All in the Family: Super 8 Founder Hopes to Duplicate National Success With My Place Hotels
Aberdeen, South Dakota, Company to Open More Than a Dozen More Properties by End of Year

The South Dakota entrepreneur who founded the world’s largest budget-hotel chain seeks to capture lightning in a bottle again with My Place Hotels of America, a chain of extended-stay inns aggressively trying to carve a niche amid economy and midscale hotels such as Motel 6, Extended Stay America and Comfort Inn across the United States.

The My Place chain co-created by Super 8 Hotels founder Ron Rivett and headed by his grandson, Chief Executive Ryan Rivett, over the past month has started construction on new hotels in Plainfield, Indiana; Shakoee, Minnesota; Overland Park, Kansas; and Avondale, Arizona, a subrub of Phoenix. My Place Hotels plans to enter its 22nd state with the opening of a new hotel in Mount Pleasant, Wisconsin, near Milwaukee, in the next few days, spokeswoman Ngoc Thach said.

Ron Rivett and longtime friend and local attorney Dennis Brown cofounded Super 8 in an Aberdeen, South Dakota, coffee shop in 1974 and built the operation from one local hotel in Aberdeen to a global chain with more than 1,000 locations by the time Rivett sold it to Hospitality Franchise Systems, now Cedant Corp., less than two decades later for $125 million. Super 8 Worldwide, now one of 20 brands owned by global hospitality giant Wyndham Worldwide, has more locations than any chain in the world, with more than 2,800 affiliates and franchises.

Rivett remained in hotel development after selling Super 8 and began hatching the idea of a new hotel brand with grandson Ryan about a decade ago, Thach said. They opened the first My Place in Dickinson, North Dakota, in 2012 and the chain gradually expanded into the Midwest, reaching 45 locations by October 2018.

My Place has now opened hotels built from the ground up on one- to two-acre parcels in 47 locations, and expects to increase that to 60 by the end of the year with another 120 locations in the construction or planning phases, Thach said.

“The meeting with Dennis [Brown] occurred because of a local coffee group that Ron [now 78] still attends,” Thach said. “Ron has leaned on the many relationships he’s created, and that's a part of our growth story — how a Aberdeen, South Dakota, family business can grow at such a pace once again.”

The chain looks for locations in fast-growing areas on the fringes of cities as they are doing with Avondale, to try to trim the high land and development costs and barriers to entry of locations closer to urban areas like Phoenix, which is 20 miles east, Thach said.

Even in growth-minded cities like Avondale, local government officials can be wary of approving extended-stay hotels, which are sometimes stigmatized as especially vulnerable to downturns in the economy and business travel and attracting low-income guests that they worry could be connected to crime.

David Gustafson of MP Avondale LLC, which is developing the four-story, 63-unit hotel at 915 N. Avondale Blvd., assured concerned Avondale City Council members last November that the new hotel would complement the city’s business gateway with guests that include construction crews, military and professionals moving to the Phoenix area who can bring guaranteed stays of 30 days or more.

Gustafson said My Place hopes to open as many as four other hotels in Phoenix suburbs such as Gilbert and Mesa. After more than a year of talks with the city, the council approved the development agreement in early November 2018.

Extended-stay lodging properties make up just 9% of the total U.S. hotel room inventory, and demand growth slightly outpaced construction in the sector, while generating more than $13 billion in room revenue in 2018, according to statistics from hotel consultant The Highland Group.