

MARRIOTT INTERNATIONAL INC /MD/

Form S-4

February 07, 2006

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As filed with the Securities and Exchange Commission on February 7, 2006

Registration No. 333-

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM S-4
REGISTRATION STATEMENT

UNDER
THE SECURITIES ACT OF 1933

MARRIOTT INTERNATIONAL, INC.

(Exact Name of Registrant as Specified in Its Charter)

Delaware

(State or Other Jurisdiction of Incorporation)

52-2055918

(I.R.S. Employer Identification Number)

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10400 Fernwood Road

Bethesda, Maryland 20817

(301) 380-3000

(Address, Including Zip Code, and Telephone Number, Including Area Code, of Registrant's Principal Executive Offices)

Ward R. Cooper, Esq.

Marriott International, Inc.

Dept. 52/923.30

10400 Fernwood Road

Bethesda, Maryland 20817

(301) 380-7824

(Name, Address, Including Zip Code, and Telephone Number, Including Area Code, of Agent for Service)

Copies to:

Stephanie Tsacoumis, Esq.

Gibson, Dunn & Crutcher LLP

1050 Connecticut Avenue, N.W.

Washington, DC 20036

(202) 955-8500

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

If the securities being registered on this form are being offered in connection with the formation of a holding company and there is compliance with General Instruction G, check the following box: "

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If this form is filed to register additional securities for an offering pursuant to Rule 462(b) 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 this form is a post-effective amendment filed pursuant to Rule 462(d) 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. "

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 Securities and Exchange Commission, acting pursuant to Section 8(a), may determine.

CALCULATION OF REGISTRATION FEE

	Amount	Proposed maximum offering price	Proposed maximum aggregate offering price (1)	Amount of registration fee
Title of each class of securities to be registered	to be registered	per debenture		
5.81% Series G Notes due 2015	\$427,231,000	100%	\$427,231,000	\$45,713

(1) Estimated solely for the purpose of computing the registration fee in accordance with Rule 457(f) of the Securities Act of 1933, as amended.

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The information in this prospectus is not complete and may be changed. We may not sell these securities until the registration statement filed with the Securities and Exchange Commission is effective. This 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 FEBRUARY 7, 2006

\$427,231,000

MARRIOTT INTERNATIONAL, INC.

OFFER TO EXCHANGE

ALL OUTSTANDING

5.81% Series G Notes Due 2015

(\$427,231,000 aggregate principal amount outstanding)

for

5.81% Series G Notes Due 2015

Registered Under the Securities Act of 1933

The exchange offer expires at 5:00 p.m., New York City time, on _____, 2006, unless extended.

The exchange offer is not subject to any conditions other than that the exchange offer will not violate any applicable law or interpretation of the staff of the Securities and Exchange Commission and that there be no pending or threatened proceeding that would reasonably be expected to impair our ability to proceed with the exchange offer.

All outstanding notes that are validly tendered and not validly withdrawn will be exchanged.

Tenders of outstanding notes may be withdrawn at any time before 5:00 p.m. on the date of expiration of the exchange offer.

The exchange of notes will not be a taxable exchange for U.S. federal income tax purposes.

We will not receive any proceeds from the exchange offer.

The terms of the new notes to be issued are substantially identical to the outstanding notes, except for transfer restrictions and registration rights relating to the outstanding notes.

See the section entitled Risk Factors that begins on page 6 for a discussion of the risks that you should consider prior to tendering your outstanding notes for exchange.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

The date of this prospectus is _____, 2006.

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WHERE YOU CAN FIND MORE INFORMATION

We file annual, quarterly and special reports, proxy statements and other information with the Securities and Exchange Commission, or the SEC. You can inspect and copy these reports, proxy statements and other information at the public reference facilities of the SEC at the SEC's Public Reference Room located at 100 F Street, N.E., Washington, D.C. 20549. Please call the SEC at 1-800-SEC-0330 for further information on the operation of the Public Reference Room. The SEC also maintains a web site that contains reports, proxy and information statements and other information regarding registrants that file electronically with the SEC (<http://www.sec.gov>). Our internet address is www.marriott.com. You can inspect reports and other information we file at the office of the New York Stock Exchange, Inc., 20 Broad Street, New York, New York 10005.

We have filed a registration statement and related exhibits with the SEC under the Securities Act of 1933, as amended, or the Securities Act. The registration statements contain additional information about us and the securities we may issue. You may inspect the registration statement and exhibits without charge at the office of the SEC at 100 F Street, N.E., Washington, D.C. 20549, and you may obtain copies from the SEC at prescribed rates.

INCORPORATION BY REFERENCE

The SEC allows us to incorporate by reference information into this prospectus, which means that we can disclose important information to you by referring to those documents. We hereby incorporate by reference the documents listed below, which means that we are disclosing important information to you by referring you to those documents. The information that we file later with the SEC will automatically update and in some cases supersede this information. Specifically, we incorporate by reference the following documents or information filed with the SEC (other than, in each case, documents or information deemed to have been furnished and not filed in accordance with SEC rules):

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Our Annual Report on Form 10-K for the year ended December 31, 2004;

Our Quarterly Reports on Form 10-Q for the fiscal quarters ended March 25, 2005, June 17, 2005 and September 9, 2005;

Our Current Reports on Form 8-K filed on March 14, May 10, May 19, June 8, June 14, June 24, June 27, July 5, August 8, October 11, October 20, October 24, October 26, November 1, November 4, November 8, November 15, and December 27, 2005; and February 6, and February 7, 2006;

Our Proxy Statement filed on March 31, 2005; and

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Future filings we make with the SEC under Sections 13(a), 13(c), 14 or 15(d) of the Securities Exchange Act of 1934 after the date of this prospectus and before the completion of this exchange offer.

You may request a copy of these filings at no cost by writing or telephoning us at the following address:

Corporate Secretary

Marriott International, Inc.

Marriott Drive, Department 52/862

Washington, D.C. 20058

(301) 380-3000

In order to obtain timely delivery of any requested information, we must receive your request by _____, 2006, or the date that is no later than five business days before the expiration date.

You should rely only on the information incorporated by reference or provided in this prospectus. We have not authorized anyone else to provide you with other information.

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SUMMARY

The following summary highlights selected information from this prospectus and may not contain all of the information that is important to you. This prospectus includes the basic terms of the exchange offer and the new notes we are offering, as well as information regarding our business and financial data. We encourage you to read this prospectus in its entirety as well as the information incorporated by reference. Unless the context otherwise requires, references in this prospectus to we, us or Marriott mean Marriott International, Inc. and its predecessors and consolidated subsidiaries.

MARRIOTT INTERNATIONAL, INC.

We are one of the world's leading lodging companies. We are a worldwide operator and franchisor of hotels and related lodging facilities. We group our operations into five business segments, Full-Service Lodging, Select-Service Lodging, Extended-Stay Lodging, Timeshare and Synthetic Fuel, which represented 66%, 11%, 5%, 15% and 3%, respectively, of our total sales in the year ended December 31, 2004.

In our Lodging business, which includes our Full-Service, Select-Service, Extended-Stay and Timeshare segments, we develop, operate and franchise hotels and corporate housing properties under 13 separate brand names, and we develop, operate and market Marriott timeshare properties under four separate brand names. Our synthetic fuel operation consists of our interest in four coal-based synthetic fuel production facilities whose operations qualify for tax credits based on Section 29 of the Internal Revenue Code.

We operate or franchise 2,707 lodging properties worldwide, with 493,274 rooms as of September 9, 2005. In addition, we provide 1,805 furnished corporate housing rental units. We believe that our portfolio of lodging brands is the broadest of any company in the world and that we are the leader in the quality tier of the vacation timesharing business. Consistent with our focus on management and franchising, we own very few of our lodging properties. Our lodging brands include:

Full-Service Lodging

Marriott Hotels & Resorts
Marriott Conference Centers
JW Marriott Hotels & Resorts
The Ritz-Carlton
Renaissance Hotels & Resorts
Bulgari Hotels & Resorts

Extended-Stay Lodging

Residence Inn
TownePlace Suites
Marriott ExecuStay
Marriott Executive Apartments

Select-Service Lodging

Courtyard
Fairfield Inn
SpringHill Suites

Timeshare

Marriott Vacation Club International
The Ritz-Carlton Club
Marriott Grand Residence Club
Horizons by Marriott Vacation Club International

Our principal executive offices are located at 10400 Fernwood Road, Bethesda, Maryland 20817. Our telephone number is (301) 380-3000.

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SUMMARY OF THE EXCHANGE OFFER

Background

On November 10, 2005, we consummated our offers to exchange any or all of our then outstanding 7% Series E Notes due 2008, or the Series E Notes, and any or all of our then outstanding 7⁷/₈% Series C Notes due 2009, which together with the Series E Notes we collectively refer to as the old notes, for our outstanding 5.81% Series G Notes due 2015, which we refer to as the outstanding notes. We sometimes refer to the offers to exchange the old notes for outstanding notes as the previous exchange offers. In connection with the previous exchange offers, we entered into a registration rights agreement with the dealer managers of the previous exchange offers. Under the registration rights agreement, we agreed, for the benefit of the holders of the outstanding notes, at our cost, to:

file, not later than February 8, 2006, the registration statement of which this prospectus forms a part to exchange the outstanding notes for new notes with substantially identical terms that are registered under the Securities Act;

use our reasonable efforts to cause the registration statement to be declared effective by June 23, 2006; and

use our reasonable efforts to complete the exchange offer by August 7, 2006.

A copy of the registration rights agreement is filed as an exhibit to the registration statement of which this prospectus forms a part.

Securities Offered

5.81% Series G Notes due 2015.

The Exchange Offer

We are offering to issue registered new notes in exchange for like principal amount and like denominations of the outstanding notes. We are offering to issue these registered new notes to satisfy our obligations under the registration rights agreement. You may tender your outstanding notes for exchange by following the procedures described under the heading **The Exchange Offer Procedures for Tendering Outstanding Notes**.

Conditions of the Exchange Offer

The exchange offer is subject to specified conditions described under the caption **The Exchange Offer Conditions to the Exchange Offer**, some of which we may waive in our sole discretion. The exchange offer is not conditioned upon any minimum principal amount of outstanding notes being tendered.

Extensions; Amendments

We reserve the right:

to delay the acceptance of any outstanding notes;

to extend the expiration date of the exchange offer and retain all outstanding notes tendered pursuant to the exchange offer;

to terminate the exchange offer and to refuse to accept outstanding notes not previously accepted, if one or more specified conditions occur; and/or

to amend the terms of the exchange offer in any manner.

See The Exchange Offer Expiration Date; Extensions; Amendments.

Denomination of New Notes

New notes will be issued in minimum denominations of \$1,000 and integral multiples of \$1,000.

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Tenders; Expiration Date	The exchange offer will expire at 5:00 p.m., New York City time, on _____, 2006, unless we extend that time. We will extend the duration of the exchange offer as required by applicable law, and may choose to extend in order to provide additional time for holders of outstanding notes to tender their notes for exchange. If we decide for any reason not to accept any outstanding notes you have tendered for exchange, those outstanding notes will be returned to you without cost promptly after the expiration or termination of the exchange offer. See The Exchange Offer Expiration Date; Extensions; Amendments.
Withdrawal	You may withdraw tenders of outstanding notes at any time prior to the expiration date by delivering a written notice of withdrawal to the exchange agent in conformity with the procedures discussed under The Exchange Offer Withdrawal Rights.
Settlement Date	The settlement date of the exchange offer will be the third business day following the expiration date or as soon as practicable thereafter.
Certain U.S. Federal Income Tax Consequences	You should review the information set forth under Certain U.S. Federal Income Tax Consequences before tendering outstanding notes in the exchange offer.
Use of Proceeds	We will not receive any cash proceeds from the exchange offer.
Exchange Agent	JPMorgan Chase Bank, N.A., is serving as the exchange agent in connection with this exchange offer. The address and telephone numbers of JPMorgan Chase Bank are listed under the caption The Exchange Offer Exchange Agent.
Procedures for Tendering Outstanding Notes	If you wish to participate in the exchange offer and your outstanding notes are held by a custodial entity, such as a bank, broker, dealer, trust company or other nominee through The Depository Trust Company, also known as DTC, you may do so through the automated tender offer program of DTC. By participating in the exchange offer, you will agree to be bound by the letter of transmittal that we are providing with this prospectus as though you had signed the letter of transmittal.
Consequences of Failure to Exchange	If your outstanding notes are registered in your name, you must deliver the certificates representing your outstanding notes, together with a completed letter of transmittal and any other documents required by the letter of transmittal, to the exchange agent not later than the time the exchange offer expires. See The Exchange Offer Procedures for Tendering Outstanding Notes and Acceptance of Outstanding Notes for Exchange; Delivery of New Notes. In the alternative, you may comply with the guaranteed delivery procedures described under The Exchange Offer Guaranteed Delivery Procedures.
Consequences of Failure to Exchange	If you do not exchange your outstanding notes for new notes registered under the Securities Act, your outstanding notes will continue to be subject to the restrictions on transfer described in the legend on the outstanding notes. In general, outstanding notes may not be offered or sold unless registered or exempt from registration under the Securities Act, or in a transaction not subject to the Securities Act and applicable

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state laws. See Risk Factors Consequences of Failure to Exchange. Following the completion of the exchange offer, we will have no obligation to exchange outstanding notes for new notes.

Resales of New Notes

We believe that you will be able to offer for resale, resell or otherwise transfer new notes issued in the exchange offer without further compliance with the registration and prospectus delivery provisions of the federal securities laws, provided that:

you are not an affiliate of ours within the meaning of Rule 405 under the Securities Act;

you are not a broker-dealer who exchanged old notes acquired directly from us for your own account for outstanding notes in the previous exchange offers;

the new notes to be received by you will be acquired in the ordinary course of your business; and

you have no arrangement or understanding with any person to participate in the distribution, within the meaning of the Securities Act, of the new notes.

Our belief is based on interpretations by the staff of the SEC, as set forth in no-action letters issued to third parties unrelated to us. The staff has not considered this exchange offer in the context of a no-action letter, and we cannot assure you that the staff would make a similar determination with respect to this exchange offer.

If our belief is not accurate and you transfer a new note without delivering a prospectus meeting the requirements of the federal securities laws without an exemption from these laws, you may incur liability under the federal securities laws. We do not and will not assume, or indemnify you against, this liability.

In addition, in connection with any resales of the new notes, any broker-dealer that acquired new notes for its own account as a result of market-making or other trading activities must deliver a prospectus meeting the requirements of the Securities Act. See The Exchange Offer Resales of New Notes.

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The New Notes

The terms of the outstanding notes and the new notes we are issuing in this exchange offer are identical in all material respects, except the new notes offered in the exchange offer:

will have been registered under the Securities Act;

will not have transfer restrictions and registration rights that relate to the outstanding notes; and

will not have rights relating to the payment of additional interest to be made to the holders of the outstanding notes under the circumstances related to the timing of the exchange offer.

A brief description of the new notes is set forth below. For additional information regarding the new notes, see Description of New Notes.

Maturity	November 10, 2015.
Interest Rate	The new notes will bear interest at a rate per annum equal to 5.81%. Interest on each new note will accrue from the last interest payment date on which interest was paid on the outstanding notes surrendered in exchange therefor or, if no interest has been paid on the outstanding notes, from the date of their original issuance, which was November 10, 2005.
Interest Payment Dates	Interest will be payable semi-annually on May 10 and November 10, beginning on May 10, 2006.
Rating	We expect the new notes to be rated Baa2 by Moody's and BBB+ by S&P, which are the present ratings of the outstanding notes.
Ranking	The new notes will be unsecured obligations of Marriott, and will rank <i>pari passu</i> with all existing and future unsecured and unsubordinated indebtedness of Marriott.
Optional Redemption	We may redeem the new notes prior to maturity, in whole or in part, as described in this prospectus. See Description of New Notes Redemption at Our Option.
Covenants	The indenture governing the new notes provides for certain limitations on our ability and the ability of certain of our restricted subsidiaries to (a) create liens on the capital stock or indebtedness of principal subsidiaries and (b) enter into sale and leaseback transactions.
Listing	We do not intend to list the new notes on any securities exchange.

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RISK FACTORS

You should consider carefully the following risks and all of the information set forth or incorporated by reference in this prospectus, including the risks and uncertainties described in Management's Discussion and Analysis of Financial Condition and Results of Operations under the heading Risks and Uncertainties included in our Annual Report on Form 10-K for the year ended December 31, 2004, and in our Quarterly Report on Form 10-Q for our fiscal quarter ended September 9, 2005, before tendering your outstanding notes for exchange in the exchange offer.

CONSEQUENCES OF FAILURE TO EXCHANGE

You may have difficulty selling the outstanding notes that you do not exchange.

If you do not exchange your outstanding notes for new notes in the exchange offer, your outstanding notes will continue to be subject to the restrictions on transfer described in the legend on your outstanding notes. In general, the outstanding notes may not be offered or sold unless registered or exempt from registration under the Securities Act, or in a transaction not subject to the Securities Act and applicable state securities laws. We do not plan to register the outstanding notes under the Securities Act. If a large number of outstanding notes are exchanged for new notes registered under the Securities Act, it may be more difficult for you to sell your outstanding notes. In addition, if you do not exchange your outstanding notes in the exchange offer and the exchange offer is consummated, you will no longer be entitled to the registration rights provided under the registration rights agreement relating to the outstanding notes.

RISKS RELATING TO THE NEW NOTES

We depend on cash flow of our subsidiaries to make payments on our securities.

Marriott International, Inc. is in part a holding company. Our subsidiaries conduct a significant percentage of our consolidated operations and own a significant percentage of our consolidated assets. Consequently, our cash flow and our ability to meet our debt service obligations depend in large part upon the cash flow of our subsidiaries and the payment of funds by the subsidiaries to us in the form of loans, dividends or otherwise. Our subsidiaries are not obligated to make funds available to us for payment of our debt securities or preferred stock dividends or otherwise. In addition, their ability to make any payments will depend on their earnings, the terms of their indebtedness, business and tax considerations and legal restrictions. The new notes and the outstanding notes effectively rank junior to all liabilities of our subsidiaries. In the event of a bankruptcy, liquidation or dissolution of a subsidiary and following payment of its liabilities, the subsidiary may not have sufficient assets remaining to make payments to us as a shareholder or otherwise. The indenture governing the outstanding notes and the new notes does not limit the amount of unsecured debt which our subsidiaries may incur. In addition, we and our subsidiaries may incur secured debt and enter into sale and leaseback transactions, subject to certain limitations.

A liquid trading market for the new notes may not develop.

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There is no existing trading market for the new notes. We have been advised by the dealer managers for the previous exchange offers that they presently intend to make a market in the new notes after the completion of the exchange offer contemplated hereby, although they are under no obligation to do so and may discontinue any market-making activities at any time without any notice. The liquidity of any market for the new notes will depend upon the number of holders of the new notes, our performance, the market for similar securities, the interest of securities dealers in making a market in the new notes and other factors. A liquid trading market may not develop for the new notes. As a result, the market price of the new notes could be adversely affected.

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FORWARD-LOOKING STATEMENTS

We make forward-looking statements in this prospectus and the documents incorporated by reference based on the beliefs and assumptions of our management and on information currently available to us. Forward-looking statements include information about our possible or assumed future results of operations in Management's Discussion and Analysis of Financial Condition and Results of Operations under the headings Business and Overview and Liquidity and Capital Resources included in our Annual Report on Form 10-K for the year ended December 31, 2004, and in our Quarterly Reports on Form 10-Q for the Quarterly Periods ended March 25, 2005, June 17, 2005 and September 9, 2005, and include other statements in our SEC filings preceded by, followed by or that include the words believes, expects, anticipates, intends, plans, estimates or similar expressions.

Forward-looking statements are subject to a number of risks and uncertainties which could cause actual results to differ materially from those expressed in these forward-looking statements, including risks and uncertainties described on page 6 of this prospectus and other factors that we describe from time to time in our periodic filings with the SEC. We therefore caution you not to rely unduly on any forward-looking statements. The forward-looking statements in this prospectus and the documents incorporated by reference speak only as of the date of the document in which the forward-looking statement is made, and we undertake no obligation to update or revise any forward-looking statement, whether as a result of new information, future developments or otherwise.

USE OF PROCEEDS

We will not receive any cash proceeds from the issuance of the new notes in exchange for the outstanding notes. Any outstanding notes that are properly tendered and exchanged pursuant to the exchange offer will be retired and cancelled.

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The following table presents a summary of selected historical financial data for the Company derived from our financial statements as of and for the third fiscal quarter of 2005 and 2004 and our last five fiscal years.

Since the information in this table is only a summary and does not provide all of the information contained in our financial statements, including the related notes, you should read Management's Discussion and Analysis of Financial Condition and Results of Operations and our consolidated financial statements contained in our Annual Report on Form 10-K for the fiscal year ended December 31, 2004 and our Quarterly Report on Form 10-Q for the fiscal quarter ended September 9, 2005.

(\$ in millions, except per share data)

	Thirty-Six Weeks Ended (2)		Fiscal Year (3)				
	September 9, 2005	September 10, 2004	2004	2003	2002	2001	2000
Income Statement Data:							
Revenues (1)	\$ 7,909	\$ 6,958	\$ 10,099	\$ 9,014	\$ 8,415	\$ 7,768	\$ 7,911
Operating income (1)	\$ 334	\$ 368	\$ 477	\$ 377	\$ 321	\$ 420	\$ 762
Income from continuing operations	\$ 431	\$ 406	\$ 594	\$ 476	\$ 439	\$ 269	\$ 490
Discontinued operations	1	1	2	26	(162)	(33)	(11)
Net income	\$ 432	\$ 407	\$ 596	\$ 502	\$ 277	\$ 236	\$ 479
Per Share Data:							
Diluted earnings per share from continuing operations	\$ 1.83	\$ 1.69	\$ 2.47	\$ 1.94	\$ 1.74	\$ 1.05	\$ 1.93
Diluted earnings (loss) per share from discontinued operations			.01	.11	(.64)	(.13)	(.04)
Diluted earnings per share	\$ 1.83	\$ 1.69	\$ 2.48	\$ 2.05	\$ 1.10	\$.92	\$ 1.89
Cash dividends declared per share	\$ 0.295	\$ 0.245	\$.330	\$.295	\$.275	\$.255	\$.235
Balance Sheet Data (at end of period):							