

Edgar Filing: BEVERLY ENTERPRISES INC - Form SC 13D/A

BEVERLY ENTERPRISES INC
Form SC 13D/A
January 27, 2005

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

Schedule 13D/A
(Amendment No. 2)
Under the Securities Exchange Act of 1934

Beverly Enterprises, Inc.

(Name of Issuer)

Common Stock, \$0.10 par value per share

(Title of class of securities)

087851309

(CUSIP Number)

Kenneth Maiman, Esq.
Appaloosa Management L.P.
26 Main Street, First Floor
Chatham, NJ 07928
(973) 701-7000

Bradley Takahashi, Esq.
Franklin Mutual Advisers, LLC
51 John F. Kennedy Parkway
Short Hills, NJ 07078
(973) 912-2000

Arnold M. Whitman
Formation Capital, LLC
1035 Powers Place
Alpharetta, GA 30004
(770) 754-9660

Richard Marks, Esq.
Northbrook NBV, LLC
500 Skokie Blvd, Ste. 310
Northbrook, IL 60062
(847) 559-1002

Robert C. Schwenkel, Esq.
Fried, Frank, Harris, Shriver & Jacobson LLP
One New York Plaza
New York, NY 10004-1980
(212) 859-8000

(Persons Authorized to Receive Notices and Communications)

January 27, 2005

(Date of Event which Requires Filing of this Statement)

If the filing person has previously filed a statement on Schedule 13G to report the acquisition that is the subject of this Schedule 13D, and is filing this schedule because of ss.ss.240.13d-1(e), 240.13d-1(f) or 240.13d-1(g), check the following box. []

CUSIP NO. 087851309 13D PAGE 2 OF 42 PAGES

NAME OF REPORTING PERSON
SS. OR I.R.S. IDENTIFICATION NO. OF ABOVE PERSON
1 Appaloosa Investment Limited Partnership I

CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP
2 (a) (b)

Edgar Filing: BEVERLY ENTERPRISES INC - Form SC 13D/A

3 SEC USE ONLY

4 SOURCE OF FUNDS
OO

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT
TO ITEM 2(d) OR 2(e)
N/A

6 CITIZENSHIP OR PLACE OF ORGANIZATION
Delaware

7 NUMBER OF SHARES 7 SOLE VOTING POWER
-0-

8 BENEFICIALLY OWNED BY 8 SHARED VOTING POWER
1,873,122

9 EACH REPORTING PERSON 9 SOLE DISPOSITIVE POWER
-0-

10 PERSON WITH 10 SHARED DISPOSITIVE POWER
1,873,122

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY REPORTING PERSON
1,873,122

12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES
N/A

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)
1.7%

14 TYPE OF REPORTING PERSON
PN

CUSIP NO. 087851309 13D PAGE 3 OF 42 PAGES

1 NAME OF REPORTING PERSON
SS. OR I.R.S. IDENTIFICATION NO. OF ABOVE PERSON
Palomino Fund Ltd.

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP
(a) |X|
(b) |_|

3 SEC USE ONLY

4 SOURCE OF FUNDS
OO

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT
TO ITEM 2(d) OR 2(e)
N/A

6 CITIZENSHIP OR PLACE OF ORGANIZATION
British Virgin Islands

Edgar Filing: BEVERLY ENTERPRISES INC - Form SC 13D/A

NUMBER OF SHARES	7	SOLE VOTING POWER -0-
BENEFICIALLY OWNED BY	8	SHARED VOTING POWER 1,641,178
EACH REPORTING	9	SOLE DISPOSITIVE POWER -0-
PERSON WITH	10	SHARED DISPOSITIVE POWER 1,641,178
11	AGGREGATE AMOUNT BENEFICIALLY OWNED BY REPORTING PERSON 1,641,178	
12	CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES N/A	
13	PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11) 1.5%	
14	TYPE OF REPORTING PERSON CO	

CUSIP NO. 087851309 13D PAGE 4 OF 42 PAGES

NAME OF REPORTING PERSON
SS. OR I.R.S. IDENTIFICATION NO. OF ABOVE PERSON
1 Appaloosa Management L.P.

CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP
2 (a) (b)

3 SEC USE ONLY

SOURCE OF FUNDS
4 OO

CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT
TO ITEM 2(d) OR 2(e)
5 N/A

CITIZENSHIP OR PLACE OF ORGANIZATION
6 Delaware

NUMBER OF SHARES	7	SOLE VOTING POWER -0-
BENEFICIALLY OWNED BY	8	SHARED VOTING POWER 3,514,300
EACH REPORTING	9	SOLE DISPOSITIVE POWER -0-
PERSON WITH	10	SHARED DISPOSITIVE POWER 3,514,300
11	AGGREGATE AMOUNT BENEFICIALLY OWNED BY REPORTING PERSON	

Edgar Filing: BEVERLY ENTERPRISES INC - Form SC 13D/A

3,514,300

12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES
N/A

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)
3.3%

14 TYPE OF REPORTING PERSON
PN;IA

CUSIP NO. 087851309 13D PAGE 5 OF 42 PAGES

1 NAME OF REPORTING PERSON
SS. OR I.R.S. IDENTIFICATION NO. OF ABOVE PERSON
Appaloosa Partners Inc.

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP
(a) |X|
(b) |_|

3 SEC USE ONLY

4 SOURCE OF FUNDS
OO

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT
TO ITEM 2(d) OR 2(e)
N/A

6 CITIZENSHIP OR PLACE OF ORGANIZATION
Delaware

7 NUMBER OF SHARES
SOLE VOTING POWER
-0-

8 BENEFICIALLY OWNED BY
SHARED VOTING POWER
3,514,300

9 EACH REPORTING PERSON
SOLE DISPOSITIVE POWER
-0-

10 PERSON WITH
SHARED DISPOSITIVE POWER
3,514,300

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY REPORTING PERSON
3,514,300

12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES
N/A

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)
3.3%

14 TYPE OF REPORTING PERSON
CO

CUSIP NO. 087851309 13D PAGE 6 OF 42 PAGES

Edgar Filing: BEVERLY ENTERPRISES INC - Form SC 13D/A

NAME OF REPORTING PERSON
SS. OR I.R.S. IDENTIFICATION NO. OF ABOVE PERSON
1 David A. Tepper

CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP
2 (a) |X|
(b) |_|

3 SEC USE ONLY

SOURCE OF FUNDS
4 OO

CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT
TO ITEM 2(d) OR 2(e)
5 N/A

CITIZENSHIP OR PLACE OF ORGANIZATION
6 USA

NUMBER OF	7	SOLE VOTING POWER
SHARES		-0-
BENEFICIALLY	8	SHARED VOTING POWER
OWNED BY		3,514,300
EACH	9	SOLE DISPOSITIVE POWER
REPORTING		-0-
PERSON	10	SHARED DISPOSITIVE POWER
WITH		3,514,300

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY REPORTING PERSON
3,514,300

12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES
N/A

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)
3.3%

TYPE OF REPORTING PERSON
14 IN;HC

CUSIP NO. 087851309 13D PAGE 7 OF 42 PAGES

NAME OF REPORTING PERSON
SS. OR I.R.S. IDENTIFICATION NO. OF ABOVE PERSON
1 Franklin Mutual Advisers, LLC

CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP
2 (a) |X|
(b) |_|

3 SEC USE ONLY

SOURCE OF FUNDS
4 OO

Edgar Filing: BEVERLY ENTERPRISES INC - Form SC 13D/A

CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEM 2(d) OR 2(e)
5 N/A

CITIZENSHIP OR PLACE OF ORGANIZATION
6 Delaware

NUMBER OF 7 SOLE VOTING POWER
SHARES 3,508,900

BENEFICIALLY 8 SHARED VOTING POWER
OWNED BY -0-

EACH 9 SOLE DISPOSITIVE POWER
REPORTING 3,508,900

PERSON 10 SHARED DISPOSITIVE POWER
WITH -0-

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY REPORTING PERSON
3,508,900

12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES
N/A

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)
3.2%

TYPE OF REPORTING PERSON
14 IA

CUSIP NO. 087851309 13D PAGE 8 OF 42 PAGES

NAME OF REPORTING PERSON
SS. OR I.R.S. IDENTIFICATION NO. OF ABOVE PERSON
1 Northbrook NBV, LLC

CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP
2 (a)
(b)

3 SEC USE ONLY

SOURCE OF FUNDS
4 WC

CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEM 2(d) OR 2(e)
5 N/A

CITIZENSHIP OR PLACE OF ORGANIZATION
6 Delaware

NUMBER OF 7 SOLE VOTING POWER
SHARES -0-

BENEFICIALLY 8 SHARED VOTING POWER
OWNED BY 1,487,200

EACH 9 SOLE DISPOSITIVE POWER

Edgar Filing: BEVERLY ENTERPRISES INC - Form SC 13D/A

REPORTING -0-

PERSON 10 SHARED DISPOSITIVE POWER
WITH 1,487,200

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY REPORTING PERSON
1,487,200

12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES
N/A

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)
1.4%

14 TYPE OF REPORTING PERSON
OO

CUSIP NO. 087851309 13D PAGE 9 OF 42 PAGES

NAME OF REPORTING PERSON
SS. OR I.R.S. IDENTIFICATION NO. OF ABOVE PERSON
1 David Hokin

CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP
2 (a) (b)

3 SEC USE ONLY

4 SOURCE OF FUNDS
OO

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT
TO ITEM 2(d) OR 2(e)
N/A

6 CITIZENSHIP OR PLACE OF ORGANIZATION
USA

NUMBER OF 7 SOLE VOTING POWER
SHARES -0-

BENEFICIALLY 8 SHARED VOTING POWER
OWNED BY 1,487,200

EACH 9 SOLE DISPOSITIVE POWER
REPORTING -0-

PERSON 10 SHARED DISPOSITIVE POWER
WITH 1,487,200

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY REPORTING PERSON
1,487,200

12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES
N/A

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)
1.4%

Edgar Filing: BEVERLY ENTERPRISES INC - Form SC 13D/A

14 TYPE OF REPORTING PERSON
IN;HC

CUSIP NO. 087851309 13D PAGE 10 OF 42 PAGES

1 NAME OF REPORTING PERSON
SS. OR I.R.S. IDENTIFICATION NO. OF ABOVE PERSON
Rob Rubin

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP
(a) |X|
(b) |_|

3 SEC USE ONLY

4 SOURCE OF FUNDS
OO

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT
TO ITEM 2(d) OR 2(e)
N/A

6 CITIZENSHIP OR PLACE OF ORGANIZATION
USA

7 NUMBER OF SHARES 7 SOLE VOTING POWER
-0-

BENEFICIALLY OWNED BY 8 SHARED VOTING POWER
1,487,200

9 EACH REPORTING PERSON SOLE DISPOSITIVE POWER
-0-

10 PERSON WITH SHARED DISPOSITIVE POWER
1,487,200

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY REPORTING PERSON
1,487,200

12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES
N/A

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)
1.4%

14 TYPE OF REPORTING PERSON
IN

CUSIP NO. 087851309 13D PAGE 11 OF 42 PAGES

1 NAME OF REPORTING PERSON
SS. OR I.R.S. IDENTIFICATION NO. OF ABOVE PERSON
Robert Hartman

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP
(a) |X|
(b) |_|

Edgar Filing: BEVERLY ENTERPRISES INC - Form SC 13D/A

3 SEC USE ONLY

4 SOURCE OF FUNDS
OO

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT
TO ITEM 2(d) OR 2(e)
N/A

6 CITIZENSHIP OR PLACE OF ORGANIZATION
USA

7 NUMBER OF SHARES 7 SOLE VOTING POWER
-0-

8 BENEFICIALLY OWNED BY 8 SHARED VOTING POWER
1,487,200

9 EACH REPORTING PERSON 9 SOLE DISPOSITIVE POWER
-0-

10 PERSON WITH 10 SHARED DISPOSITIVE POWER
1,487,200

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY REPORTING PERSON
1,487,200

12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES
N/A

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)
1.4%

14 TYPE OF REPORTING PERSON
IN

CUSIP NO. 087851309 13D PAGE 12 OF 42 PAGES

1 NAME OF REPORTING PERSON
SS. OR I.R.S. IDENTIFICATION NO. OF ABOVE PERSON
1995 David Reis Family Trust

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP
(a)
(b)

3 SEC USE ONLY

4 SOURCE OF FUNDS
OO

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT
TO ITEM 2(d) OR 2(e)
N/A

6 CITIZENSHIP OR PLACE OF ORGANIZATION
Connecticut

Edgar Filing: BEVERLY ENTERPRISES INC - Form SC 13D/A

NUMBER OF SHARES	7	SOLE VOTING POWER -0-
BENEFICIALLY OWNED BY	8	SHARED VOTING POWER 10,000
EACH REPORTING	9	SOLE DISPOSITIVE POWER -0-
PERSON WITH	10	SHARED DISPOSITIVE POWER 10,000
11	AGGREGATE AMOUNT BENEFICIALLY OWNED BY REPORTING PERSON 10,000	
12	CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES N/A	
13	PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11) Less than 1.0%	
14	TYPE OF REPORTING PERSON OO	

CUSIP NO. 087851309 13D PAGE 13 OF 42 PAGES

NAME OF REPORTING PERSON
SS. OR I.R.S. IDENTIFICATION NO. OF ABOVE PERSON
1 1995 Donna Reis Family Trust

CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP
2 (a) (b)

3 SEC USE ONLY

SOURCE OF FUNDS
4 OO

CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT
TO ITEM 2(d) OR 2(e)
5 N/A

CITIZENSHIP OR PLACE OF ORGANIZATION
6 Connecticut

NUMBER OF SHARES	7	SOLE VOTING POWER -0-
BENEFICIALLY OWNED BY	8	SHARED VOTING POWER 25,000
EACH REPORTING	9	SOLE DISPOSITIVE POWER -0-
PERSON WITH	10	SHARED DISPOSITIVE POWER 25,000
11	AGGREGATE AMOUNT BENEFICIALLY OWNED BY REPORTING PERSON 25,000	

Edgar Filing: BEVERLY ENTERPRISES INC - Form SC 13D/A

12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES
N/A

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)
Less than 1.0%

14 TYPE OF REPORTING PERSON
OO

CUSIP NO. 087851309 13D PAGE 14 OF 42 PAGES

NAME OF REPORTING PERSON
SS. OR I.R.S. IDENTIFICATION NO. OF ABOVE PERSON
1 Aaron Reis Spray Trust

CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP
2 (a) |
(b) |

3 SEC USE ONLY

SOURCE OF FUNDS
4 OO

CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT
TO ITEM 2 (d) OR 2 (e)
5 N/A

CITIZENSHIP OR PLACE OF ORGANIZATION
6 Connecticut

NUMBER OF 7 SOLE VOTING POWER
SHARES -0-

BENEFICIALLY 8 SHARED VOTING POWER
OWNED BY 20,000

EACH 9 SOLE DISPOSITIVE POWER
REPORTING -0-

PERSON 10 SHARED DISPOSITIVE POWER
WITH 20,000

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY REPORTING PERSON
20,000

12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES
N/A

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)
Less than 1.0%

14 TYPE OF REPORTING PERSON
OO

CUSIP NO. 087851309 13D PAGE 15 OF 42 PAGES

Edgar Filing: BEVERLY ENTERPRISES INC - Form SC 13D/A

NAME OF REPORTING PERSON
SS. OR I.R.S. IDENTIFICATION NO. OF ABOVE PERSON
1 Anna Reis Spray Trust

CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP
2 (a) |X|
(b) |_|

3 SEC USE ONLY

SOURCE OF FUNDS
4 OO

CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT
TO ITEM 2(d) OR 2(e)
5 N/A

CITIZENSHIP OR PLACE OF ORGANIZATION
6 Connecticut

NUMBER OF	7	SOLE VOTING POWER
SHARES		-0-
BENEFICIALLY	8	SHARED VOTING POWER
OWNED BY		22,500
EACH	9	SOLE DISPOSITIVE POWER
REPORTING		-0-
PERSON	10	SHARED DISPOSITIVE POWER
WITH		22,500

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY REPORTING PERSON
22,500

12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES
N/A

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)
Less than 1.0%

TYPE OF REPORTING PERSON
14 OO

CUSIP NO. 087851309 13D PAGE 16 OF 42 PAGES

NAME OF REPORTING PERSON
SS. OR I.R.S. IDENTIFICATION NO. OF ABOVE PERSON
1 Alexander Reis Spray Trust

CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP
2 (a) |X|
(b) |_|

3 SEC USE ONLY

SOURCE OF FUNDS
4 OO

CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT

Edgar Filing: BEVERLY ENTERPRISES INC - Form SC 13D/A

5 TO ITEM 2(d) OR 2(e)
N/A

6 CITIZENSHIP OR PLACE OF ORGANIZATION
Connecticut

NUMBER OF 7 SOLE VOTING POWER
SHARES -0-

BENEFICIALLY 8 SHARED VOTING POWER
OWNED BY 22,500

EACH 9 SOLE DISPOSITIVE POWER
REPORTING -0-

PERSON 10 SHARED DISPOSITIVE POWER
WITH 22,500

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY REPORTING PERSON
22,500

12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES
N/A

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)
Less than 1.0%

14 TYPE OF REPORTING PERSON
OO

CUSIP NO. 087851309 13D PAGE 17 OF 42 PAGES

NAME OF REPORTING PERSON
SS. OR I.R.S. IDENTIFICATION NO. OF ABOVE PERSON
1 David Reis Family Trust

CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP
2 (a) (b)

3 SEC USE ONLY

4 SOURCE OF FUNDS
OO

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT
TO ITEM 2(d) OR 2(e)
N/A

6 CITIZENSHIP OR PLACE OF ORGANIZATION
Connecticut

NUMBER OF 7 SOLE VOTING POWER
SHARES -0-

BENEFICIALLY 8 SHARED VOTING POWER
OWNED BY 25,000

EACH 9 SOLE DISPOSITIVE POWER
REPORTING -0-

Edgar Filing: BEVERLY ENTERPRISES INC - Form SC 13D/A

PERSON 10 SHARED DISPOSITIVE POWER
WITH 25,000

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY REPORTING PERSON
25,000

12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES
N/A

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)
Less than 1.0%

14 TYPE OF REPORTING PERSON
OO

CUSIP NO. 087851309 13D PAGE 18 OF 42 PAGES

NAME OF REPORTING PERSON
SS. OR I.R.S. IDENTIFICATION NO. OF ABOVE PERSON
1 David Reis

CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP
2 (a)
(b)

3 SEC USE ONLY

4 SOURCE OF FUNDS
PF

CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT
TO ITEM 2(d) OR 2(e)
5 N/A

6 CITIZENSHIP OR PLACE OF ORGANIZATION
United States

NUMBER OF 7 SOLE VOTING POWER
SHARES 95,000[1]

BENEFICIALLY 8 SHARED VOTING POWER
OWNED BY 125,000

EACH 9 SOLE DISPOSITIVE POWER
REPORTING 95,000[1]

PERSON 10 SHARED DISPOSITIVE POWER
WITH 125,000

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY REPORTING PERSON
220,000

12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES
N/A

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)
Less than 1.0%

TYPE OF REPORTING PERSON

Edgar Filing: BEVERLY ENTERPRISES INC - Form SC 13D/A

14 IN

 [1] Includes 20,000 Beverly Enterprises Shares which may be purchased pursuant to currently exercisable call options.

CUSIP NO. 087851309 13D PAGE 19 OF 42 PAGES

NAME OF REPORTING PERSON
 SS. OR I.R.S. IDENTIFICATION NO. OF ABOVE PERSON
 1 Baylor Enterprises LLC

CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP
 (a)
 2 (b)

3 SEC USE ONLY

SOURCE OF FUNDS
 4 AF

CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEM 2(d) OR 2(e)
 5 N/A

CITIZENSHIP OR PLACE OF ORGANIZATION
 6 Georgia

NUMBER OF 7 SOLE VOTING POWER
 SHARES -0-

BENEFICIALLY 8 SHARED VOTING POWER
 OWNED BY 22,000

EACH 9 SOLE DISPOSITIVE POWER
 REPORTING -0-

PERSON 10 SHARED DISPOSITIVE POWER
 WITH 22,000

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY REPORTING PERSON
 22,000

12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES
 N/A

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)
 Less than 1.0%

14 TYPE OF REPORTING PERSON
 OO

CUSIP NO. 087851309 13D PAGE 20 OF 42 PAGES

NAME OF REPORTING PERSON
 SS. OR I.R.S. IDENTIFICATION NO. OF ABOVE PERSON
 1 Arnold M. Whitman

Edgar Filing: BEVERLY ENTERPRISES INC - Form SC 13D/A

CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP
2 (a) (b)

3 SEC USE ONLY

SOURCE OF FUNDS
4 PF

CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEM 2(d) OR 2(e)
5 N/A

CITIZENSHIP OR PLACE OF ORGANIZATION
6 USA

NUMBER OF 7 SOLE VOTING POWER
SHARES 4,500

BENEFICIALLY 8 SHARED VOTING POWER
OWNED BY 22,000

EACH 9 SOLE DISPOSITIVE POWER
REPORTING 4,500

PERSON 10 SHARED DISPOSITIVE POWER
WITH 22,000

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY REPORTING PERSON
26,500

12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES
N/A

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)
Less than 1%

TYPE OF REPORTING PERSON
14 IN;HC

This Amendment No. 2 amends the Schedule 13D originally filed on January 24, 2005, as amended by Amendment No. 1 filed on January 25, 2005 (as amended, the "Statement"), by (i) Appaloosa Investment Limited Partnership I, (ii) Palomino Fund Ltd., (iii) Appaloosa Management L.P., (iv) Appaloosa Partners, Inc., (v) David A. Tepper, (vi) Franklin Mutual Advisers, LLC, (vii) Northbrook NBV, LLC, (viii) David Hokin, (ix) Rob Rubin, (x) Robert Hartman, (xi) 1995 David Reis Family Trust, (xii) 1995 Donna Reis Family Trust, (xiii) Aaron Reis Spray Trust, (xiv) Anna Reis Spray Trust, (xv) Alexander Reis Spray Trust, (xvi) David Reis Family Trust, (xvii) David Reis, (xviii) Baylor Enterprises LLC and (xix) Arnold Whitman relating to the common stock, \$0.10 par value per share, of Beverly Enterprises Inc. Unless otherwise indicated, all capitalized terms used herein shall have the meanings given to them in the Statement, and unless amended hereby, all information previously filed remains in effect.

ITEM 4. PURPOSE OF TRANSACTION

Item No. 4 is hereby supplemented by the following:

On January 27, 2005, Fried, Frank, Harris, Shriver & Jacobson LLP

Edgar Filing: BEVERLY ENTERPRISES INC - Form SC 13D/A

("Fried Frank"), counsel to Appaloosa, Franklin Mutual and Formation (collectively, the "Consortium Members"), sent a letter (the "Fried Frank Letter") on behalf of the Consortium Members to Douglas J. Babb, Executive Vice President, Chief Administrative and Legal Officer of the Company. A copy of the letter is attached as Exhibit I.

As indicated in the Fried Frank Letter, the Consortium Members reiterate their desire to pursue a mutually beneficial, negotiated transaction with the Company on the terms set forth in the December 22 and January 19 Letters from Formation to the Company.

Despite having the Consortium Members' proposal for over four weeks, the Company still has not responded nor indicated when it might respond. Rather than commencing discussions with the Consortium Members, the Company has accelerated the deadline for submission of stockholder proposals and nominees in connection with the Company's 2005 annual meeting and adopted a poison pill, actions that appear designed to impede any transaction, including one with the Consortium Members. As noted in the Fried Frank Letter, the Company's January 21, 2005 announcement of the acceleration of the deadline for submission of stockholder proposals and nominees was made two days after the January 19 Letter was sent by Formation to the Company, at the request of the Company's Chairman.

These actions, including the Company's failure to engage in discussions, have compelled the Consortium Members to consider alternatives, including proposing a slate of directors to the Company's stockholders at the Company's 2005 annual meeting.

The Consortium Members remain prepared to discuss all aspects of their proposal with the Company and commence a due diligence review of the Company, with the goal of reaching a mutually satisfactory agreement as quickly as possible.

ITEM 7. MATERIAL TO BE FILED AS EXHIBITS

- A. Joint Filing Agreement dated January 24, 2005.*
- B. Executive Officers of Franklin Mutual.*
- C. Transactions in Beverly Enterprises Shares Since November 18, 2004.+
- D. Letter dated December 22, 2004 from Formation to the Company.*
- E. Letter dated January 5, 2005 from the Company to Formation.*
- F. Letter dated January 19, 2005 from Formation to the Company.*
- G. Term Sheet dated December 14, 2004.*
- H. Agreement among Stockholders dated January 24, 2005.+
- I. Letter dated January 27, 2005 from Fried, Frank, Harris, Shriver & Jacobson LLP to Douglas J. Babb, Executive Vice President, Chief Administrative and Legal Officer of the Company.**

* Filed on January 24, 2005

+ Filed with Amendment No. 1 on January 25, 2005

** Filed herewith

SIGNATURE

After reasonable inquiry and to the best of our knowledge and belief, the Reporting Person certifies that the information set forth in this statement is true, complete and correct.

Dated: January 27, 2005

APPALOOSA INVESTMENT LIMITED PARTNERSHIP I

Edgar Filing: BEVERLY ENTERPRISES INC - Form SC 13D/A

By: Appaloosa Management L.P.,
its General Partner

By: Appaloosa Partners Inc.,
its General Partner

By: /s/ David A. Tepper

Name: David A. Tepper
Title: President

SIGNATURE

After reasonable inquiry and to the best of our knowledge and belief, the Reporting Person certifies that the information set forth in this statement is true, complete and correct.

Dated: January 27, 2005

PALOMINO FUND LTD.

By: Appaloosa Management L.P.,
its Investment Adviser

By: Appaloosa Partners Inc.,
its General Partner

By: /s/ David A. Tepper

Name: David A. Tepper
Title: President

SIGNATURE

After reasonable inquiry and to the best of our knowledge and belief, the Reporting Person certifies that the information set forth in this statement is true, complete and correct.

Dated: January 27, 2005

APPALOOSA MANAGEMENT L.P.

By: Appaloosa Partners Inc.,
its General Partner

Edgar Filing: BEVERLY ENTERPRISES INC - Form SC 13D/A

By: /s/ David A. Tepper

Name: David A. Tepper

Title: President

SIGNATURE

After reasonable inquiry and to the best of our knowledge and belief, the Reporting Person certifies that the information set forth in this statement is true, complete and correct.

Dated: January 27, 2005

APPALOOSA PARTNERS INC.

By: /s/ David A. Tepper

Name: David A. Tepper

Title: President

SIGNATURE

After reasonable inquiry and to the best of our knowledge and belief, the Reporting Person certifies that the information set forth in this statement is true, complete and correct.

Dated: January 27, 2005

/s/ David A. Tepper

DAVID A. TEPPER

SIGNATURE

After reasonable inquiry and to the best of our knowledge and belief, the Reporting Person certifies that the information set forth in this statement is true, complete and correct.

Dated: January 27, 2005

Edgar Filing: BEVERLY ENTERPRISES INC - Form SC 13D/A

FRANKLIN MUTUAL ADVISERS, LLC

By: /s/ David J. Winters

Name: David J. Winters
Title: President, Chief Executive
Officer and Chief Investment
Officer

SIGNATURE

After reasonable inquiry and to the best of our knowledge and belief, the Reporting Person certifies that the information set forth in this statement is true, complete and correct.

Dated: January 27, 2005

NORTHBROOK NBV, LLC

By: /s/ Rob Rubin

Name: Rob Rubin
Title: Manager

SIGNATURE

After reasonable inquiry and to the best of our knowledge and belief, the Reporting Person certifies that the information set forth in this statement is true, complete and correct.

Dated: January 27, 2005

/a/ David Hokin

DAVID HOKIN

SIGNATURE

After reasonable inquiry and to the best of our knowledge and belief, the Reporting Person certifies that the information set forth in this statement is true, complete and correct.

Edgar Filing: BEVERLY ENTERPRISES INC - Form SC 13D/A

Dated: January 27, 2005

/s/ Rob Rubin

ROB RUBIN

SIGNATURE

After reasonable inquiry and to the best of our knowledge and belief, the Reporting Person certifies that the information set forth in this statement is true, complete and correct.

Dated: January 27, 2005

/s/ Robert Hartman

ROBERT HARTMAN

SIGNATURE

After reasonable inquiry and to the best of our knowledge and belief, the Reporting Person certifies that the information set forth in this statement is true, complete and correct.

Dated: January 27, 2005

1995 DAVID REIS FAMILY TRUST

By: /s/ David Reis

Name: David Reis
Title: Trustee

SIGNATURE

After reasonable inquiry and to the best of our knowledge and belief, the Reporting Person certifies that the information set forth in this statement is true, complete and correct.

Dated: January 27, 2005

1995 DONNA REIS FAMILY TRUST

By: /s/ David Reis

Name: David Reis
Title: Trustee

Edgar Filing: BEVERLY ENTERPRISES INC - Form SC 13D/A

SIGNATURE

After reasonable inquiry and to the best of our knowledge and belief, the Reporting Person certifies that the information set forth in this statement is true, complete and correct.

Dated: January 27, 2005

AARON REIS SPRAY TRUST

By: /s/ David Reis

Name: David Reis

Title: Trustee

SIGNATURE

After reasonable inquiry and to the best of our knowledge and belief, the Reporting Person certifies that the information set forth in this statement is true, complete and correct.

Dated: January 27, 2005

ANNA REIS SPRAY TRUST

By: /s/ David Reis

Name: David Reis

Title: Trustee

SIGNATURE

After reasonable inquiry and to the best of our knowledge and belief, the Reporting Person certifies that the information set forth in this statement is true, complete and correct.

Dated: January 27, 2005

ALEXANDER REIS SPRAY TRUST

By: /s/ David Reis

Name: David Reis

Title: Trustee

Edgar Filing: BEVERLY ENTERPRISES INC - Form SC 13D/A

SIGNATURE

After reasonable inquiry and to the best of our knowledge and belief, the Reporting Person certifies that the information set forth in this statement is true, complete and correct.

Dated: January 27, 2005

DAVID REIS FAMILY TRUST

By: /s/ David Reis

Name: David Reis
Title: Trustee

SIGNATURE

After reasonable inquiry and to the best of our knowledge and belief, the Reporting Person certifies that the information set forth in this statement is true, complete and correct.

Dated: January 27, 2005

/S/ David Reis

DAVID REIS

SIGNATURE

After reasonable inquiry and to the best of our knowledge and belief, the Reporting Person certifies that the information set forth in this statement is true, complete and correct.

Dated: January 27, 2005

BAYLOR ENTERPRISES LLC

By: /s/ Arnold M. Whitman

Name: Arnold M. Whitman
Title: Managing Member

SIGNATURE

Edgar Filing: BEVERLY ENTERPRISES INC - Form SC 13D/A

After reasonable inquiry and to the best of our knowledge and belief, the Reporting Person certifies that the information set forth in this statement is true, complete and correct.

Dated: January 27, 2005

/s/ Arnold M. Whitman

ARNOLD M. WHITMAN

EXHIBIT INDEX

EXHIBIT NAME

- A. Joint Filing Agreement dated January 24, 2005.*
- B. Executive Officers of Franklin Mutual.*
- C. Transactions in Beverly Enterprises Shares Since November 18, 2004.+
- D. Letter dated December 22, 2004 from Formation to the Company.*
- E. Letter dated January 5, 2005 from the Company to Formation.*
- F. Letter dated January 19, 2005 from Formation to the Company.*
- G. Term Sheet dated December 14, 2004.*
- H. Agreement among Stockholders dated January 24, 2005.+
- I. Letter dated January 27, 2005 from Fried, Frank, Harris, Shriver & Jacobson LLP to Douglas J. Babb, Executive Vice President, Chief Administrative and Legal Officer of the Company.**

* Filed on January 24, 2005

+ Filed with Amendment No. 1 on January 25, 2005

** Filed herewith