomez.

(13) Represents 1,000 outstanding shares of common stock, and 15,000 shares of common stock issuable pursuant to exercisable options, beneficially owned by Mr. Epstein.

(14) Represents an aggregate of 3,104,591 outstanding shares of common stock.

Securities authorized for issuance under equity compensation plans. The following table sets forth information as of December 31, 2010, regarding compensation plans under which equity securities of Hollywood Media are authorized for issuance, aggregated by "Plan category" as indicated in the table:

EQUITY COMPENSATION PLAN INFORMATION

	AS OF DECEMBER 31, 2010		
	Number of securities to be issued upon exercise of outstanding options, warrants and rights	Weighted average exercise price per share of outstanding options, warrants and rights	Number of securities remaining available for future issuance under equity compensation plans (1)
	(a)	(b)	(c)
Plan Category:			
Equity compensation plans approved by security holders(2)	95,435	$3.69	487,261
Equity compensation plans not approved by security holders(3)	--	$--	--
Total	95,435		487,261

(1) Excluding securities reflected in column "(a)."

(2) Hollywood Media has four shareholder-approved equity compensation plans: the 2004 Stock Incentive Plan, 2000 Stock Incentive Plan, 1993 Stock Option Plan, and the Directors Stock Option Plan. No additional grants of stock options may be made under the 1993 Stock Option Plan, the Directors Stock Option Plan, or the 2000 Stock Incentive Plan because the periods for granting options under such plans expired in July 2003, July 2008, and December 2009, respectively. In addition to stock options, the 2004 Stock Incentive Plan permits the granting of stock awards and other forms of equity compensation and, as of December 31, 2010, the number of shares available for granting additional awards under the 2004 Stock Incentive Plan was 487,261 shares. Additional information about such plans and awards is provided in Note (3) and other Notes to the Consolidated Financial Statements included in Item 8 of Hollywood Media's 2010 Form 10-K filed with the SEC.

(3) Equity compensation not approved by security holders consists primarily of warrants or other equity purchase rights granted to non-employees of Hollywood Media. Additional information about such equity compensation is provided in Note (3) and other Notes to the Consolidated Financial Statements included in Item 8 of Hollywood Media's 2010 Form 10-K filed with the SEC.

Item 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS, AND DIRECTOR INDEPENDENCE.

Transactions with Related Persons

Scott Gomez has been an executive officer of Hollywood Media since April 2003. Hollywood Media employed his father, Jose Gomez, from December 2000 through April 2010 in information systems and business development positions, not as an executive officer. Total 2009 cash compensation (salary and bonus) of Jose Gomez was $175,313 and total 2010 cash compensation (salary and bonus) of Jose Gomez was $ 63,462.

Sale of Hollywood.com Business Unit to R&S Investments LLC

On August 21, 2008, Hollywood Media entered into a definitive purchase agreement with R&S Investments, LLC, an entity wholly-owned by Mitchell Rubenstein, Hollywood Media's Chief Executive Officer and Chairperson of the Board, and Laurie S. Silvers, Hollywood Media's President and Vice-Chairperson of the Board. Pursuant to the purchase agreement, R&S Investments acquired Hollywood Media's subsidiaries Hollywood.com, Inc. and Totally Hollywood TV, LLC (collectively, the "Hollywood.com Business") for a potential purchase price of $10.0 million, which includes $1.0 million in cash that was paid to Hollywood Media at closing and potential earn-out payments of up to $9.0 million. During fiscal 2009, Hollywood Media recorded $0.7 million in earn-out income under this agreement. As of December 31, 2009, $8.3 million remained to be earned pursuant to this agreement. During fiscal 2010, Hollywood Media recorded $0.7 million in earn-out income under this agreement. As of December 31, 2010, $7.6 million remained to be earned pursuant to this agreement. The Hollywood.com Business included: (i) Hollywood Media's Hollywood.com, Inc. subsidiary, which owned the Hollywood.com website and related URLs and celebrity fan websites. Hollywood.com features in-depth movie information including movie showtimes listings, celebrity biographical data, and celebrity photos primarily obtained by Hollywood.com through licenses with third party licensors which are made available on the Hollywood.com website and mobile platform. Hollywood.com also has celebrity fan sites and a library of feature stories and interviews which incorporate photos and multimedia videos taken at entertainment events including movie premiers and award shows; and (ii) Hollywood Media's Totally Hollywood TV, LLC subsidiary, which owned Hollywood.com Television, a free video on demand service distributed pursuant to annual affiliation agreements with certain cable operators for the distribution of movie trailers to subscribers of those cable systems. The purchase price was determined by an arms-length negotiation between a Special Committee of independent and disinterested directors of Hollywood Media on the one hand and R&S Investments on the other hand.

Commencing October 1, 2009, R&S Investments is contractually obligated to make periodic earn-out payments equal to the greater of (i) 10 percent of collected gross revenue and (ii) 90 percent of EBITDA (as defined in the purchase agreement) for the Hollywood.com Business until the full earn-out is paid. If a change of control of Hollywood.com occurs before the earn-out is fully paid, the remaining portion of the earn-out would be payable immediately upon such a change of control, up to the amount of consideration received by R&S Investments less related expenses. If the consideration in such a change of control is less than the remaining balance of the earn-out, then the surviving entity which owns the Hollywood.com Business will be obligated to pay the difference in accordance with the same earn-out terms. In addition, if the Hollywood.com Business is resold prior to August 21, 2011, Hollywood Media will also receive 5 percent of any proceeds above $10.0 million. Pursuant to the purchase agreement, Hollywood Media was required to place $2.6 million into an escrow account to fund any negative EBITDA of the Hollywood.com Business through August 21, 2010. There was $2.6 million disbursed to the Hollywood.com Business through September 30, 2009, representing the entire balance of the escrow.

In connection with the transaction, Hollywood Media and the Hollywood.com Business entered into an agreement to provide certain temporary administrative services, which Hollywood Media did solely to provide for an efficient and orderly transition. Hollywood Media was reimbursed by the Hollywood.com Business for out of pocket costs and incremental expenses incurred in providing services under such agreement, including, but not limited to, payments of any pro rata portions of any applicable employee salaries and benefits. The term of such agreement was through November 21, 2009, but Hollywood Media substantially completed the transfer of all functions covered by such agreement by December 31, 2008.

Director Independence

Hollywood Media's Board of Directors consists of five directors. The Board has determined that a majority of the current members of the Board (Harry T. Hoffman, Robert D. Epstein and Stephen Gans) are independent directors of Hollywood Media as defined under the Securities Exchange Act of 1934 and rules thereunder and under the listing rules of the Nasdaq Stock Market. Spencer Waxman was a member of Hollywood Media's Board of Directors until June 30, 2010. While Mr. Waxman was a member of the Board, he was determined to be an independent director of Hollywood Media as defined under the Securities Exchange Act of 1934 and rules thereunder and under the listing rules of the Nasdaq Stock Market. In making these determinations, the Board concluded that none of these independent Board members had or has a relationship which, in the opinion of the Board, would interfere with the exercise of independent judgment in carrying out the responsibilities of a director.

Item 14. PRINCIPAL ACCOUNTING FEES AND SERVICES.

Independent Registered Public Accounting Firm's Fees and Services

The following table shows fees billed to Hollywood Media by its independent registered public accounting firm, Kaufman Rossin & Co., P.A., for each of the two fiscal years ended December 31, 2010 and 2009, respectively, for services rendered in the specified categories indicated below.

Type of Fees	2010	2009
Audit Fees	$ 450,000	$ 467,567
Audit-Related Fees	36,252	98,782
Tax Fees	--	--
All Other Fees	--	2,460
Total	$ 486,252	$ 568,809

The fee types referenced in the above table are defined as follows:

"**Audit Fees**" are aggregate fees billed by Hollywood Media's principal auditing firm for professional services for the audit of Hollywood Media's consolidated financial statements included in its Form 10-K, for the audit of management's report on its assessment of the effectiveness of Hollywood Media's internal controls over financial reporting included in its Form 10-K, for review of financial statements included in its Forms 10-Q, or for services that are normally provided by the accountant in connection with statutory and regulatory filings or engagements.

"**Audit-Related Fees**" are fees billed by Hollywood Media's principal auditing firm for assurance and related services that are reasonably related to the performance of the audit or review of Hollywood Media's financial statements. Such services include principally services associated with reports related to regulatory filings, and general accounting and reporting advice.

"**Tax Fees**" are fees billed by Hollywood Media's principal auditing firm for professional services for tax compliance, tax advice, and tax planning.

"**All Other Fees**" are fees billed by Hollywood Media's principal auditing firm for any services not included in the forgoing fee categories.

Audit Committee Pre-Approval Policies and Procedures

SEC rules require that audit services and permitted non-audit services provided by our principal auditing firm be pre-approved by our Audit Committee. Such rules permit such pre-approval to be given either through explicit approval by the Audit Committee on a case-by-case basis, or pursuant to pre-approval policies and procedures as may be established by the Audit Committee from time to time.

For each of the two fiscal years ended December 31, 2010 and 2009, respectively, and through the date of this Form 10-K/A, the Audit Committee has not adopted pre-approval policies covering such periods or future periods. Accordingly, any services provided by our principal auditing firm during the period January 1, 2009 through the date of this Form 10-K/A were approved by the Audit Committee on a case-by-case basis. However, in the future the Audit Committee may adopt pre-approval policies and procedures in accordance with applicable rules.

PART IV

Item 15. <u>EXHIBITS AND FINANCIAL STATEMENT SCHEDULES.</u>

(a) The following documents are filed as a part of this Annual Report on Form 10-K:

1. Financial Statements

The following financial statements are included in Part II, Item 8 of this Annual Report on Form 10-K:

- Report of Independent Registered Public Accounting Firm*
- Consolidated Balance Sheets as of December 31, 2010 and December 31, 2009*
- Consolidated Statements of Operations for the Years Ended December 31, 2010, 2009 and 2008*
- Consolidated Statements of Shareholders' Equity for the Years Ended December 31, 2010, 2009 and 2008*
- Consolidated Statements of Cash Flows for the Years Ended December 31, 2010, 2009 and 2008*
- Notes to Consolidated Financial Statements*

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*Previously filed as an exhibit to the Annual Report on Form 10-K filed with the SEC on April 14, 2011 which is being amended hereby.

2. Financial Statement Schedules

Financial statement schedules are omitted because they are not required or are not applicable, or the required information is provided in the consolidated financial statements or notes thereto described in Item 15(a)(1) above.

3. Exhibits

The Exhibits listed below are filed as part of this Annual Report on Form 10-K.

Exhibit No.	Description	Location of Exhibit
2.1	Stock Purchase Agreement dated as of December 22, 2009, by and between Hollywood Media Corp. and Key Brand Entertainment Inc.	(25)
3.1	Third Amended and Restated Articles of Incorporation.	(1)
3.2	Articles of Amendment to Articles of Incorporation of Hollywood Media Corp. for Designation of Preferences, Rights and Limitations of Series E Junior Preferred Stock.	(2)
3.3	Amended and Restated Bylaws of Hollywood Media Corp., dated as of September 1, 2006.	(3)
4.1	Form of Common Stock Certificate.	(4)
4.2	Amended and Restated Rights Agreement dated as of August 23, 1996 between Hollywood Media Corp. (f/k/a Big Entertainment, Inc.) and American Stock Transfer & Trust Company, as Rights Agent.	(5)
4.3	Amendment No. 1, dated as of December 9, 2002, to Amended and Restated Rights Amendment dated as of August 23, 1996 between Hollywood Media Corp. and American Stock Transfer & Trust Company.	(6)
4.4	Amendment No. 2, dated as of September 1, 2006, to the Amended and Restated Rights Agreement dated as of August 23, 1996, as amended December 9, 2002, between Hollywood Media Corp. and American Stock Transfer & Trust Company.	(3)
4.5	Amendment No. 3, dated as of January 13, 2011, to the Amended and Restated Rights Agreement dated as of August 23, 1996, as amended by Amendment No. 1 dated as of December 9, 2002 and Amendment No. 2 dated as of September 1, 2006, between Hollywood Media Corp. and American Stock Transfer & Trust Company	(27)
10.1	Compensatory Plans, Contracts and Arrangements:	
	(a) 1993 Stock Option Plan, as amended effective October 1, 1999.	(7)
	(b) Directors Stock Option Plan, as amended effective May 1, 2003.	(8)
	(c) 2000 Stock Incentive Plan, as amended October 30, 2003.	(9)
	(d) 2004 Stock Incentive Plan.	(10)
	(e) Hollywood Media Corp. 401(k) Retirement Savings Plan, dated as of September 16, 2004 (the "Plan"); Amendment to the Plan, dated as of September 16, 2004; related Volume Submitter (Cross-Tested Defined Contribution Plan and Trust); EGTRRA Amendment to the Plan and Post-EGTRRA Amendment to the Plan, dated as of September 16, 2004.	(11)
	(f) Amendment to Hollywood Media Corp. 401(k) Retirement Savings Plan, dated June 16, 2005.	(12)
	(g) Amended and Restated Employment Agreement, dated as of December 22, 2008, by and between Hollywood Media Corp. and Mitchell Rubenstein.	(13)

	(h) Amended and Restated Employment Agreement, dated as of December 22, 2008, by and between Hollywood Media Corp. and Laurie S. Silvers.	(13)
	(i) Amended and Restated Employment Agreement, dated as of August 9, 2006, by and between Hollywood Media Corp. and Scott Gomez.	(14)
	(j) Amendment to Amended and Restated Employment Agreement, dated as of December 23, 2009, by and between Hollywood Media Corp. and Mitchell Rubenstein.	(23)
	(k) Amendment to Amended and Restated Employment Agreement, dated as of December 23, 2009, by and between Hollywood Media Corp. and Laurie S. Silvers.	(23)
10.2	Amended and Restated Partnership Agreement dated as of November 21, 2002 between Hollywood Media Corp. and Dr. Martin H. Greenberg.	(15)
10.3	Agreement for the Sale and Purchase of UK Theatres Online Limited and other Companies, dated November 22, 2005, by and among Cinemasource UK Limited, Jeffrey Spector and the other shareholders party thereto.	(16)
10.4	Agreement for the Sale and Purchase of CinemasOnline Limited, dated November 22, 2005, by and between Mitchell Clifford Cartwright and Cinemasource UK Limited.	(16)
10.5	Note Purchase Agreement, dated as of November 22, 2005, by and among Hollywood Media Corp. and each of the Purchasers, including the forms of Notes and Warrants issued to the Purchasers and the form of registration rights agreement.	(16)
10.6	Registration Rights Agreement dated November 23, 2005 by and among Hollywood Media Corp. and the investors signatory thereto.	(17)
10.7	Letter agreements dated March 15, 2006, by and between Hollywood Media Corp. and each of the holders of its 8% Senior Unsecured Notes dated November 23, 2005.	(18)
10.8	Form of Common Stock Purchase Warrants dated March 15, 2006, issued to the Holders of Hollywood Media Corp.'s 8% Senior Unsecured Notes dated November 23, 2005.	(18)
10.9	Stock Purchase Agreement, dated as of August 25, 2006, by and between The New York Times Company and Hollywood Media Corp.	(19)
10.10	Asset Purchase Agreement, dated as of February 1, 2007, by and among Theatre Direct NY, Inc., Showtix LLC and each of the members of Showtix LLC.	(20)
10.11	Asset Purchase Agreement, dated as of August 24, 2007, by and among Hollywood Media Corp., Showtimes.com, Inc. Brett West and West World Media, LLC.	(21)
10.12	Purchase Agreement dated as of August 21, 2008, between Hollywood Media Corp. and R&S Investments, LLC.	(22)

10.13	Transition Services Agreement dated as of August 21, 2008 between Hollywood Media Corp., Hollywood.com, LLC and Totally Hollywood TV, LLC.	(22)
10.14	Amendment to Purchase Agreement dated September 30, 2009 between Hollywood Media Corp. and R&S Investments, LLC.	(24)
10.15	Escrow Agreement, dated as of December 22, 2009, by and between Hollywood Media Corp., Key Brand Entertainment Inc. and The Bank of New York Mellon.	(23)
10.16	Second Lien Credit, Security and Pledge Agreement, dated as of December 15, 2010, by and among Key Brand Entertainment Inc., Theatre Direct NY, Inc. and Hollywood Media Corp.	(26)
10.17	Subordination and Intercreditor Agreement, dated as of December 15, 2010, by and among JPMorgan Chase Bank, N.A., Hollywood Media Corp. and Key Brand Entertainment Inc.	(26)
10.18	Warrant to Purchase Shares of Common Stock of Theatre Direct NY, Inc. dated December 15, 2010	(26)
10.19	Agreement, dated as of October 7, 2010, among Hollywood Media Corp. and Baker Street Capital L.P., Baker Street Capital Management, LLC and Vadim Perelman	(27)
10.20	Indemnification Agreement, dated as of February 2, 2011, between Hollywood Media Corp. and R&S Investments, LLC	*
21.1	Subsidiaries of Hollywood Media.	*
23.1	Consent of Kaufman, Rossin & Co., P.A. Independent Registered Public Accounting Firm.	*
31.1	Certification of Chief Executive Officer (principal executive officer) pursuant to Rule 13a-14(a) or 15d-14(a) of the Securities Exchange Act of 1934, as amended.	*
31.2	Certification of Chief Accounting Officer (principal financial and accounting officer) pursuant to Rule 13a-14(a) or 15d-14(a) of the Securities Exchange Act of 1934, as amended.	*
31.3	Certification of Chief Executive Officer (principal executive officer) pursuant to Rule 13a-14(a) or 15d-14(a) of the Securities Exchange Act of 1934, as amended.	**
31.4	Certification of Chief Accounting Officer (principal financial and accounting officer) pursuant to Rule 13a-14(a) or 15d-14(a) of the Securities Exchange Act of 1934, as amended.	**
32.1	Certification of Chief Executive Officer (principal executive officer) pursuant to 18 U.S.C. 1350.	*
32.2	Certification of Chief Accounting Officer (principal financial and accounting officer) pursuant to 18 U.S.C. 1350.	*

* Previously filed as an exhibit to the Annual Report on Form 10-K filed with the SEC on April 14, 2011 which is being amended hereby.

** Filed herewith as an exhibit to this Form 10-K/A Amendment No. 1 to Form 10-K.

(1) Incorporated by reference from the exhibit filed with Hollywood Media's Annual Report on Form 10-K for the year ended December 31, 2000.

(2) Incorporated by reference from the exhibit filed with Hollywood Media's Quarterly Report on Form 10-Q for the quarter ended September 30, 2004.

(3) Incorporated by reference from the exhibit filed with Hollywood Media's Current Report on Form 8-K filed on September 5, 2006.

(4) Incorporated by reference from the exhibit filed with Hollywood Media's Registration Statement on Form SB-2 (No. 33-69294).

(5) Incorporated by reference from the exhibit filed with Hollywood Media's Current Report on Form 8-K filed on October 20, 1999.

(6) Incorporated by reference from the exhibit filed with Hollywood Media's Current Report on Form 8-K filed on December 10, 2002.

(7) Incorporated by reference from the exhibit filed with Hollywood Media's Annual Report on Form 10-K for the year ended December 31, 1999.

(8) Incorporated by reference from Appendix B to Hollywood Media's Proxy Statement filed on November 13, 2003 for its 2003 Annual Meeting of Shareholders.

(9) Incorporated by reference from Appendix C to Hollywood Media's Proxy Statement filed on November 13, 2003 for its 2003 Annual Meeting of Shareholders.

(10) Incorporated by reference from Appendix B to Hollywood Media's Proxy Statement filed on November 4, 2004 for its 2004 Annual Meeting of Shareholders.

(11) Incorporated by reference from the exhibits filed with Hollywood Media's Current Report on Form 8-K filed on September 17, 2004.

(12) Incorporated by reference from the exhibit filed with Hollywood Media's Quarterly Report on Form 10-Q for the quarter ended June 30, 2005.

(13) Incorporated by reference from the exhibit filed with Hollywood Media's Current Report on Form 8-K filed on December 22, 2008.

(14) Incorporated by reference from the exhibit filed with Hollywood Media's Quarterly Report on Form10-Q for the quarter ended June 30, 2006.

(15) Incorporated by reference from the exhibit filed with Hollywood Media's Annual Report on Form 10-K for the year ended December 31, 2002.

(16) Incorporated by reference from the exhibits filed with Hollywood Media's Current Report on Form 8-K filed on November 28, 2005.

(17) Incorporated by reference from the exhibit filed with Hollywood Media's Registration Statement on Form S-3 (No. 333-130903).

(18) Incorporated by reference from the exhibits filed with Hollywood Media's Current Report on Form 8-K filed on March 16, 2006.

(19) Incorporated by reference from the exhibit filed with Hollywood Media's Current Report on Form 8-K filed on August 28, 2006.

(20) Incorporated by reference from the exhibit filed with Hollywood Media's Current Report on Form 8-K filed on February 6, 2007.

(21) Incorporated by reference from the exhibit filed with Hollywood Media's Form 8-K filed on August 30, 2007.

(22) Incorporated by reference from the exhibit filed with Hollywood Media's Form 8-K filed on August 27, 2008.

(23) Incorporated by reference from the exhibit filed with Hollywood Media Corp's Form 8-K filed on December 29, 2009.

(24) Incorporated by reference from the exhibit filed with Hollywood Media Corp's Form 8-K filed on October 5, 2009.

(25) Incorporated by reference from Annex A to Hollywood Media's Definitive Proxy Statement filed on October 20, 2010 for the Special Meeting of Shareholders held on December 10, 2010.

(26) Incorporated by reference from the exhibit filed with Hollywood Media's Form 8-K filed December 16, 2010.

(27) Incorporated by reference from the exhibit filed with Hollywood Media's Form 8-K filed January 14, 2011.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

HOLLYWOOD MEDIA CORP.

Date: April 29, 2011

By: /s/ Mitchell Rubenstein

Mitchell Rubenstein, Chairman of the Board
and Chief Executive Officer

Exhibit 31.3

CERTIFICATION

I, Mitchell Rubenstein, certify that:

1. I have reviewed this Form 10-K/A Amendment No. 1 to the annual report on Form 10-K of Hollywood Media Corp.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. [Intentionally omitted];

4. [Intentionally omitted]; and

5. [Intentionally omitted].

Date: April 29, 2011

By: /s/ Mitchell Rubenstein
Mitchell Rubenstein, Chairman of the Board and Chief Executive Officer (Principal executive officer)

Exhibit 31.4

CERTIFICATION

I, Scott Gomez, certify that:

1. I have reviewed this Form 10-K/A Amendment No. 1 to the annual report on Form 10-K of Hollywood Media Corp.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. [Intentionally omitted];

4. [Intentionally omitted]; and

5. [Intentionally omitted].

Date: April 29, 2011

By: /s/ Scott Gomez
Scott Gomez, Chief Accounting Officer
(Principal financial and accounting officer)

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