Sonesta, the 8th largest hotel company in the U.S., has its foundation in the integration of Sonesta International Hotels Corporation and Red Lion Hotels Corporation. These two entities trace back to 1937, and today, over 85 years later, are united with 17 brands, 1,200+ hotels, throughout 8 countries.

A TALE OF TWO COASTS

In 1937, real estate mogul, A.M. “Sonny” Sonnabend and other investors purchased the Preston Beach Hotel in Massachusetts. His hospitality success with Sonnabend Operated Hotels had an emphasis on service (a long-standing Sonesta standard) and became the basis of one of the first US-based international hotel chains.

On the opposite coast, in Spokane, Washington, Washington Trust Bank formed a property management company under the leadership of Frank Goodale, who hired Louis Barberi and, under their joint direction, formed G&B - the company that would eventually become the Red Lion Hotels Corporation.

While Goodale purchased the property management business (1944), Sonnabend purchased Florida Properties such as the Palm Beach Biltmore, The Palm Beach Country Club, and Cleveland properties such as the Terminal Tower, and Hotel Cleveland, and further west, Chicago’s Edgewater Beach Hotel.

INTRODUCING THE HOTEL CORPORATION OF AMERICA

Merging with Childs Restaurant Company, the newly named Hotel Corporation of American bought the Mayflower Hotel in Washington, D.C. and opened the first Charterhouse Hotel in Bangor, Maine (1957). The select service brand continued to prosper for 25 years.

WHAT’S IN A NAME?

Sonesta is the blending of Sonnabend’s nickname, “Sonny”, and his wife’s name, “Esther”.

The name was used first to describe a potato made with sour cream from the Sonesta Dairy Farm in Massachusetts. “Potato Sonesta”. In 1970, it became the new name for HCA, now Sonesta International Hotels Corporation. Ironically, Red Lion also has a dairy connection – from 1993-1997 they owned the Broadview Dairy in Spokane.”International” came to include management of hotels in Egypt, cruise ships on the Nile, new hotels in South America and the Caribbean, and Sonesta Posadas del Inca.

A HOSPITALITY SUPER-LEGEND: NY’S PLAZA HOTEL

Perhaps the most famous Sonnabend acquisition was Manhattan’s legendary Plaza Hotel from Conrad Hilton. Sonnabend’s complete renovation of the Plaza included opening the legendary Oak Room. During the 18 years that Sonnabend ran the Plaza, he added more function space for special events and created the food and beverage innovations, such as the Palm Court and the Oyster Bar that have become hospitality history.

Red Lion similarly had a commitment to quality food product – going so far as to create a centralized distribution point to make the perfect French bread with steam ovens to crisp the crust. These loaves were distributed and became an iconic part of a Red Lion guest stay.

GROWTH IN THE U.S. AND BEYOND

In the U.S., the first Royal Sonesta was unveiled in New Orleans. More innovations were forthcoming in the form of “Just Us Kids” and the first ever meeting planner and travel agent advisory boards.

On the West Coast, Goodale’s new hospitality division opened its first hotel near Riverfront Park in Spokane. Also, on the West Coast, the Thunderbird Motor Inn, Portland, OR was purchased by Tod McClaskey and Ed Pletz, who used the Thunderbird name for their motels and the Red Lion name for their full-service hotels.

THE SYNERGY CREATED WITH RED LION

Red Lion was sold to a private equity firm in 1985 with 50 properties in 8 states and 11,000 employees.

It was the largest chain west of the Mississippi.

In 1995 Red Lion went public and in 1996 was acquired by Doubletree. In 2001, G&B (using the name Cavanaughs and then WestCoast Hospitality) grew again, acquiring Red Lion Hotels brand and properties from Hilton (who had recently acquired Doubletree). The $51M acquisition expanded the footprint to include every western state but New Mexico and created a portfolio of 90 hotels and 15,000 rooms most of which were rebranded as Red Lion.

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To this day, Food and Beverage has remained paramount to Sonesta.

In 2012, Sonesta was sold and became privately owned, and created the Sonesta ES Suites extended stay brand. Between September 2020 and March 2021, minority owner Service Properties Trust transferred over 200 hotels from other leading national brands to Sonesta brands, during which Sonesta launched Sonesta Simply Suites and Sonesta Select.

Then, in December 2020, Sonesta announced the intention to acquire Red Lion Hotels Corporation a transaction completed in March 2021, bringing with it over 900 hotels to Sonesta. By the end of that year, Sonesta had expanded its management company to include a full franchise organization and launched four of the leading national brands to Sonesta brands for franchising for the first time domestically.

In 2022, to re-enter the hot New York market, Sonesta acquired the properties of the Denihan Hospitality Group to create the Benjamin Royal Sonesta New York. The Shelbourne Sonesta New York, the Gardens Sonesta ES Suites New York, and the Fifty Sonesta Select New York along with the intellectual property for The James brand.

With Sonesta’s now 17 brands, running the gamut from economy to upper-upscale, full-service, select-service, and extended stay, across 1,200+ hotels, 100k rooms in 8 countries, the end is nowhere in sight.