

GAYLORD ENTERTAINMENT CO /DE

Form S-3/A

April 27, 2004

As filed with the Securities and Exchange Commission on April 27, 2004

Registration No. 333-114293

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

Amendment No. 2
to
Form S-3
REGISTRATION STATEMENT
UNDER
THE SECURITIES ACT OF 1933

Gaylord Entertainment Company

(Exact name of Registrant as Specified in Its Charter)

Delaware
*(State or Other Jurisdiction of
Incorporation or Organization)*

73-0664379
*(I.R.S. Employee
Identification Number)*

One Gaylord Drive
Nashville, Tennessee 37214
(615) 316-6000
*(Address, Including Zip Code, and Telephone Number,
Including Area Code, of Registrant's Principal Executive Offices)*

Carter R. Todd, Esq.

Senior Vice President, Secretary and General Counsel
Gaylord Entertainment Company
One Gaylord Drive
Nashville, TN 37214
(615) 316-6000
*(Name, Address, Including Zip Code, and Telephone Number
Including Area Code, of Agent For Service)*

Copy to:

F. Mitchell Walker, Jr., Esq.
Bass, Berry & Sims PLC
315 Deaderick Street, Suite 2700
Nashville, Tennessee 37238
(615) 742-6200

Frederic T. Spindel
Matthew B. Swartz
Venable LLP
575 7th Street, NW
Washington, DC 20004
(202) 344-4800

Andrew R. Schleider
Shearman & Sterling LLP
599 Lexington Avenue
New York, New York 10022
(212) 848-4000

Approximate date of commencement of proposed sale to the public: As soon as practicable after this Registration Statement is declared effective.

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If the only securities being registered on this Form are being offered pursuant to dividend or interest reinvestment plans, please check the following box.

If any of the securities being registered on this Form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act of 1933, other than securities offered only in connection with dividend or interest reinvestment plans, check the following box.

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, please check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

If this Form is a post-effective amendment filed pursuant to Rule 462(c) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

If delivery of the prospectus is expected to be made pursuant to Rule 434, please check the following box.

The registrant hereby amends this Registration Statement on such date or dates as may be necessary to delay its effective date until the registrant shall file a further amendment which specifically states that this Registration Statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933 or until the Registration Statement shall become effective on such date as the Commission, acting pursuant to said Section 8(a), may determine.

The information in this preliminary prospectus is not complete and may be changed. We may not sell securities until the registration statement filed with the Securities and Exchange Commission is declared effective. This preliminary prospectus is not an offer to sell these securities and it is not soliciting an offer to buy these securities in any state where the offer or sale is not permitted.

Subject to Completion, Dated April 27, 2004

Prospectus

5,872,113 Shares

Common Stock

All of the 5,872,113 shares of common stock being sold in this offering are being sold by the selling stockholders. We will not receive any of the proceeds from the sale of shares.

Our common stock is traded on the New York Stock Exchange under the symbol GET. On April 26, 2004, the last reported sale price of the common stock was \$31.53 per share.

Investing in our common stock involves risk. See Risk Factors beginning on page 11.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or passed upon the adequacy or accuracy of this prospectus. Any representation to the contrary is a criminal offense.

	Per Share	Total
Public offering price	\$	\$
Underwriting discounts and commissions	\$	\$
Proceeds, before expenses, to the selling shareholders	\$	\$

The selling stockholders have granted the underwriters an option for a period of 30 days from the date of this prospectus to purchase up to 880,816 additional shares to cover over-allotments.

Deutsche Bank Securities

JPMorgan

JMP Securities

Morgan Keegan & Company, Inc.

The date of this prospectus is _____, 2004.

PROSPECTUS SUMMARY

You should read the following summary together with the more detailed information appearing elsewhere in this prospectus, and the information and financial statements and notes in our Annual Report on Form 10-K for the fiscal year ended December 31, 2003, as amended, which is incorporated by reference herein. Unless the context otherwise requires, references in this prospectus to we, us and our refer to Gaylord Entertainment Company and its direct and indirect subsidiaries.

Gaylord Entertainment Company

We are the only hospitality company whose stated primary focus is the large group meetings segment of the lodging market. Our hospitality business includes our Gaylord branded hotels consisting of the Gaylord Opryland Resort & Convention Center in Nashville, Tennessee, the Gaylord Palms Resort & Convention Center near Orlando, Florida and the Gaylord Texan Resort & Convention Center near Dallas, Texas. Driven by our All-in-One-Place strategy, our award-winning Gaylord branded hotels incorporate not only high quality lodging, but also significant meeting, convention and exhibition space, superb food and beverage options and retail facilities within a single self-contained property. As a result, our properties provide a convenient and entertaining environment for our convention guests. In addition, our custom-tailored, all-inclusive solutions cater to the unique needs of meeting planners.

In order to strengthen and diversify our hospitality business, on November 20, 2003, we acquired ResortQuest International, Inc. in a stock-for-stock transaction. ResortQuest is a leading provider of vacation condominium and home rental property management services in premier destination resort locations in the United States and Canada, with a branded network of vacation rental properties. We refer to ResortQuest and its subsidiaries in this prospectus as ResortQuest.

We also own and operate several attractions in Nashville, including the Grand Ole Opry, a live country music variety show, which is the nation's longest running radio show and an icon in country music. Our local Nashville attractions provide entertainment opportunities for Nashville-area residents and visitors, including our Nashville hotel and convention guests, while adding to our destination appeal.

Our operations are organized into four principal business segments: (i) Hospitality, which includes our hotel operations; (ii) Opry and Attractions Group, which includes our Nashville attractions and assets related to the Grand Ole Opry; (iii) ResortQuest, which is our newly acquired provider of vacation and home rental property management services and (iv) Corporate and Other, which includes corporate expenses and results from our minority investments.

Hospitality

Our Gaylord branded hotels target the large group meetings segment of the lodging market and are designed to minimize the logistical and organizational challenges typically associated with planning and hosting a large group meeting. To accommodate large group meetings, our Gaylord branded hotels feature among the highest ratios of meeting space per guest room among convention hotels in the United States and include our award-winning food and beverage offerings and a variety of entertainment options. Each of our Gaylord branded hotels offers the following: lodging, banquet and meeting facilities, exhibition space, restaurants, bars, shopping, recreational facilities and other resort amenities. For the year ended December 31, 2003, our revenues and operating income, excluding preopening costs, for our Hospitality segment were \$369.3 million and \$42.3 million, respectively.

Gaylord Opryland Resort & Convention Center Nashville, Tennessee. (2,881 guest rooms) Our flagship resort, the Gaylord Opryland in Nashville, is one of the leading convention

destinations in the United States based upon number of rooms, exhibit space and conventions held, and is the largest hotel in terms of the number of guest rooms in the continental United States outside of Las Vegas. For the year ended December 31, 2003, Gaylord Opryland revenues, occupancy and RevPAR were \$215.3 million, 72.4% and \$99.59, respectively. As used throughout this prospectus, RevPAR refers to room revenues divided by room nights available to guests for the applicable period.

Gaylord Palms Resort & Convention Center Kissimmee, Florida. (1,406 guest rooms) In January 2002, we opened our Gaylord Palms Resort & Convention Center on a 65-acre site in Osceola County, Florida, approximately 5 minutes drive from the main gate of the Walt Disney World® Resort complex. For the year ended December 31, 2003, Gaylord Palms revenues, occupancy and RevPAR were \$146.8 million, 72.3% and \$119.87, respectively.

Gaylord Texan Resort & Convention Center Grapevine, Texas. (1,511 guest rooms) We opened our new Gaylord branded hotel in Grapevine, Texas, in April 2004 on the schedule and budget developed by our current management. The Gaylord Texan has already attracted significant demand as evidenced by its advanced bookings. As of December 31, 2003, approximately 639,000 group room nights have been booked for future periods. In addition, we expect the hotel's proximity to the Dallas/Fort Worth International Airport will attract business travelers.

Radisson Hotel at Opryland. (303 guest rooms) We own and operate the Radisson Hotel at Opryland in Nashville, Tennessee, a Radisson franchise hotel which is located across the street from the Gaylord Opryland.

Opry and Attractions Group

Our Opry and Attractions Group segment assets include the Grand Ole Opry, General Jackson Showboat, Ryman Auditorium, Springhouse Golf Club and the Wildhorse Saloon. It also includes the operations of our radio station, WSM-AM, and Corporate Magic, our corporate events production business. For the year ended December 31, 2003, our total Opry and Attractions Group segment revenues and operating loss were \$61.4 million and \$0.6 million, respectively.

ResortQuest

ResortQuest is a leading provider of vacation condominium and home rental property management services in premier destination resort locations in the United States and Canada (based on the number of properties under management). ResortQuest has developed a branded network of vacation rental properties and currently provides management services to approximately 19,300 vacation rental properties, approximately 17,800 of which are under exclusive management contracts and approximately 1,500 of which are under non-exclusive management contracts. ResortQuest's operations are located in more than 50 premier beach, mountain, desert and tropical resort locations. We completed the ResortQuest acquisition in November 2003. For the year ended December 31, 2003 (the period from November 20 to December 31, 2003), our ResortQuest segment had total revenues and operating loss of \$17.9 million and \$2.6 million, respectively.

Corporate and Other

Our Corporate and Other segment includes our corporate activities, plus our 19.1% minority investment in Bass Pro, Inc., which owns and operates Bass Pro Shops, a retailer of premium outdoor sporting goods and fishing tackle, and our 10.5% minority investment in the Nashville Hockey Club Limited Partnership, which owns the Nashville Predators National Hockey League franchise. For the year ended December 31, 2003, our total Corporate and Other segment revenues and operating loss were \$0.2 million and \$43.4 million, respectively.

Competitive Strengths

Strong revenue and cash flow visibility. We have significant visibility with regard to our future revenues and cash flows. Approximately 80% of our total room nights occupied in 2003 were related to large group meetings. In 2003, these large groups accounted for only 11% of the total number of our group customers but represented 81% of our occupied room nights. In order to reserve the required capacity, our large group clients typically contract room nights several years in advance. Approximately 47.5% of our group room nights in 2003 were generated by associations, which typically have more attendees, longer advance booking periods, more consistent booking cycles, longer stays and a pattern of rotating meetings through locations around the country. As of December 31, 2003, advanced bookings at the Gaylord Opryland and Gaylord Palms for 2004 through 2005 represented approximately 44% of our total available room nights at these hotels for that period.

Superior business model. We believe that through a combination of excellent customer service, a unique product offering and an entertaining environment, we are able to provide our customers with a one-of-a-kind experience that distinguishes our hotels from those of our competitors. Our properties have gained significant industry recognition, as evidenced by Gaylord Opryland receiving the prestigious 2002 Gold Key Elite Award from *Meeting & Conventions* magazine, and the Gaylord Palms receiving the AAA Four Diamond Award 2003 and *Successful Meeting & Pinnacle* Award 2003.

Solid brand recognition. An American icon with a 75-year legacy, the Grand Ole Opry is a unique asset that provides us with a significant competitive advantage as it appeals to the country lifestyle consumer, which we estimate to number approximately 70 million in the United States. Since 1925, when WSM-AM broadcast the first radio show which became the Grand Ole Opry, the Grand Ole Opry has entertained, and continues to entertain, millions of country-music lovers both nationally and abroad. In addition to significant brand awareness of the Grand Ole Opry name, we also enjoy a high level of brand name awareness among meeting planners with our Gaylord hotels brand.

Experienced and proven management. Our senior management team has substantial experience in the lodging industry. In April 2001, Michael Rose, Chairman, and Colin Reed, President and CEO, joined us with a combined 56 years of industry experience. Upon joining Gaylord, Mr. Rose and Mr. Reed significantly improved the management team by replacing nine out of ten senior managers. On average, our new senior management team has approximately 13 years of experience in the hospitality industry.

Business Strategy

Our goal is to become the nation's premier hotel brand serving the meetings and conventions sector and to enhance our business by offering additional vacation and entertainment opportunities to our guests and target consumers. Our Gaylord branded hotels focus on the \$86 billion large group meetings market. Our properties and service are designed to appeal to meeting planners who arrange these large group meetings. As a result of the ResortQuest acquisition, we now operate a leading provider of vacation condominium and home rental management services with approximately 19,300 vacation rental properties under management. The Grand Ole Opry is one of the brands best-known by the country lifestyle consumer, which we estimate to number approximately 70 million in the United States. Country lifestyle consumers are persons who have recently participated in one or more of a number of activities identified by our management. These activities include listening to country music, buying country music recordings, attending country music concerts or reading country-themed publications.

All-in-One-Place product offering. Through our All-in-One-Place strategy, our Gaylord branded hotels incorporate meeting and exhibition space, signature guest rooms, award-winning food and beverage offerings, fitness facilities and other attractions within a large hotel property so our attendees' needs are met in one location. This strategy creates a better experience for both meeting planners and our guests, allows us to capture a greater share of their event spending, and has led to our Gaylord Opryland hotel in Nashville and our Gaylord Palms hotel in Florida claiming a place among the leading convention hotels in the country.

Create customer rotation between our hotels. In order to further capitalize on our success in Nashville, we opened our Gaylord Palms hotel in January 2002, and our new Gaylord Texan hotel in April 2004. In 2001, we refocused the efforts of our sales force to capitalize on our expansion and the desires of some of our large group meeting clients to meet in different parts of the country each year and to establish relationships with new customers as we increase our geographic reach. There is a significant opportunity to establish strong relationships with new customers and rotate them to our other properties.

Leverage brand name awareness. We believe that the Grand Ole Opry is one of the most recognized entertainment brands within the United States. We promote the Grand Ole Opry name through a number of media including our WSM-AM radio station, the internet, television and performances by the Grand Ole Opry's members, many of whom are renowned country music artists and we believe that significant growth opportunities exist through leveraging and extending the Grand Ole Opry brand into other products and markets. As such, we have alliances in place with multiple distribution partners in an effort to foster brand extension. We are currently exploring additional products, such as television specials and retail products, through which we can capitalize on our brand affinity and awareness. We believe that licensing our brand for products may provide an opportunity to increase revenues and cash flow with relatively little capital investment.

Capitalize on the ResortQuest acquisition. We believe the combination of Gaylord and ResortQuest formed a stronger, more diversified hospitality company with the ability to offer a broader range of accommodations to existing and potential customers. We believe that there are significant opportunities to cross-sell hospitality products by offering ResortQuest's vacation properties to our country lifestyle consumers and introducing our hotels and country lifestyle offerings to ResortQuest's customers. Drawing upon the experience of our combined management teams, we believe that we can more fully develop the ResortQuest brand and take advantage of future growth opportunities through increased scale, improved operational efficiency and access to additional sources of capital. In addition, we have identified a number of cost saving opportunities and synergies, including the elimination of redundant functions and optimization of the combined company's infrastructure.

Material Risk Factors

In considering our company, our competitive strengths and our business strategy, you should also be aware that we face risks to our business which may adversely affect our competitive position and our ability to achieve our business strategy. These include the following factors:

We have a substantial amount of indebtedness. As of December 31, 2003, we had approximately \$548.8 million of debt outstanding, exclusive of our \$613.1 million secured forward exchange contract, and our substantial indebtedness could hinder our ability to satisfy our obligations under our indebtedness and our other obligations.

The agreements governing our debt, including the notes and our senior secured loans, contain various covenants that limit our discretion to operate our business and could lead to acceleration of debt.

To service our debt, we will require a significant amount of cash, which may not be available to us.

We have recently refocused our business strategy on the development of additional resort and convention center hotels and on the management of rental vacation properties, which strategy we may not be able to successfully implement.

We may not be able to successfully integrate our recent and future acquisitions, including our recent acquisition of ResortQuest, and may be unable to achieve the anticipated cost savings and other benefits from these acquisitions, which may weaken our competitive position.

Our hotel development is subject to timing and budgeting risks, including without limitation construction delays or cost overruns, that may increase project costs.

The regional concentration of our hotels may subject us to economic downturns in the southeastern United States, which may reduce our revenues and operating income.

Hospitality companies have been the target of class actions and other lawsuits alleging violations of federal and state law, and damages and expenses from lawsuits of this type could reduce our operating income and profits.

Our properties are subject to numerous environmental regulations that could impose significant financial liability on us.

Any failure to attract, retain and integrate our senior and managerial level executives and employees could negatively impact our operations and development of our properties.

We have certain minority equity interests over which we have no significant control, to or for which we may owe significant obligations and for which there is no liquid market, and these investments may not be profitable.

The SEC staff is currently conducting a formal investigation in connection with our restatement of our historical financial statements for 2000, 2001 and the first nine months of 2002, which could lead to significant liability.

The market price for our common stock may be volatile, and fluctuations in our operating results and other factors may result in decreases in our stock price.

Recent Developments

Gaylord Texan. Our new Gaylord Texan Resort & Convention Center opened on schedule and on budget on April 2, 2004.

Our Board of Directors. On April 5, 2004, we announced that we had elected Michael I. Roth as a new member of our board of directors and that Christine Gaylord Everest and Martin C. Dickinson resigned from their board duties effective immediately. Mr. Roth serves as chairman of the board and chief executive officer of Mutual of New York (MONY) Group Inc., a financial services holding company.

Expected First Quarter 2004 Results. Our first quarter ended on March 31, 2004. For that period, we expect our revenues to be in the range of \$158 million to \$160 million; Adjusted EBITDA to be in the range of \$5.6 million to \$6.5 million; net loss to be in the range of \$20.5 million to \$19.5 million; and net loss per diluted share to be in the range of \$0.52 to \$0.49. Pre-opening costs for the recently opened Gaylord Texan are estimated to be \$10.7 million to \$10.8 million for the quarter. Our anticipated results reflect an improving travel environment during the quarter. We also expect hospitality RevPAR for the first quarter of 2004 compared to the same period in the prior year to decline approximately 8.5 percent, which is ahead of our previously stated guidance range of a decline of 10 to 12 percent. This performance is due to

better than expected group attendance and transient demand at our Gaylord Hotels. In addition, our Gaylord Hotels booked 262,000 net definite room nights for future periods, an increase of 40 percent over the same period last year. We calculate RevPAR (revenue per available room) by dividing room sales for comparable properties by room nights available to guests for the period. Although we have not completed all of the procedures that we normally follow to present a completed quarter's financial results, the estimated results presented represent our good faith assessment of the results we will report for the first quarter based upon the work we have performed to date in preparing those results. Our assessment is based upon the preliminary financial information assembled by our management, which has not been finalized. We currently expect that we will announce our first quarter results on May 4, 2004.

Adjusted EBITDA (defined as earnings before interest, taxes, depreciation, amortization, as well as certain unusual items) is presented herein because we believe it allows for a more complete analysis of operating performance by presenting an analysis of operations separate from the earnings impact of capital transactions and without certain items that do not impact our ongoing operations such as the effect of the Viacom stock we own and our secured forward exchange contract, restructuring charges, gains on the sale of assets, and impairment and other charges. The calculation of Adjusted EBITDA excludes the net impact related to changes in fair value of the Viacom stock we own as well as the changes in fair value of the derivatives associated with the secured forward exchange contract relating to that stock. In accordance with generally accepted accounting principles, these changes are not included in determining our operating income (loss). Although we recognize changes in the fair value of these items on an ongoing basis in our income statement, the secured forward exchange contract protects us against decreases in the fair market value of the Viacom stock. The information presented should not be considered as an alternative to any measure of performance as promulgated under accounting principles generally accepted in the United States (such as operating income, net income or cash from operations), nor should it be considered as an indicator of overall financial performance. Adjusted EBITDA does not fully consider the impact of investing or financing transactions, as it specifically excludes depreciation and interest charges, which should also be considered in the overall evaluation of our results of operations. Our method of calculating Adjusted EBITDA may be different from the method used by other companies and therefore comparability may be limited. A reconciliation of Adjusted EBITDA to net income is presented below:

Reconciliation Of Estimated Adjusted EBITDA To Estimated Net Income

(in millions)

	Quarter Ended March 31, 2004 Estimated	
	Low	High
Estimated Revenue	\$ 158.0	\$ 160.0
Estimated Net Loss	\$ (20.5)	\$ (19.5)
Estimated Provision (benefit) for income taxes	(11.9)	(11.6)
Estimated Other (gains) and losses	(0.9)	(0.9)
Estimated Unrealized (gain) loss on Viacom Stock	56.9	56.9
Estimated Unrealized (gain) loss on derivatives	(44.4)	(44.4)
Estimated Interest expense	10.2	9.7
Estimated Interest income	(0.4)	(0.4)
Estimated Operating Loss	(11.0)	(10.2)
Estimated depreciation & amortization	16.6	16.7
Estimated Adjusted EBITDA	\$ 5.6	\$ 6.5

The Offering

Common Stock Offered by the Selling Stockholders	5,872,113 shares
Total Outstanding Shares Beneficially Owned by Selling Stockholders before this Offering	9,366,199 shares
Total Outstanding Shares Beneficially Owned by Selling Stockholders after this Offering	3,494,086 shares(1)
Common Stock to be Outstanding after this Offering	39,508,277 shares
Use of Proceeds	We will not receive any proceeds from this offering of shares by the selling stockholders.
Dividend Policy	We intend to retain all future earnings, if any, to fund the development and growth of our business. We do not anticipate paying cash dividends on our common stock.
New York Stock Exchange Symbol	GET

(1) Includes options to purchase 79,108 shares of common stock.

The number of shares of our common stock outstanding after the offering is based on shares outstanding as of April 1, 2004. This number does not include 3,961,625 shares of common stock issuable upon exercise of outstanding stock options under our stock option plans, with a weighted average exercise price of \$25.42 per share, 1,794,108 shares of common stock reserved and available for future issuance under our stock option plans as of April 1, 2004, and 5,000 shares issuable upon exercise of an outstanding stock purchase warrant with an exercise price of \$35.00 per share. The information contained in this prospectus assumes no exercise of the underwriters' overallotment option.

Our principal executive offices are located at One Gaylord Drive, Nashville, Tennessee 37214. Our telephone number is (615) 316-6000 and our website address is www.gaylordentertainment.com (information contained on our website is not incorporated herein by reference). Our common stock is listed on the New York Stock Exchange under the symbol GET.

Summary Historical Consolidated Financial Information

The following table sets forth, for the periods and as of the dates indicated, summary historical consolidated financial information for Gaylord Entertainment Company. The summary historical consolidated financial information as of December 31, 2003, 2002 and 2001 and for each of the three years in the period ended December 31, 2003 was derived from our audited consolidated financial statements. We acquired ResortQuest on November 20, 2003 and the results of operations of ResortQuest for the period from November 20, 2003 to December 31, 2003 are included in our results for the year ended December 31, 2003.

The table below should be read in conjunction with Management's Discussion and Analysis of Financial Condition and Results of Operations and the consolidated financial statements and related notes included in our Annual Report on Form 10-K for the year ended December 31, 2003.

	Years Ended December 31,		
	2003	2002	2001
	(in thousands)		
Income Statement Data:			
Revenues:			
Hospitality	\$ 369,263	\$ 339,380	\$ 228,712
Opry and Attractions	61,433	65,600	67,064
ResortQuest	17,920		
Corporate and Other	184	272	290
	<u>448,800</u>	<u>405,252</u>	<u>296,066</u>
Operating expenses:			
Operating costs	276,937	254,583	201,299
Selling, general and administrative	117,178	108,732	67,212
Preopening costs(1)	11,562	8,913	15,927
Gain on sale of assets(2)		(30,529)	
Impairment and other charges	856(4)		14,262(4)
Restructuring charges		(17)(5)	2,182(5)
Depreciation and amortization	58,950	56,480	38,405
	<u>465,483</u>	<u>398,162</u>	<u>339,287</u>
Operating income (loss)	(16,683)	7,090	(43,221)
Interest expense, net of amounts capitalized	(52,804)	(46,960)	(39,365)
Interest income	2,461	2,808	5,554
Unrealized gain (loss) on Viacom stock	39,831	(37,300)	782
Unrealized gain (loss) on derivatives, net	(33,228)	86,476	54,282
Other gains and (losses)	2,209	1,163	2,661
	<u>(58,214)</u>	<u>13,277</u>	<u>(19,307)</u>
Income (loss) from continuing operations before income taxes	(58,214)	13,277	(19,307)
Provision (benefit) for income taxes	(24,669)	1,318	(9,142)
	<u>(33,545)</u>	<u>11,959</u>	<u>(10,165)</u>
Income (loss) from continuing operations	(33,545)	11,959	(10,165)
Gain (loss) from discontinued operations, net of taxes(3)	34,371	85,757	(48,833)
Cumulative effect of accounting change, net of taxes		(2,572)(6)	11,202(7)
	<u>\$ 826</u>	<u>\$ 95,144</u>	<u>\$ (47,796)</u>

See footnotes beginning on the following page

	As of December 31,		
	2003	2002	2001
	(in thousands)		
Balance Sheet Data:			
Cash and cash equivalents:			
Unrestricted	\$ 120,965	\$ 98,632	\$ 9,194
Restricted(8)	37,723	19,323	64,993
Total assets(9)	2,577,263	2,178,691	2,177,644
Total debt(10)	548,759	340,638	468,997
Secured forward exchange contract(9)	613,054	613,054	613,054
Total stockholders equity	904,509	787,579	696,988

	Years Ended December 31,		
	2003	2002	2001
Operating Data:			
Gaylord Opryland:			
Occupancy	72.4%	68.6%	70.3%
ADR(11)	\$ 137.47	\$ 142.58	\$ 140.33
RevPAR(12)	\$ 99.59	\$ 97.80	\$ 98.65
Total RevPAR(13)	\$ 204.75	\$ 195.97	\$ 211.01
Gaylord Palms(14):			
Occupancy	72.3%	64.8%	
ADR(11)	\$ 165.79	\$ 168.65	\$
RevPAR(12)	\$ 119.87	\$ 109.37	\$
Total RevPAR(13)	\$ 286.05	\$ 251.26	\$

- (1) Preopening costs are the costs associated with preopening expenses related to the construction of new hotels, start-up activities and organization costs related to the Gaylord Palms Resort & Convention Center hotel in Kissimmee, Florida and the new Gaylord Texan Resort & Convention Center in Grapevine, Texas. Gaylord Palms opened in January 2002 and the Gaylord Texan opened on April 2, 2004.
- (2) During 2002, we sold our one-third interest in the Opry Mills Shopping Center in Nashville, Tennessee and the interest in the related land lease between Gaylord and the Mills Corporation.
- (3) In August 2001, the Financial Accounting Standards Board (FASB) issued Statement of Financial Accounting Standards (SFAS) No. 144, Accounting for the Impairment or Disposal of Long-Lived Assets. In accordance with the provisions of SFAS No. 144, we have presented the operating results and financial position of the following businesses as discontinued operations: WSM-FM and WWTN(FM); Acuff-Rose Music Publishing; Oklahoma RedHawks; Word Entertainment; GET Management, our artist management business; the international cable networks; the businesses sold to affiliates of The Oklahoma Publishing Company in 2001 consisting of Pandora Films, Gaylord Films, Gaylord Sports Management, Gaylord Event Television and Gaylord Production Company; and the water taxis.
- (4) Reflects the divestiture of certain businesses and reduction in the carrying values of certain assets. The components of the impairment and other charges related to continuing operations for the years ended December 31 are as follows:

	2003	2001
	(in thousands)	
Programming, film and other content	\$ 856	\$ 6,858
Gaylord Digital and other technology investments		4,576
Property and equipment		2,828

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Total impairment and other charges	\$856	\$14,262
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- (5) Related primarily to employee severance and contract termination costs. See Management's Discussion and Analysis of Financial Condition and Results of Operations.
- (6) Reflects the cumulative effect of the change in accounting method related to adopting the provisions of SFAS No. 142, Goodwill and Other Intangible Assets. We recorded an impairment loss related to impairment of the

goodwill of the Radisson Hotel at Opryland. The impairment loss was \$4.2 million, less taxes of approximately \$1.6 million.

- (7) Reflects the cumulative effect of the change in accounting method related to recording the derivatives associated with the secured forward exchange contract at fair value as of January 1, 2001 of \$18.3 million less a related tax provision of \$7.1 million.
- (8) Cash and cash equivalents restricted for our hospitality segment represent cash held in escrow for required capital expenditures, property taxes, insurance payments and other reserves required pursuant to the terms of our credit agreements. For ResortQuest, this primarily represents guest advance deposits held in escrow for lodging reservations and deposits on real estate transactions.
- (9) Total assets include the Viacom, Inc. Class B common stock at its market values of \$488.3 million, \$448.5 million and \$485.8 million at December 31, 2003, 2002, and 2001, respectively. During 2000, we entered into a seven-year secured forward exchange contract for a notional amount of \$613.1 million with respect to 10,937,900 shares of the Viacom, Inc. Class B common stock. Prepaid interest related to the secured forward exchange contract of \$91.2 million, \$118.1 million and \$145.0 million was included in total assets at December 31, 2003, 2002, and 2001, respectively. See Management's Discussion and Analysis of Financial Condition and Results of Operations.
- (10) Total debt includes both short-term and long-term debt and is related primarily to the construction of our Gaylord Palms and Gaylord Texan hotels and refinancing ResortQuest's indebtedness.
- (11) ADR refers to average daily rate per room in dollars.
- (12) RevPAR refers to room revenues divided by room nights available to guests for the applicable period. RevPAR is not comparable to similarly titled measures such as revenues.
- (13) Total RevPAR or Total Revenue per Available Room, is calculated by dividing the sum of room sales, food and beverage sales, and other ancillary services revenue (which equals hospitality segment revenues) by room nights available to guests for the applicable period. Total Revenue per Available Room is not comparable to similarly titled measures such as revenues.
- (14) Gaylord Palms opened in February 2002.

RISK FACTORS

You should carefully consider the risk factors set forth below as well as the other information contained in this prospectus and incorporated or deemed to be incorporated by reference before buying securities in this offering. The risks described below are not the only risks facing us. Additional risks and uncertainties not currently known to us or that we currently deem to be immaterial may also materially and adversely affect our business operations. Any of the following risks could materially adversely affect our business, financial condition or results of operations.

Risks Relating to the Business of Gaylord

The successful implementation of our business strategy depends on our ability to generate cash flows from our existing operations and our new Texas hotel and other factors.

We have refocused our business strategy on the development of additional resort and convention center hotels in selected locations in the United States; on our attractions properties, including the Grand Ole Opry, which are focused primarily on the country music genre; and our recently acquired ResortQuest vacation rental and property management business. The success of our future operating results depends on our ability to implement our business strategy by successfully operating Gaylord Opryland and the Gaylord Palms and successfully operating the Gaylord Texan, which we opened on April 2, 2004, and by further exploiting our attractions assets and our vacation rental business. Our ability to do this depends upon many factors, some of which are beyond our control. These include:

our ability to achieve positive cash flow from operations of our new Gaylord Texan within the anticipated ramp-up period;

our ability to generate cash flows from existing operations;

our ability to hire and retain hotel management, catering and convention-related staff for our hotels and staff for our vacation rental offices;

our ability to capitalize on the strong brand recognition of certain of our Opry and Attractions assets; and

the continued popularity and demand for country music.

If we are unable to successfully implement the business strategies described above, our cash flows and net income may be reduced.

Our hotel and convention business and our vacation rental and property management business are subject to significant market risks.

Our ability to continue to successfully operate the Gaylord Opryland, the Gaylord Palms, and the new Gaylord Texan, and to operate our ResortQuest vacation rental business, is subject to factors beyond our control which could reduce the revenue and operating income of these properties. These factors include:

the desirability and perceived attractiveness of the Nashville, Tennessee area; the Orlando, Florida area; and the Dallas, Texas area as tourist and convention destinations;

adverse changes in the national economy and in the levels of tourism and convention business that would affect our hotels or vacation rental properties we manage;

the hotel and convention business is highly competitive, and Gaylord Palms and our new Gaylord Texan hotel are operating in extremely competitive markets for convention and tourism business;

our group convention business is subject to reduced levels of demand during the year-end holiday periods, and we may not be able to attract sufficient general tourism guests to offset this seasonality; and

the vacation rental and property management business is highly competitive and has low barriers to entry, and we compete primarily with local vacation rental and property management companies located in its markets, some of whom are affiliated with the owners or operators of resorts where these competitors provide their services or which may have lower cost structures and may provide their services at lower rates.

Our recent acquisition of ResortQuest International, Inc., which we completed on November 20, 2003, involves substantial risks.

The ResortQuest acquisition involves the integration of two companies that previously have operated independently, which is a complex, costly and time-consuming process. The process of integrating operations could cause an interruption of, or loss of momentum in, the activities of the combined company's business and the loss of key personnel. The diversion of management's attention and any delays or difficulties encountered in connection with the ResortQuest acquisition and the integration of the two companies' operations could harm the business, results of operations, financial condition or prospects of the combined company. In addition, we may be unable to achieve the anticipated cost savings from the ResortQuest acquisition for many reasons. Gaylord and ResortQuest have incurred substantial expenses, such as legal, accounting and financial advisor fees, in connection with the acquisition.

Unanticipated costs of hotels we open in new markets may reduce our operating income.

As part of our growth plans, we may open or acquire new hotels in geographic areas in which we have little or no operating experience and in which potential customers may not be familiar with our business. As a result, we may have to incur costs relating to the opening, operation and promotion of those new hotel properties that are substantially greater than those incurred in other areas. Even though we may incur substantial additional costs with these new hotel properties, they may attract fewer customers than our existing hotels. As a result, the results of operations at new hotel properties may be inferior to those of our existing hotels. The new hotels may even operate at a loss. Even if we are able to attract enough customers to our new hotel properties to operate them at a profit, it is possible that those customers could simply be moving future meetings or conventions from our existing hotel properties to our new hotel properties. Thus, the opening of a new hotel property could reduce the revenue of our existing hotel properties.

Our hotel development is subject to timing, budgeting and other risks.

We intend to develop additional hotel properties as suitable opportunities arise, taking into consideration the general economic climate. New project development has a number of risks, including risks associated with:

construction delays or cost overruns that may increase project costs;

construction defects or noncompliance with construction specifications;

receipt of zoning, occupancy and other required governmental permits and authorizations;

development costs incurred for projects that are not pursued to completion;

so-called acts of God such as earthquakes, hurricanes, floods or fires that could delay the development of a project;

the availability and cost of capital; and

governmental restrictions on the nature or size of a project or timing of completion.

Our development projects may not be completed on time or within budget.

Our real estate investments are subject to numerous risks.

Because we own hotels and attractions properties, we are subject to the risks that generally relate to investments in real property. The investment returns available from equity investments in real estate depend in large part on the amount of income earned and capital appreciation generated by the related properties, as well as the expenses incurred. In addition, a variety of other factors affect income from properties and real estate values, including governmental regulations, insurance, zoning, tax and eminent domain laws, interest rate levels and the availability of financing. For example, new or existing real estate zoning or tax laws can make it more expensive and/or time-consuming to develop real property or expand, modify or renovate properties. When interest rates increase, the cost of acquiring, developing, expanding or renovating real property increases and real property values may decrease as the number of potential buyers decreases. Similarly, as financing becomes less available, it becomes more difficult both to acquire and to sell real property. Finally, governments can, under eminent domain laws, take real property. Sometimes this taking is for less compensation than the owner believes the property is worth. Any of these factors could have a material adverse impact on our results of operations or financial condition. In addition, equity real estate investments, such as the investments we hold and any additional properties that we may acquire, are relatively difficult to sell quickly. If our properties do not generate revenue sufficient to meet operating expenses, including debt service and capital expenditures, our operating income will be reduced.

Our hotel and vacation rental properties are concentrated geographically and our revenues and operating income could be reduced by adverse conditions specific to our property locations.

Our existing hotel properties are located predominately in the southeastern United States. As a result, our business and our financial operating results may be materially affected by adverse economic, weather or business conditions in the Southeast. In addition, our ResortQuest vacation rental business manages properties that are significantly concentrated in beach and island resorts located in Florida and Hawaii and mountain resorts located in Colorado. Adverse events or conditions which affect these areas in particular, such as economic recession, changes in regional travel patterns, extreme weather conditions or natural disasters, may have an adverse impact on our ResortQuest operations.

Hospitality companies have been the target of class actions and other lawsuits alleging violations of federal and state law.

Our operating income may be reduced by legal or governmental proceedings brought by or on behalf of our employees or customers. In recent years, a number of hospitality companies have been subject to lawsuits, including class action lawsuits, alleging violations of federal and state law regarding workplace and employment matters, discrimination and similar matters. A number of these lawsuits have resulted in the payment of substantial damages by the defendants. Similar lawsuits have been instituted against us from time to time, and we may incur substantial damages and expenses resulting from lawsuits of this type, which could have a material adverse effect on our business.

Our properties are subject to environmental regulations that could impose significant financial liability on us.

Environmental laws, ordinances and regulations of various federal, state, local and foreign governments regulate certain of our properties and could make us liable for the costs of removing or cleaning up hazardous or toxic substances on, under or in the properties we currently own or operate or those we previously owned or operated. Those laws could impose liability without regard to whether we knew of, or were responsible for, the presence of hazardous or toxic substances. The presence of hazardous or toxic substances, or the failure to properly clean up such substances when present, could jeopardize our ability to develop, use, sell or rent the real property or to borrow using the real property as collateral. If we arrange for the disposal or treatment of hazardous or toxic wastes, we could be liable for the costs of removing or cleaning up wastes at the disposal or treatment facility, even if we never owned or operated that facility. Other laws, ordinances and regulations could require us to manage, abate or remove lead- or asbestos-containing materials. Similarly, the operation and closure of storage tanks are often regulated by federal, state, local and foreign laws. Finally, certain laws, ordinances and regulations, particularly those governing the management or preservation of wetlands, coastal zones and threatened or endangered species, could limit our ability to develop, use, sell or rent our real property.

Any failure to attract, retain and integrate senior and managerial level executives could negatively impact our operations and development of our properties.

During 2001, we appointed a new Chairman and a new Chief Executive Officer and had numerous changes in senior management. Our future performance depends upon our ability to attract qualified senior executives and to retain their services. Our future financial results also will depend upon our ability to attract and retain highly skilled managerial and marketing personnel in our different areas of operation. Competition for qualified personnel is intense and is likely to increase in the future. We compete for qualified personnel against companies with significantly greater financial resources than ours.

We have certain minority equity interests over which we have no significant control, to or for which we may owe significant obligations and for which there is no market, and these investments may not be profitable.

We have certain minority investments which are not liquid and over which we have no rights, or ability, to exercise the direction or control of the respective enterprises. These include our equity interests in Viacom, Bass Pro and the Nashville Predators. When we make these investments, we sometimes extend guarantees related to such investments. For example, in connection with our investment in the Nashville Predators, we agreed to guarantee, severally and jointly with other investors, up to \$15.0 million of specified obligations. The ultimate value of each of these investments will be dependent upon the efforts of others over an extended period of time. The nature of our interests and the absence of a market for those interests restricts our ability to dispose of them. Our lack of control over the management of these businesses and the lack of a market to sell our interest in these businesses may cause us to recognize a loss on our investment in these businesses. In addition, we may enter into joint venture arrangements. These arrangements are subject to uncertainties and risks, including those related to conflicting joint venture partner interests and to our joint venture partners failing to meet their financial or other obligations.

We are subject to risks relating to acts of God, terrorist activity and war.

Our operating income may be reduced by acts of God, such as natural disasters or acts of terror, in locations where we own and/or operate significant properties and areas of the world from which we draw a large number of customers. Some types of losses, such as from

earthquake, hurricane, terrorism and environmental hazards, may be either uninsurable or too expensive to justify insuring against. Should an uninsured loss or a loss in excess of insured limits occur, we could lose all or a portion of the capital we have invested in a hotel, as well as the anticipated future revenue from the hotel. In that event, we might nevertheless remain obligated for any mortgage debt or other financial obligations related to the property. Similarly, wars (including the potential for war), terrorist activity (including threats of terrorist activity), political unrest and other forms of civil strife as well as geopolitical uncertainty have caused in the past, and may cause in the future, our results to differ materially from anticipated results.

We face risks related to an SEC investigation.

In March 2003, we restated our historical financial statements for 2000, 2001 and the first nine months of 2002 to reflect certain non-cash changes, which resulted primarily from a change to our income tax accrual and a change in the manner in which we accounted for our investment in the Nashville Predators. We have been advised by the SEC staff that it is conducting a formal investigation into the financial results and transactions that were the subject of our restatement. The SEC staff is reviewing documents provided by us and our independent accountants and has taken or will take testimony from former and current employees of the Company. We have been cooperating with the SEC staff and intend to continue to do so. Nevertheless, if the SEC makes a determination adverse to us, we may face sanctions, including, but not limited to, monetary penalties and injunctive relief.

The hospitality industry and the vacation and property management industry are heavily regulated, including with respect to food and beverage sales, real estate brokerage licensing, employee relations and construction concerns, and compliance with these regulations could increase our costs and reduce our revenues and profits.

Our hotel operations are subject to numerous laws, including those relating to the preparation and sale of food and beverages, liquor service and health and safety of premises. Our vacation rental operations are also subject to licensing requirements applicable to real estate operations, laws and regulations relating to consumer protection and local ordinances. We are also subject to laws regulating our relationship with our employees in areas such as hiring and firing, minimum wage and maximum working hours, overtime and working conditions. The success of expanding our hotel operations also depends upon our obtaining necessary building permits and zoning variances from local authorities. Compliance with these laws is time intensive and costly and may reduce our revenues and operating income.

If vacation rental property owners do not renew a significant number of property management contracts, revenues and operating income from our ResortQuest vacation rental business would be reduced.

Through our ResortQuest vacation rental business, we provide rental and property management services to property owners pursuant to management contracts, which generally have one-year terms. The majority of such contracts contain automatic renewal provisions but also allow property owners to terminate the contract at any time. If property owners do not renew a significant number of management contracts or if we are unable to attract additional property owners, revenues and operating income for our ResortQuest business may be reduced. In addition, although most of its contracts are exclusive, industry standards in certain geographic markets dictate that rental services be provided on a non-exclusive basis.

Risk Relating to our Leveraged Capital Structure

Our substantial debt could reduce our cash flow and limit our future business activities.

We currently have a significant amount of debt. As of December 31, 2003, we had \$548.8 million of total debt, exclusive of our \$613.1 million secured forward exchange contract, and stockholders' equity of \$904.5 million. Our substantial amount of debt could have important consequences to you. For example, it could:

make it more difficult for us to satisfy our obligations under our existing indebtedness;

increase our vulnerability to general adverse economic and industry conditions;

require us to dedicate a substantial portion of our cash flow from operations to make interest and principal payments on our debt, thereby limiting the availability of our cash flow to fund future capital expenditures, working capital and other general corporate requirements;

limit our flexibility in planning for, or reacting to, changes in our business and the hospitality industry, which may place us at a competitive disadvantage compared with competitors that are less leveraged; and

limit our ability to borrow additional funds, even when necessary to maintain adequate liquidity.

In addition, the terms of our Nashville hotel loan, our new revolving credit facility and the indenture governing our 8% senior notes allow us to incur substantial amounts of additional debt subject to certain limitations. Any such additional debt could increase the risks associated with our substantial leverage. Our substantial leverage is evidenced by our earnings being insufficient to cover fixed charges by \$71.8 million, \$37.8 million and \$167.3 million for the years ended December 31, 2003, 2001 and 2000.

To service our debt and pay other obligations, we will require a significant amount of cash, which may not be available to us.

Our ability to make payments on, or repay or refinance, our debt, including any future debt we may incur, and to fund planned capital expenditures will depend largely upon our future operating performance and our ability to generate cash from operations. Our future performance, to a certain extent, is subject to general economic, financial, competitive, legislative, regulatory and other factors that are beyond our control. In addition, our ability to borrow funds in the future to make payments on our debt will depend on the satisfaction of the covenants and financial ratios in our Nashville hotel loan and our new revolving credit facility and our other debt agreements, including the indenture governing our 8% senior notes due 2013 and other agreements we may enter into in the future. Our business may not generate sufficient cash flow from operations or we may not have future borrowings available to us under our new revolving credit facility or from other sources in an amount sufficient to enable us to pay our debt, or to fund our other liquidity needs.

In addition, we will be required to refinance our Nashville hotel loan (\$199.2 million outstanding as of December 31, 2003), which matures in 2005, subject to extension to 2006, and our new revolving credit facility which matures in 2006. At the expiration of the secured forward exchange contract relating to shares of Viacom stock we own, we will be required to incur additional debt or use any cash on hand to pay the estimated \$156.0 million deferred tax payable at that time. We cannot assure you that we will be able to refinance any of our debt, including our Nashville hotel loan and our new revolving credit facility or finance the deferred taxes on our Viacom stock on commercially reasonable terms or at all. If we were unable to

make payments or refinance our debt or obtain new financing under these circumstances, we would have to consider other options, such as:

sales of assets;

sales of equity; and/or

negotiations with our lenders to restructure the applicable debt.

Our credit agreements, the indenture governing our 8% senior notes and the indenture governing any future debt securities we issue may restrict, and market or business conditions may limit, our ability to do some of these things.

The agreements governing our debt, including our 8% senior notes due 2013 and our senior secured loans, contain various covenants that limit our discretion in the operation of our business and could lead to acceleration of debt.

Our existing agreements, including our new revolving credit facility, our Nashville hotel loan and our 8% senior notes, impose, and future financing agreements are likely to impose, operating and financial restrictions on our activities. These restrictions require us to comply with or maintain certain financial tests and ratios, including minimum consolidated net worth, minimum interest coverage ratio and maximum leverage ratios, and limit or prohibit our ability to, among other things:

incur additional debt and issue preferred stock;

create liens;

redeem and/or prepay certain debt;

pay dividends on our stock to our stockholders or repurchase our stock;

make certain investments;

enter new lines of business;

engage in consolidations, mergers and acquisitions;

make certain capital expenditures; and

require our subsidiaries to pay dividends and make other distributions to us.

These restrictions on our ability to operate our business could seriously harm our business by, among other things, limiting our ability to take advantage of financing, merger and acquisition and other corporate opportunities.

Various risks, uncertainties and events beyond our control could affect our ability to comply with these covenants and maintain these financial tests and ratios. Failure to comply with any of the covenants in our existing or future financing agreements could result in a default under those agreements and under other agreements containing cross-default provisions. A default would permit lenders to accelerate the maturity for the debt under these agreements and to foreclose upon any collateral securing the debt. Under these circumstances, we might not have sufficient funds or other resources to satisfy all of our obligations. In addition, the limitations imposed by financing agreements on our ability to incur additional debt and to take other actions might significantly impair our ability to obtain other financing.

Other Risks Related to an Investment in Our Common Stock

The market price for our common stock may be volatile, and fluctuations in our operating results and other factors may result in decreases in our stock price.

In recent periods, there has been significant volatility in the market price for our publicly traded common stock. In addition, the market price of our common stock could fluctuate substantially in the future in response to a number of factors, including the following:

our quarterly operating results or the operating results of other hospitality companies;

changes in general conditions in the economy, the financial markets or hospitality or vacation rental industry;

changes in financial estimates or recommendations by stock market analysts regarding us or our competitors;

announcements by us or our competitors of significant acquisitions;

increases in labor and other costs; and

natural disasters, riots, terrorist attacks or other developments affecting us or our competitors.

In addition, in recent years the stock market has experienced extreme price and volume fluctuations. This volatility has had a significant effect on the market prices of securities issued by many companies for reasons unrelated to their operating performance. These broad market fluctuations may materially adversely affect our stock price, regardless of our operating results.

Our certificate of incorporation and bylaws and Delaware law could make it difficult for a third party to acquire our company.

The Delaware General Corporation Law (DGCL) and our certificate of incorporation and bylaws contain provisions that could delay, deter or prevent a change in control of our company or our management. These provisions could also discourage proxy contests and make it more difficult for you and other stockholders to elect directors and take other corporate actions. These provisions:

authorize us to issue blank check preferred stock, which is preferred stock that can be created and issued by our board of directors, without stockholder approval, with rights senior to those of common stock;

provide that directors may only be removed with cause by the affirmative vote of at least a majority of the votes of shares entitled to vote thereon;

establish advance notice requirements for submitting nominations for election to the board of directors and for proposing matters that can be acted upon by stockholders at a meeting;

provide that special meetings of stockholders may be called only by our chairman or by a majority of the members of our board of directors;

impose restrictions on ownership of our common stock by non-United States persons due to our ownership of a radio station; and

prohibit shareholder actions taken on written consent.

We are also subject to anti-takeover provisions under Delaware law, which could also delay or prevent a change of control. Together, these provisions of our certificate of incorporation and bylaws and Delaware law may discourage transactions that otherwise could provide for the payment of a premium over prevailing market prices for publicly traded equity securities, and

also could limit the price that investors are willing to pay in the future for shares of our publicly traded equity securities. We have considered other measures such as adoption of a stockholder rights plan. Although we have not adopted such a plan to date, we may do so in the future.

Our issuance of preferred stock could adversely affect holders of our common stock and discourage a takeover.

Our board of directors has the power to issue up to 100.0 million shares of preferred stock without any action on the part of our stockholders. As of April 26, 2004, we had no shares of preferred stock outstanding. Our board of directors also has the power, without stockholder approval, to set the terms of any new series of preferred stock that may be issued, including voting rights, dividend rights, preferences over our common stock with respect to dividends or in the event of a dissolution, liquidation or winding up and other terms. In the event that we issue additional shares of preferred stock in the future that have preference over our common stock with respect to payment of dividends or upon our liquidation, dissolution or winding up, or if we issue preferred stock with voting rights that dilute the voting power of our common stock, the rights of the holders of our common stock or the market price of our common stock could be adversely affected. In addition, the ability of our board of directors to issue shares of preferred stock without any action on the part of our stockholders may impede a takeover of us and prevent a transaction favorable to our stockholders.

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 such 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. Upon completion of this offering, we intend to enter into a registration rights agreement with the remaining Gaylord family shareholders pursuant to which they may request a registration of their remaining common stock and sell their common stock in a public offering and may also participate in up to two offerings conducted by us, if any, under certain circumstances. Approximately 4.3 million shares will be subject to registration rights, of which approximately 3.5 million will be held by the selling stockholders.

SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS

The prospectus contains forward-looking statements within the meaning of Section 27A of the Securities Act, and Section 21E of the Securities Exchange Act of 1934. All statements other than statements of historical fact are forward-looking statements for purposes of federal and state securities laws. Forward-looking statements may include the words may, will, plans, estimates, anticipates, believes, expects, and similar expressions. Although we believe that such statements are based on reasonable assumptions, these forward-looking statements are subject to numerous factors, risks and uncertainties that could cause actual outcomes and results to be materially different from those projected or assumed in our forward-looking statements. These factors, risks and uncertainties include, among others, the following:

the potential adverse effect of our debt on our cash flow and our ability to fulfill our obligations under our indebtedness and maintain adequate cash to finance our business;

the availability of debt and equity financing on terms that are favorable to us;

the challenges associated with the integration of ResortQuest's operations into our operations;

general economic and market conditions and economic and market conditions related to the hotel and large group meetings and convention industry;

the timing, budgeting and other factors and risks relating to new hotel development, including our ability to generate cash flows from our new hotel in Grapevine, Texas;

our restatement of our financial results and the related SEC investigation; and

other risks that are described in Risk Factors.

Our actual results, performance or achievements could differ materially from those expressed in, or implied by, the forward-looking statements. We can give no assurances that any of the events anticipated by the forward-looking statements will occur or, if any of them do, what impact they will have on our results of operations and financial condition. Except as required by law, we do not intend, and we undertake no obligation, to update any forward-looking statement. We urge you to review carefully Risk Factors in this prospectus for a more complete discussion of the risks of an investment in our securities.

USE OF PROCEEDS

We will not receive any of the proceeds from the sale of the shares of our common stock offered by the selling stockholders. All expenses relating to the offering will be paid by the selling stockholders including the underwriting commissions.

CAPITALIZATION

The following table sets forth cash and cash equivalents and capitalization as of December 31, 2003.

	As of December 31, 2003
	(in millions)
Unrestricted cash and cash equivalents	\$ 121.0
Restricted cash and cash equivalents	37.7
Total cash and cash equivalents	\$ 158.7
Secured forward exchange contract(1)	\$ 613.1
Long-term debt:	
Gaylord Nashville senior secured debt due 2005(2)	199.2
Revolving credit facility(3)	
Other debt	1.1
8% senior notes due 2013	350.0
Less marked-to-market derivatives	(1.5)
Total long-term debt	548.8
Total secured forward exchange contract and long-term debt	1,161.9
Total stockholders' equity	904.5
Total capitalization	\$2,066.4

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- (1) The secured forward exchange contract represents an obligation, the interest on which has been prepaid and the principal obligation of which may be satisfied by delivery of shares of Viacom stock that we own.
- (2) The senior loan was scheduled to mature in March 2004. At our option, the senior loan could be extended for two additional one-year terms to March 2006, subject to our Gaylord Opryland operations meeting certain financial ratios and other criteria. We satisfied those criteria and extended the loan until March 2005.
- (3) Approximately \$11.3 million of letters of credit are outstanding under the new revolving credit facility as of December 31, 2003.

PRICE RANGE OF COMMON STOCK AND DIVIDENDS

Our common stock is listed on the New York Stock Exchange under the symbol GET . The following table sets forth, for the calendar quarters indicated, the high and low sales prices for our common stock as reported by the NYSE for the last two years:

	<u>High</u>	<u>Low</u>
2002		
First Quarter	\$26.98	\$22.10
Second Quarter	29.26	21.76
Third Quarter	23.05	17.90
Fourth Quarter	21.35	16.16
2003		
First Quarter	\$21.02	\$16.55
Second Quarter	24.44	17.10
Third Quarter	26.24	17.70
Fourth Quarter	30.60	24.55
2004		
First Quarter	\$32.70	\$28.25
Second Quarter (through April 26, 2004)	32.32	29.34

On April 26, 2004, our last reported sale price on the NYSE was \$31.53.

There were approximately 2,282 record holders of our common stock as of March 16, 2004.

We did not pay dividends on our common stock during the 2002 or 2003 fiscal years. We do not presently intend to declare any cash dividends. We intend to retain our earnings to fund the operation of our business, to service and repay our debt, and to make strategic investments as they arise. Moreover, the terms of our debt contain covenants that restrict our ability to pay dividends. Our board of directors may reevaluate this dividend policy in the future in light of our results of operations, financial condition, cash requirements, future prospects, loan agreements and other factors deemed relevant by our board.

SELECTED CONSOLIDATED FINANCIAL DATA

The following selected historical financial information of Gaylord and its subsidiaries as of December 31, 2003, 2002 and 2001 and for each of the three years in the period ended December 31, 2003 was derived from our audited consolidated financial statements. The selected financial information as of December 31, 2000 and 1999 and for each of the two years in the period ended December 31, 2000 was derived from previously issued audited consolidated financial statements adjusted for unaudited revisions for discontinued operations. The information in the following table should be read in conjunction with Management's Discussion of Financial Condition and Results of Operations and our consolidated financial statements and related notes included in our Annual Report on Form 10-K for the year ended December 31, 2003. We acquired ResortQuest on November 20, 2003 and the results of operations of ResortQuest for the period from November 20, 2003 to December 31, 2003 are included in our results for the year ended December 31, 2003.

	Years Ended December 31,				
	2003	2002	2001	2000	1999
	(in thousands, except per share amounts)				
Income Statement Data:					
Revenues:					
Hospitality	\$369,263	\$339,380	\$228,712	\$237,260	\$239,248
Opry and Attractions	61,433	65,600	67,064	69,283	97,839
ResortQuest	17,920				
Corporate and Other	184	272	290	64	5,318
	<u>448,800</u>	<u>405,252</u>	<u>296,066</u>	<u>306,607</u>	<u>342,405</u>
Operating expenses:					
Operating costs	276,937	254,583	201,299	210,018	220,088
Selling, general and administrative	117,178	108,732	67,212	89,052	74,004
Preopening costs(1)	11,562	8,913	15,927	5,278	1,892
Gain on sale of assets(2)		(30,529)			
Impairment and other charges	856(4)		14,262(4)	75,660(4)	
Restructuring charges		(17)(5)	2,182(5)	12,952(5)	2,786(5)
Merger costs					(1,741)(9)
Depreciation and amortization:					
Hospitality	46,536	44,924	25,593	24,447	22,828
Opry and Attractions	5,129	5,778	6,270	13,955	11,159
ResortQuest	1,186				
Corporate and Other	6,099	5,778	6,542	6,257	6,870
	<u>58,950</u>	<u>56,480</u>	<u>38,405</u>	<u>44,659</u>	<u>40,857</u>
Total operating expenses	<u>465,483</u>	<u>398,162</u>	<u>339,287</u>	<u>437,619</u>	<u>337,886</u>
Operating income (loss):					
Hospitality	42,347	25,972	34,270	45,478	43,859
Opry and Attractions	(600)	1,596	(5,010)	(44,413)(8)	(8,183)
ResortQuest	(2,616)				
Corporate and Other	(43,396)	(42,111)	(40,110)	(38,187)	(28,220)
Preopening costs(1)	(11,562)	(8,913)	(15,927)	(5,278)	(1,892)
Gain on sale of assets(2)		30,529			
Impairment and other charges	(856)(4)		(14,262)(4)	(75,660)(4)	

	Years Ended December 31,				
	2003	2002	2001	2000	1999
	(in thousands, except per share amounts)				
Restructuring charges		17(5)	(2,182)(5)	(12,952)(5)	(2,786)(5)
Merger costs					1,741(9)
Total operating income (loss)	(16,683)	7,090	(43,221)	(131,012)	4,519
Interest expense, net of amounts capitalized	(52,804)	(46,960)	(39,365)	(30,307)	(15,047)
Interest income	2,461	2,808	5,554	4,046	5,922
Unrealized gain (loss) on Viacom stock	39,831	(37,300)	782		
Unrealized (loss) gain on derivatives, net	(33,228)	86,476	54,282		
Other gains and losses	2,209	1,163	2,661	(3,514)	586,371(10)(11)
Income (loss) from continuing operations before income taxes	(58,214)	13,277	(19,307)	(160,787)	581,765
Provision (benefit) for income taxes	(24,669)	1,318	(9,142)		