GAYLORD ENTERTAINMENT CO /DE
Form 424B3
April 28, 2004

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Registration No. 333-114293

Prospectus

7,019,162 Shares

Common Stock

All of the 7,019,162 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 27, 2004, the last reported sale price of the common stock was $32.00 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	$31.75	$222,858,394
Underwriting discounts and commissions	$ 1.27	$ 8,914,336
Proceeds, before expenses, to the selling shareholders	$30.48	$213,944,058

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 1,052,874 additional shares to cover over-allotments.

Deutsche Bank Securities **JPMorgan**

JMP Securities **Morgan Keegan & Company, Inc.**

The date of this prospectus is April 27, 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 s* 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 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	7,019,162 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	2,347,037 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
Total revenues	448,800	405,252	296,066
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
Total operating expenses	465,483	398,162	339,287
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
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)
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)
Net income (loss)	$ 826	$ 95,144	$ (47,796)

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

Total impairment and other charges	$856	$14,262

(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, ou