

Norm Cates'

THE Club Insider

NEWS

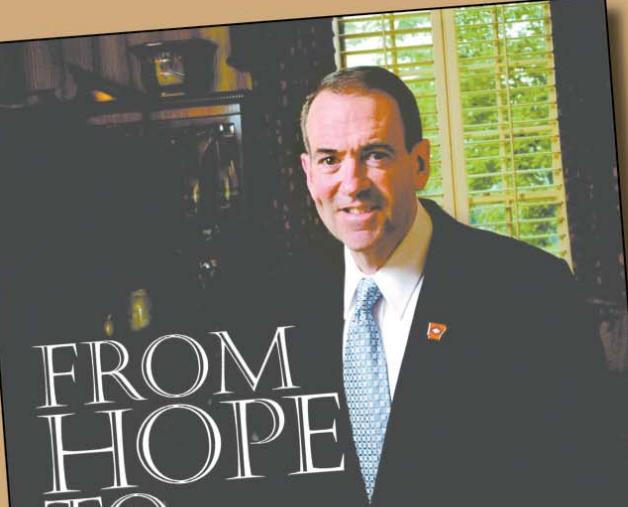
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Norm Cates' THE Club Insider NEWS

Governor Mike Huckabee From Hope to Higher Ground The Man Has Been Called

An Interview with Arkansas' 10.5 -Year Governor Mike Huckabee

By Norm Cates, Jr.

Governor Mike Huckabee is a man who really knows what makes America and its people tick.

He learned what he knows from an amazing journey in life...a journey that is truly astonishing because of

its ironies, its destiny-driven happenings and its excellent achievements.

Born in Hope, Arkansas on August 24, 1955, Governor Mike Huckabee has come a long, long way since leaving the small town of 8,000 population. Yes, Hope, Arkansas is also where

President Bill Clinton was born. And frankly, after seeing and hearing President Bill Clinton masterfully speak at IHRSA25 in Las Vegas last March and spending one hour in person with Governor Huckabee, I see in the Governor many of the same communication skills and talents possessed

by President Bill Clinton. And, I can write here that as Governor Huckabee steps out of the Governor's Mansion in Little Rock, Arkansas, he has the same aspirations President Bill Clinton had when he left Little Rock for the White House: that is, to be a good President of the



Governor Mike Huckabee

United States. The irony of these two very gifted men (See *Mike Huckabee* page 14)

Casey Conrad's Healthy Inspirations Doubles In Size - Now Largest Full-service Weight Management Franchise

Wakefield, RI/Coronado, CA -January 10, 2007- Healthy Inspirations, the worldwide women's weight management franchise founded by industry expert Casey Conrad, now has approximately 135 locations. This makes the Healthy Inspirations organization the nation's largest full service weight management franchise, combining indi-

vidual nutritional plans and coaching, exercise, relaxation treatments and beauty treatments under one roof. Notes Conrad, "The Slender Lady franchisees are excited to begin implementing the Healthy Inspirations "one stop shop" model and start inspiring women to change their lives."

Mr. Rowe, the majority stockholder of Slender

Lady, has been appointed the new CEO for Healthy Inspirations and Conrad remains President. Rowe has an extensive background in real estate and franchising. He is the Help-U-Sell sub master franchisor for San Diego and Imperial Counties as well as for the State of Texas. He was an integral member of the Help-U-Sell team responsible for growing the company

from 80 to over 850 franchises in less than 5 years. According to Rowe, "Combining Casey's industry expertise and detailed operational systems, sales and marketing with my experience in how to explosively grow a franchise makes for a powerful 'beauty and the beast' success formula." Mr. Rowe is forecasting up to 100 franchise sales in 2007 alone, and plans

to roll out a regional sales model both domestically and internationally.

For information contact: Casey Conrad, President, Healthy Inspirations www.healthyinspirations.us See Casey's new book "*Winning the Struggle to Be Thin*" at: www.winningthesstruggle.com

Wellbridge Acquired! - See Norm's Notes

2006 In Review

Part II - April through July, 2006

April, 2006

April, 2006 Cover Story
- "Team IHRSA" Winners

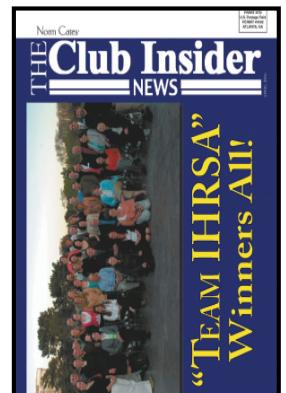
• Inside The Insider •

- **The INSIDER Speaks - PROFIT Should Be THE Target for 2007 and Beyond!**
- **New Jersey COALITION of Fitness Professionals Meet To Repeals Sales Tax**
- **The Skinny On Weight Loss by Donna Krech**
- **Stopping the Madness!**

(IHRSA) contained a lot I'd written during the 13 years before. Our cover showed John McCarthy and his terrific IHRSA staff, taken at Big John McCarthy's retirement party held at the Las Vegas Country Club after IHRSA25 was over. IHRSA25 was a wonderful event and it united John before his retirement in June, 2006, with many IHRSA members whom he had worked with in his excellent 25 years at the helm. It was a quite a grand reunion. Some who had worked with John as

Board members, but had left the industry, attended along with many of us who have been involved with IHRSA all 25 years. John developed a really great staff over all these years and now Joe Moore works with that staff and is doing a great job. Some of John's family, Rick Caro, our brilliant IHRSA Founder and a great friend to all and many long-time IHRSA supporters were there.

My IHRSA25 special edition, however, while chronicling a lot of the activity



(See *In Review* page 30)

Norm's NOTES

Thank You

To The Club Insider News
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• **Donna Krech**- Founder &
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• **Casey Conrad** - Commu-
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• **Hello everybody and Happy New Year!** This is your **CLUB INSIDER News Publisher** since 1993 checking in! Stand by for news!
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MIKE HUCKABEE... "From Hope to Higher Ground". This is the terrific story of a man born and then called to lead. He has led Arkansas as **Governor for 10.5 years**. Now, he is carefully considering running for **President**

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of these **United States**. I think he can win this contest. **THANKS** to my long time friend, **RON MILLER**, of Jonesboro, Arkansas, for arranging my interview with the brilliant man, **Governor Mike Huckabee!** **Ron Miller** is a **true American hero** and one of the most decorated people in America after his service as a helicopter pilot in that far away place, **Viet Nam**. And, stand by for some **opinions** from yours truly in this edition about a really important industry topic: **PROFIT for YOUR club!** Check out my **"Insider Speaks"** piece on page 6. Part II of our yearly review: **"2006 In Review"** summarizing April through July, 2006, is much more than a review. It contains more opinions from me on a myriad of subjects involving **YOU**. I guess today I am full of piss and vinegar because I had the opportunity to take a whole week off during the Holidays. That was the first full week off I have taken in 14 years since starting up The CLUB INSIDER News in November, 1993.

STAY TUNED!

• **Re: my comment**



Norm Cates, Jr.

about my one week off mentioned above, I guess I really needed it! Somehow, somehow, in the **"2006 In Review"** Special December edition I wrote that the title of **GOVERNOR MIKE HUCKABEE'S** book about his weight loss and lifestyle change was: "Quit Killing Yourself With A Knife and Fork" when, in fact, this terrific book's title is: **"Quit Digging Your Grave With A Knife and Fork"**. I want to apologize to the Governor for this mental lapse that lead to these fingers tapping those incorrect words. I have no (See Norm's Notes page 12)

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The INSIDER Speaks

PROFIT Should Be THE Target for 2007 and Beyond!

By Norm Cates, Jr.

PROFIT in a health club is an **elusive** and **moving target**. I know every club owner reading this has **making a profit** in your club in your mind everyday.

Let me make this clear. Going into the New Year, 2007, if you do not have control of your expenses in your club and make cost control one of your key focuses,

you will struggle to make a profit. And, if you aren't already, you may someday struggle to stay in business.

I write here today about the industry emerging in 2007 with a newly re-energized focus on generating **PROFIT** in this industry.

That is because without your club making a profit, everybody loses. YOU lose. YOUR family loses. YOUR staff loses. YOUR club loses.

Your landlord (if you have one) loses. Fitness equipment manufacturers lose, as do other health/fitness club service provider vendors.

The health, racquet and sportsclub industry loses across the board.

Where should cost control begin?

When and where should cost control begin for the landlord-ruled health/fitness club owner?

The answer: Right from the beginning when the idea of building a new health/fitness club comes to you. Cost control should start at the start of the health/fitness club business development cycle. It should begin long before a lease is ever signed and the first sheetrock wall is ever screwed into the metal framing.

For many of you, the answer above in bold has been provided too late for cost control on this part of the formula because you're club can't be downsized. Your club was built long ago. Your walls are up. Your club has been operational for years. You're locked in on a lease that can't be renegotiated.

For the rest of you, the segment of savings I call the **"Quadrangle of Health/Fitness Club Killer Costs"**

may only be changed now by DOWNSIZING your leased space and moving your walls. That segment of cost control for those of you in operation now may only be realized by rethinking your space needs, redrawing your floor plan and negotiating a downsizing of your space with your landlord. But, this is NOT necessarily impossible. In fact, in clubs where you have an old lease that is somewhat favorable to you and when compared to new tenants landlords may be able to lease to, you may find your landlord is very interested and cooperative.

But, if you've got a landlord lease arrangement and relationship where NO downsizing for cost control is feasible or possible, then

WHAT you use your space for, HOW you do that and what you spend on equipment in your space is the next possible cost control savings option that is available to you.

Before I proceed let me make some definitions for this writing:

When I write today about a **health/fitness club**, I write about the typical leased storefront health/fitness club or center that is subject to a landlord/tenant relationship.

When I write about a **multi-sport club**, I am generally writing about free standing clubs on land owned by the club owner. I realize many multi-sports clubs exist in leased space as I formerly owned and operated two: a 47,000 sq.ft. and a 30,000 sq.ft multi-sports club in leased space.

The reason for this differentiation is that those who own the land and building for their club are not subject to the dictates and the generally higher occupancy cost of a landlord/lease relationship.

The "Quadrangle of Killer Health/Fitness Club Costs"

The **"Quadrangle of Health/Fitness Club Killer Costs"** applies to clubs operated in leased space and dictated by a landlord/lease relationship. Two parts of the Quadrangle, #3 and #4, apply to all health, racquet and sportsclubs, leased or not.

The **"Quadrangle of Killer Costs"** includes:

#1) The annual, but paid monthly, cost of your leased space and the CAM (common area maintenance charge) associated with your space and **any additional base cost factors** that may exist in your particular lease. It is very important to realize the total amount of square footage you lease will become a permanent, but most likely, increasing cost in your club business over time. If you're planning a new club, try to lease as small of

a space as possible. Seek a lease with no rent escalators. Such a lease is very rare, particularly for longer terms, but not impossible to find. If you can find no suitable space to lease with no escalations, seek to lock in **low escalations**. Try to negotiate a **fixed percentage (3%) "cap"** on rent or increases with the annual CPI (Consumer Price Index) as an annual maximum.

#2) The cost of the construction buildup of your leased space.

Rarely will all of this cost be funded by the landlord as part of your lease agreement. Or, a portion of it may have been funded by the landlord pursuant to your lease agreement. If this cost was paid as part of your lease, do realize it is being recovered from you by your landlord by inflated rent. Most likely you would have lower rent payments had you or partners funded the leasehold improvements entirely. It is like a loan repayment.

If you funded the buildup, your lease is likely to be more favorable in terms of your basic annual base-rent than it would have been had your landlord funded it partially or entirely. In these cases, the **AMOUNT** of space you selected and leased and the annual cost in dollars related to that total square footage build out will be the primary factors in the total annual rent and CAM and other costs you will pay on the lease.

-My message.

If you're not an experienced lease negotiator, find a **pro**. Also, carefully study and know the demographics for the site you are considering and know all of the existing competition and where it is. It is very wise to have a thorough **market analysis** done on the sites you like. You need an independent supply vs demand market analysis. There is one industry **pro** who can provide you with the greatest assistance in this realm: **Rick Caro, President of Management Vision in New York City. 212.987.4300.** **Do not use consultants or advisers provided by any** (See Insider Speaks page 8)

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...Insider Speaks

continued from page 6

equipment manufacturer. The manufacturers most likely have an agenda and **your PROFIT** is NOT on their agenda! Their agenda is to create attractive designs that will hold as much fitness equipment as possible. If you rely on an equipment company to do that, they are going to suggest more rental space for your 5, 10, 15 or 20 year lease than you really need to make a profit, so watch out!

If you are going to build a new club, or, if after reading this you seek to redesign your club to downsize it for PROFIT, I urge you to use professional design advice from expert club design firms. Two of the best companies in

this field advertise in CLUB INSIDER News. In this edition see: **Bruce Carter's Optimal Design Systems International ad** on page #28 and **Rudy Fabiano's - Fabiano Design**, ad on page #31.

#3) The cost of the equipment and the cost of the capital you must have to purchase and place the equipment you choose in your club.

Here comes the rub for the equipment manufacturers. But, I say here to all equipment manufacturers ... don't shoot the messenger! Remember that the **survival and profit making of your customers** is one key to future purchases by them from your company.

This writing is intended to help the health/fitness

club industry, the customers of manufacturers who operate in leased space, finally learning HOW TO MAKE A PROFIT!

This is also about how manufacturers, in fact, in many cases detrimentally impact, right from the start, the ability for club owners to make a profit.

This writing to club developer/owner/operators is intended to stimulate and position thousands of them that operate in leased space to actually survive, begin to make or increase their profits and buy MORE of your fitness equipment products as time goes by.

Manufacturers, please do not take this writing with the **SHORT-TERM-VIEW** in mind. Take this writing as a *delayed truth. A truth* that should have been shared sooner.

A Comment by Dr. Stephen Blair at IHRSA25

The comments of Dr. Steven Blair at IHRSA25 was the trigger of many hours of deep contemplation for me since IHRSA25 in March, 2006. I hope club owners who heard him speak in Las Vegas have been thinking, too.

Dr. Blair said and I quote here as closely as possible without recorded transcription, "I marveled at the big trade show here because in the front of the show there are many big equipment manufacturers with people lined up all over to see, try out and buy their equipment. Then, I walked through the back of the show seeing the very innovative and much smaller exhibits of hundreds of small companies that are providing *real solutions* for clubs. They had far less people at their exhibits as hundreds of attendees were filling the big equipment manufacturers booths. I wondered to myself what this IHRSA Trade Show will look like 10 years from now? Will we see those small IHRSA vendors in the front of the hall with much bigger exhibits? And, will we see the now big equipment exhibits 10 years from now actually much smaller and in the back of the show?"

GREAT questions, Dr. Blair! Folks, these are questions from a very wise

man with no reason not to ask it.

Did, or does, Dr. Blair's questions in this last IHRSA25 session, *subtly planted* into the minds of a couple of thousand people in the room, result in triggering thoughts in your mind about where this industry is really headed? Did his questions trigger any new thoughts, new ideas and a willingness to explore and pursue them, in you?

Or, did they trigger nothing in your mind about the *new frontier in this industry?*

A Direct Message to Fitness Equipment Manufacturers

To the fitness equipment manufacturers I say: "Take this writing for what it could well become someday ... **an eliminator of the "PRETENDERS" in your equipment manufacturing and selling field.**

Now though, I am convinced that for the good of this entire industry, a *new frontier is arriving and changes and adjustments* in what equipment club owners buy and install in their clubs must be made in order to increase profits.

These changes and adjustments will take years, not months. These adjustments will have a cost, but I believe in the long haul history of this industry, it will be for the *best of all club owners and operators*. And, I believe ultimately, *only the BEST equipment manufacturers will prevail.*

The costs will mostly be born by the best equipment manufacturers who will adapt, engage in research and development of new fitness equipment that does more than challenge and train the muscle and cardio systems, *but challenges the minds of users, too.*

Are There Too Many Clubs and Is There Too Much Fitness Equipment?

I ask this question, but make it too, as a statement. That is because in the **honest opinion of this author** **there are too many health/fitness clubs in America** and there are actu-

ally now thousands of health/fitness clubs in America now who **do have more fitness equipment than they actually need to be PROFITABLE.**

Five years ago, maybe this was not the case. But, I will argue with anyone that it's the case now.

Over the past five years the United States has been swamped with new health/fitness clubs of all kinds and all niches.

But, with the increased competition and the huge variety of 'niche' operators, there are now less and less health club members per club in more and more clubs. You do the math.

I also argue here that thousands of club owners have **blindly, but faithfully, relied on the recommendations** of the many equipment manufacturers to determine **how much space to lease and HOW much and WHAT choice** of fitness equipment to install in their leased health/fitness space.

It is my opinion that this **blind faith** has been **ill used** by some of the biggest fitness equipment manufacturers for the **SAKE OF SALES QUOTAS, thus for the SAKE of THEIR PROFITS.** I think this should **stop.**

I submit that the representatives, **any representatives of any fitness equipment manufacturer**, are the **LAST** people on earth that you, as a club owner, should **FAITHFULLY RELY UPON** to decide **how much space you lease and what and how much fitness equipment** you should invest in and install in your club.

I believe this because it is the **MISSION** of any excellent salesman or women of these big companies to sell **ALL the equipment they possibly can to you**, without any regard to what happens to you and your club after that sale.

And, they do a **dog-gone good job of it!** A job done **SO WELL DONE** that in my view, it has, become a **very silent and very insidious major health/fitness club industry problem.**

YOUR realization now of even the very existence of this problem for the first time right now
 (SeeInsider Speaks page 10)

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...Insider Speaks

continued from page 8

might be described as an epiphany

Part of this fitness equipment cost factor, as it relates to draining your club's profits for years and years, clearly exists within the methods being used by the biggest equipment manufacturers to sell their products. Methods, I believe, that simply are not good for you or this industry.

The first is equipment lease funding combined with leasehold construction improvement funding packaged into one inflated equipment lease. When added to your base rent and CAM for your space this combination makes a hell of a nut to crack each month.

The second is equipment lease funding. Such arrangements also promulgate rapid new club growth. Growth that in some markets is not needed in many cases.

Growth in many areas in fact that has no basis for support in the current market status with the new competition in many market places. I believe many health/fitness clubs exist now that really should not even exist. They exist, I believe, because they can exist. They exist because the owner is enabled by some of the biggest fitness equipment manufacturers to continue to pursue this industry habit. They are enabled in this industry habit with leasehold buildout money wrapped into equipment leases that also fund the equipment.

During most of my 19 years as a club owner, when deciding to buy equipment, I had to make the tough decision to take that money from my club's and my pocket. But, I spent it because I thought I had to spend it to be competitive. I know many of you have acquired lots of equipment because you thought you had to in order to be competitive.

For example, back in the early 1980's, when Lifecycle was just starting up, I acquired 66 Lifecycles in one deal for two clubs. I acquired them, not because I really needed 66 Lifecycles in two clubs. I acquired them because I could. I could ... because of the lease ar-

angement made available to me. And, another reason I did, was because I liked the salesman I made the deal with!

But, reflecting back, I wish there were good refurbished equipment companies like **Venture Fitness** (see ads on pages 27 & 33.) I honestly wonder today, HOW MANY MILLIONS, if not by now, BILLIONS of DOLLARS of fitness equipment sales have been made because of the funding of leasehold improvements and equipment provided by these leases?

I wonder how many extra pieces of fitness equipment, equipment beyond what is really needed to make a profit, the equipment companies have sold because they offered leasehold construction funding and equipment leases that made it hard for the club owner to just SAY NO to new club development?

I deplore and also wonder how many **BAD** new club business decisions have been made by health/fitness club developer/owners because of LEASEHOLD CONSTRUCTION FINANCING that has been made available and included within an equipment lease with some of the biggie manufacturers. A tactic that purely and simply causes new club development because of the equipment manufacturer's "picture painting" and selling skills, not because of the feasibility of the new club and market need that actually does exist.

I wonder today about the **OVERBUILDING in our industry** that has happened purely because of the glut-tony of sales by the biggest equipment manufacturers. They have continually helped put people into new club businesses in locations that are market redundant and have no true basis for real success.

Because they, the big equipment manufacturers have made it SO EASY for non-financially qualified prospective health club developers and existing health club operators to get into business or expand to more locations, we have new box clubs popping up all over America that are just not needed.

Thus slowly, but surely, the entire economic

base of our industry has been set up for failure due to equipment sellers providing leasehold finish financing to go with equipment on leases and equipment sellers providing lease packages that get non-health club operators into the fray.

I do wonder. I wonder how long this travesty, in fact, perhaps better described as **this tragedy** for these blind health club developers/owners of America, will go on.

#4) Inflated payroll for staffing costs for fitness floor instructors for the overblown fitness equipment areas is the 4th significant factor in the **"Quadrangle of Club Killer Costs"** when examining the cost control paradigms I am examining today. The staffing costs for the conscientious and caring club owner are very significant and may be reduced by reshaping of your equipment section of your club(s). You might be surprised at the potential savings if you study this line item carefully.

I have begun to raise an argument that will some day stop this problem. But, ONLY if YOU, the health/fitness developers, builders and owners, agree. If you DISAGREE, so be it. **BUY ON and LEASE ON!**

I am focused on enabling you to WORK FOR YOURSELF, NOT YOUR LANDLORD. I am focused on helping you make a **PROFIT** by suggesting that you have careful market analysis done by someone who is an expert, that you rely on proven club designers, not equipment manufacturers, when designing or retrofitting and remodeling a club. I urge you to use appropriate help for the next club you build and open, or remodel.

I am not focused on the big multi-sport clubs across America that sit on land and in buildings owned by the club owner/operator. That's because the land/building owner is his OWN landlord and the land/building owner club owner/operator lives in a different world than those of you who are club tenants live in. But, I do know that virtually all other issues you tenants face, they face.

And, surely, I am NOT focused on PROFITS for the equipment manufacturers.

Virtually all of them have the commercial equipment sector as just one of many well planned and targeted markets.

They will be just fine if YOU decide to do less business with them for awhile. They will be just fine if the commercial health/fitness sector wakes up to what they have quietly, literally secretly been doing to you for years.

But, your club and YOUR PROFIT will not be O.K. if you continue to believe their "stick."

Trust me folks ... there is not a commissioned fitness equipment sales person anywhere who does not have more and more equipment sales in the front of his mind everyday.

There are, however, a lot of fitness equipment manufacturers who have targeted programming and focused member services built into their products.

We have two of them as advertisers in CLUB INSIDER News: **KIDS PE**, a Division of Pace, operated by friend and CLUB INSIDER Contributing Author and advertiser, **Rande LaDue** and **SCIFIT, IHRSA's 2006 Associate Member of the Year**, led by friend, veteran coach and teacher, **Denton Smith**. I trust both of these guys down to the core for being in this business, not just for sales, but to provide club owners with not just fitness equipment products, but **programming solutions that will make a PROFIT for clubs.**

Sure, there are many other fitness equipment manufacturers who have mindsets and products with programs that will help your profit picture if you involve your club carefully with them. I urge you to find them at the next big Trade Show Stop, IHRSA San Francisco. Find them amongst the 600 or so small exhibitors in the "back of the Trade Show halls!"

This is not FUN for me, folks! As you all know by now, I love to **"MAKE IT FUN!"** But, this tough writing, to give you another view, is my sworn duty to those of you I care so much about and I serve. **My CLUB INSIDER readers:** the owners and operators of thousands of health/fitness/multisports

clubs in America operating in leased and in buildings they own.

It is my duty to continue to "Tell-It-Like-It-Is." And, I truly believe this is the status now in our industry. I have promised to give you club owners/operators ALL I'VE GOT each month.

But, I am not finished giving you all I've got for this writing. I've got one more **major point** to make here. Read on.

I think that in addition to cost savings you should also focus on **increased revenue per square foot** in your club space, rented or owned, to increase your PROFIT or if you're not profitable now, to get profitable. Read on.

The Huge Yet Still Virtually Untapped Income Producing Source of Professionally Produced Group Exercise Programs

I believe some of the space in your club that is now covered up with fitness equipment might be converted to professionally produced **GROUP EXERCISE Program space...simply the best possible revenue per square foot generator there is.**

But, know this too. I do NOT mean **GROUP EXERCISE as still delivered by the vast majority of the clubs in this industry** ... what I now call as I punch these keys the **"Mom and Pop's - Diva Group Exercise World."**

By **"Mom and Pop's DIVA Group Exercise World"** I mean ANY club, club group or club configuration that relies upon any one, basically untrained "DIVA" individual, without the use of any professional assistance from expert, time tested GROUP EXERCISE PROGRAM PROVIDERS to run their group fitness show. In the past, and now, I call those untrained in anything but teaching their daily classes individuals who are great instructors: **"DIVAS."** I employed DIVAS years ago. I know they exist and operate everywhere now, too. I also know the DIVA mindset.

It's all about **THEM!** It's not about your club's PROFIT! In fact, one major group exercise organiza-

(See Insider Speaks page 37)



IHRSA HITS THE ROAD!

It's the IHRSA Traveling Seminar and Showcase!

Presented by the National Fitness Business Alliance and featuring Thomas Plummer

What could be better than to experience an exceptional IHRSA educational event plus an outstanding Sponsor Showcase? How about experiencing it in your own backyard? IHRSA hits the road with the legendary Thomas Plummer behind the wheel for a series of two-day events. **The best of IHRSA comes to you . . . don't miss it!**



Seminar Dates

- February 21 & 22, Philadelphia
- March 8 & 9, Des Moines
- April 12 & 13, Pasadena
- May 9 & 10, Detroit

Seminar Topics

- Competing in tough markets.
- Get the most out of sales now.
- Marketing that works.
- Retention is your financial future.
- Get more money from your members with Profit Centers
- Why the next 5 years will be your best 5

Seminars Speakers

- Michael Campetelle, Director of Sales for Body Training Systems
- Robert Cappuccio, Founder of Legacy Personal Training System
- Nikki Layke, Vice-President of Operations for The Thomas Plummer Company

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- Fabiano Designs
- Ferret Brothers
- IHRSA
- Legacy Performance Solutions
- Nunes Apparel
- Parisi Speed School
- Perform Better
- Shake This
- The Thomas Plummer Company
- VoiceScapes

To register, call today 800-726-3506 or visit www.thomasplummer.net or www.ihrsa.org/ontheroad.



...Norm's Notes

continued from page 4

idea how that happened as I had the book sitting right here next to me! Can you say **DUH, Norm!?** I have no explanation, just an apology to Governor Huckabee and you all for my real dumb error!

• **Pat Laus**, the owner of the super **Atlantic Club** in Manasquan, N.J. (South shore) and former IHRSA Board member and her great club staff have made very successful efforts with development of the **Avon Walk for Breast Cancer**. They raised over **\$500,000!** Also, Pat walked **26.2 miles one day** and **13.1 miles the next day** to lead the walk!

• Breaking news out of New Jersey where **BONNIE PATRICK MATTALIAN**, **Club Spa & Synergy Group President** and **CLUB INSIDER Contributing Author**, reported on the January 9, 2007 meeting of the **New Jersey Coalition of Fitness Professionals** who met at **PAT LAUS' Atlantic Club** to mount their forces and influence to repeal the recently passed New Jersey tax on health club memberships. See Bonnie's report on page #33. It is good to see this unified group of club owners in New Jersey fighting to repeal something, a sales tax on health club memberships, that just is not right. I am sure some are competitors, but they're united in this cause. Good luck to all involved!

• **MIKE GRONDAHL**, **PLANET FITNESS Founder and CEO**, and recent acquirer of **World Gym International, Inc. (WGI)**, told me recently that the World Gym licensing rights for the big-time wannabe, **MANNY BUTERA**, have been taken away. I guess Butera will be buying some new signs and t-shirts for his clubs. Grondahl says things are going very well with the WGI, Inc. transition and believes totally in his plan. **STAY TUNED.**

• Great to see the news about **CheckFree Corporation** in the **Atlanta Journal Constitution** January 3, 2007, that they had acquired the **Carreker Corporation**, a Dallas, Texas – based company that provides software that helps banks convert paper checks for electronic de-

posits by corporate customers. The announcement was made by **RANDY MCCOY**, **CheckFree's Executive Vice President and Chief Technology Officer**. This brings CheckFree's shopping list for 2006 to completion with acquisitions where CheckFree spent over **\$200 million** to acquire companies that: #1) allows bill payment through telephone and the Internet, and #2) **provides a health club club management software and services company**, **Aphelion**, and #3) a British operational risk company. CheckFree has been preparing for most of 2006 and will unveil in March, 2007 at IHRSA San Francisco, now secret, but new, earth shaking health club industry innovations for clubs. **STAY TUNED!**

• A **Massachusetts** lawmaker has introduced a bill to ban artificial transfats from restaurants in the State. This follows on the heels of a similar ban in New York City announced last month. NYC gave restaurants until July, 2007 to comply.

• **MR. TADAHARU GOTO**, the **President and Director of Central Sports Company** and a swimming star of the **1964 Tokyo Olympics**, has teamed with my friends, **ED WILLIAMS** and **JAY KELL**, to form **Fitness Ventures, LLC** and acquire **Wellbridge Corporation**, a Greenwood, Colorado - based owner/operator of 20 upscale mega-clubs. GOTO is a club industry leader in Japan. Williams and Kell are two of America's greatest high-end club operators and have been leaders for years. Williams co-founded Wellbridge in 1983 and has been a senior executive since its inception. Wellbridge has 3,000 employees and 175,000+ members. Ed Williams also serves on the **IHRSA Board of Directors** now. Jay Kell, who earned his stripes in Canada with **IHRSA Chairman MICHAEL LEVY** at **Sports Clubs Canada's** ten club chain, also served on the IHRSA Board in the past. Kell joined Wellbridge about 3 years ago. **GOTO's** Central Sports owns and operates 157 clubs in the Tokyo area. This represents the union of three great industry leaders and pros and I wish

all of the Fitness Venture, LLC partners all the *best of success* in their new partnership! And, I do hope to meet Mr. Tadaharu Goto at **IHRSA San Francisco**, during the **March 29-31, 2007 Convention and Trade Show!** Learn more about **Wellbridge** at www.wellbridge.com

• **Town Sports International, TSI**, has launched its first annual **"Rock the Scales"** weight loss program and \$50,000 sweepstakes, open to all New York, Boston, Washington and Philadelphia Sports Clubs members. TSI continues after its IPO last year to hold very strong and growing positions in the markets they serve.

• \$25 million is the amount the marketers of four weight-loss drugs were fined recently for false advertising claims. Now that's an industry with a really big gap in **TRUST!** The companies that were fined are: **Xenadrine EFX**, **CortiSlim**, **One-A-Day WeightSmart** and **TrimSpa**. And, instead of taking it off the market after being fined this huge amount of moola, the products will remain on store shelves. "It is resolution time again, isn't it?" said **FTC Chairman DEBORAH PLATT MAJORAS**. "We're implementing our resolution to fight back against companies that use deceptive advertising claims." The winner of the **fine derby** was **Xenadrine EFX**, who will pay at least \$8 million and as much as \$12.8 million!

• **Congratulations** to my good 26+ year friends, **DEAN** and **LINDA WALLACE**, as Dean has been appointed by **BILL BUTLER**, **Chairman of Corporex Corporation**, the owners of the world class **Five Seasons Sports Clubs**, to be the **Five Seasons Executive Vice President and Chief Operations Officer**. Dean Wallace was the man who built the **Courthouse Athletic Clubs** in Salem, Oregon, to the level of market prominence they now enjoy today. **JOHN MILLER** stepped in after Dean departed a few years back and has done a great job carrying the **CAC torch** Dean lit and carried for years. Dean, also served on **IHRSA's Board of Directors**. He was a very dedicated, honest, hard working and influential member of

the Board, who always acted in the *best interest of the club owners in this industry*. The seven Five Seasons Sports Clubs are located in four states, range in size from 100 to 120,000 square-feet and cost in the neighborhood of \$15 to \$20 million each.

• It is great to see

the expanded and energized focus by **IHRSA with Public Relations** with consumers across America. **BIG JOHN McCARTHY** started this and was great at it. New **IHRSA President/CEO, JOE MOORE**, has carried on and accelerated it. For example, in the **Atlanta Journal Constitution's Better Health Special Section**, an entire four color page with an article entitled: "What gym's right for you?" featured guidance on how to choose a gym produced and provided by IHRSA. Keep it up JOE and Team IHRSA, the best Team we could all ask for to help this industry. New IHRSA Board Members nominations who will go before the membership for confirmation in San Francisco are: **DR. ART CURTIS**, of **Millennium Sports Clubs**, **MIKE RAYMOND**, of **Curves**, **SANDY HOEFFER** of **Western Athletic Clubs** and **SUSAN COOPER** of **Body Business Health Club and Spa**, in **Austin, Texas**. To join IHRSA and sign up to attend the IHRSA San Francisco, 2007 Convention and Trade Show call IHRSA at: **800.228.4772** or go to: ihrsa.org Also, be sure to check out our advertisers exhibits at IHRSA San Francisco on page #4 this month.

• **PRESTON FIELDS**, a 31+year friend and the first employee we hired at **Court-house** here in Marietta, GA., the first racquetball club in the Southeast, has been hired by my friend, **LARRY GURNEY**, in Knoxville, TN. to be the **Rush Fitness Complex Corporate Wellness Director**. Gurney is, in my opinion one of the single greatest club product branders and marketers and now owns and operates in partnership with **industry icon and legend**, **BILL HUBNER**, 9 Rush locations in Knoxville, Chattanooga and Cleveland, Tennessee. Gurney's operation and branding and marketing skills are so excellent I featured

him in a two-part cover story back in 2005. Everybody in this industry and I do mean **everybody**, could learn from Larry Gurney in the realm of branding and club marketing and promotions. **Good luck Preston and Larry and Rush Team!** Larry, you've hired a really good man!

• **Congratulations** to long-time industry friend, **DICK MITCHELL** and his lovely wife, **BETSEY**, as they are now the **Publisher and Executive Editor** of a newspaper they recently acquired called: **"The Golf Record of the Carolina's"**. This is a very nicely done golf publication they produce in their new home town, a place I call the **"hotbed of American golf"**, **Pinehurst, N.C.** If you're a golf enthusiast and especially if you have retirement in your sights and are thinking of where that will happen, you might want to subscribe by calling: **(912) 253 GOLF (4653)**. Or, if you market and sell golf-related products or exercise equipment, you might want to **contact Dick about some advertising**. In case you do not know him, Dick Mitchell was one of the **biggest reasons computers** became such an integral part of the health, racquet and sportsclub industry 30 years ago. Dick's **RCM Systems, Inc.**, acquired by **PETE KIGHT** and the now giant **CheckFree Corporation**, led the way in early days club computerization.

• Next month, in honor of our fallen **PRESIDENT GERALD R. FORD**, I am going to publish an article entitled: **"Gerald R. Ford...the Mind of An Offensive Lineman."** This article will share with you things President Gerald R. Ford, a **two-time-first-team All American center and Most Valuable Player** his senior year, went through as an Offensive Lineman at the **University of Michigan** that so well prepared him for politics and for his amazing term as President of these United States, when he replaced disgraced **President RICHARD NIXON**. May they both rest in peace. The article will provide food for thought for you about **how the traits of the offensive lineman in football actually can help you and your club succeed in**

(See Norm's Notes page 27)

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...Mike Huckabee

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coming from the same small Arkansas town, Hope, strikes me squarely in the mind. The similarities of the good traits President Bill Clinton and Governor Mike Huckabee separately have, their skilled interactions with people and their world class communications skills, also strikes me squarely in the mind. In Governor Mike Huckabee, you have, I believe, all of the good traits of former President Bill Clinton. And, from what this reporter knows and has observed, none of the downside traits of our former 8-year President.

Governor Mike Huckabee has not only been the Governor of Arkansas for the past ten and one half years. He also has been a prolific author. He's produced five books: **1997 - "Character is the Issue: How People with Integrity Can Revolutionize America"; 1998 - "Kids Who Kill: Confronting OUR Culture of Violence"; 2000 - "Living Beyond Your Lifetime: How to Be Intentional About the Legacy You Leave"; 2005 - "Quit Digging Your Grave With a Knife and Fork: A 12 STOP Program to End Bad Habits and Begin a Healthy Lifestyle; and 2007 - "From Hope to Higher Ground: 12 STOPS to Restoring America's Greatness."**

I believe this report will also hit you squarely in the mind. You be the judge, but I ask here: could it be possible that this second big man from tiny Hope...could be America's greatest hope? I do think this is entirely possible. And, once you've read this report and interview and Governor Mike Huckabee's two books I will comment on later, you, I believe, will see exactly what I mean.

Governor Mike Huckabee is a communications expert by education and trade. As a teenager, Huckabee worked part time at a radio station. It was right then that he began to believe that his future would bring him to think he would have a career in some form of broadcasting or communications. He also began to think, while still a

teenager, that someday politics would be in his life and he would someday run for public office. That early teenage calling happened with great irony later in his life and his teenage dreams have all come true.

Mike Huckabee is a very bright man and graduated magna cum laude from Ouachita Baptist University in just 2 years and 3 months. He had just turned 20.

By age 21, Mike Huckabee was involved in a faith-based advertising agency and was involved in television, advertising, public relations and publishing. At the tender age of 21 he was responsible for a multimillion-dollar budget and supervised twelve production specialists, artists and writers.

Mike Huckabee and his dedicated wife, Janet, were married on May 24, 1974. They were both weeks from turning 19. They had three children, all grown now, John Mark, David and Sarah.

Hardly a year after Mike and Janet Huckabee were married, Janet was diagnosed with a tumor growing inside the canal of her spine. Mike was in his last year of college. Here they were, two young married folks looking forward to a wonderful life together one day and the next day, looking at possible separation, by Janet's death. Miraculously, the surgery by Dr. Thomas

Fletcher, one of the best neurosurgeons anywhere, was a short one. When the doctor emerged, from his office already dressed to go home, Mike was alarmed and immediately put at ease by the doctor. The doctor told Mike the operation had been successful, the tumor removed and that they would know for sure if there had been no spinal cord damage and if she could walk again when the anesthesia wore off. Mike was overjoyed when it did and Janet could move both of her feet. Janet recovered well and has lived a wonderful and productive life with her good husband, Mike Huckabee.

First Call

At age 25, Huckabee's life changed. He had a calling. That calling side

tracked him for many years from his early dream of entering politics. He was called to be a substitute Pastor in Pine Bluff, Arkansas. He went from a one-time substitute Pastor role to become the full-time Pastor of the Immanuel Baptist Church in Pine Bluff. There, while working full-time as a Pastor, he also launched a twenty four-hour community television channel.

After serving at Immanuel Baptist in Pine Bluff for several years, he moved to the much larger Beech Street First Baptist Church in Texarkana, Arkansas (hometown of Ross Perot) where he served as its Pastor. Mike Huckabee was a really good Pastor for the church. I have absolute testimony to that as my Dad's wonderful second-wife, Louise, listened to his teachings for six years. Louise Cates said about Pastor Huckabee, with a wisdom filled smile, "Norm, you tell Governor Huckabee that I am still mad at him for leaving the church in Texarkana and getting into politics, because he was such a great Pastor for us!"

Mike Huckabee's Pastoral skills and leadership talent were recognized and honored for all to see when he was elected by the Arkansas Baptist Convention to be its youngest President ever. The organization represents one out of every five citizens in the State.

He had ignored his youthful dream of becoming involved in politics for all of his life as a Pastor until he began to have another calling in the early 1990's. This calling came in the form of a number of his friends urging him to become involved in politics. These calls were coming from a wide variety of different people in different parts of the state.

Second Call

In 1992 Mike Huckabee resigned from the Texarkana church and ran for the U.S. Senate. He learned about politics the really hard way at a young age when he was whipped in that contest by an opponent with far more political experience. That, however, did not discourage him from the idea of pursuing his original youthful dream.

Little did he know then that destiny would weigh in so heavily on his dream later.

Mike and Janet Huckabee had done the financial equivalent of going "all in" in a poker game, when he ran for the U.S. Senate. And, Mike lost. Basically, they had to start over in life financially because they had vested all of their available dollars in his Senatorial campaign. It was really tough for a while. But, rather than walk on their bills



Governor Mike Huckabee signs new Arkansas Smoking Prohibition In Public Places Law while Paul Halverson, (L) Arkansas Health Department Director and Dr. Joe Thompson, Chief Health Officer, look on

as some in such a tough situation might have, Mike and Janet Huckabee dug in and worked their way out.

A few years later Huckabee got another call. This one was from Arkansas Republican Party Chairman, Asa Hutchinson, asking Huckabee to run for lieutenant governor in a 1993 special election triggered when that first man from Hope, the sitting Governor Bill Clinton, was elected President. Clinton's victory bumped then lieutenant governor Jim Guy Tucker to Governor and a new Lt. Governor was needed. Low on money and high on support from a grass roots army left over from his Senatorial race, Mike Huckabee won that special election and became the Lieutenant Governor of Arkansas in 1993.

The Democratic machine in Arkansas took an extremely dim view of having, for the first time, a Republican, the only Republican constitutional officer in the Arkansas government, and only the fourth statewide elected Republican candidate since America's Reconstruction

years. The Arkansas Democratic elders, in fact, saw to it that the doors of Lieutenant Governor's Office were nailed shut and all furniture and equipment removed. They would not even let him enter! The Arkansas public decried this behavior and after two months of their hell raising, Lieutenant Governor Mike Huckabee was allowed into his office and went to work. And, he hasn't slowed down since!

In 1994, Lt. Governor Huckabee was re-elected for four more years. He scored the highest margin of victory of any Republican in Arkansas history. Then, another very strange call happened. This time, though, it was the law calling on sitting Governor Jim Guy Tucker. The law took Tucker to the pokey. It seems the Feds had gone after Tucker and had gotten a felony conviction against him on a financial scandal he had been involved in prior to his election as Governor. So, Arkansas' Lieutenant Governor Mike Huckabee became Governor on July 15, 1996. Nice ... a man of high moral turpitude was in the Governor's Office in the State of Arkansas!

Governor Mike Huckabee, a Republican in a Democratic state, was subsequently reelected twice and served the citizens of Arkansas well for ten and a half years. These reelections happened even though he had been referred to in his early years as Governor as "Rev-Gov", the "Huckster" and the "Accident" (See Mike Huckabee page 16)

Since you need insurance, why not **SAVE MONEY** and have **PEACE of MIND?**

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Mark and Karen Steinfield

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Association Insurance Group

...Mike Huckabee

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tal Governor." Folks, I don't think the man or woman up above, you know ... our higher power, allows accidents of this nature in his plans for us all. Destiny is the word.

Mike Huckabee is a world class thinker and innovator and appears to be a man who was born to lead. He has been a highly successful Governor of Arkansas. During the last year he was also Chairman of the National Governor's Association, leading all of America's Governors. Governor Huckabee left office on January 8, 2007 and immediately set out on a book tour to promote his new book, [From Hope To Higher Ground](#).

The BIG Call

Governor Mike Huckabee is very carefully considering running for President of the United States in the 2008 election and this author believes that he intends to use his vast and very instructive experience and learning from 10.5 years as governor and his extremely well studied plan set forth in his amazing new book, [From Hope To Higher Ground](#) as springboards into an already packed potential Republican campaign field.

In the opinion of this author, a better man or woman for this huge challenge does not exist anywhere in America. Not in the Democrat Party. Not in the Republican Party. And, not in the Independent Party. I write these praiseful words after spending just one hour in person with the man and having read his two books and contemplated his important messages for all Americans.

But, because he does not have the name notoriety of many of those now surveying the Presidential campaign scene surely, if he runs, Governor Huckabee knows full well he will start the race as a dark horse. Surely, if he runs, he knows full well he will have a big challenge to emerge from the pack and win. But, surely, if he runs, in my opinion, he will be one of the most highly qualified, intensely thoughtful on all American issues and unique candidates

to ever run for President of the United States of America.

Once you have read this interview with then sitting Governor Mike Huckabee, conducted at the Governor's Mansion in Little Rock on November 21, 2006, you will have a close look at a terrific viewpoint that will help your club serve your members better and help your club attract many more new members and better serve those you have now.

Importantly, you will have had an in-depth look into the mind of a man that could truly unite America, help America cure the ills and lead America at a time of need into the 21st century.

The Doctor Calls

One of Governor Huckabee's greatest skills is that of an author. His writings are plainly presented so that all readers, regardless of intellect, may easily understand and digest his many messages in each work. His two books: [Quit Digging Your Grave With a Knife and Fork](#) and his new, just released book, [From Hope To Higher Ground](#), are terrific works and both, address very important American challenges.

Governor Huckabee's book title contains words that came to him when Governor Huckabee had reached 300 pounds and was diagnosed by his doctor with Type II diabetes. [Quit Digging Your Grave With a Knife and Fork](#)" is the title of his 2005 book that shared his amazing personal journey of weight loss, learning about the dangers of obesity and its many diseases and mastering lifestyle change with all Americans.

Governor Huckabee shared the alarming meeting he had with his doctor that changed his life completely and caused him to lose 110 pounds. "The doctor set me down and said, 'With your stress level and family medical history of diabetes, here's the deal. If you don't make a lifestyle change you're entering the last decade of your life. I want to make sure you understand. You're not going to just be living the same level of health that you have now, (which wasn't that good), and

then live and drop dead ten years from now.' He added, 'Your health will deteriorate at an accelerated pace. Here is what's going to start happening to you. And, he described the impact of diabetes, how it starts really effecting the extreme blood capillaries and veins and the toes and the fingers and how vision starts being effected by narrowing of the blood flow, then he started talking about the risk of heart disease and heart attack, and how I would be far more susceptible, then he started talking about stroke and how various internal organs begin to malfunction due to blood flow restrictions. He just described, not just in broad terms, but specifically how you feel when certain body organs start failing. He outlined the symptoms, the consequences, the medications and the hospitalization.

I mean, it was a gruesome kind of description! By the time he got finished I was convinced that was not the exit strategy that I wanted! And, that I really, really needed to make a serious change in the final chapter and do a rewrite. That was the wakeup call I needed. From there, the epiphany of changing my health habits came and the rest is history.

After his doctor's visit where he got very bad health news, he lost 110 pounds and became a marathon runner. Governor Mike Huckabee is now a true role model for an excellent lifestyle change.

Governor Huckabee said this about his book on his lifestyle change, "My greatest sense of accomplishment from the book has really been from cardiologists who bought it by the case to give to patients. I had a Chicago cardiologist, one of the top in the country, whom I had met at a dinner tell me, 'What you say in that book is what I've been trying to tell my patients for years, but I didn't know how to say it in as common a way.' I took that as a compliment because I didn't write this for medical professors. They know this stuff."

Folks, you're 'ol CLUB INSIDER here urges you to consider following the cardiologists lead and after reading it buy cases of the Governor's book, [Quit Digging Your Grave With a Knife and Fork](#)", for your members to purchase and for you to use as new member referral rewards and for your most loyal members who might still have a weight and lifestyle change issue, but are working on it.

Governor Huckabee commented about lifestyle change, "We need to be more aggressive in encouraging activity level. I say activity versus exercise because exercise is a dirty word to people that don't do it. Many think, 'I might do some activity, but I can't do exercise.' One of the things I talk about in the book, if a person has not had a habit of activity, they'll say, 'Oh, I've got to go do that and they'll do an hour a day. About the third day they are so sore and so off their schedule, they say, 'Good lord, I can't do this!' And, they quit. My whole point is start with 12 minutes a day. Don't start out by doing something stupid, like say to yourself, 'I'm gonna run six miles today!' and then go do that. You're gonna be in the hospital tomorrow if you're way out of shape! If you go out and run six miles you're gonna be a dead man tomorrow. So, the thing to do is do something that you don't hate. Don't do something you like, if you liked it, you'd already be doing it. The fact is you don't like exercise. Don't kid yourself and say, 'You know, I think I like it.' No, you don't like it or you'd already be doing it! Pick out something that you don't hate. For me, it was the recumbent bicycle because I could read while I was on the bike. Do it 12 minutes a day to start. No, that's not enough to really get fit. But, 12 is better than zero. And, if you get into 12, you'll add 2, then a few more, then the next thing you know, you're riding 30 minutes at a time. That's how to make adjustments in our lifestyle, do it incrementally and gradually. People who try radical changes they have not built into their lifestyle will fail."

From Hope to Higher Ground **12 STOPS to Restoring America's Greatness**

Governor Huckabee's fifth book, [From](#)

Hope to Higher Ground **- 12 STOPS America Can and Should Make To Become Truly Great Again.**

It contains a very studied, carefully contemplated and well presented package of solutions for America's most important issues.

The two books I've had the chance to read, in the opinion of this author, are very important to the future of



Governor Mike Huckabee Finishing New York Marathon

America. I urge all of you, my loyal readers and first time readers alike, to buy these two books and read and study Governor Huckabee's important messages for our lives, your club business and for America. I am going to buy his first three books and read all of them, as well. STAY TUNED as I will give you a report on each of those as I finish them.

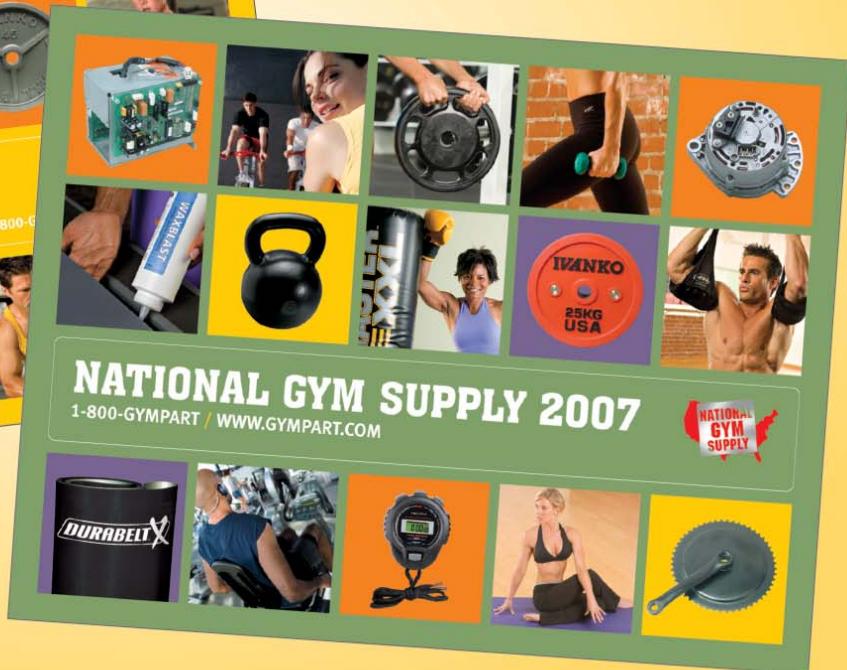
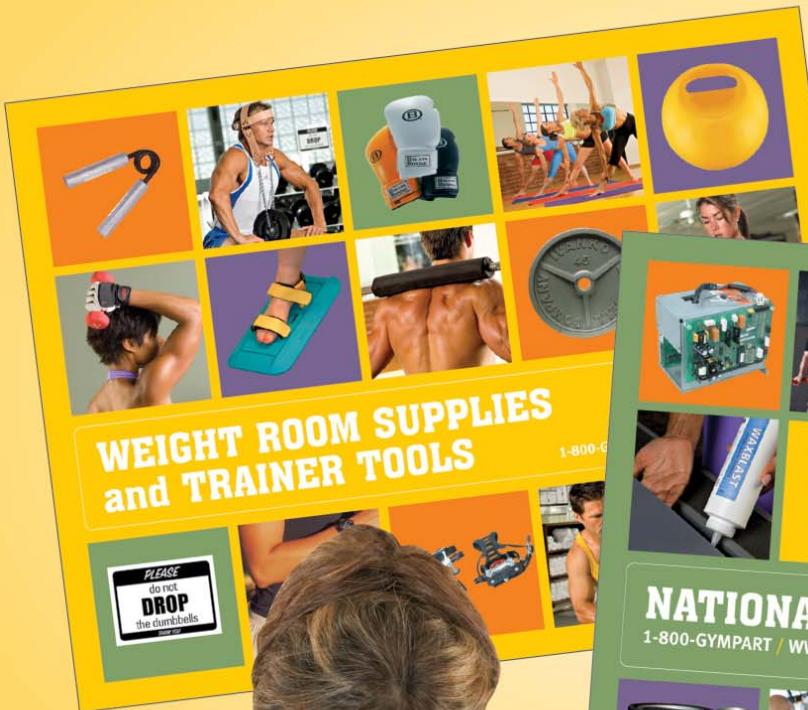
But, read the following very illuminating interview first. Then, I promise, you will want to read both of Governor Huckabee's two most recent books as soon as possible. And, you will want your family, your friends and your club members to read Governor Huckabee's books so all of those around you know and understand what this deeply good man from Arkansas does mean to all of America. These books, are a must read if you care about helping your family, improving and expanding your business and helping America, once again, become united, ethical in government and be real, when spending your tax dollars.

(See Mike Huckabee page 18)

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...Mike Huckabee

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An Interview With Arkansas Governor Mike Huckabee

Q. Governor Huckabee please describe your energy level and work capacity at 180 pounds versus your former weight of 300?

A. Governor Mike Huckabee (GMH) - The biggest difference that I've noted is that I have an extraordinary new level of energy. For example, I'm doing things at 51 that I could not do when I was 18. Even though before I was able to get through my work and do what I needed to do, I would often be so exhausted at the end of the day that it was all I could do to get one step in front of the other. Physical exhaustion also leads to a lot of mental exhaustion. So, I find that not only do I have more physical energy, I have more mental, emotional and spiritual energy as well.

Q. Does your personal experience with respect to your own increased energy level and work capacity increase not also translate to the average American who did what you did and lost a lot of weight?

GMH - I think it probably translates to the average American more than in many cases when I hear people talk about health issues because I am more typical of an average American in that I was not a superbly well tuned athlete who had gotten out of shape and got back in.

I was a person who had spent a lifetime not taking care of myself. When I came to this revolution of personal fitness it was such a radical change, not only in my eating habits, but also in my exercise habits, that I believe it has had an impact on people to encourage them to say, "Gosh, if that guy can do it, so can I."

That has been the most gratifying affirmation, I think of all, that people every single day, almost without an exception, will come up to me and say, "Hey, I lost 50 pounds and it was because of you." Or, "I read your book and it really inspired me and I started walking."

I've had two people today tell me about their success. Although I've had a very limited schedule today, I had one man tell me he had lost 50 pounds and another, 35, said it was my example that spurred him on. One was a repairman for an appliance fixing something at my house. The other was a long-time college friend of mine whom I had not seen in a while who had read my book and gone to the program at the medical school that I participated in.

The Arkansas Health initiative

Q. - Please describe your Arkansas Health Initiative and in particular, describe your work with the Arkansas Public School Systems and with your Healthy Aging Initiatives.

GMH - We launched

Healthy Arkansas as a result of clear indications that chronic disease was really driving our health care expenditures in the State. Not only in Arkansas, but nationally, healthcare dollars are being spent mostly for chronic disease. The truth is almost 80% of healthcare expenditures are due to chronic disease of three behaviors: overeating, under exercising and smoking. When you deal with those three underlying causes you pretty much change the whole healthcare issue in America. As I tell people we don't have a healthcare crisis we have a health crisis.

Healthy Arkansas was launched to try to deal with the culture of health. We define the culture of health as not how much money we are spending and what are the diseases that are costing us the most. But, what do we need to do to create an incentive based environment in which people choose healthier options, make better decisions, live healthier lives and don't cost as much money.

Put it this way. We can either continue to treat snake bites or we can start killing some of the snakes that are biting us. It just makes more sense to kill the snakes rather than to continue to treat snake bites and hope they don't get to us before we are dead. What we've done with Healthy Arkansas is to try to change the mindset of our families, help them to have a different attitude toward health, change the atmosphere in Arkansas so that there are better and healthier options available and also to take action such as passing a workplace clean air act for the entire state or mandating certain options for State employees to have everything from weight loss programs as part of their health insurance all the way to a point system where people can have time off, not for being sick, but for being well. So, we're looking at ways to change the paradigm from this focus on what do we do with so many sick people and how much they are costing us, to what can we do to help people make healthier choices, cost less money and be more productive.

With respect to our

work with the Public School System, Arkansas is the first state in the country that has actually been able to see a reversal in the childhood obesity rates. Since 1990 childhood obesity rates are up 77% across the nation. The trajectory is just dramatic. It looks like a steep incline.

Over the past 3 years Arkansas has actually stopped that and has started seeing it now edge, ever so slightly, toward a decline. We're a long way from where we want to be in this 30-year obesity incline. But, what we're trying to figure out is how we can make the reversal? What is that we can do to change it?

We now do a screening of every student in our public schools for body mass index. This is not some embarrassing thing where you take calipers and pinch kids in the belly. This is a very subtle thing. You just take their weight and height, you don't even tell them what their body mass index is, you compute those numbers, put them confidentially and discretely in an envelope and send it home to their parents. It's a way the parents can know that a child may be at risk for childhood obesity and may have an issue with obesity and explain what the health risks are. We already screen for scoliosis, for vision and for hearing. Those issues are not nearly as devastating for a child as is obesity.

Particularly, the thing we fear most is a pre-teen Type II Diabetic. Those are devastating health issues. And, it means that a kid who becomes a Type II diabetic in his pre-teens will have vision problems in his twenties, a heart attack by thirty, renal failure and full kidney dialysis by forty and be dead before he is fifty.

Without change in the health habits of Americans kids being born today will be the first generation that will not live as long as their parents or grandparents! We've always had an extended life expectancy in the United States because we're better fed and have fewer diseases because of immunizations. This generation that is being born right now will be the first exception.

About the healthy

aging initiatives, even though we know that it's harder to see behavior changes in a population whose habits are well established, it's far from impossible. Not only have we made those same efforts through our Healthy Arkansas initiative to go after that elderly generation, I think what we realize is there are an extraordinary amount of medical costs that could be avoided if people made some simple lifestyle adjustments. Walking, just a little bit, some type of vigorous activity three times a week for 30 minutes a day, simply taking those sorts of steps can make a dramatic change in a person's health. They will experience fewer colds, fewer bouts with the flu, fewer bone and joint problems. And, the list could go on. But, particularly, a person can avoid the more serious diseases like Type II Diabetes, high blood pressure or heart disease through good diet and exercise.

Currently in America about 80% of a person's entire lifetime medical expenditures are spent in their last 18-months of life, primarily to prop up a very, very sick, dying person. If we could live the life God intended us to live, we could live a relatively healthy and very active life up until the time that we expire. That is really the optimum goal, not only, I think, from an economic standpoint, but everyone I talk to about it says "I would like to be living and active up until the time that I die. Not laying (in a bed) hooked up to machines and tubes for the last several years of my life."

The American Health initiative

Q. - Governor Huckabee, your Healthy Arkansas initiative has been very successful so far. And, thank goodness you've moved on to share your learning and experiences in Arkansas with the Governor's and governments of 43 other states. Please comment on your leadership effort for better health of citizens across America.

GMH - We took the Healthy Arkansas program and then nationalized it through the National Governor's Association and (See Mike Huckabee page 20)





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We have just recently begun utilizing the expanded features – Member Connect and Trainer Connect – and we have received a tremendous response. Readership of the Magazine, now emailed directly to our database on the first of each month, has skyrocketed. And, they even make links back to our site for products and services!

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...Mike Huckabee

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renamed it Healthy America. Governors in 43 states all took a personal initiative in their state to create a wellness and health focus where they tried to bring this emphasis on school campuses, work places, as well as community. Everything from the building of sidewalks and trails to school lunches and access to screenings as well as to trying to help employers to create incentives so that employees would take healthier steps in their own personal lives.

CLUB INSIDER – So really, Governor Huckabee, you took the blue print of Healthy Arkansas and spread it across our land.

GMH – We have. And, a lot of Governors have come up with their own unique ideas and ways to improve. We think the whole concept is to help people make the choices that lead them to a greater level of personal health. Some of its incentive based. For example, we found that in Arkansas if people are smokers and they really need to get off the habit, providing them with the cessation kits, whether it's nicotine addiction tools like the gum or the patches, counseling available 24 hours a day through a toll-free telephone line. All of those are ways that we can help a person get off an addiction that is very, very costly to the state as an employer and is also costly to the employee and to the insurance beneficiary. We've

done things like give people up to a \$500 a year discount on their health insurance if they do a health risk assessment and they promise not to smoke. And, if they do smoke, we'll help them get off the habit and we'll pay for the help to get them off because it's in their's and our best interest that they not engage in that kind of risky behavior.

CLUB INSIDER – By the way Governor Huckabee, I recently had the chance to shake hands and congratulate our really great Governor Sonny Purdue on his lifestyle change and weight loss at the Roast for Larry Monson, the Georgia Bulldawg's legendary play-by-play WSB 750 Radio announcer. He also has motivated a lot of people in Georgia to get with the program.

GMH – Good man. Good friend. I think he lost about 25 pounds. He has also pushed Georgia. I saw Haley Barbour, Governor of Mississippi, yesterday. Haley has trimmed down about 30 pounds and he's taking it by example. In fact, he looked great. The best I've seen him looking in many, many years. He's leading an effort called Healthy Mississippi that he's personally out there and engaged in. I think it shows that when Governors take a leadership role and a visible role, and take their visibility and high profile status and say, "I am going to do something and ask you to join me, it's much more powerful than saying, 'You need to do something.' So, many Governor's are tak-

ing this up as a personal goal. Governor Phil Bredesen of Tennessee lost a few pounds, too. Some of these guys didn't need to lose a lot of weight. They certainly were not in my category, needing to lose over 100 pounds. But, they knew they weren't as healthy as they needed to be. They're finding that not only is it having an impact on their own personal life and energy, it's having an impact on the people of their state who are saying the same thing people have said to me. They're saying, 'Hey, if they can find the time to do it, so can I.'

*The Great American
Obesity Crisis After
Growing 10 More Years*

Q. – Governor Huckabee, please fast forward 10 years and predict what the future will bring should America NOT be successful in the fight against the obesity pandemic?

GMH – If we don't address this and do it very aggressively and quickly, 10 years from now we will be spending more than 20% of gross domestic product on health care. We currently spend bordering on 17%. That's more than any nation on earth. Most nations spend no more than 9 1/2%. Switzerland spends 10 1/2% and that is the next one closest to us. If we spend 11%, still more than anybody, but less than we do now, we would save 700 billion dollars a year. That's enough to erase the national debt, end the deficit and to build infrastructure in the country. So, the first thing we will see in 10 years is a virtual economic collapse because we simply won't be able to keep up with a health care system that is growing at twice the rate of inflation. The second thing we will have in 10 years is a work force that's too sick to give a full days work. Harvard University has come up with a new term called presenteeism. We've often heard about absenteeism where people are too sick to show up for work.

There's a new issue now. People show up. But, because they feel so poorly now, as the result of their

being obese, having chronic disease, they are losing up to 60% of their productivity. 60%.

So, you then have an issue, not only that the base cost is extravagant. But, the people who are showing up for work 10 years from now, without a lifestyle change, are so sick they're operating with only 40% of their capacity, which means now, you have a 60% lack of productivity in the work force from what it was.

You're going to have a tough time recruiting enough able bodied soldiers to field an army. I don't think we've even started to think about how do you put in policemen who can't walk, much less run a city block? How do you have ambulance drivers who can lift a stretcher with someone on it when the heaviest thing they've lifted all week is a fork and I'm talking about the kind you eat with. You certainly won't be able to get people to fit into submarines and man those. Airlines will have to be reconfigured. We're already at a point where the Coast Guard this year had to go back and reconfigure the craft capacities for boats because a ferry boat sunk back in the Spring of 2005 in Baltimore. Well, the ferry was operating within the craft capacity the Coast Guard had issued. The only problem was the Coast Guard craft capacity was based on 1962 weight levels of the average American adult, which at that time was 141 pounds.

Today, the average American weighs 182 pounds without clothes and 190 pounds with clothes. So, the Coast Guard had to go back and reconfigure the weights. Architects are having to refigure egress patterns out of buildings because they were designed 40 or 50 years ago when people were relatively fit and could walk down a flight of stairs without having to stop 3 times for breath. That no longer is the case.

So, what I see happening is American businesses will be struggling to stay afloat. They simply don't have the economic capacity to compete against countries who are paying these incredibly high healthcare costs. The second thing is we're

having a hard time finding an adequate work force just to show up. And, the ones that are sitting there ... they're are tired and they're sick and the cost of keeping them as an employee is just overwhelming. And, the final thing that will happen in ten years is the government will virtually be broke. And, I don't mean just a little bit. It will be totally financially bankrupt because the acceleration of Medicare/Medicaid and veterans and other healthcare cost will simply have stripped away any real capacity for us to keep up with it.

Q. – Governor, you've already shared that we could see a 700 billion dollars a year savings in healthcare costs per year and potentially eliminate our national debt by reducing our current healthcare cost of almost 17% of our gross domestic product to 11%.

This question is on the income side of America's ledger and ties right into your previous comments about Harvard's new term and concept, *presenteeism* reducing America's gross domestic product.

My question is: "What percent of increase of our gross domestic product could you see happen should America's citizens get on board, rally and wipe out obesity?

GMH – I think just as importantly as the potential for 700 billion dollars a year by reduction of America's healthcare cost from almost 17% to 11%, the cost of production in the United States would be dramatically changed. Currently, the cost of healthcare in a GM car is \$1,500 per car. That is greater than the cost of the steel that goes into the manufacture of a GM car. I've often said when you buy a GM product you're not buying a car you're buying healthcare benefits for the people who assembled it. They're giving you the car as a thank you gift for helping to keep their employees on the assembly-line with health insurance.

Toyota, to contrast, has \$120 per car in healthcare benefits. So, when people say 'How come it is that Toyota has increased their worldwide sales volume by 34% when companies like (See Mike Huckabee page 22)

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...Mike Huckabee

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GM and Ford are struggling to survive? It's not in the quality of the car. It's not in the design and engineering. They may be some factors. But, the real cost is in what it's costing to put that car together in terms of the healthcare risk and legacy cost of healthcare, associated with GM vs Toyota. It is staggering. So, an unhealthy population means an unhealthy economy, an healthy workforce, an unhealthy competition with other countries in manufacturing.

That's why this becomes, I think, the #1 domestic issue. The least addressed. The least talked about. And, sadly, most politicians in Washington only want to talk about healthcare. By that, they want to talk about 'How are we going to raise and spend more money

to cover these extraordinarily sick people who have chronic diseases?' The question they need to be asking is: 'What can we do to change the lifestyle and culture of America where people are healthier, they take better care of themselves and drive those healthcare demands down.'

CLUB INSIDER - You're speaking of a society whose focus is on the achievement of upstream prevention of obesity caused chronic diseases vs the downstream cost of healthcare to fix and tend to sick people before they die, aren't you Governor Huckabee?

GMH - Exactly.

The Last Place I'd Want To Be Found When I Was Extremely Overweight and Out of Shape!

Q. - As you know, the industry I publish The

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Jim Thomas

CLUB INSIDER News for is the health, racquet and sportsclub industry. Our industry has experienced a two-year flat line in membership growth and is currently stuck at about 41 million members. How can our industry link up and work with the American Health initiative and how can we, on a state-by-state basis, become involved with the 43 states in regard to helping in this cause of fighting the obesity pandemic in America?

GMH - One thing that would be helpful would be if he had deductibility for memberships in health clubs. We have so many deductions that are legitimate and appropriate. One of the greatest things that would encourage and give people incentive to go and take better care of themselves is the financial incentive. We've already found that true in Arkansas when we give people a financial incentive to do a health risk assessment and not smoke. If you further gave them some financial benefit, for not just joining a health club, I think it would have to be for participating. Maybe for getting your ticket punched every week that you went in and actually did a workout. The point is, the things that we can do in the long term to save us money because an active person is a person who will be in less demand of healthcare system dollars. The person who is not active is the person who will be sick more, be away from work more, will have more drug cost, more hospitalizations. And, the big expense, the one that far outweighs any contemporary expense, is the long-term effect of lifestyle of poor health habits when that person becomes old, very sick and dependent on long-term care; that's going to break the bank.

Q. - Your terrific book "Quit Digging Your Grave With a Knife and Fork" explains how your goal with a 110-pound weight loss was not solely weight loss, but instead, you write, "forever fitness." Please describe what you mean by that term.

GMH - I try not to push my faith on other people. But, I tell them at the same time that I can't be honest about both my motivator and my mechanism to get healthy without at least dis-

cussing how faith played an important part in it for me. As a person who believes that I belong to God, that he created me, that my body does not, in essence, have me as the owner of the title, but him, I had to realize I was going to go back to God when I died, but I probably would be going back sooner than he intended to have me because of the lifestyle I was living. That this body, because it belonged to him and I was just the caretaker, (the manager of it). I wasn't taking very good care of it. I wasn't at all confident that upon inspection he would think that I had been a good, faithful, responsible manager of his property. So, for me, the forever fitness name or words implies that fitness is not something that I can do as a program. It's something that I have to do for the rest of my life. And, it does have eternal consequences.

First of all it means that people who go on a diet make the huge mistake that most people make and that is they focus on losing weight. The focus needs to be on being healthy. And, if a person will take the very simple steps to be healthy, they will lose weight. That is a by-product of health. But, a lot of skinny people are not healthy. So, if all a person does is lose weight, that's not health necessarily. People with a serious disease like cancer lose weight. Good health is the combination of good nutrition, good fuel for the body and activity that burns that fuel in an efficient and proper way. The combination of those two things leads to good health, not just for now, but forever. So, that's my idea of forever fitness.

Q. - Governor Huckabee, after reading and

studying your amazing first book, **"Quit Digging Your Grave With a Knife and Fork"**,

I've encouraged my readers to buy and read it. That's not because they need to lose weight. It is because it will really help them help their members and prospective members to get better results from membership in their clubs.

My question for you is: "In your opinion, how can health/fitness club owner/operators better prepare their clubs and themselves to at-

tract and serve the world's obese/overweight population in the sense of breaking through the image the consumers hold of health/fitness clubs being only bastions for the fit?"

GMH - I think the level which a health club can demystify the health club for the consumer, they will be doing the consumer a big service. By **demystify** I mean help the overweight and out of shape person know that no matter what bad physical shape they are currently in there is a **welcome mat** out at your club for them. **Work hard on easing their sense or feeling that they will be intimidated. Be sure to communicate to them the message that they don't have to get on board (and be in shape) before they can show up at your club. Introduce them, in as honest a way as possible, about what it means to walk into a health club. Explain that not all health clubs are filled with mirrors on every wall where they will be constantly reminded of how unfit they currently are. And, explain clearly that not everybody in your club is svelte, athletic, a body-builder type in a Speedo that makes everyone else feel awful.**

I think there is a real need for some health clubs to sort of market themselves to the people who are a long way from fitness. In fact, they are taking their very first step to both demystify and take a little bit of the panic out of it. If I were going to open a health club today I would market it in such a way as to say, 'Let me tell you what you're going to experience when you walk in our front door. Let me walk you through what we are going to do and what we are not going to do.'

It's very similar to what we had to do when we did body mass index screenings. We had people scared to death that they were going to be humiliated and embarrassed. That their weights were going to be shouted down the hall... 'Hey, this kid weighs 140. My gosh, we've got a big one!' People are afraid to walk into a health club if they are not fit. Because they are afraid that the first thing someone is going to look at them and say, 'Oh my (See Mike Huckabee page 24)

Is your club's nutrition program starving for attention?



hungry for a solution?

We all know that exercise and nutrition are both extremely important to our members achieving successful outcomes. Well, imagine your health club had no treadmills! That's what it's like when you don't offer at least basic nutrition tracking/meal planning for your members.

VITABOT allows health clubs to fill this massive void in their member services. For several years, VITABOT has been emerging as the "treadmill" of nutrition, by providing a private-labeled service that delivers nutrition tracking and meal planning to your members through your club's website.

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...Mike Huckabee

continued from page 22

gosh, boy...we have a real challenge with this one! That person is going to be made to feel even more uncomfortable and awful. People who are overweight or unfit, they know that. Nobody has to tell 'em that they don't look good in a bathing suit. Nobody has to tell 'em that they really are not that attractive when they are in shorts and a tank top. They know that. That's why they are the least likely to come to that place. The more that we can do to say, 'Hey, this is built for you. This isn't a place for gym rats. This is a place for sofa-spuds ... for true couch potatoes who need to take the first step; the better it will be.'

Norm, there's a wonderful story that might be appropriate to tell you. There was a shoe company that hired two salesmen. Sent them both to far away country and told them to do their best to go out and sell shoes. Both arrived in the country with samples. One guy got there and wired back, 'Just arrived in this country. Will return home tomorrow. Nobody wears shoes. There are no prospects. Miserable experience. Will return home tomorrow.' The next guy, same place, wired back to the company and said, 'Just arrived in the country. Not a soul here wears shoes. Prospects everywhere. Send everything you've got and start manufacturing more!'

It's all a matter of perspective. If I were a health club owner I would realize that there are a lot more prospects in America than there have ever been to join my club. I would also realize that I am not going to get them by showing a picture in the newspaper of this hottie-body that I don't look like. I am going to get them by showing some guy who looks like the average American and says, 'Arnold Schwarzenegger probably doesn't need to join our club. YOU do. Here is how we can help you get there. You may not look like Arnold this year, but give your wife a Christmas present for next year ... a new YOU in 12 months. But, you won't look like what you see in the mirror today.' In other words, ap-

peal to the great fears people have and address them on the front end. People don't buy what they are afraid of. People buy what they feel like will truly work for them.

One of the reasons my book has resonated with people is because it was written by a guy who didn't come to them and say, 'I'm a super, deluxe athlete that has lived healthy and I am going to tell you sorry bums how you've been missing it all of these years. Mine is an honest book of saying, 'There is no worse offender than of bad eating habits and bad exercise habits than me and here is how I have found a way to make a change and I want to share it with you in the hope that it will help you get there. The best witnessing is one beggar telling another beggar where to find bread.'

CLUB INSIDER

- Governor, your words of wisdom here about putting the obese/overweight person at ease are words that I've repeatedly used to urge my readers to incorporate in their operations and marketing thinking, especially with respect to the visual images in their print and TV ads. I think your wonderful commentary here will go a long way toward helping them craft a new image with the unfit/overweight consumers of the world, millions of whom are great membership prospects for their clubs.

Governor Mike Huckabee - Norm, when I was extremely overweight and not in shape, the last place on earth, other than the women's restroom, that I would want to be found would be in a health club. The LAST place! If I wanted to be humiliated I can think of a dozen ways to do it that wouldn't be expensive and I didn't have to pay for.

Presidential Aspirations

Q. - Governor Huckabee, I am very excited to learn about your Presidential aspirations. I would like to close this interview with one last question. Before that, let me say that I believe this interview has well illuminated our very kindred perspectives, as two men who lost 110 pounds through 180-degree lifestyle changes and wrote books

about the experiences, with hopes of helping America. I believe that both of us are quite concerned about America's future and our country's risks if the obesity pandemic continues unchecked.

With that said, I would like to ask you to say anything you might like to say about your considerations about running for President of these United States. If you don't want to say anything now about that, I understand.

Governor Mike Huckabee - Norm, I think certainly, there are other issues that face America other than health. Border security, strong national defense, education, competitive industrial and agricultural economies. Yes, all those things are critical and any President who is going to be inaugurated is going to have to address every one of them.

But, the person that does not address the #1 economic and really competitive crisis of this country and that's health, is going to really, I think, be doing America a great disservice. Our economy is being driven off the highway and into the ditch because of rising healthcare costs. Not only at the private employee level, but also at the public level. The Medicaid/Medicare programs are rising at twice the rate of inflation and they are unsustainable. We're going to see huge tax increases if we don't do something, simply to honor the most basic commitments we've already made to older Americans who we've said we'll cover with Medicare when they're old and Medicaid, when they're poor. States are already just about to buckle under because of this huge cost. Private employers are having to cut benefits and raise premiums. That means Americans have less disposable income. We buy less, we produce less, we sell less. Everybody loses.

A healthier American population means a healthier economy and a more productive work force. It means that we won't be sitting around ringing our hands about China and India. If they start emulating our health patterns and we, on the other hand, start changing ours, they will be ringing their hands and saying, 'Oh, those Ameri-

cans. Here they've done it again. They've bounced back. They've showed their resilience, as they always do. They face a crisis. They confront it. They make the adjustments. And, through their own hard work and creativity, they've found a way to get healthy again. Now, we're not about to overcome them anymore.'

CLUB INSIDER

Great commentary, Governor Huckabee. I can only say my prayers will be with you in every effort you make in regard to your study, decision and possible run for President.

Governor Mike Huckabee
- Thank you, Norm.

STAY TUNED!

Governor Mike Huckabee, as of this publishing date of January 17, 2006, is on a nationwide book tour. His book tour began on January 8, 2006, his last day in office as Governor of Arkansas. New Arkansas Governor Mike Beebe will inherit a State Government in Arkansas that is in good shape. Governor Beebe will also have some very big shoes to fill and I wish him well.

I believe the learning about people Governor Huckabee experienced while a Pastor is learning that can help America as he applies it to the next level. The vast additional learning he did, first as Lt. Governor and then Governor of Arkansas, combined with his work in the church is an amazing combination for any politician. **His view that good government is not about policies, but about the people whose lives are going to be touched, is a very wise view I believe might carry him to someday be elected President of the United States.** The man has the experience and track record necessary to do this. And, the man, I deeply believe, has been given special blessings to be at this time and at this place in American history. No one interested in American politics should underestimate Governor Mike Huckabee, his visionary approach to moving America **"From Hope to Higher Ground"** and his passions to do the right things for Americans. No one.

I wish Governor Huckabee and his family the very best of health, happiness and good fortune as he moves, at age 51, into the next phase of his amazing life. Governor Huckabee is a man of action. Governor Huckabee is a man with a great plan for America. At the very least, I expect Governor Huckabee to be a man of huge influence across America. At best, I would not at all be surprised to see him make the decision to run for President of the United States of America. That is one of two reasons I would urge you to purchase and read both of his books. The second reason is that you personally and your club business(es) will benefit from learning from Governor Mike Huckabee.

I would not be surprised to see him be America's next President.

STAY TUNED!

(Norm Cates, Jr. is the Founder of CLUB INSIDER News and publisher since 1993. Cates is a 32-year veteran of the health, racquet and sportsclub industry. In 1981 Cates was the 1st President of IHRSA and a co-founder of the Association with Rick Caro and five others. He was honored by IHRSA in March, 2001 when he was presented with its DALE DIBBLE Distinguished Service Award ... an honor that was the greatest of his life. Norm Cates may be reached at: 770.850.8506 or at: clubinsidernews@mindspring.com or at: normcates@leavingfatty.com Look for Norm Cates' new book in print in the first quarter of 2007 as Cates is now beginning the process of revising and updating the book before printing. Go to: www.leavingfatty.com to view the **"Leaving FAT City"** chapter list and information about the author. To communicate directly with respect to your own suggestions for this book's content email your thoughts and suggestions to: normcates@leavingfatty.com)

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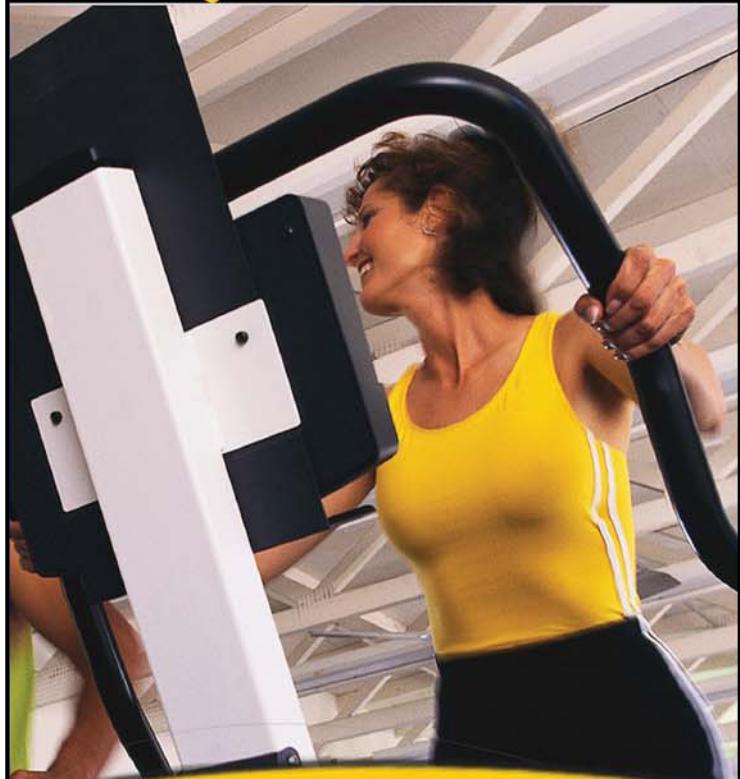
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DRIVING CUSTOMER SERVICE IN OUR CLUBS

By Bonnie Patrick Mattalian

When you ask a club operator what his or her top challenges are, most of us will rattle off similar and predictable responses, in no particular order:

- Finding more members (increase market share)
- Keeping our existing members
- Finding good staff
- Keeping good staff
- Getting staff to do what we ask them to do, and to do things proactively without having to be asked or directed.

The common denominator in each of these scenarios, the key to success in our club or in any business, is **staff**. The environment they create, the relationships they forge, their ability to address situations and to proactively anticipate needs, and their service delivery abilities are all cornerstones of whether our business will thrive, survive or fail.

Investing In Relationships

If everything listed in the above paragraph is so darn clear and important to our business, then it's worth putting in the time and financial resources to finding, training and developing good staff.

Customer dissatisfaction is a direct result of poor or ineffective staff training, or a lack of process. It's that simple. Don't take my word for it – ask your members... they will resoundingly concur. And if we have the right staff who are capable of providing a great member experience and a positive relationship with our members, I will guarantee you will be able to save money and make more money in your business. Staff delivery of the member experience is the true differentiator between clubs.

Do We Really Know Our Staff?

With every interaction we have with a member or prospective member, we have an opportunity and a choice. The words our staff

chooses and how they address issues are 100% a reflection on us. Hmm... maybe it's time to take a careful look at what they say, how, and when.

How do they know what "friendly" looks like, what it sounds like? When it is genuine, and when the right sentiments are exchanged at the right times, the result can steer even a negative interaction in a positive way.

If you call my cell phone, you will get an extremely upbeat and enthusiastic voice mail. There's a couple of good reasons for that: 1) I try to be upbeat and enthusiastic as much as possible, 2) it elicits a response from every caller, almost universally positive, and 3) it is one way of communicating with people – and I choose to make it positive and memorable. Call me at 732-236-2273 to hear for yourself.

I'm a big scripter. That doesn't mean there are canned answers to every single encounter that arises. It does mean there are specific guidelines and processes for interactions. Every staff person is intensely coached on this structure. And when they are on the front line, a supervisor audits and monitors activities frequently to be sure we are on track. If warranted, the staff member is given feedback to help correct the action. Similarly, staff are praised for effort and positive results.

Southwest Airlines invests much time and training of its supervisors, taking at least three months in training prior to beginning a position. The supervisors are directly responsible for experience delivery by encouraging, guiding and giving structure to employees. They also work hands-on, side-by-side with their staffs. The ratio of employees to supervisor is ten to one. This way, there can be frequent individualized attention to staff and their needs. This personal contact between the company and its employees pays a strong dividend: mutual respect and loyalty.

Does Our Staff Really Know Our Members?

Rank each of your staff's level of friendliness and service acumen on a scale of 1 to 5. 1 is lowest, 3 is average, 5 is a WOW! If we have a level 1, 2 or 3 person in our club, it should be no surprise that there are problems in that department and unhappy members. Every staff person needs to be completely in tune to the member. It's up to us to coach them on how to do that, and what it looks like.

Many of the Generation Y staff are more comfortable with a computer than they are with a person. Gen Y's feel entitled, and in training we need to understand what makes sense for them, then they will deliver. Take the blinders off, either develop staff via the ideas listed below, or move them out and find yourself a good level 4 or 5 person today.

Service Delivery Improvement

Fortune 500 companies have embraced a results-based approach to solving service delivery problems. Through a process called Human Performance Improvement (ASTD), starting with the end result, we look backwards at influencing factors and causes of high and low performance, identifying barriers, gaps and solutions. Then we articulate the relationship of the goals to staff performance and club operations

Barriers To Great Service Delivery

Let's look at a complete list of barriers and some solutions for great service delivery:

Physical Resources

- Not having the physical resources necessary to do the job creates frustration. This can be in the form of staff (more coverage, different schedule, FTEs, etc.), equipment (computer problems, need an extra printer, etc.), workspace design

(ergonomic problems, non-customer centric areas).

- In addition to reviewing the items listed above, solutions include automation as much as possible to reduce error or skipped steps.
- For our members, not having what they need when they need it is worth resolving (i.e. treadmills don't work, the sauna doesn't work, the pool is too cold, no one on the floor can help me, etc.).

Improving Structure and Process

• Having undefined, incorrect or unused structures and processes is a time waster and the cause of most problems in our clubs. Businesses lack effective or unutilized processes 80% of the time. Mapping new programs and workflows in advance of implementation can help. Also process redesign is something to consider at least twice per year. The old adages "...but that's the way we've always done it..." or "...that won't work in my club..." can get in the way of breakthroughs that can make a difference.

• Conflict management and culture change are also solutions in this category. When a member presents a problem, what is the correct process for solving the issue? I like role playing every single possible member concern during orientation for new staff. Then on a weekly basis, all staff select one member challenge, and each department focuses on coaching their teams on the best ways to help resolve the matter. Performance appraisal is also a form of process.

- By giving consistent and timely feedback to our teams, they will have a better understanding of expectations and will deliver a better member experience.
- And by soliciting feedback from our members on their experience, and acting on their suggestions (process improvement), we are more likely to retain members and gain referrals.



Bonnie Patrick

Improving Information

- This category relates to ineffective exchanges of data between people or between machines. How do our staff get the information they need when they need it? Do we have effective all-staff communication channels? How often have we launched a program or promotion, and when the phone rings, our staff are not aware of it? That happens more often than we'd like.
- Similarly, how are we communicating with our members? Using the new program example listed above, how often do we launch a program and no one shows up? By capturing relevant data on our members needs, interests and goals, we can utilize that information when developing programs. Communicating to members by more than one medium is the best way to start a new program.
- Effective new staff orientations, meetings and up-to-date club policies and procedures can help resolve information issues.

Improving Knowledge

- Here's an area that is easily supported with coaching, tools and training. Attending IHRSA and other conferences or having a consultant come in to present a customized training program for your club will deliver huge returns on service delivery.

(See **Bonnie Patrick** page 36)

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...Norm's Notes

continued from page 12

your day-in and day-out job of owning and operating your club(s). **STAY TUNED!**

BERNARD FUEMMELER, a *Duke University Medical Center* assistant professor in the *Department of Community and Family Medicine* says, "There is a lot of support for employer and health policies aimed at obesity and a large majority of Americans say they support changes in public policy to stem the rising tide of obesity among adults according to a new survey produced by the Duke Medical Center." 73% said they would support government incentives for companies that reduced the cost of health insurance for employees who had healthy lifestyles and shed extra pounds. 72% said they would support government policies requiring insurance companies to cover obesity treatment and prevention programs.

JOE MOORE, IHRSA President/CEO wrote, "This is very positive news for our health promotion efforts. Our two main federal bills, the *Workforce Health Improvement (WHIP) Act* and the *Personal Health Investment Today (PHIT) Bill*, seek to create incentives for workplace exercise programs and incentives for individuals. Having the support of the general public will be very helpful."

• *Good Morning America* on ABC TV recently featured an amaz-

ing story on weight loss by the **DEAN FAMILY of eight**. I did not tune in early enough to see what American city they are from. But, their story is amazing. In December, 2005, the family got together and vowed to lose weight as a Team. And, lose weight they did. **Over 500 pounds!** They stated that they included two important ingredients, #1) **Exercise** everyday and that a health club membership was a **requirement** and #2) they began to study nutrition and **change their eating habits**. Here is the family weight loss: **MIKE DEAN, Father - 101 pounds; SHEILA, Mother - 58#s, TONY- 36#s; TINA - 43#s; JEREMY (youngest) - 70#s; JULIE - 62#s; TRACY-38#s and JAMIE- 99#s = 507 pounds!** Folks, this brief report should give you some great ideas for member programs and membership promotions targeted to obese families in America. GO for it and please let me know what you create and how your ideas work!

God bless our troops, airmen and seamen and their families. God bless the souls and families of our brave heroes who've been lost in Iraq, Afghanistan and around the world serving and protecting all of us. God bless our troops injured in war and sitting in hospitals wherever they may be. God bless America and God bless you all.

-Norm Cates, Jr. - The CLUB INSIDER News

Fitness Management is No Mistake

By Dr. Amy Hyams

After 5 years as Club Manager, you are promoted to Vice President. Your first task is to fill your position and find someone to manage the club. Do you:

- a. Promote your top trainer or salesperson to the position and hope for the best.
- b. Conduct an external search to hire a manager since you have no qualified employees.
- c. Continue to perform the management duties on top of your new tasks as V.P.
- d. All of the above.

The common response is likely, D. To reward our top performing trainers or sales professionals, we promote them to Club Manager. We assume that their competence and success will continue in their new position. However, their skills and talents do not necessarily transfer, leaving them ineffective and discouraged in their new position. They are miserable and consider leaving the

company. Other employees are affected by the change and threaten to leave if things don't get better. You lose customers and revenue since many became or remained members because of their relationship with the trainer-turned manager. Without that relationship, they consider joining the less expensive club closer to their home.

After recognizing that there is no one in the company with the skills necessary to be an effective manager, you begin to recruit external candidates. This takes a considerable amount of time and money. You identify a handful of professionals with prior managerial experience; however, it's difficult to be sure they will be a good "fit" with your company. Some employees plan to leave, resentful for being over-looked for the promotion and concerned about the inevitable changes that an "outsider" will bring.

During the recruitment and interview process, you take on your new du-

ties as Vice President while continuing to perform your job of Club Manager. After a while, the company President decides that since you have been performing both roles successfully, there may be no need to hire someone else. They change your title to Vice President and Manager of Operations. You burn out quickly and begin looking for a new position elsewhere.

This scenario, while slightly extreme, is not unique to the fitness industry. A successful classroom teacher is promoted to Assistant Principal without any training or support. Not only does the teacher suffer, so do the other school personnel as well as the students whose education is compromised. Another example: A top salesperson is promoted to District Manager without any training in management, leadership or budgets. The revenue once enjoyed from his or her sales is lost and the company soon closes due to the poor decision-making and fiscal man-

agement of the former sales leader.

A different approach is to be more proactive in preparing your team of trainers or sales professionals for management. It's not necessary to send them for their MBA at a top business school, but everyone will benefit if they are offered some training in management basics such as: Leadership, Team Building, Operations, Budgets, Marketing and Sales, and Customer Service. Courses are available through local community colleges and universities or customized programs can be delivered at your club location by corporate trainers or industry educators.

You wouldn't consider having your manager go on the floor to train members without the proper education and certification. Your members' health and safety depends on it. Make sure your management team is also prepared. Your club's financial health and safety depends on it.



Dr. Amy Hyams

(Dr. Amy Hyams has two decades of experience in adult education and training. She earned her B.A. in Pre-Law, her M.S. in Sport and Fitness Management and her Ed.D in Educational Administration. Dr. Hyams can be reached at World Instructor Training Schools (W.I.T.S.) at reesethor@msn.com or toll free 888-330-9487.)

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...In Review

continued from page 3

for the 12,000+ in attendance at the event, lacked something that I wish to add now.

That was adequate recognition, praise and thanks to the owners of over 7,000 clubs across North America and in 72 countries around the world that were the reason IHRSA was started.

I did not adequately acknowledge the important support of the many long-time IHRSA member club owners. Only about 150 have served on the Board during the 25 years, so folks, I have this word to say to the most important group, the member club owners: THANKS. To me now, my special edition might have had some readers think IHRSA was only all about the staff and the Board of Directors, past and present, when in fact, that is far from the truth. IHRSA is and should always be about the club owners whose clubs are members of the Association. The club owners have been, and will continue to be, the KEY to IHRSA.

So, I wanted to be sure to thank you all again for your long-time support of this industry - changing Association. Reportedly, there were over 12,000 of you in Vegas for this event and you know who you are. And, there are thousands more who were not there. You are a wonderful group! Were it not for you, surely IHRSA would not be around in the form it is now, almost 26 years lat-

er. The club owners who've paid IHRSA club membership dues, attended the conventions, supported the 600+ IHRSA Associate Members, bought and learned from the IHRSA educational products and services from IHRSA's great library of books (3 of them written by Big John himself), tapes and dvds, participated in IHRSA special education seminars and the IHRSA Institute, all made this great organization happen. And, many of you have supported IHRSA through thick and thin times for almost 26 years now. Good on you all!

In this issue, on page #6 in my *Insider Speaks* column, I have written about a very important, subject that I feel must be addressed as we move into this New Year: **PROFIT**.

That is **PROFIT** for club owners. As this industry moves forward into 2007 the industry needs to *adjust* to make PROFIT a much greater focus.

That focus can start by looking at your biggest expenses in your club business. The writing on page #6 goes to how changing some of the things commercial health club operators have thought for years now and will help thousands of independent clubs make a profit. See my article on page #6. It explains it all.

Our page #3 headline articles were: **IHRSA25 Special Edition Saint John McCarthy, Rick Caro ... IHRSA Founder Weighs In and The Behavioral Barriers that Inhibit Health Club**

Membership.

Our April, 2006 *Contributing Author* articles were: **An Open Letter from Visual Fitness Planner CEO, by Daron Allen; Our Game Is Changing - Are You?, by Michael Scott Scudder; Fitness Software Reveals True Health Age. Trust - the Primary Fuel Rod by Will Phillips; Focus on Females and Follow the Money by Lance Arrance;** and articles by yours truly: **CheckFree Technology Summit Packed With Information and Thomas Plummer Seminar in Birmingham.**

Norm's NOTES - April, 2006 • The "Chosen Ones" ... all of you terrific club owner/operators/staff who've chosen to serve your communities in the health club industry were acknowledged and thanked for your choice of occupation. • Congratulated **AUGIE NIETO** winner of **IHRSA's Person of the Year Honor**, **JULIE MAIN** winner of **IHRSA's DALE DIBBLE Distinguished Service Award**, **PETE KIGHT**, winner of **IHRSA's John McCarthy Entrepreneur of the Year Award** (the first year it was named for John!) and **SCIFIT** winner of **IHRSA's Associate Member of the Year Award**.

• Listed many who had attended IHRSA25 and acknowledged them all for changing the world! • Thanked long time friend, **racquetball pro RICHIE WAGNER**, for providing some of the photos published in our **IHRSA25 photo collage** on pages 19, 20, 21 and 22. • Thanked our **PAID SUBSCRIBERS** and all loyal readers of **CLUB INSIDER News** as I described it as a "Labor of Love." **Urged all to order a paid subscription! Urge you again now! Just use form on pg 4 or go to: clubinsidernews.com** • Thanked my son, **JUSTIN CATES**, for all of his hard work as layout man and webmaster for CLUB INSIDER News for now 14 years and **BEN PEARSON**, our new layout man. **STAY TUNED!**

**MAKE
IT FUN!**

Leaving FAT City

A "Tough Love" Book About Your Mind



By Norm Cates, Jr.

May, 2006

May, 2006 - Cover Story - Published the first three chapters of my book,

"Leaving FAT City" ... A Tough Love Book About Your Mind, as a sample of what was to come on May 15, 2006 when I placed the first draft of the book online for all to help save lives.

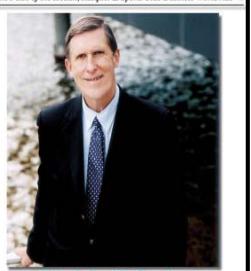
I did place it online, actually on May 16, 2006, even though I was not happy with my work then. I still am not happy with it now, since I've not had time to get to the revisions. But, I wanted to get it out to help anyone I possibly could and deliver as promised, even though the first edition sucked.

Over this past Summer we had over 41,000 hits from about 25 countries on the website. I removed my book from the website in September for printing in October and then postponed printing of the book until March, 2006, so I can get the book the way I want it before printing. My good friend, Casey Conrad, said something to me after reading my first shot at the book that was the truth and I do appreciate and welcome the truth, even when it hurts. Casey said,

"Norm, you may have done more damage than good putting it online before it was ready." To that I replied, "Casey, I had promised the book on a certain date and my mission is to save lives. I still bet I saved and changed some lives." I also made the decision to further delay my book work so I could help Casey Conrad promote her new amazing book containing testimonials from 62 ladies about their **"Struggle To Be Thin"**, the name of her book. And, I wanted and am helping Arkansas **Governor Mike Huckabee** further promote his 4th book released in

2005 entitled: **"Quit Killing Yourself With a Knife and Fork"** - A 12-STOP PROGRAM TO END BAD HABITS AND BEGIN A HEALTHY LIFESTYLE and his just off the press, new second book, **"From Hope to Higher Ground"** (See cover story this month.) Both books are really terrific! Please do read all of Governor Huckabee's article this month, as there is an awful lot to learn and think about there!

Because of my focus on the obesity pandemic in May I printed no news, no Norm's NOTES and no Contributing Author articles in the May **"Leaving FAT City Special Edition."** But, we did, as we always do, publish our advertisers important messages. **Please support our CLUB INSIDER News advertisers. You will see their IHRSA San Francisco Booth #'s listed on page #4 for IHRSA San Francisco, March 29-31, 2007! STAY TUNED!**



Big John McCarthy
IHRSA's "Alliance Master" Retires

June, 2006

June, 2006 Cover Story - Big John McCarthy IHRSA's "Alliance Master" Retires - The June issue featured a photo of Big John on the cover and a page 3 photo of John and IHRSA Founder and friend, **Rick Caro**.

The story contained a review of John's amazing work at IHRSA and an interview with John. Suffice it to say, John McCarthy worked extremely hard on Rick Caro's idea for 25 years and John became a *true world changer* over his 25 years at the helm of IHRSA. Then, on July 1, 2006, Joe Moore took the torch on an interim basis and ran with it. Later, in October, 2006, Joe was selected by a unanimous

(See *In Review* page 34)

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Stopping the Madness!

By Shawn Vint

For over 25 years, I've had the opportunity to train and coach many individuals and groups in a wellness lifestyle, both during my years as a firefighter while assisting with the departments fitness regime and continuing through the 6 years we've been helping health club owners achieve their business goals.

Usually I begin the first conversation with an individual or group by repeating to them the oft quoted saying that the definition of insanity is doing the same thing over and over again but expecting a different result from those actions.

With people attempting to increase their fitness level or trying to rid themselves of excess fat, that mentality is seen often with the same sense of frustration, same lack of positive results for your new member and the same lack of a positive outcome for you, when they become another sad statistic in your club retention report. Especially this time of year, when, to the great short-term benefit of our industry it seems that the entire world makes the choice to try again to lose a few extra pounds and begin to live better, only to be quickly frustrated by doing the same thing that didn't work a short year ago...

I'm writing this short piece to ask you, and your staff if perhaps in your quest to make 2007 the year where your club is (please pick one), "differentiated", "service and member-focused", "reaching out to the community", "leaner", and of course "more profitable", that you and your team aren't making this very same error in strategy.

This "doing the same thing over and over insanity" dilemma is easier to fall into than one might think. On the surface, it appears that only a fool would expect a different result from the same action, but let's look a little closer. The fact is, if we didn't believe that the actions we are currently performing would produce positive results we wouldn't be doing them, would we? Hoping and wishing it were circumstances outside of 'the plan' that affected the outcome in a negative way is easier, more convenient and allows our ego's a little respite from potential feelings of failure.

"The problem must be (pick one again) less than effective staff, poor implementation and follow-up, etc., etc. etc. It couldn't be 'the plan'... so let's try that same plan again". Do you see the similarity between what can happen as a club owner versus what all of the repeat New Year's clients in your club are attempting?

The 3 Step Solution

1. Recognize - Recognition of this cycle is, thankfully, usually enough to shake you out of the cycle. And, taking positive, *different* steps than you have previously will put an end to the frustration. I write this last line with an obvious caveat: taking different steps alone, without a system of accountability which will serve as an indicator of the results, won't allow you to determine which of the new steps created the positive tipping point or which new steps had a neutral or negative impact on the attainment of your corporate goals. Good reporting and accountability gives you the 'in your face' truth on your club's action plan and implementation, sending you the hard facts needed to make good decisions.

2. Lead - This is where you can shine. Becoming a better leader is largely a matter of becoming a better teacher. This holds true whether you are leading yourself (by constantly seeking more knowledge helping you attain personal goals), leading your children or leading your staff. Make it a point to assist your staff in stopping the 'insanity' by giving them not just clear *targets*, but also clear *paths* to the targets you've set. As their leader, give your staff the contacts of companies that have the resources and tools to assist with reaching your 2007 goals in a *different* way than you tried last year. That's why our company and many, many others are in business, so that we can help your company stay ahead of the competition.

Different approaches require different ideas. When you're busy putting out fires and implementing last year's strategy with a twist, you are not doing yourself, your club or your staff the benefit of your creativity and leadership skills. As I've said in a past article, you are looked at as the leader...so lead!

3. Adjust - As in any military campaign, you must constantly adjust your tactics and strategy.

Perhaps this isn't the best analogy as I certainly don't want you thinking of your prospects and your members as the enemy, but you get the picture. What looks like a great idea on paper sometimes doesn't play out on the corporate 'battlefield' the same way. When this occurs, the key to achieving a positive outcome is to recognize the situation quickly and adjust quickly. One more point on this. Blame and finger pointing isn't an option. Doing either of these will be the quickest way to ensure your staff will remain committed to doing

(See *Shawn Vint* page 36)

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The Skinny on Weight Loss Programs

By Donna Krech

Obesity is at its all-time high. Dieting or resolving to lose weight is one of the most common New Year's Resolutions and there are just so many eating plans to choose from. Note I didn't say 'so many diets to choose from'. That word in and of itself is a big part of why people fail in their attempt to lose. Just changing what you eat is absolutely **NOT** enough for permanent weight loss. I've been in this industry since 1982. Business leaders tell me my experience makes me **THE** expert. I am absolutely convinced that lasting loss is **NOT** just about the food. Sure, watching what you eat can reduce the size of your waist. It's just that other components, far more important than food, are really what influence lasting loss.

Yet... when someone thinks about weight loss, they think about food. Our industry is no different. We are overjoyed in our home office as an industry which once showed little to no interest in the subject of weight loss is now embracing the idea and adding this crucial component to clubs and personal training studios. So today I offer years of experience with regard to the food choice plans that are most common so you can determine which plan offers the best chance for success for your facility.

Calorie and Net Carbohydrate Counting

A calorie counting diet is just as it sounds and is the oldest form of eating plan. You count the number of calories or units of energy that you receive from the food you eat in a certain period of time, usually daily. After you figure out that number, you begin to reduce your calorie intake so that you reach your target healthy weight. In order to lose weight, you have to decrease the number of calories you normally eat or drink to the number you are supposed to eat or drink. People using this plan report that it leads to hunger. Not only are calorie counters too

often hungry as the body receives less than its usual food intake, but there is also a lot of time and energy invested only to have the weight be regained. While this method can result in loss, the most important question is, "Will it be permanent?" The best gauge for determining if a diet plan is the right one for an individual is this one: is the plan something you would want to do for the rest of your life?

Acarbohydrate counting diet works much the same way as the calorie counting, except a carb counting diet involves eating mostly protein like the familiar Atkins plan. The webs site (www.comparediets.org) reports high protein/low carb plans which give no variety so most people walk away from them quickly. The real issue with carb counting is that our bodies will begin to crave carbs if we deprive it of them for too long. We were created to need all foods, carbs being one of them. Complex carbs are healthiest, but a no to low carb plan tells us to eat barely any at all. Again, to ensure success for your member, ask the simple question - is this a realistic way to eat forever?

Diet Pills

Just turn on the television. Before 5 minutes passes you'll see a commercial of a new prescription drug claiming to get rid of your belly, decrease the depression that causes us to eat, boost your metabolism or any number of other claims. And of course there are the popular 'magic potions' that promise a near melting of fat. It seems there is a constant barrage of new pills to solve the weight loss dilemma. If introducing your members to the idea of buying pills, please keep two things in mind. #1 - Ephedra, Fen-fen and Redux were all pulled off the market even though they produced weight loss. The first was being used (and even resold as) a stimulant. Many were using and marketing this health food store product as 'speed'. And the latter two were found to produce not only weight loss, but hair loss, muscle

loss and a loss of heart valve function. The Federal Trade Commission fined the marketers of four weight-loss drugs a collective \$25 million for false advertising claims. Xenadrine EFX, CortiSlim, One-A-Day WeightSmart and TrimSpa were all found to be representing "Your biggest competition in weight loss is no longer the diet facility down the street, it's apathy. If your member can't be assured her weight has a high probability of staying lost, she won't want to join the program." anything but truthful claims. The bottom line with pills is if you don't have a medical professional willing to put his name and malpractice insurance on the line for you, it's not wise to offer this solution. Unfortunately, even in that event you could, you might end up paying in a law suit. Secondly, this solution, again, does not produce anything close to a permanent result. The pills work... if they work at all... as long as you stay on the pills!

Pre-Packaged Meals and Meal Replacements

These are the diet plans that ship your meals to you or the weight loss plans that are more like grocery stores than programs. They choose what foods you will eat for breakfast, lunch, dinner, and dessert. Most of these programs are very expensive and don't include the foods you love because they don't include real foods. Years ago I worked for one of these companies. The only real food a member could ingest was lettuce! Be aware of a hard truth... as a business person you could be seduced to buy and resell these based on the income potential of selling meal replacements because of the repeat-buying process. Know this, these programs are simply not plans people stay with. So not only will the income dry up, your reputation is then one of the 'lose only to regain' diet plan.

With meal replacement bars and/or shakes, the same thing could occur. Someone who decided re-

cently to sell meal replacements told me, "I think it helps people to know one meal has to be a shake." I just looked at him. "WHAT?" No, it helps people to learn how to live a lifestyle of eating real food, exercising and knowing how to stay motivated! I do understand. I'm a business owner too. Just ask yourself before deciding to go with a meal replacement plan, "Is this a plan my member can keep doing for the rest of their life?" You might wonder why that's such an important question. The answer is easy. "Your biggest competition in weight loss is no longer the diet facility down the street, it's apathy. If your member can't be assured her weight has a high probability of staying lost, she doesn't want to join the program." When a pre-packaged diet plan ends, you have not learned how to keep your weight off. With pre-packaged foods you can shed some weight if that's all you eat.

Dieting Books

Diet books obviously offer different eating plan options. For people who are highly self-motivated, this approach can work. The reality is most aren't self-motivated. Most diet book plans are designed to read and followed alone, which means you have no one to encourage you when your motivation is fading, and you have no one to go through the program with. Everything has to be taken care of by you: the scheduling, meal planning and exercising. This can lead to the diet failing you and then you are left with another missed goal that can affect your motivation and, therefore, other areas of your life falter as well.

Points, Cards and a Roll of the Dice

The concept of points is that foods are assigned values so calories, carbs, fat grams or protein don't have to be calculated. Life is busy. Having to memorize and keep track of points is a task not many are up for. But



Donna Krech

Weight Watchers, the most popular points program, has made it easier because they put the points on their products. This means, however, that you need to eat their boxed food. If you can learn and memorize the points system, the benefit of this plan is that it does include all foods.

The cards and dice and whatever else is new on the landscape are all fad-type programs. Now before you turn up your nose realize that most dieters are looking for another way to lose-- because the ways they've tried haven't worked for them. The idea of carrying a deck of cards are set of dice is ok for some due to desperation. These function on the same premise as points. The cards tell you what to eat and when and what the likelihood is that loss (or gain) will occur.

Body-Type

This plan gained some notoriety because the medical community liked it. We know blood types are different in humans; therefore the ways we metabolize must be different too... right? Not necessarily so. It's been proven that blood type is not tied into the way we digest and burn food all the time. While this plan offers a very healthy way of eating, it isn't an easy plan to follow. It's quite difficult for most people.

The Pyramid and Real Food

The food pyramid provides a balanced plan for (See **Donna Krech** page 36)


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NEW JERSEY COALITION OF FITNESS PROFESSIONALS

Meet to Fight Health Club Membership Sales Taxes

By Bonnie Patrick Mattalian
 January 9, 2007 at The Atlantic Club

Pat Laus, Atlantic Club owner, opened the meeting by introducing the panel, which included:

- Mike Epstein – Gold's Gyms, Paramus & Northern NJ
- Mark Steinfield – Gold's Gyms – Jersey Shore
- Amy Bantham – Manager, IHRSA Government Relations
- Wayne Hasenbalg – State Street Partners (Lobbyist)

The meeting was

called to discuss how clubs and members can help to overturn the 7% sales tax recently imposed on health club memberships. About 60 club owners and operators (representing approximately 160,000 members) attended the gathering at the lavish Atlantic Club. Laus' staff provided Ritz Carlton standards of service for all of the visitors.

Laus and COO Kevin McHugh detailed how they put together an impressive campaign in the past to successfully battle previous tax initiatives. And it worked. Operators can contact Kevin McHugh for templates that clubs can use and customize at kevinn@theatlanticclub.com or at 732-292-4362.

Laus believes that "...the power we have together we can cause a President of the United States to say 'I will repeal ALL taxes on health club memberships in the USA'".

Mike Epstein said the

NJ Coalition was formed to encourage involvement and action. He explained that the YMCAs do very well when speaking as one voice, and we can do the same.

Solid facts were detailed by Mark Steinfield. Robert Singer, a NJ State Senator, is a member of his clubs. Singer supports the tax repeal initiative, and Steinfield read some comments from Singer.

The tax implications of the current initiative are \$80 million, impacting the over 1000 health clubs in the state and approximately 1.4 million members. Collectively, those 1.4 million people have very influential voting voices.

There is a bill under consideration to give the non-profit providers a bye on the tax, which equates to about \$54-\$60 million in state revenues. Hasenbalg said that we should fight not to let the non-profits be exempt from the tax, and work together to repeal the entire tax as part

of a bigger picture in fighting obesity in the state.

With over \$12 billion being spent annually on state health care expenditures, and 55.3% of New Jersey residents classified as overweight or obese, Corzine is barking up the wrong tree when it comes to state resident health.

Amy Bantham of IHRSA detailed actions that club operators can take now:

- 1) Log on to IHRSA's Industry Leadership Council for updates and other information on how to participate with the group.

2) Educate staff and members, contact everyone you know and say "I need your help".

3) Launch contact campaigns to your legislators to repeal the tax: Write, email, fax and call. Use personal stories and testimonials. For NJ, it's critical to get 10-15 Democrats to support the cause.

4) Try to make


Bonnie Patrick

an appointment to see your legislator.

5) Write letters to your local papers.

6) Hand out fliers to members so they can do the same – this tax impacts them greatly!

Chuck Epstein of Cherry Hill Health & Racquet Club explained he's been trying to get in to see influential Assemblyman Greenwald in

(See New Jersey page 36)



...In Review

continued from page 30

mous vote to be IHRSA's new President/CEO and continue running hard with that torch. Rick and John lit almost 26 years ago. He had actually served on an interim basis since July 1st.

Contributing Author articles: *"Powering Up Your Business" Part III* by **Will Phillips**, *"A Refreshed Approach to an Old Tool"* by **Karen Woodard-Chavez** and *"Stuck In The Muck At Exactly The Wrong Time"* by **Michael Scott Scudder**, were included in June.

Norm's NOTES

June, 2006 • Started with a brief comment about John McCarthy's retirement and cover story. • Wrote about the bad fire at **Todd, Brenda and Faith Pulis's** grand **Thoreau Club** causing significant damage to the men and women's locker rooms. • Following up on comments about the Thoreau Club, I mentioned that right then would be a good time to review your club's insurance policy and mentioned new advertiser **Association Insurance Group, Inc., Ken Reinig's company**. (See AIGI ad on page #15). Right now during the New Year would also be a great time to have your club insurance reviewed and again, I point to the AIGI and to our other insurance company advertiser, **"Fitness and Wellness Insurance's"** ad on page #25 of this issue. Folks, please don't procrastinate. **Protect your business.** Do this and don't get caught short of adequate insurance coverage to cover any disaster that might happen to your club! Please call our insurance company advertisers and get a review and new price quote!

• Commented on

Pat Laus and her staff at her world class **Atlantic Club** and their efforts to produce and participate in the **Avon Walk for Breast Cancer!** •

Commented on my appearances on **Tasso Kiriakie's radio show** on **WNDB1150am radio** in Daytona Beach, where we discussed my new book, **"Leaving FAT City"**. • **Dan Block**, the founder and owner of **InTek Strength** (see ad this month on page #13) as Dan had his second back surgery and we wished

him well and a full recovery.

• Provided access to: www.fitness-business-pro.com and to: www.twincities.com/mid/twin-cities/147202204.htm for reports out of Minneapolis/St.Paul about **Bahram Akradi, Founder and CEO of Life Time Fitness** being arrested for alleged actions involving a problem with a local high school student in the school parking lot. No follow-up information is available now. • **Shawn Vint, Founder and President of FitDV**, now known as **Greenmaple Wellness Communications**, (see ad pg #19) announced that their **Online Magazine** readership in May reached 300,000 people with 1.3 million hits! Quite a guy, this Shawn Vint and what a Team he has with his significant other, **Lynette Flynn**. We featured him as our cover subject in July, 2006. (See July review next). • Announced that **Thomas Plummer** would be the keynote speaker for the **NFTJ/IHRSA Conference** in Las Vegas in September, '06. He and the other speakers did a great job! Check out Thomas Plummer's **new ad** reflecting his **Fitness Alliance with IHRSA on page #11** of this issue. • Mentioned the **Club Industry Show** that was coming up in Chicago in October 11-13, 2006. I also want to mention now that the **Club Industry East** event will be held in **Orlando, Florida** June 6-9, 2007. **CI East** will be held at **Disney's Coronado Springs Resort** in Orlando. The Trade Shows are also always terrific, thanks to **Sam Poso**. **STAY TUNED!** • One of this industry's **greatest philanthropists in his community**, my friend, **Tim Richards**, received two honors: the **Fitchburg State University "President's Award**" and the **"2006 Service Above Self" Award**, award presented by **Mount Wachusett Community College**.

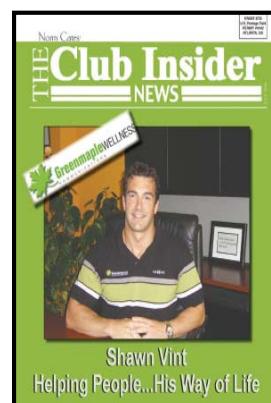
• Thanked my good friend and dynamo, **Donna Krech**, for having me on her **"Fitness Insider" TV show** that is produced by **Oprah Winfrey's Oxygen Network**. Thanks again, Donna, and folks, check out Donna's ad on pg # 21 in this issue. And, thanks Donna for your terrific and insightful articles last

year on **fighting the obesity pandemic!** • Summarized **Mike Uretz's World Gym International 30th Anniversary** celebration activities and listed a long list of honorees. Mike sold WGI, Inc. to **Mike Grondahl's Planet Fitness** last Fall and Grondahl is off and running with big changes and big plans with WGI, Inc. One of the first things that happened, right out of the blocks, is that erstwhile World Gym and big-time wannabe, **Manny Butera**, had his franchise operational license and rights pulled by Grondahl. **STAY TUNED!** • Congratulated my friend, CLUB INSIDER advertiser and all around, good-guy, **Daron "Rocketman" Allen** and **TRACI**, his **new bride**, on their marriage and here wish them lifetime happiness together. And, congratulated my friend, the mate from down under, **Tony deLeede** and his new bride, **Catherine**, on their marriage. Tony is also an advertiser with us so please see Tony's and former wife's, **Gail deLeede's Active XL Promotions** ad, on page 5.

• **Virgin Lifecare** hooked up with **Humana Health Care**. • **Gene LaMott**, now formerly with **Gold's Gym International, Inc.**, proclaimed GGI was at "just over 500 clubs" and would be at 1,000 clubs by 2010. Maybe they will, but it will be without LaMott as he has left GGI. WORD is the new guy, **David Schnabel**, who stepped in as **CEO of GGI, Inc.**, is a smart and highly educated person who really would like to know this industry well. • The lovely **RONALE TUCKER RHODES** announced that the 30+ year publisher of **Athletic Business**, the great guy, **PETER BROWN**, had acquired **Fitness Management Magazine**. Congrats again Pete and Rhonale! • Announced that **Gayle Franger** was named by **Bally Total Fitness** as **Vice President of Corporate and Brand Development**. Now there is someone that has a **tough job given all the challenges at Bally!** • **Star Trac** and **Madd Dog Fitness** renewed their alliance for ten more years. • **Naked tubing** is apparently causing serious eye injuries and in some cases blinding people in clubs. Look out! • **IHRSA**

announced a scholarship, an **IHRSA Institute Scholarship**, was being funded in **John McCarthy's** name. I contributed and will continue to do so. If you're an IHRSA member, you should, too. • **Geoff Hampton**, a long-time industry veteran, announced a **Shifting the Sales Dynamics** seminar to be held in Washington, D.C. area. • My old Rome, New York high school weight lifting and track teammate buddy, **Larry Pacifico**, informed me his son, **Jimmie**, won the **State of Ohio Championships** in both the shot put and the discus throw. Absolutely amazing athlete ... is **Jimmie Pacifico!** Just like his old man! • **TSI** announced its **IPO** which provides terrific growth funding for one of the best club organizations in America.

• **Casey Conrad** announced that **Stacy Giliom** had won **Healthy Inspiration's "Are you inspired?"** essay contest. • A Sonoma County, CA, judge ordered a Santa Rosa health club for women - only to open its doors to men. **STAY TUNED**



July 2006

July, 2006 – Cover Story - Shawn Vint – Helping People His Way of Life

- If you did not read this edition I've just got to tell you this. This young man, Shawn Vint, is a very special person in this world. He was a firefighter in Canada for years. Six years ago, he established a company, **FitDV**, that his buddies in the fire department invested in to help him get started. FitDV, now known as **Greenmaple Wellness Communications**, is an innovative educational company that provides clubs with online educational content for their members. Shawn Vint

is a leading edge thinker and Greenmaple Wellness Communications is a leading edge company in this industry. I watched FitDV/Greenmaple evolve, change and grow and I got to know Shawn well, before I decided to feature him and his company in a CLUB INSIDER Cover story. I am very glad I did because the health club industry today is faced with the challenge of **ADDING VALUE** to health club memberships. When a club owner provides his/her members with an **Online Magazine** every month for free, at the very low amount it costs the club to do so, being involved in the Greenmaple Wellness Communications alliance is a "no-brainer" and everybody wins. The cost of becoming a client with Greenmaple is so low, it's *truly* a "no-brainer" when the decision to do it is made. Just hours after you enroll with Greenmaple you *immediately increase the VALUE* of the club membership you sell, *you differentiate your club from all of your competitors* and you in fact, *give your members the great gift of the opportunity for learning from reading things that will help them get results from your club. Win – Win – Win ...* all at a such a low cost you won't believe it! So, please see Shawn's ad in this issue on page #19 and **contact Shawn Vint's Greenmaple Wellness Team**. You will be glad you did and so will your members and their families.

Contributing Author articles entitled: **Scudder Weighs In On Bally!** by **Michael Scott Scudder**, **"Powering Up Your Business! – Part IV** by **Will Phillips** and **"You Sell a Membership When You Ask."** by **Jim Thomas**. (See Jim's ad on pg #22) And, I published a **"Leaving FAT City"** book update article.

Norm's NOTES

– **July, 2006** • Commented on the IHRSA Board's difficult task that was at hand, choosing a successor for **Big John McCarthy**. • Announced the upcoming **National Fitness Trade Journal** honorees, **Larry Scott**, the winner of the prestigious **2006 Lifetime Achievement Award**, and **Distinguished Service Award** winners, **John Ur-**

(See In Review page 36)

IHRSA's Trade Show is THE Interactive Fitness Experience!



IHRSA's Annual International Convention & Trade Show

March 28-31, 2007 | San Francisco, CA

This is where you can try, sample . . . and buy with show specials and manufacturer incentives you simply won't find anywhere else. Where you can find not one, but two show halls full of the industry's latest products and services designed to get your pulse racing with excitement. Where over 400 companies come together with one purpose in mind — to experience success by association . . . meeting your needs and exceeding your expectations.

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An added bonus to your trade show experience is admission to the three feature presentations of the IHRSA 2007 Convention. Come hear the likes of **Sugar Ray Leonard**, **Frank Luntz**, and **Stephen Lundin**. Seating is limited.

Sugar Ray Leonard

The Power to Win!

Thursday, March 29, 11:00am-12:00pm
Presented by Matrix

Frank I. Luntz, Ph.D.

Most-Quoted Pollster in America

Focus on Your Company
Friday, March 30 | 11:00am-12:00pm

Stephen Lundin, Ph.D.

Top Performer: A Bold Approach to Sales & Service

Saturday, March 31 | 9:00-10:00am
Presented by CMS International

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To register, visit IHRSA2007.org or call 800-228-4772 (US/Canada) or +1-617-951-0055 (international). Visit ihsra.org/showpass or fill out the pass enclosed with this issue. Full registration rates are available at ihsra.org/convention.

...Donna Krech

continued from page 32

eating. It allows for consumption from all categories and, most importantly, includes real food, bought at a grocery store or restaurant. This is the food we all eat every day. **Keep it simple--- make sure the program you sell (1) does not starve you, (2) allows you to keep the weight of permanently, (3)**

allows you to choose the food you want to eat, and (4) gives you support when you need it.

So What's the Right Solution?

The skinny on weight loss programs is this: we need each other and need to be eating real food. We are a social group—we are human beings. We need other

people to provide support, skill, knowledge and education that we don't have on our own. The best eating plan solution is the one where your members are given support when they need it. Internal marketing kicks into gear well here, because people find it easier and faster when they lose weight with a friend, so referrals are almost automatic.

With regard to food,

the best plan by far is one that includes your members' favorites. Get creative with recipes. There is absolutely nothing that can't be enjoyed in a healthier and still ultra delicious way. There are multiple places available. I'll extend the invitation to visit www.thinandhealthy.com for completely FREE weekly recipes for enjoying the foods you love.

Keep it simple---

make sure the program you sell (1) does not starve you, (2) allows you to keep the weight off permanently, (3) allows you to choose the food you want to eat and (4) gives you support when you need it.

(Donna Krech is the Founder and President of Thin & Healthy Total Solutions® and may be reached at: (419) 991.1223.)

...Bonnie Patrick

continued from page 26

Improving Motivation

- These are internal influences for our staff. Each has different needs that ignite inspiration. Do our department managers know how to find that spark and how to keep it lit for each staff person? Recognition and celebrations can help motivate staff and members.
- Analyzing compensation and incentives is another

factor for motivation. The Conference Board published a study detailing the primary causes of low performance by staff. The top cause is poor or insufficient performance feedback, followed by high individual stress levels and no performance standards or goals. Compensation was the lowest influencing factor. That's not to say it's not important, rather there are also other ways to keep the drive in our teams.

- Counseling can elicit motivation, as a negative is

corrected with a positive result.

Improving Wellness

- Our industry is not exempt from work/life balance and health issues. Are our teams "on their game", or is something else going on that is holding them back? Are they distracted with outside things going on in their lives? A sick parent or child, financial worries, and their own health issues can detract from full performance. Consider programs

to help support employee needs such as these.

Start 2007 off on the right foot. Take a look under the hood of your club's operations. This can be the most effective investment you can make for your members, your staff, and your business.

NASA has a saying posted on the walls in the halls of their facilities that is a good mantra for any business:

DO IT. DO IT RIGHT. DO IT RIGHT NOW.

(Bonnie Patrick Mattalian is a

23-year industry veteran specializing in staff development and operational systems and strategies for commercial clubs, medical fitness centers and day spas. Recently certified as a Human Performance Improvement Practitioner, she is the President of the Club & Spa Synergy Group, a network of specialists providing turn-key performance solutions for existing facilities, growth opportunities and start ups. Contact Bonnie at (732)236-2273 or bmattalian@clubsynergygroup.com. www.clubsynergygroup.com)

...Shawn Vint

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what they've always done... it's safer. When a strategy or tactic is straying off course, follow through these three steps again. These three steps form the basis of a 'continuous improvement'

mentality. Once your staff see that mistakes are an accepted part of growing, and in this positive growth climate unavoidable, you will unleash a tremendous deluge of talent, of wills and of the success that is born of common cause.

Success in 2007

Success in 2007 is within your grasp. It isn't easy, but neither is it unreachable. The above approach has helped our company tremendously over the last five years, and will I'm sure, make 2007 our best year yet.

I hope it helps bring some fresh insight to whatever situation you find your club during this moment of renewal and hope.

(Shawn Vint is the founder and president of Greenmaple Wellness Communications, the industry's leader in web-

site health and wellness content, sales follow up and retention programs using simple, effective email campaigns designed around their award winning Online Magazine. Shawn can be reached at hawn@greenmaplewellness.com or by calling toll free 1-888-355-1055)

...In Review

continued from page 34

mston, Chris Henno, Dean Kato, Gregg Maloley and Al Rousseau. • Shared the good news (for Paul To-back) that he had received a total compensation package for 2005 of **\$3.71 million** after the company lost only **\$9 million**, following losses in 2004 of **\$30.3 million** and 2003 of **\$106 million**. Let me know please if anybody out there has a job like that and needs a good man.

- Commented on "fast-burner" **Daniel Morrissey, of Xsport Fitness** and their aggressive and

amazing growth of the company. **STAY TUNED!**

- Urged folks to go to Chicago for the **Club Industry Show** and while there, see the amazing **East Bank Club**.
- Mentioned **Colin Milner's ICAA (International Council On Active Aging)** great work and upcoming convention in Las Vegas. (Colin and his ICAA was our November, 2006) cover story.
- Wrote about my good, long-time industry friend, **RAY GORDON, the Founder and President of Sales Makers** and his dedicated work helping build schools in the oppressed country of Rowanda. Later, in Chicago at the

Club Industry Show, RayBob showed me his photos from that amazing trip. What they accomplish in just a couple of weeks is totally amazing and very meaningful work.

- **Sport & Health** in D.C. appointed **Mitch Baskin** as its **Senior V.P. of Fitness** and **Mark Fisher** as **V.P. of Operations**.
- Announced that **Joe Knollenberg (R-MI)** had introduced the **Preventive Medicine for a Healthier America Act of 2006 (HB5657)**.
- Shared news that former **IHRSA Director of International Operations, John Kersh**, added two investors of importance and power to his **Citrus**

Gym, formerly GO! 30-Minute Workout team, **Tom Behan** and **Mark Smith**.

- Mentioned that industry vet and friend, **Tom McCarthy**, is now selling high end real estate in Naples, Florida. If you're headed there and need help call **Tom at: 800.692.4594**.

- Shared the news that cool guy and Canadian industry veteran achiever, **Clive Caldwell's Club Sportif-MAA**, had been honored by **Reader's Digest Magazine**, very popular in Canada, as the #1 fitness club in the Canada.
- **Gary and Diane Heavin** gave \$100,000 to the American Diabetes Association at a **Chicago White Sox** game. Diane Heavins threw out the first ceremonial pitch after 3,000 Curves franchisees marched around the field.

- Congrats again to **all Pennsylvania club owners** who defeated, with the help of **IHRSA's Helen Durkin**, a sales tax on health club membership. **STAY TUNED!**

Next month I will review the months of August through December, 2006. In the mean time...

Happy New Year!

- Norm Cates, Jr.

...New Jersey

continued from page 33

South Jersey for quite some time. There was mention of getting groups together to attend when the issue goes to committee hearings.

It was also mentioned

that we need the larger club chains to participate in this initiative. There was only one at the meeting. These efforts will be most successful by all of the clubs in the State working together.

There will be another meeting scheduled in the

near future for updates and next actions. This is only the tip of the iceberg. In the future, the group also plans to work together to help develop and support legislation that encourages state residents to exercise by creating incentives for individuals and

corporations and to work on other initiatives to increase

participation in healthy lifestyles.

MAKE IT FUN!

...Insider Speaks

continued from page 10

tion from another country markets directly TO YOUR DIVAS, the same people who now control thousands of your club's high per square foot income group exercise programs. They sell your "Divas" on being "big rock-stars!" They sell to your Divas' egos. They sell the sizzle, but not the meat. And THEN ...your wannabe rock-star-diva's sell YOU and you BITE! You BITE on their pitch because you don't want the hassle of really doing it right. And, since they are already sold on being rock-star-divas by this company that's from a far away country and not from the good old USA, you are screwed! I would call some of you club owners who have signed up with this non USA company out there suckers, but that wouldn't be nice, would it? So, let me call you temporarily misguided. I also say, hey, I am trying to help YOU here, so don't cuss me!

Right now in the U.S., only about 1,400 of 29,000 commercial health clubs have professionally produced group exercise programs – **a meager 4.8 percent!** That means that **95.2%** of the U.S. clubs either are subject to **"Diva Rule"** or have no group exercise in their clubs at all. I estimate there are at least 20,000 clubs who could greatly increase their membership, their daily club traffic and their income per square foot with professionally done group exercise programming.

And, that increase in income will come at much less of a cost than the cost of equipment.

But, if you look at clubs across the world, virtually all of them are covered up with equipment. And, at the same time, many of those clubs are misusing rented or owned space with DIVA, group exercise programmers. (Most with zero management and marketing training or expertise.)

For **PROFIT** in the future, this industry badly needs to reach a **much better balance** in space utilization and increased income per square foot!

Group exercise programming, professionally done ... is clearly **ONE of the very best solutions** to achieving a higher income per square foot balance in your club.

Rich Boggs ... the Single Most Knowledgeable Expert In Group Exercise Income Production In This Industry

The worldwide single most knowledgeable expert in this industry on how to increase your club's income per square foot from group exercise, is **Rich Boggs**, the **Founder and CEO of Body Training Systems**.

Rich Boggs and his partner, **Ray Irwin**, have been around for a long time. As partners, Rich, Ray, me and one other fellow, developed a chain of 9 racquetball clubs called Courtsouth in the mid - 1970's and served 90,000 members. We separated that partnership in May, 1981. Since then they built and had the single BEST club chain in the Southeast, Sports-life, with 7 Atlanta locations. **These guys are rock solid. They are honest. They are dependable.**

In 1989, they invented and patented the original STEP and have sold and continue to sell the STEP to over 20,000 clubs. (See their STEP ad on pg. 6) From that STEP venture alone, they generated over \$60 million in sales.

Rich Boggs and now **BTS President, Terry Browning**, have truly made a science of this group exercise challenge. They have a client list with truly some of the best club operators in America.

They have some really great group exercise success stories amongst their clientele. Take, for example, **Gordon Johnson**, the owner of **three big Gold's Gyms** and **Jim and Susan Viars**, also the owners of **three mega-Gold's** in the Atlanta area.

When you hear what these two operators are doing with group exercise daily traffic and revenue per square foot income and in six hugely successful Gold's Gyms you will truly realize and understand what I am saying here is very important to you.

Check out the BTS

ad on our inside back page about their brand new and terrific (I know because I've taken one of these classes)

Group Active program rolling out across the USA this month. To **really learn about revenue per square foot generation from the best**, contact **Rich Boggs or Terry Browning at BTS**. I guarantee you will see the light when they share Gordon Johnson's and the Viars' numbers. You will very clearly see the difference in the two options now available for professional group exercise programming, management and marketing.

A "New Balance"

But, no matter what, realize **this industry badly needs a new balance**. (Not the shoes!) It needs to begin to **truly tap** into the relatively new for this U.S. industry, best source of professionally produced group exercise programs.

The dollar per square foot income for group exercise, compared to income production per square foot for space used for fitness equipment is much greater. And again, the cost for group exercise income increases is far less than that for equipment. This is a big key to future profits as your club income will increase while you work on cutting the big costs of fitness equipment and space and staffing for it.

The professionally produced, managed and marketed group exercise programming by **Body Training Systems will increase your club's PROFIT**.

Folks, as absolutely always, this writing to you today is from my mind after great study and from my heart. What you do with it is entirely up to you and I wish you great results in your efforts to **increase your club's profit or begin to earn profit, if you are not already**.

The truth is a whole lot of you are spending huge sums of very valuable capital, in some cases capital you don't even have, thus putting you in huge debt, on fitness equipment that you don't need to make a profit.

That very same money, **if spent with the rest of IHRSA's - 400+ Associate Members** and other conven-

tion vendors in San Francisco in March, 2007, could help your club truly surge into the **PROFIT zone** during 2007.

I hope you will go to IHRSA San Francisco March 28 thru 31, 2007. **Save some of your money and your credit and use it to buy from the 400+ small, innovative IHRSA vendors who do have PROFIT for YOUR CLUB(S) as one of their primary motivators.** You will be glad you did within one year or most likely less. And sure, visit and buy from the big equipment manufacturers. They absolutely do have great, great products. But, study hard and buy what you need, not **WHAT THEY TELL YOU THAT YOU NEED!**

Those words from Dr. Stephen Blair have rung loudly and incubated in my mind since that day in March 26, 2006. I concluded during the Holidays, *after I had carefully thought through all of this for each of you who own clubs, that I simply had no choice whatsoever and absolutely HAD to deliver this message to each of you today.*

The real professionals amongst the big manufacturers will deal with this message appropriately. The rest won't.

But, the real solution providers for your club will be on the sides and toward the back of the IHRSA show this year! They will show you hundreds of new ideas and innovations that will bring **PROFITS to your**

club and your life. Perhaps, for the first time. **Go see the small exhibitors first. And, please be to sure see and buy from our CLUB INSIDER News advertisers listed this month on page #4.** I know them well. They **all** have **your PROFITS** in mind.

- Norm Cates, Jr.
The CLUB INSIDER News

(Norm Cates, Jr. is the Founder of CLUB INSIDER News and publisher since 1993. Cates is a 33-year veteran of the health, racquet and sportsclub industry. In 1981 Cates was the

1st President of IHRSA and a co-founder of the Association with Rick Caro and five others. He was honored by IHRSA in March, 2001 when he was presented with its DALE DIBBLE Distinguished Service Award ... an honor that was the greatest of his life. Norm Cates may be reached at: 770.850.8506 or at: normcates@leavingfaticity.com Look for Norm Cates' new book in print in the first quarter of 2007 as Cates is now beginning the process of revising and updating the book before printing by March. To view the **"Leaving FATICITY"** chapter list and information about the author go to: www.leavingfaticity.com

To communicate your own suggestions for this book's final content, email your thoughts and suggestions to: normcates@leavingfaticity.com)

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