

ION MEDIA NETWORKS INC.

Form 3

January 26, 2007

FORM 3UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

OMB APPROVAL

OMB
Number: 3235-0104Expires: January 31,
2005Estimated average
burden hours per
response... 0.5**INITIAL STATEMENT OF BENEFICIAL OWNERSHIP OF
SECURITIES**Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934,
Section 17(a) of the Public Utility Holding Company Act of 1935 or Section
30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting
Person *
CITADEL INVESTMENT
GROUP LLC

(Last) (First) (Middle)

131 S DEARBORN STREET
32ND FL, A

(Street)

CHICAGO, IL 60603

(City) (State) (Zip)

2. Date of Event Requiring
Statement
(Month/Day/Year)
01/17/20073. Issuer Name and Ticker or Trading Symbol
ION MEDIA NETWORKS INC. [ION]4. Relationship of Reporting
Person(s) to Issuer

(Check all applicable)

____ Director ____X____ 10% Owner
____ Officer ____ Other
(give title below) (specify below)5. If Amendment, Date Original
Filed(Month/Day/Year)6. Individual or Joint/Group
Filing(Check Applicable Line)
____ Form filed by One Reporting
Person
X Form filed by More than One
Reporting Person**Table I - Non-Derivative Securities Beneficially Owned**

1. Title of Security (Instr. 4)	2. Amount of Securities Beneficially Owned (Instr. 4)	3. Ownership Form: Direct (D) or Indirect (I) (Instr. 5)	4. Nature of Indirect Beneficial Ownership (Instr. 5)
Class A Common Stock	2,724,207	I	See ⁽¹⁾
14-1/4% Cumulative Junior Exchangeable Preferred Stock	9,386.4688	I	See ⁽¹⁾

Reminder: Report on a separate line for each class of securities beneficially
owned directly or indirectly.

SEC 1473 (7-02)

**Persons who respond to the collection of
information contained in this form are not
required to respond unless the form displays a
currently valid OMB control number.****Table II - Derivative Securities Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)**

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1. Title of Derivative Security (Instr. 4)	2. Date Exercisable and Expiration Date (Month/Day/Year)		3. Title and Amount of Securities Underlying Derivative Security (Instr. 4)		4. Conversion or Exercise Price of Derivative Security	5. Ownership Form of Derivative Security: Direct (D) or Indirect (I) (Instr. 5)	6. Nature of Indirect Beneficial Ownership (Instr. 5)
	Date Exercisable	Expiration Date	Title	Amount or Number of Shares			
9-3/4% Series A Convertible Preferred Stock	Â (2)	Â (2)	Class A Common Stock	163,960	\$ 16	I	See (1)
Equity Swap	Â (3)	01/16/2008	Class A Common Stock	53,500	\$ 0.7	I	See (1)
Equity Swap	Â (3)	02/13/2008	Class A Common Stock	1,500,000	\$ 0.56	I	See (1)
Equity Swap	Â (3)	02/20/2008	Class A Common Stock	126,500	\$ 0.7	I	See (1)
Equity Swap	Â (3)	03/19/2008	Class A Common Stock	1,000,000	\$ 0.7	I	See (1)
Equity Swap	Â (3)	07/10/2008	Class A Common Stock	718,337	\$ 0.56	I	See (1)

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
CITADEL INVESTMENT GROUP LLC 131 S DEARBORN STREET 32ND FL CHICAGO, IL 60603	Â	Â X	Â	Â
GRIFFIN KENNETH C CITADEL INVESTMENT GROUP LLC 131 S DEARBORN STREET 32ND FL CHICAGO, IL 60603	Â	Â X	Â	Â
CIG MEDIA LLC CITADEL INVESTMENT GROUP LLC 131 DEARBOARN ST 32ND FLOOR CHICAGO, IL 60603	Â	Â X	Â	Â
CITADEL L P 131 S. DEARBORN STREET, 32ND FLOOR CHICAGO, IL 60603	Â	Â X	Â	Â

Signatures

Matthew Hinerfeld, Managing Director and Deputy General
Counsel +

01/26/2007

__Signature of Reporting Person

Date

Explanation of Responses:

- * If the form is filed by more than one reporting person, *see* Instruction 5(b)(v).
- ** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).
- (1) See Exhibit 99.2 for the text of footnote (1)
- (2) The 9-3/4% Series A Convertible Preferred Stock is convertible any time, at the holder's election, and has no expiration date.
- (3) See Exhibit 99.2 for the text of footnote (3)

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Remarks:

+Â SeeÂ ExhibitÂ 99.1

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *See* Instruction 6 for procedure.
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