

## Tom Marshall's Weekly News, August 22, 2011

**Holiday Inns of America:** In 1951, building contractor Kemmons Wilson, age 38, took his wife and five children from their home in Memphis on a motor trip to Washington, D.C., and he found the overnight accommodations they encountered far from satisfactory for a large family on vacation. When they stopped at roadside motels, there was nothing for the children to do and no place to eat. He decided to do something about it, and the first Holiday Inn opened in Memphis in 1952. With a restaurant and a swimming pool for very reasonable rates, it was an instant success. He enlisted the support of a larger Memphis developer, Wallace Johnson, and they expanded the concept by inaugurating a franchise program that soon took off in the southeastern states.

I had wanted to get in the motel business and had an option on a piece of Woodlawn Trustees land along U.S. 202 at Talleyville, about 5 miles north of downtown Wilmington. An old Jaycee friend, Walter Anderson, had expressed interest in the business as well, and real estate agent Carroll Griffith also wanted to be a part of it. Woodlawn approved a brick colonial-style single-story motel for the site, but we knew the trend was away from "ma and pa" operations. B. Gary Scott was traveling in the south for DuPont, and he told me he was impressed with this new chain called Holiday Inn, several properties of which he had frequented. We got in touch with the Memphis office of this new company and were told that before they would consider having us in the system, we had to visit the home office and meet the principals. Walter and I flew to Memphis in June 1959.

The day we visited the office in the area that was later named "Holiday City," we met both the founders and many of their top department heads. Jack Ladd was in charge of selling franchises, with an assistant named Jeff Mann, still in his twenties. There were about 90 Holiday Inns operating by that time, but only two in the northeast, those being at Allentown, Pennsylvania, and Arlington, Virginia. I asked Mr. Ladd if there had been any failures, and his answer was "not yet." I'm sure they sized us up as we did them, and we were sold on the idea of joining such a friendly, aggressive, and young organization (Kemmons Wilson was the oldest in active management at age 46). Soon we sent in a deposit along with our application for a franchise for Wilmington. It was approved on Labor Day 1959.

Holiday Inns highly recommended that nothing smaller than 100 rooms be considered, but they would allow only 60 if the location was questionable. There were nothing but small "ma and pa" operations on Route 202, all north of our location, and one lending agency would consider a mortgage only on busily traveled U.S. 40 south of Wilmington. After convincing Woodlawn Trustees to let us build modern glass-front buildings then required by Holiday Inns, we got under construction with 60 rooms in 1960 and opened in August 1961. Wilmington Savings Fund Society (WSFS) took its first-ever commercial mortgage on our property. We turned away so many guests in our first few weeks that we opened 49 more rooms in June 1962. Henry Topel also opened El Capitan with about 50 rooms behind the Howard Johnson restaurant at Fairfax, and this soon became a Best Western. Our second Holiday Inn opened with 100 rooms along the Delaware Turnpike (I-95) near Ogletown in June 1964. Thirty-five additional rooms were added on Route 202 in 1967, and 44 new rooms at Ogletown in 1979. Walter Anderson was the Manager at 202 and General Manager at both Inns. We sold our interest on I-95 in 1983 and on 202 in 1997. In the early years, especially, we had a wonderful working relationship with the home office and won several awards of excellence in the Holiday Inn system. At the high point, about 1980, there were 1,700 Holiday Inns in operation worldwide with about 350,000 rooms. Many modern chains were copied from Kemmons Wilson's idea.